ANNUAL REPORT 2025

VHV GROUP /

KEY FIGURES

GROUP	2025	2024
Number of contracts (million)	12.9	12.8
Gross premiums earned (EUR million)	4,481.7	4,147.2
Net technical reserves (EUR million)	14,768.0	14,657.2
Investments (EUR million)	18,220.9	17,197.9
Net income from investments (EUR million)	455.4	443.3
Consolidated net income (EUR million)	194.8	138.5
Equity excluding non-controlling interests (EUR million)	2,911.0	2,824.1
Balance sheet total (EUR million)	19,982.3	19,165.4
Average number of employees	4,588	4,387

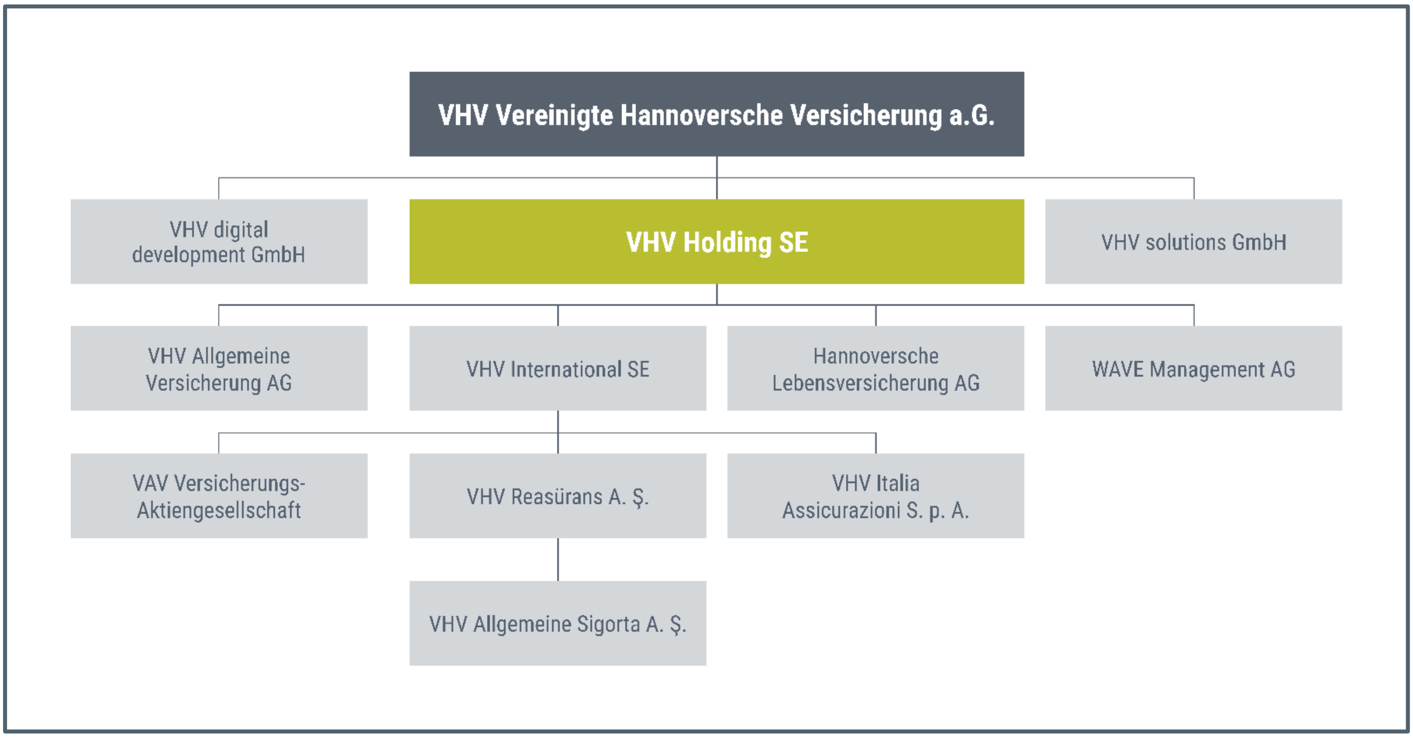
PROPERTY-CASUALTY INSURANCE	2025	2024
Number of contracts (thousands)	11,734.6	11,663.7
Gross premiums earned (EUR million)	3,452.0	3,132.3
Net premiums earned for own account (EUR million)	3,272.7	2,956.1
Claims ratio (in %)[1)]	71.9	71.8
Expense ratio [insurance operating expenses] (in %)[1)]	22.3	22.6
Combined Ratio (in %)[1)]	94.3	94.3
Gross technical reserves (EUR million)	5,806.7	5,507.8
Net technical reserves (EUR million)	5,502.7	5,167.5
Technical earnings for own account (EUR million)	74.0	76.1
Investments (EUR million)	7,993.6	6,918.2
Net income from investments (EUR million)	205.2	175.8

1) Figures given as percentages refer to gross premiums earned

KEY FIGURES LIFE INSURANCE	2025	2024
New contracts		
Insurance contracts (thousands)	73.8	78.5
Sum insured (EUR million)	17,435.6	16,742.3
Regular premiums for one year (EUR million)	62.2	61.7
One-off premiums (EUR million)	212.7	200.8
Total premiums (EUR million)	1,774.3	1,745.9
Insurance portfolio		
Insurance contracts (thousands)	1,149.2	1,139.7
Sum insured (EUR million)	160,013.8	150,652.6
Regular premium for one year (EUR million)	807.8	801.5
Premium revenues		
Net premiums earned (EUR million)	1,029.7	1,015.0
Premiums from the reserve for premium redemption (EUR million)	11.6	7.3
Benefits in favor of policy holders		
Payouts made for insurance benefits (EUR million)	1,027.1	1,085.0
Payouts made for bonuses (EUR million)	395.6	394.8
Benefits reserved for policy holders		
Gross actuarial reserves (EUR million)	7,928.9	8,199.4
Net actuarial reserves (EUR million)	7,923.3	8,194.6
Reserve for premium redemption (EUR million)	728.1	713.2
Surplus credit (EUR million)	261.3	283.4
Portfolio of investments (EUR million)	10,299.7	10,430.4
Net income from investments (EUR million)	263.7	292.6

GROUP STRUCTURE*)

GROUP OVERVIEW AS AT 31 DECEMBER 2025



The Group structure is part of the consolidated management report.

ANNUAL REPORT 2025

VHV GROUP

VHV GROUP

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PREFACE

Ladies and Gentlemen,

The year 2025 was dominated by a volatile overall economic environment. The uncertainties of previous years remained key factors – geopolitical tensions, structural challenges in key industries, and continued significant pressure, particularly in Germany, due to high energy and labor costs shaped the environment. Businesses and consumers continued to act cautiously: savings rates rose, while the willingness to spend declined.

The insurance industry also operated in a demanding environment in 2025. The markets were characterized by persistently rising claims expenses, in particular as a result of inflationary effects and increased repair and construction costs, as well as intense competition. At the same time, customer expectations regarding service, digitalization, and product flexibility continued to grow. Against this backdrop, aligning with a clear strategic focus was once again crucial for business success.

Successful Business Performance of the VHV Group

In this challenging environment, the VHV Group once again performed very successfully in the financial year 2025, thereby further strengthening its future viability. With earned gross premiums of nearly EUR 4.5 billion, we achieved a new record level on a Group basis. We particularly appreciate that, despite the continuing demanding market conditions, we were successful across all business segments and were able to further expand our positions both nationally and internationally.

In the German property-casualty business, we were able to increase gross earned premiums by just under 11 percent, thereby exceeding the 3 billion euro mark for the first time. In addition, we succeeded in further improving the combined ratio while simultaneously strengthening our technical reserves. Even in the motor vehicle insurance segment, which is under particular pressure due to external factors, profitability could be improved once again while maintaining the same number of contracts.

In the life insurance segment, we were able to expand our market share in term life insurance and disability insurance for the self-employed in terms of premium income, despite a challenging market environment. In our existing portfolio, we recorded slight growth in both the number of contracts and premium income. Our rates in the biometrics segment received top ratings from leading rating agencies in 2025, confirming the quality and attractiveness of our products.


Thomas Voigt, Chairman of the Board of Directors

The VHV Group's international business also performed well. Gross premiums earned grew to over half a billion euros, while profitability improved once again. The international business is thus making a positive contribution to the Group's annual results and confirms the strategic importance of our international expansion.

Our investments also performed well again in the financial year 2025 and strengthen the Group's earnings. In addition, we achieved important milestones in our digitalization projects, which will have a lasting positive impact on the customer experience.

The VHV Group's successful growth is a reflection of our long-term strategic alignment and consistent implementation, combined with disciplined control of our business, our high level of adaptability and capacity for innovation, and the strong commitment of our employees. We would like to express our sincere gratitude to all of them, as well as to our partners in the market.

Forecast 2026

For 2026, we continue to expect a demanding market environment characterized by ongoing uncertainties. Economic and political conditions, regulatory developments, and the ongoing structural transformation in many industries will continue to pose challenges for the insurance industry. The VHV Group will consistently continue on its chosen course and further build on its strengths as a specialized insurer. With a clear strategic focus, a sustainable business policy, and the commitment of our employees, we believe we are well-equipped to succeed in 2026 and achieve our targets. We therefore look forward to the coming challenges and opportunities with confidence.

With kind regards,
on behalf of all members of the Management Board and the Managing Directors

Thomas Voigt,
Chairman of the Management Board
VHV Vereinigte Hannoversche Versicherung a.G.

LIST OF ABBREVIATIONS	
AG	Aktiengesellschaft (stock corporation)
AGG	Allgemeines Gleichbehandlungsgesetz (General Equal Treatment Act)
AktG	German Stock Corporation Act
ALM	Asset-Liability-Management
AltZertG	Act on the certification of retirement and basic pension plans (Pension Plan Certification Act)
ArbZG	Arbeitszeitgesetz (Working Hours Act)
BaFin	German Federal Financial Supervisory Authority, Bonn and Frankfurt/Main
BCM	Business Continuity Management
BEEG	Bundeselterngeld- und Elternzeitgesetz (Act on parental allowance and parental leave)
BEM	Betriebliches Eingliederungsmanagement (operational integration management)
BGB	German Civil Code
BGBI	German Federal Law Gazette
BP	Basis of Preparation
CapEx	Capital expenditure
CCA	Climate Change Adaptation
CCBS	Climate, Community & Biodiversity Standard
CCM	Climate Change Mitigation
CDM	Clean Development Mechanism
CO2	Carbon dioxide
CSRD	Corporate Sustainability Reporting Directive
DAV	Deutsche Aktuarvereinigung e.V., Köln (German Actuarial Society, Cologne)
DAX	German stock index
DeckRV	Ordinance on the calculation basis for actuarial reserves (German Actuarial Reserve Ordinance)
DNSH	Do no significant harm

LIST OF ABBREVIATIONS	
DORA	Digital Operational Resilience Act
ECB	European Central Bank, Frankfurt/Main
EFRAG	European Financial Reporting Advisory Group
EGHGB	Einführungsgesetz zum Handelsgesetzbuch (Introductory Law to the German Commercial Code)
EIOPA	European Insurance and Occupational Pensions Authority, Frankfurt/Main
ESG	Environmental, Social, Governance
ESGC	ESG-Committee
ESRS	European Sustainability Reporting Standards
EStG	Einkommensteuergesetz (Income Tax Act)
EU	European Union
Eucon GmbH	Eucon GmbH, Münster
EUR	Euro
e. V.	eingetragener Verein (registered association)
EVIC	Enterprise Value Including Cash
FAQ	Frequently Asked Questions
FCP	Fonds commun de placement
Fed	Federal Reserve System
FMA	Austrian Financial Market Authority,Vienna
FNG	Forum Nachhaltige Geldanlagen (Sustainable Investemnt Forum)
GDV	Gesamtverband der Deutschen Versicherungswirtschaft e.V., Berlin (German Insurance Association, Berlin)
GesmbH	Gesellschaft mit beschränkter Haftung (limited liabiltiy company)
GHG	Greenhouse Gas
GmbH	Gesellschaft mit beschränkter Haftung (limited liabiltiy company)
GOV	Governancy

LIST OF ABBREVIATIONS	
GSN	German Sustainability Network
HGB	German Commercial Code
HL	Hannoversche Lebensversicherung AG, Hannover
HR	Human Resources
HRB	Handelsregister Abteilung B (Commercial Register, section B)
HsW Holding	HsW Holding GmbH, Everswinkel
HUR	Haftpflicht- und Unfallrenten (liability and accident annuities)
IC	Investment Committee
ICS	Internal Control system
IDD	Insurance Distribution Directive
IDW	Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany)
IE	Infrastructure Equity
ILO	International Labor Organization
InterEurope AG	InterEurope AG European Law Service, Düsseldorf
InterEurope Beteiligung	InterEurope Beteiligung GmbH, Hannover
IRO	Impacts, Risks and Opportunities
ISMS	Informationssicherheitsmanagementsystem (information security management system)
ISO	International Organisation for Standardization
IT	Information technology
JArbSchG	Jugendarbeitsschutzgesetz (Youth Employment Protection Act)
KPI	Key Performance Indicator
KWG	Kreditwesengesetz (Banking Act)
kWh	Kilowattstunde (kilowatt hour)
LkSG	Lieferkettensorgfaltspflichtengesetz (Act on supply chain due diligence)
LULUCF	Land Use, Land Use Change and Forestry

LIST OF ABBREVIATIONS	
MDR	Minimum Disclosure Requirements
MDR-A	Minimum Disclosure Requirements – Actions
MDR-M	Minimum Disclosure Requirements – Metrics
MDR-P	Minimum Disclosure Requirements – Policies
MDR-T	Minimum Disclosure Requirement – Targets
MGA	Managing General Agent
MinStG	Gesetz zur Gewährleistung einer globalen Mindestbesteuerung für Unternehmensgruppen (Mindeststeuergesetz) (Act on a global minimum tax for corporate groups (Minimum Tax Act))
MSCI	Morgan Stanley Capital International
MuSchG	Mutterschutzgesetz (Maternity Protection Ac)
MWh	Megawatt hour
NFRD	Non-Financial Reporting Directive
NGFS	Network for Greening the Financial System
NPS	Net Promoter Score
OECD	Organisation for Economic Co-operation and Development
OHM	Occupational Health Management
ORSA	Own Risk and Solvency Assessment
PCAF	Partnership for Carbon Accounting Financial
PDCA	Plan-Do-Check-Act
PE	Private Equity
Pensionskasse	Pensionskasse der VHV-Versicherungen, Hannover (pension fund of VHV-Versicherungen, Hannover)
PRI	Principles for Responsible Investment
PSI	Principles for Sustainable Insurance
PV system	Photovoltaic system
R. C. Décennale	Responsabilité Civile Décennale

LIST OF ABBREVIATIONS	
RechVersV	Ordinance on accounting by insurance companies (German Insurance Companies Accounts Regulations)
RfB	Rückstellung für Beitragsrückerstattung (reserves for premium refunds)
S&P	Standard & Poor's
S.p.A.	Società per azioni
S.r.l.	Società a responsabilità limitata
SBM	Strategy, Business Model and Value Chain
SDG	Sustainable Development Goals
SE	Societas Europaea
SGB	Sozialgesetzbuch (Social Code Book)
SHU	Sach-, Haftpflicht-, Unfallversicherung (property, third-party and casualty insurance)
SICAV	Société d'investissement à capital variable
SIF	Specialised Investment Fund
SWRV	Schwankungsrückstellungs-Verordnung (Equalization Reserve Regulation)
TCFD	Task Force on Climate-related Financial Disclosures
TEUR	Tausend Euro (thousand euro)
TÜV	Technischer Überwachungsverein (Technical Supervisory Association)
UK	United Kingdom
UN	United Nations
URCF	Unabhängige Risikocontrollingfunktion (independent risk management function)
US	United States
USA	United States of America
USD	US Dollar
VAG	Gesetz über die Beaufsichtigung der Versicherungsunternehmen (Insurance Supervisory Act)
VAV	VAV Versicherungs-Aktiengesellschaft, Vieanna / Austria
VHV a.G.	VHV Vereinigte Hannoversche Versicherung a.G., Hannover

LIST OF ABBREVIATIONS	
VHV Allgemeine	VHV Allgemeine Versicherung AG, Hannover
VHV Assicurazioni	VHV Italia Assicurazioni S.p.A., Belluno / Italy
VHV Assurance France	VHV Assurance France, Paris / France
VHV digital development	VHV digital development GmbH, Hannover
VHV digital services	VHV digital services AG, Hannover
VHV Holding	VHV Holding SE, Hannover
VHV International	VHV International SE, Hannover
VHV Konzern / VHV Group	VHV Vereinigte Hannoversche Versicherung a.G. / Group, Hannover
VHV Re	VHV Reasürans A.Ş., Istanbul / Turkey
VHV Sigorta	VHV Allgemeine Sigorta A.Ş., Istanbul / Turkey
VHV solutions	VHV solutions GmbH, Hannover
VMF	Versicherungsmathematische Funktion (actuarial function)
VO	Verordnung (ordinance)
VVH	VVH Versicherungsvermittlung Hannover GmbH, Hannover
WAVE	WAVE Management AG, Hannover
ZDB	Zentralverband des Deutschen Baugewerbes e.V., Berlin (Central Association of the German Construction Industry)
ZZR (AIR)	Zinszusatzreserve (additional interest reserve)

GLOSSARY*)

A

Actuarial interest rate
The actuarial interest rate is a calculation basis for calculating premiums and actuarial reserves in life insurance. The maximum permissible actuarial interest rate for actuarial reserves in new business is specified in the DeckRV.

Actuarial reserves
Actuarial reserves are the obligations arising from a life insurance contract or another contract providing long-term insurance protection.

Additional interest reserve (SIR)
Additional reserve prescribed by law for life insurers, which provides for a forward-looking increase in reserves with regard to periods of low interest income. The amount of the additional interest rate reserve depends on a reference interest rate. If the reference interest rate falls below the actuarial interest rate of a contract, an additional interest rate reserve is created. Conversely, if the reference interest rate increases, the additional interest rate reserve is gradually reversed. The method for calculating the reference interest rate is regulated in the German Actuarial Reserve Ordinance (DeckRV). In 2018, the so-called corridor method was introduced, which moderates changes in the reference interest rate and thus both the accumulation and the subsequent reversal of the additional interest reserve.

Annual premium equivalent
Total of continuous new business premiums and one-tenth of the new business one-off premiums.

Average premium
The average premium is the ratio of premiums earned to the number of contracts at the end of the year.

Average claims expenditure
The average claims expenditure is the ratio of claims expenses to reported claims.

B

Basic participation in valuation reserves
The basic participation in valuation reserves is part of the policy holders' surplus allocation in life insurance. The basic participation is the declared minimum participation in the valuation reserve.

Business-year claims expenditure
The business-year claims expenditure is the total claims expenditure including claims settlement expenses for claims incurred in the financial year including unknown late claims.

Business-year claims ratio
The business-year claims ratio is the ratio of business-year claims expenditure to premiums earned expressed as a percentage.

C

Cancellation rate
The cancellation rate indicates the percentage of insurance companies' contracts cancelled or exempted from payment of premiums before the end of the contract.

ChatGPT
ChatGPT is a chatbot developed by the U.S. software company OpenAI that allows users to communicate via text-based messages and images. It is based on a large language model.

Claims ratio (settled/on-balance-sheet)
The claims ratio (settled/on-balance-sheet) is the percentage of earned premiums represented by expenses incurred during the financial year for insurance claims, including expenses from the settlement of claims incurred in previous years.

Claims ratio
Ratio of expenses for insurance claims to earned premiums.

Cloud
Cloud computing (in short: cloud) describes a model that provides shared computing resources as a service, such as servers, data storage, or applications, on demand, quickly, and with minimal effort, and bills users based on usage.

Combined ratio
The combined ratio is the ratio of insurance operating expenses and claims expenses (including processing) to premiums earned.

Current average interest
The current average interest is defined as the ratio of current income from investments, less current expenses for investments, to the average investments at the beginning and end of the year.

Current income from investments
Current income from investments refers to ordinary earnings such as dividends, coupon payments, and interest. Other income from investments, which is realized through reversals or the sale of securities, is not covered in this definition.

Customer experience
The customer experience describes the customers' overall experience with a company. All experiences at the various points of contact with the company are taken into account.

D

Deposit account receivable/payable
Deposit of collateral with the primary insurer by the reinsurer.

Direct deposit
Form of surplus allocation for policy holders where the amounts are paid out directly from the net profit for the year and allocated to policy holders without their being previously allocated to the reserve for premium refunds.

Direct-written insurance transactions
Insurance business concluded directly with the policy holder.

E

Effective interest method
Discounting the expected cash flows over the entire life cycle of a financial asset or financial liability using the effective interest rate.

Expense ratio
The expense ratio corresponds to the ratio of the personnel and non-labor cost to the gross premiums.

Equalization reserve
Technical reserve in property-casualty insurance and in reinsurance that is created to offset volatilities in the development of claims in the annual financial statements prepared in accordance with German commercial law.

Equity exposure
Equity exposure is the ratio of equites held taking into account any equity derivatives and the total portfolio of investments at market value.

Expenses for insurance operations
Expenses incurred by an insurance company in connection with the operation of its insurance business. The reported expenses relate either to the conclusion or to the administration of the insurance transactions.

Expenses for insurance claims
Expenses for insurance claims include payments made during the financial year for insurance claims as well as the change in the reserve for insurance claims not yet processed.

F

Final surplus share
The final surplus share refers to the policy holders' surplus allocation in life insurance, which is not granted until the end of the term of the insurance contract. The final amount is not definite until the year in which the contract ends and may be subject to significant fluctuations in the preceding years.

G

Gross Domestic Product
The gross domestic product represents the total value of all goods and services produced within the boundaries of a national economy in a given year for final consumption. In the calculation, goods that are not used directly but are warehoused are accounted for as a change in inventories.

Gross new investment
Gross new investment refers to the total additions to a balance sheet item within a financial year.

Guarantee assets
Portion of an insurance company's assets designated to secure policy holders' claims in the event of insolvency.

H

Hidden reserves
Components of a company's equity that do not appear on the balance sheet and can arise from either an undervaluation of assets or an overvaluation of liabilities.

GLOSSARY

I

In-house bank
The Group companies settle internal receivables and payables centrally through VHV Holding. This allows for a reduction in external bank fees and enables surplus liquidity from individual Group companies to cover the current financing requirements of others.

Insurance transactions assumed in reinsurance coverage
Insurance transactions assumed from a primary insurer or reinsurer in reinsurance coverage.

M

Management expenses
All expenses incurred for the ongoing management of the insurance portfolio.

Management expenses ratio
The management expense ratio is the ratio of management expenses to gross premiums earned.

Multi-cloud approach
A multi-cloud approach refers to the strategic use of multiple cloud services from different providers within an organization. The target is to combine the respective strengths of various cloud platforms, optimally meet business requirements, and simultaneously reduce dependence on individual providers. This enables companies to operate more flexibly, better distribute risks, and leverage technological diversity in a targeted manner.

N

Net asset value
Value of all tangible and intangible assets of a company or investment fund, less all liabilities.

Net promoter score
The net promoter score for employee satisfaction is a method for measuring how likely employees are to recommend their employer to friends and acquaintances. According to the methodology, any score above 0 is considered an acceptable result. The higher the score above 0, the more loyal and engaged the employees are. A score of 100 is the best possible result. In this case, all employees rate their employer with a 9 or 10. A negative Net Promoter Score indicates that there are more negative than positive reasons within the company in question.

Net result from investments
Income from investments, less expenses for investments produces the net result.

Net interest
Net interest is defined as the ratio of all income from investments less investment expenses, and the average value of investments at the beginning and end of the year.

Non-technical result
The balance of income and expenses that cannot be directly attributed to the insurance transactions.

O

Operating costs ratio
The operating costs ratio is the ratio of gross operating expenses (expenses for insurance operations) relative to gross premiums earned as a percentage.

Own funds
The total of unencumbered assets used to cover the solvency and minimum capital requirements.

P

Premiums
Premiums written represent gross revenue from the premium business and include premiums paid by customers for the corresponding insurance products. Premiums earned include premiums attributable to the financial year, plus amounts carried forward from the previous year and less premiums carried forward to subsequent years.

Productivity
Productivity corresponds to the ratio of processed contracts to internal and external employment levels.

Profit participation
The life insurance policy holders participate in the profits in their entirety in accordance with the statutory requirements. The profits attributable to policy holders are allocated to the reserve for premium refunds or credited directly to the insurance contracts entitled to profits (direct deposit). The profit participation consists of current profit shares, final profit shares and participation in the valuation reserves.

Profit segmentation
In the profit segmentation, the gross profit is broken down by source. As part of the post-calculation process, profit segmentation thus provides information as to the source of the surplus. For each source of profit, the actual business development is compared with the calculation parameters used to determine the premiums.

Projected unit credit method (PUC method)
This is an actuarial measurement method for occupational pension obligations where only the part of the obligation that has already accrued at each measurement date is measured.

R

Ransomware
Ransomware, also known as extortion Trojans, extortion software, or encryption Trojans, are malicious programs that allow an attacker to prevent the computer owner from accessing, using, or even using the entire computer system.

Real estate ratio
The real estate ratio is the ratio of all real estate investments to the total volume of investments.

Reinsurance
Contract or contracts that involve the transfer of technical risk and which a (primary) insurance company concludes with another insurance company.

Reserves for premium refunds
This is a technical reserve that shows policy holders' claims to future surplus allocations, to the extent that such claim have already arisen based on reported surpluses or exists independently of this due to legal obligations.

Reserves for insurance claims not yet processed
This is a technical reserve. It is established for claims that have occurred by the balance sheet closing date but have not yet been processed.

Retention ratio
Ratio of net premiums written to gross premiums written.

Risk-bearing capacity
Risk-bearing capacity is the ability of a company to cover unexpected losses arising from the risks it has assumed at a defined level of security. If the own funds exceeds the required risk capital, the company has the necessary risk-bearing capacity. Risk-bearing capacity is defined as the coverage of the required risk capital by the own funds.

S

Settlement
Settlement is the difference between the claims reserves established in previous years and the claim payments made during the financial year, as well as the new claims reserves established during the financial year.

Solvency
Solvency is an insurance company’s endowment of resources that serve to cover the risks of insurance transactions and consequently to secure policy holders’ claims even in the event of unfavorable developments.

Solvency II
Solvency II is the current supervisory regime that among other things defines enhanced solvency requirements for insurance companies/groups based on a comprehensive risk assessment. The starting point is the solvency balance sheet, in which assets and liabilities must be recognized at fair value. In addition, Solvency II comprises extensive qualitative requirements for the governance system and enhanced reporting obligations for insurance companies and Groups.

Strategic asset allocation
Strategic asset allocation refers to the target weightings of the individual investment categories. The strategic asset allocation ensures that sufficient account is taken of the long-term objectives for the specific structure of the portfolio.

T

Target amount of the equalization reserve
The target amount of the equalization reserve is the upper limit for the creation of or allocation to an equalization reserve.

Technical result
The technical result is the difference between income and expenses solely from insurance transactions.

Transaction expenses
Transaction expenses are expenses resulting directly or indirectly from the conclusion of an insurance contract.

GLOSSARY

Transaction cost ratio
The transaction cost ratio is the ratio of transaction expenses to the total premium of new business.

Turnover rate
The turnover rate calculates the proportion of employees who leave the company each year compared with the average headcount.

U

Unadjusted earnings
Surplus of income over expenses before allocation to the reserve for premium refunds and the direct deposits as well as the reserves and dividends in life insurance.

Unearned premiums
Unearned premiums refer to premiums for a specific period after the balance sheet closing date. A technical reserve is established for these in the annual financial statements.

Unit costs
Unit costs correspond to the ratio of personnel and non-labor costs incurred to the number of contracts processed.

Unisex
Insurance tariff that disregards the gender of the policy holder in the risk assessment.

V

Value at Risk
Specific risk measure used in the field of financial risks (risk), in particular insurance sector risks. Based on a fixed time interval and a specified probability of default (confidence level), the VaR of a financial position is the amount of loss that will not be exceeded with the specified probability.

Z

Zillmerization
Zillmerization is an actuarial procedure for including transaction costs in life insurance that have been incurred but not yet repaid. In the case of a zillmerized tariff, this means the actuarial reserves in the first insurance years may be extremely low or even negative.

CONSOLIDATED MANAGEMENT REPORT VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG a.G.

VHV a.G., as the Group's parent company, hereby presents the consolidated financial statements and the consolidated management report as at 31 December 2025.

THE GROUP'S BUSINESS MODEL

The VHV Group is a conglomerate of experts in insurance, provision, and wealth management that has grown over more than 100 years. The Group's actions are always focused on long-term corporate success, particularly for the benefit of its customers. The parent company of the VHV Group is organized as a mutual insurance company. Through this corporate structure, the VHV Group is committed to its policy holders. In keeping with the principle of mutuality, the Group's business policy is directed exclusively toward the interests of the companies and, consequently, the insured. This enables the pursuit of sustainable, profitable growth and provides the freedom to align business activities not with short-term shareholder value. Through a continuous improvement process, the VHV Group aims to operate in the market with even greater agility and customer focus than its competitors. The VHV Group operates in defined business segments and employs systematic cost management along with a needs-based product portfolio. Customers and sales partners benefit from products and advisory services that offer an excellent cost-benefit ratio.

The companies of the VHV Group operate independently within clearly defined business segments. VHV Holding controls the Group's strategic development and alignment and monitors the progress of the operating units. The VHV Group's business segments focus on property-casualty insurance in Germany, property-casualty insurance internationally, life and annuity insurance, as well as other services.

Property-casualty insurance in Germany

In the domestic property-casualty insurance market, the VHV Group is one of Germany's leading providers of property-casualty insurance, specializing in construction insurance as well as motor and third-party liability insurance. With over 14,000 agents, they offer their customers insurance solutions tailored to their specific needs at competitive prices.

Property-casualty insurance international

The international property-casualty insurance business includes property and casualty insurance in Austria, Italy, and France. In Turkey, the focus is primarily on construction and liability insurance, as well as on facultative and compulsory reinsurance.

Life provision

In the life and provision segment, the VHV Group specializes in biometric products and multi-channel insurance. Tailored products at competitive prices have long been the cornerstone of its strategy and the foundation of its success. VHV places a high preciosity on providing exceptional customer service that stands out in the market.

Other Services

In the business segment "Other Services," the VHV Group centralizes all essential processes related to contract administration and claims settlement for its domestic property / casualty insurance business. This segment also consolidates responsibility for all areas of information technology. The other service companies within the VHV Group contribute to the company's success through, among other things, investment management and expertise in digitalization. For example, they handle claims settlement across Europe on behalf of insurance companies or manage investments with a focus on stable investments. Furthermore, they drive digital innovation in the insurance industry and support the digitalization of business processes.

WE ENGAGE IN THE FOLLOWING BRANCHES AND TYPES OF INSURANCE BUSINESS:

In property and casualty insurance:

ACCIDENT INSURANCE
- **General accident insurance**
- **Individual accident insurance without premium refund**
  - Complete accident insurance
  - Insurance for non-work accidents
  - Aviation accident insurance
  - Functional disability insurance
- **Group accident insurance without premium refund**
  - Complete group accident insurance
  - Partial group accident insurance
- **Motor vehicle accident insurance**

LIABILITY INSURANCE
- **Personal liability insurance**
- **Business and professional liability insurance**
  - Construction (including architects and structural engineers), industry, trade, and other business operations
- **Environmental liability insurance / Environmental damage insurance**
- **Financial losses liability insurance**
- **Radiation and nuclear facility liability insurance**
- **Fire liability insurance**
- **Construction guarantee insurance**
- **Construction completion insurance**
- **R. C. Décennale**
- **Other liability insurance, and liability insurance not classified**

MOTOR VEHICLE LIABILITY INSURANCE

OTHER MOTOR VEHICLE INSURANCE
- **Full motor vehicle insurance**
- **Partial motor vehicle insurance**

FIRE AND PROPERTY INSURANCE
- **Fire insurance**
  - **Industrial fire insurance**
  - **Other fire insurance**
- **Combined household contents insurance**
- **Combined residential building insurance**
- **Other property insurance**
  - **Burglary and theft insurance**
  - **Water mains insurance**
  - **Glass insurance**
  - **Storm insurance**
  - **Hail insurance*)**
  - **Technical insurance**
    - Machinery breakdown insurance
    - Assembly insurance
    - Construction services insurance
    - Electronics insurance
    - Weather risk insurance
  - **Extended Coverage (EC) insurance**

TRANSPORTATION INSURANCE

LOAN AND SURETY INSURANCE
- **Surety insurance**
- **Commercial credit insurance**

LEGAL EXPENSES INSURANCE

TRANSPORTATION SERVICE INSURANCE

OTHER INSURANCES
- **Business interruption insurance**
  - **Business interruption fire insurance**
  - **Other business interruption insurance**
- **Other indemnity insurance**
  - **Exhibition insurance**
  - **Frozen goods insurance**
  - **Luggage insurance**
  - **Camping insurance**
  - **Insurance for loss of rents**
  - **Dynamic property insurance**
  - **All risks insurance**
  - **Cyber risk insurance**
  - **Nuclear facility property insurance**

LIFE INSURANCE*)

AVIATION INSURANCE*)

*) only in reinsurance business

Legal expenses insurance contracts are brokered through Neue Rechtsschutz-Versicherungsgesellschaft AG, Mannheim.

In life insurance:
LIFE INSURANCE
Term insurance with fixed sum insured
Partner term insurance with fixed sum insured
Group term insurance with fixed sum insured
Term insurance with decreasing sum insured
Term insurance with redemption plan
Funeral expenses insurance
ANNUITY INSURANCE
Traditional annuity insurance
Traditional basic pension in accordance with section 10 (1) no. 2b of the German Income Tax Act (EStG)
Traditional group annuity insurance
Fund-linked annuity insurance
DISABILITY INSURANCE
Occupational disability insurance
Work incapacity insurance
CAPITALIZATION TRANSACTIONS
Investment for one year
Payment plan
SUPPLEMENTARY INSURANCE
Accidental death supplementary insurance
Supplementary work incapacity insurance
Supplementary survivor’s annuity insurance

REPORT ON ECONOMIC POSITION

Macroeconomic trends

The global economy was characterized by significant heterogeneity in 2025. While U.S. economic output grew by 2.0 %, growth in the eurozone was moderate at 1.5 %. Germany once again recorded below-average economic performance, achieving GDP growth of just 0.2 %. As in previous years, Germany thus lagged behind other major economies in the eurozone, such as France (+0.9 %), Italy (+0.8 %), and Spain (+2.8 %). Global GDP grew by 3.2 % in 2025.

Turkey continued its course toward a more restrictive monetary policy, which led to a further decline in the inflation rate. However, the country's currency remained volatile and lost 27.5 % of its value against the euro.

Economic performance varied across Asia. Japan recorded GDP growth of 1.1 % in 2025, while China posted significantly higher growth of 5.0 %.

Inflation rates continued to decline over the course of the year. The annual inflation rate in the eurozone stood at 1.9 % in December 2025. The core inflation rate in the eurozone – excluding food products and energy – stood at 2.3 % at the end of the year compared to the same month of the previous year. In Germany, the average annual inflation rate was 2.2%. France (+0.9 %), Italy (+1.7 %), and Spain (+2.9 %) recorded comparable figures. The inflation rate in the U.S. for 2025 was 2.7 %.

Capital Markets

Subdued growth and declining inflation in the eurozone allowed the ECB to continue the cycle of interest rate cuts that began in 2024. Over the course of the year, the central bank cut key interest rates in four steps by a total of another 100 basis points to a deposit facility rate of 2.0 %. Contrary to this trend, yields on ten-year German government bonds rose, primarily due to the new federal government's borrowing plans. Yields ranged between 2.31 % and 2.94 % and stood at 2.86 % at year-end. Two-year government bonds remained largely unchanged, yielding 2.12 % at year-end. As a result, the yield curve steepened. The yield on 10-year U.S. treasury bonds declined over the course of the year. After fluctuating between 4.81 % and 3.86 %, it stood at 4.17 % at the end of the year.

International stock markets performed positively overall in 2025, however, they were marked by increased volatility at times. This volatility resulted in particular from geopolitical uncertainties as well as from the new U.S. administration's inconsistent trade policy stance. The introduction of additional import tariffs and protectionist measures temporarily weighed on market sentiment without sustainably continuing the overarching upward trend. As the year progressed, the interim price declines were recouped. This was supported by robust corporate earnings and expectations of a less restrictive monetary policy environment. In this context, several stock indices reached new highs. The DAX posted a 23.0 % gain, while the EuroStoxx50 closed 18.3 % higher. The leading U.S. indices, the Dow Jones and S&P 500, ended the year up 13.0 % and 16.4 %, respectively.

The euro appreciated significantly against the U.S. dollar over the course of the year – rising from 1.0354 USD at the start of the year to 1.1746 USD at year-end.

Insurance sector environment

According to the GDV's projection published in November, direct domestic property and casualty insurance business is expected to see premium growth of 7.7 % for the 2025 financial year, accompanied by a 0.6 % increase in claims expenses for the financial year.

According to the GDV, the combined ratio is expected to be approximately 91 % in financial year 2025, which is below the previous year's level.

In motor vehicle insurance, the GDV's forecast indicates a 13.4 % increase in premium income, accompanied by a 3.8 % rise in claims expenses for the financial year. The increase in claims expenses is attributable to both motor vehicle liability insurance and other types of motor vehicle insurance (motor vehicle liability insurance: +6.5 %, complete insurance: +0.5 %, partial coverage insurance: 0.0 %). According to the GDV, this increase is due to a sustained, significant rise in the average claim amount, driven in particular by high inflation, the continued extremely dynamic growth in prices for automotive replacement parts and hourly labor rates, as well as wage trends in the healthcare sector. Assuming declining claims settlement and expense ratios, the GDV estimates that motor vehicle insurance as a whole would yield a technical result of approximately EUR +1.3 billion (previous year: approximately EUR -1.3 billion) and a combined ratio of 96 % (previous year: 104 %).

In property insurance, driven primarily by inflation-related adjustments and expanded coverage (primarily for natural hazards), and in general liability insurance, due in part to rising wage and revenue totals, the GDV anticipates a significant increase in premium income of an estimated 6.4 % and 1.0 %, respectively. In general accident insurance, premium income is expected to rise by 1.5 % in 2025 despite a continued decline in the number of contracts. Due to a year with below-average natural hazards and reduced claims from major claims related to fire losses, the financial year claims expense in property insurance is expected to decrease by 5.1 % in 2025. In general liability insurance and general accident insurance, increases of 0.5 % and 2.0 %, respectively, are expected. For property, liability, and accident insurance combined, the GDV anticipates an improved combined ratio of 86 % (previous year: 92 %) with rising premium income and simultaneously declining claims expenses.

In credit, surety, and fidelity insurance, a lower combined ratio of 76 % (previous year: 81 %) is expected for 2025, with premium income increasing by 1.0 %. Despite rising insolvency figures, the GDV anticipates a 2.0 % decrease in claims expenses, accompanied by a normalization of the settlement result.

As a leading insurer in the construction industry, the VHV Group takes a keen interest in the economic situation and development of the construction sector. According to their statistical projections, the German construction industry and the German building trade anticipate a 3.0 % increase in revenue in 2025. In residential construction, revenue is expected to decline by a total of 1.5 % in 2025. In commercial construction, revenue is projected to rise by 6.3 % year-over-year, and in public construction by 4.0 %.

According to preliminary data from the GDV released in January 2026, gross premiums written for life insurance rose slightly in the 2025 financial year. A trend toward a declining policy portfolio is emerging based on contracts for 2025, while current premiums for the year remained constant.

Gross premiums written rose by 5.3 % compared to 2024, reaching EUR 96.7 billion. Of this amount, EUR 64.5 billion (+0.2 %) came from annual premiums and EUR 32.1 billion (+17.5 %) from single-premium contracts. The number of new insurance contracts written fell by 11.1 % compared to the previous year, totaling 3.8 million. Annual premiums from new business rose by 2.5 % to EUR 6.8 billion. Paid-up single premiums also increased by 17.4 % to EUR 31.9 billion.

Pension and retirement insurance contracts, particularly hybrid products with guarantees, contributed significantly to insurers' new single-premium business, with a sharp increase in the number of contracts to approximately 154,477 (previous year: 141,827) and premiums totaling EUR 9.5 billion (share: 30.0 %).

Measured in terms of annual premium equivalent, annuity insurance accounted for 68.7 % of total new business written by life insurers (previous year: 69.1 %).

Business performance of the Group

- Consolidated net income is significantly higher than the previous year's level and thus rose more sharply than expected.
- In property-casualty insurance, there was a significant increase in premium income as well as a slight year-over-year rise in claims expenses. Despite higher claims expenses for the financial year, the financial-year loss ratio declined, while gross earned premiums rose more sharply. A decrease in the number of claims also contributed to this positive development.
- The number of contracts and current premiums in the portfolio are slightly above the previous year's level.
- The net investment income is above forecast
- Development largely in line with plans for the digitalization projects as well as other major projects

The Group reported a consolidated net income of EUR 194.8 million for the financial year (previous year: EUR 138.5 million). This further strengthened the Group's financial position.

In the property and casualty insurance business, a technical result for own account of EUR 74.0 million (previous year: EUR 76.1 million) was achieved. The improvement in the net technical result was achieved despite an addition to the equalization reserve of EUR 44.8 million (previous year: addition of EUR 21.8 million). Net premiums earned rose significantly by 10.7 % compared to the previous year to EUR 3,272.7 million (previous year: EUR 2,956.1 million). Net expenses for insurance claims rose slightly more sharply, by 11.1 %, to EUR 2,414.1 million (previous year: EUR 2,173.4 million). Net operating expenses also rose less sharply than net premiums earned, increasing by 7.3 % to EUR 726.3 million (previous year: EUR 677.1 million).

The life insurance business reported a technical result of EUR 64.6 million (previous year: EUR 58.3 million). This improvement is attributable to the higher result of HL.

Overall, the technical result for own account amounted to EUR 138.6 million (previous year: EUR 134.4 million).

PORTFOLIO DEVELOPMENT OF DIRECT-WRITTEN INSURANCE TRANSACTIONS

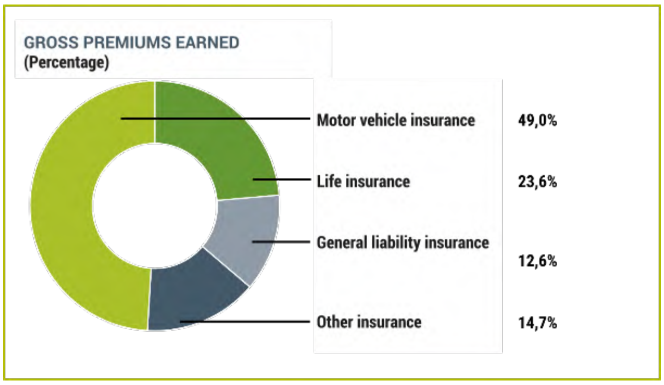
	NUMBER OF CONTRACTS			GROSS PREMIUM EARNED		
	31.12.2025 Unit	31.12.2024 Unit	Change	2025 TEUR	2024 TEUR	Change
Accident insurance	749,812	726,272	3.2 %	77,769	73,302	6.1 %
Liability insurance	1,769,061	1,721,761	2.7 %	546,554	525,171	4.1 %
Motor vehicle liability insurance	3,588,825	3,614,762	−0.7 %	1,206,488	1,080,859	11.6 %
Other automobile insurance	2,795,649	2,845,544	−1.8 %	910,447	774,524	17.5 %
Fire and property insurance	1,212,825	1,152,656	5.2 %	365,120	346,909	5.2 %
of which:						
Combined household contents insurance	490,310	486,158	0.9 %	58,892	57,050	3.2 %
Combined residential building insurance	174,180	148,982	16.9 %	108,932	92,198	18.1 %
Other property insurance	452,392	425,527	6.3 %	162,817	163,347	−0.3 %
of which: technical insurance	144,010	131,535	9.5 %	112,140	107,112	4.7 %
Loan and surety insurance	64,819	65,183	−0.6 %	127,450	127,700	−0.2 %
Legal expenses insurance	36,877	37,286	−1.1 %	5,858	5,670	3.3 %
Transportation service insurance	1,425,482	1,411,906	1.0 %	15,649	16,064	−2.6 %
Other insurance	91,270	88,310	3.4 %	45,069	29,907	50.7 %
Total property and casualty	**11,734,620**	**11,663,680**	**0.6 %**	**3,300,404**	**2,980,105**	**10.7 %**
Total life insurance	**1,149,245**	**1,139,744**	**0.8 %**	**1,029,670**	**1,014,901**	**1.5 %**
Total for the VHV Group	**12,883,865**	**12,803,424**	**0.6 %**	**4,330,075**	**3,995,006**	**8.4 %**

CONSOLIDATED MANAGEMENT REPORT

RESULTS OF OPERATIONS

The Group's gross premiums earned totaled EUR 4,481.7 million (previous year: EUR 4,147.2 million).

Gross premiums earned of EUR 4,331.7 million (previous year: EUR 3,994.7 million) were generated in direct-written insurance transactions, and EUR 150.0 million (previous year: EUR 152.5 million) in reinsurance business accepted. Taking into account reinsurance premiums ceded of EUR 187.8 million (previous year: EUR 184.1 million), premiums for own account amounted to EUR 4,293.9 million (previous year: EUR 3,963.1 million). The retention ratio relative to written premiums was 95.7 % (previous year: 95.4 %).



Gross claims expenses for the financial year amounted to EUR 3,531.7 million (previous year: EUR 3,354.2 million). This resulted in a balance sheet loss ratio for the Group, based on gross premiums earned, of 78.8 % (previous year: 80.9 %).

The Group's operating expenses, relative to gross premiums earned, stood at 19.5 % (previous year: 19.5 %).

Overall, the technical result for own account amounted to EUR 138.6 million (previous year: EUR 134.4 million), of which EUR 74.0 million (previous year: EUR 76.1 million) was attributable to the property-casualty segment and EUR 64.6 million (previous year: EUR 58.3 million) to the life insurance business.

Net investment income (including unit-linked and fund-linked insurance contracts) amounted to EUR 455.4 million (previous year: EUR 443.3 million), resulting in a net return of 2.6 % (previous year: 2.6 %). The current average rate of return rose to 2.7 % (previous year: 2.5 %).

Current income from investments, amounting to EUR 531.4 million, increased by 13.3 % compared to the previous year (EUR 468.9 million). This increase is primarily attributable to income from investment funds, which, at EUR 99.2 million, exceeded the previous year's figure (previous year: EUR 74.0 million).

Gains from the disposal of investments fell from EUR 66.7 million in the previous year to EUR 13.8 million. In particular, gains from the disposal of Other investments, which were significantly lower than the previous year at EUR 3.9 million (previous year: EUR 52.2 million), contributed to this development.

Losses from the disposal of investments amounted to EUR 0.7 million, a decrease of EUR 20.2 million compared to the previous year.

Write-ups totaling EUR 2.1 million increased by EUR 0.9 million (previous year: EUR 1.3 million). Write-downs also increased to EUR 45.1 million (previous year: EUR 44.0 million).

Due to the valuation of investment funds and bearer debt securities with a total carrying amount of EUR 11,972.4 million (previous year: EUR 10,961.9 million) as fixed assets in accordance with Section 341b (2) of the German Commercial Code (HGB) in conjunction with Section 253 (3) sentence 5 HGB (modified lower-of-cost-or-market principle), depreciation and amortization in the amount of EUR 874.4 million (previous year: EUR 724.6 million) were avoided.

During the financial year, other income increased by EUR 194.3 million to EUR 351.7 million (previous year: EUR 157.4 million), resulting in particular from the sale of a subsidiary.

BUSINESS DEVELOPMENT IN THE PROPERTY AND CASUALTY SEGMENT

The information on business performance is based on gross figures (before reinsurance), unless otherwise stated.

Premiums earned in the property and casualty insurance segment totaled EUR 3,452.0 million (previous year: EUR 3,132.3 million). Of this amount, EUR 3,302.0 million was attributable to direct-written insurance transactions (previous year: EUR 2,979.8 million) and EUR 150.0 million to reinsurance business (previous year: EUR 152.5 million).

Premiums earned for own account in the total business increased by 10.7 % compared to the previous year to EUR 3,272.7 million (previous year: EUR 2,956.0 million).

The balance-sheet loss ratio for direct-written insurance transactions decreased from 73.0 % in the previous year to 72.1 %, which was due in part to a lower loss ratio for the financial year and in part to a decrease in the number of claims.

The expense ratio for direct business decreased during the financial year from 22.1 % in the previous year to 21.6 %.

With a lower annual loss ratio and a lower expense ratio, the combined ratio for direct business decreased from 95.0 % in the previous year to 93.8 % in the financial year.

Overall, the technical result for direct-written insurance transactions amounted to EUR 100.6 million (previous year: EUR 76.6 million).

The following section provides a report on the Group's entire property-casualty insurance business. The presentation thus includes both the German and international property-casualty insurance business:

Accident insurance

In the accident insurance segment, the number of contracts increased by 3.2 % to 749,812 (previous year: 726,272). The positive premium growth of recent years continued due to competitive products. Premiums earned rose by 6.1 % (previous year: 7.4 %) to EUR 77.7 million (previous year: EUR 73.2 million), which was in line with our expectations.

Claims expenses decreased by 15.2 %. The balance sheet loss ratio decreased by 9.6 percentage points to 38.2 % (previous year: 47.8 %). Taking into account a slightly higher expense ratio, the combined ratio was 78.3 % (previous year: 84.2 %).

After an addition to the equalization reserve of EUR 2.0 million (previous year: withdrawal of EUR 11.6 million), a technical result for own account of EUR 12.2 million (previous year: EUR 21.6 million) was reported.

General liability insurance

In the general liability insurance segment, the number of insurance contracts increased by 2.7 % from 1,721,761 in the previous year to 1,769,061 contracts in the financial year.

Premiums earned increased again by 4.1 % (previous year: 4.3 %) to EUR 546.6 million (previous year: EUR 525.1 million), which was in line with our expectations. This was driven by rising sales, wages and fee totals as well as targeted portfolio measures.

Claims expenses increased by 13.3 %. This was due to higher average claim amounts and an increase in claims reserves made in light of ongoing and expected future claims inflation. The balance sheet loss ratio deteriorated by 5.7 percentage points to 69.1 % (previous year: 63.4 %). Taking into account a slight decrease in the expense ratio, the combined ratio was 100.5 % (previous year: 95.8 %).

After an addition to the equalization reserve of EUR 16.0 million (previous year: addition of EUR 16.5 million), a technical result for own account of EUR -24.5 million (previous year: EUR 2.3 million) was reported.

Motor vehicle insurance

The number of insurance contracts in the motor vehicle insurance segment – including motor personal accident and roadside assistance insurance – decreased by 0.5 % compared to the previous year, to 8,246,240 contracts.

Premiums earned increased by 13.9 % (previous year: 10.3 %) to EUR 2,139.9 million. Average premiums thus rose significantly year-over-year in the main motor vehicle insurance lines.

In motor vehicle insurance, increased inflation continued to have a material impact on payments for the financial year.

Motor vehicle liability insurance

The number of contracts in motor vehicle liability insurance decreased by 0.7 % (previous year: -1.7 %), from 3,614,762 to 3,588,825.

Premiums earned rose by 11.6 % (previous year: 8.3 %) from EUR 1,080.7 million in the previous year to EUR 1,206.3 million in the financial year.

Claims expenses rose significantly by 35.9 % compared to the previous year. Accordingly, the balance sheet loss ratio increased by 14.0 percentage points to 78.5 % (previous year: 64.5 %). Taking into account a slightly lower expense ratio, the combined ratio was 93.8 % (previous year: 80.1 %).

After a withdrawal from the equalization reserve of EUR 50.5 million (previous year: EUR 25.0 million), the technical result for own account amounted to EUR 119.9 million (previous year: EUR 228.0 million).

Other motor vehicle insurance
In the other motor vehicle insurance segment, the number of contracts decreased by 1.8 % from 2,845,544 in the previous year to 2,795,649 contracts in the financial year.

Premium growth continued, with earned premiums rising by 17.5 % (previous year: 13.4 %) to EUR 910.4 million (previous year: EUR 774.5 million).

Claims expenses decreased by 7.6 % compared to the previous year. As a result, the balance sheet loss ratio improved by 22.8 percentage points to 83.7 % (previous year: 106.5 %). Taking into account a slightly improved expense ratio, the combined ratio was 99.2 % (previous year: 122.8 %).

As a result of the aforementioned developments and an addition of EUR 17.8 million to the equalization reserve (previous year: withdrawal of EUR 3.8 million), the technical result for own account amounted to EUR -36.8 million (previous year: EUR -181.8 million).

Fire and property insurance
Fire and property insurance includes fire insurance, industrial fire insurance, combined household contents insurance, combined residential building insurance, technical insurance, burglary insurance, water damage insurance, storm insurance, glass insurance, and Extended Coverage (EC) insurance. Combined household contents insurance, combined residential building insurance, and technical insurance are reported separately.

In the insurance lines not listed separately, the number of contracts rose by 4.8 % year-over-year, from 385,981 to 404,325 contracts in the financial year. Premiums earned decreased by 6.2 % (previous year: -9.2 %). This primarily affected fire, storm, and Extended Coverage. The development of premiums earned was below expectations.

Claims expenses decreased by 32.4 % compared to the previous year. The balance sheet loss ratio was 66.6% (previous year: 92.4 %). Taking into account a slight increase in the expense ratio, the combined ratio was 107.7 % (previous year: 130.0 %).

After an addition to the equalization reserve of EUR 22.5 million (previous year: addition of EUR 7.5 million), a technical result for own account of EUR -35.1 million (previous year: EUR -32.0 million) was reported.

Combined household contents insurance
In the combined home contents insurance segment, the number of insurance contracts increased by 0.9 % compared to the previous year, reaching 490,310 contracts in the financial year (previous year: 486,158 contracts). Premiums earned increased by 3.2 % (previous year: 3.5 %) from EUR 57.0 million to EUR 58.9 million.

Claims expenses decreased by 22.7 % compared to the previous year. The balance sheet loss ratio fell by 13.8 percentage points to 41.0 % (previous year: 54.8 %). With a slightly increased expense ratio, the combined ratio was 87.8 % (previous year: 96.0 %).

Taking into account an equalization reserve that remained unchanged from the previous year, a technical result for own account of EUR 3.7 million (previous year: EUR 0.5 million) was reported.

Combined residential building insurance
In the combined residential building insurance segment, the number of insurance contracts rose by 16.9 % from 148,982 in the previous year to 174,180 contracts in the financial year.

The positive premium growth of recent years continued, with earned premiums rising by 18.1 % (previous year: 17.5 %) from EUR 92.1 million in the previous year to EUR 108.9 million in the financial year. This was attributable to premium adjustments and an increase in the number of contracts. The performance exceeded expectations.

Claims expenses decreased by 10.8 % compared with the previous year. This was primarily due to a decline in the number of claims. As a result, the balance sheet loss ratio improved by 14.1 percentage points to 43.6 % (previous year: 57.7 %). Taking into account a slight deterioration in the expense ratio, the combined ratio came to 74.7 % (previous year: 86.8 %).

After an addition to the equalization reserve of EUR 8.8 million (previous year: addition of EUR 2.5 million), a technical result for own account of EUR 0.3 million (previous year: EUR -1.7 million) was reported.

Underwriting
The positive trend in underwriting continued in financial year 2025, with the number of contracts increasing by 9.5 % to 144,010 (previous year: 131,535). Premiums earned rose by 4.7 % (previous year: 5.3 %) to EUR 112.1 million, which was in line with expectations.

Claims expenses fell by 11.8 % compared to the previous year to EUR 58.3 million. The balance sheet loss ratio consequently improved to 52.0 % (previous year: 61.7 %). Taking into account a slight deterioration in the expense ratio, the combined ratio was 79.8 % (previous year: 88.1 %).

After an addition to the equalization reserve of EUR 1.8 million (previous year: withdrawal of EUR 3.7 million), a technical result of EUR 5.5 million remained (previous year: EUR 2.6 million).

Loan and surety Insurance
The number of insurance contracts in the loan and surety insurance segment decreased by 0.6 % to 64,819 (previous year: 65,183). Premiums earned declined by 0.2 % (previous year: +9.1 %) to EUR 127.5 million (previous year: EUR 127.7 million). The performance fell short of expectations.

The outstanding amount of guarantees issued during the financial year rose by 1.3 % to EUR 3,540.3 million. The loss ratio increased by 2.8 percentage points to 29.9 % (previous year: 27.1 %). Taking into account an increased expense ratio, the combined ratio was 59.9 % (previous year: 54.0 %).

Following a withdrawal from the equalization reserve of EUR 14.4 million (previous year: addition of EUR 8.9 million), a total technical result for own account of EUR 65.2 million (previous year: EUR 49.5 million) was reported.

Motor roadside assistance insurance
The number of contracts increased by 1.0% compared to the previous year, reaching 1,425,482 in the financial year (previous year: 1,411,906). This premium growth was not continued in the financial year, as earned premiums declined by 2.6 % (previous year: +5.5 %) from EUR 16.1 million to EUR 15.6 million.

Claims expenses decreased by 3.0 % compared to the previous year. As a result, the balance sheet loss ratio improved by 0.2 percentage points to 60.9 % (previous year: 61.1 %). With a slightly increased expense ratio, the combined ratio was 83.1 % (previous year: 81.4 %).

Taking into account a withdrawal of EUR 3.3 million from the equalization reserve (previous year: addition of EUR 2.2 million), the technical result for own account amounted to EUR 5.9 million (previous year: EUR 0.7 million).

Other insurance
Transport insurance (primarily motor contents insurance), business interruption insurance, and other property insurance are summarized here.

In the insurance lines under review, earned premiums rose by 43.1 % (previous year: 27.4 %) from EUR 35.6 million in the previous year to EUR 50.9 million in the financial year. The increase resulted primarily from positive premium growth in the dynamic property insurance segment.

Claims expenses increased disproportionately compared to premium growth. This was attributable to a significant rise in average claim amounts. The balance sheet loss ratio was 59.8 % (previous year: 27.2 %). Taking into account a slight decrease in the expense ratio, the combined ratio was 88.1 % (previous year: 57.1 %).

After an addition to the equalization reserve of EUR 31.2 million (previous year: addition of EUR 22.3 million), the technical result for own account amounted to EUR -24.6 million (previous year: EUR -10.2 million).

Reinsurance business ceded

In the reinsurance business ceded, which is primarily conducted in the lines of accident, third-party liability, motor, fire and property, legal protection, life, aviation, transport, loan and surety insurance, as well as underwriting, the technical result for own account amounted to EUR -9.3 million (previous year: EUR 3.3 million). The decline in earnings compared to the previous year was primarily attributable to significantly higher expenses for motor vehicle liability claims as well as higher natural hazard claims.

PERFORMANCE IN THE LIFE INSURANCE SEGMENT

The number of new insurance contracts written was 73,820 (previous year: 78,526). Of these, 65.0 % or 47,983 contracts were single-risk contracts (previous year: 49,497 contracts).

Overall, new business premiums rose from EUR 262.5 million in 2024 to EUR 274.8 million in 2025. Of this amount, EUR 62.2 million (previous year: EUR 61.7 million) was attributable to regular premiums and EUR 212.7 million (previous year: EUR 200.8 million) to single-premium payments. Excluding single premiums from the capitalization business, single-premium pension products amounting to EUR 66.8 million (previous year: EUR 102.5 million) were added to the portfolio.

The insurance portfolio increased by 6.2 % in terms of the sum insured, to EUR 160.0 billion (previous year: EUR 150.7 billion).

Total additions amounting to EUR 20,858.2 million (previous year: EUR 16,876.0 million) were offset by withdrawals amounting to EUR 11,497.1 million in sum insured (previous year: EUR 7,963.2 million).

Early terminations due to surrender, conversion to premium-free contracts, and other early terminations amounted to EUR 2,496.3 million in insured sum (previous year: EUR 2,171.2 million).

Measured by current premiums, the insurance portfolio increased slightly by 0.8 %, rising from EUR 801.5 million to EUR 807.8 million. Contrary to the market trend, the insurance portfolio grew by 9,501 contracts from 1,139,744 contracts to 1,149,245 contracts.

Gross premiums written increased by 1.6 % from EUR 1,007.2 million to EUR 1,023.6 million. The majority of gross premiums, amounting to EUR 801.6 million, came from current premium income (previous year: EUR 795.3 million). Premiums from single-premium payments totaling EUR 222.2 million (previous year: EUR 212.1 million) include premiums from capitalization transactions amounting to EUR 145.9 million (previous year: EUR 98.3 million).

The cancellations ratio relative to the average of current premiums rose to 2.6 % (previous year: 2.5 %) and is thus well below the industry average of 5.5 % in 2025.

Payments to policy holders for insurance benefits and policy holder dividends decreased during the financial year from EUR 1,479.8 million to EUR 1,422.7 million. Of this amount, EUR 1,027.1 million was attributable to insurance benefits and EUR 395.6 million to policy holder dividends. Technical reserves and liabilities for future benefits to policy holders decreased by EUR 236.4 million to EUR 9,436.4 million.

Gross profit after taxes amounted to EUR 419.1 million (previous year: EUR 410.6 million). Of this amount, EUR 192.9 million (previous year: EUR 189.5 million) was allocated to retained earnings, and EUR 195.5 million (previous year: EUR 193.1 million) was distributed as a direct credit. Net income for the year amounted to EUR 30.7 million (previous year: EUR 28.0 million). Retained earnings consist of the net income of EUR 30.7 million and a withdrawal from retained earnings in the amount of EUR 9.3 million.

The technical result for the life insurance business amounted to EUR 64.6 million (previous year: EUR 58.3 million).

PERFORMANCE OF OTHER SERVICE COMPANIES

In the course of business, the processing situation returned to the level prior to the introduction of the new IT systems, and overall productivity in policy and claims processing improved, influenced by a deliberate expansion of human resources (including for the introduction of the new IT systems in policy and claims and the training of career changers). Productivity declined in cross-functional roles. Unit costs fell at a rate lower than inflation and general salary increases.

The further development of the customer portals significantly advanced the digitalization of communication channels. Among the most significant developments was the expansion of the customer portal app's features for third-party liability and home contents insurance. Average claim payments continued to rise in financial year 2025 due to ongoing cost increases for vehicle damage. Further cost-increasing effects of claims inflation were limited through targeted investments in measures to reduce claims expenses, such as the implementation of a new fraud prevention strategy and the improvement of the total loss process in claims handling. Quality parameters in the contract and claims areas generally developed in line with plans. Following the impact of the introduction of the new portfolio management system in previous years, the processing situation in the private motor vehicle segment of the contract area was restored to its usual service level in 2025.

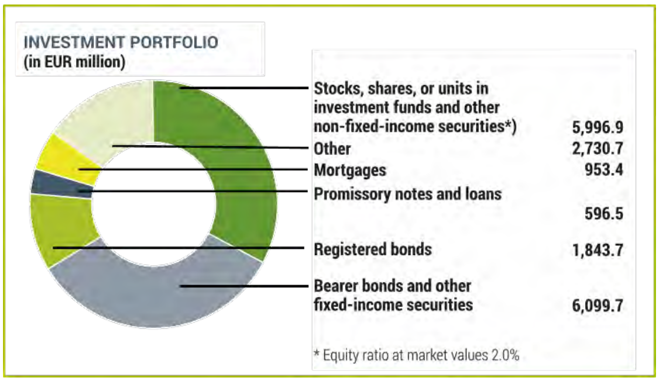
The further modernization of the IT landscape targeted for the 2025 financial year was largely driven by the continuation of the "goDIGITAL" transformation projects. The other key areas of this strategy stem from the focus on transforming the infrastructure to the cloud and innovation initiatives in the fields of artificial intelligence and digital interfaces. These areas were further developed through specific AI and cloud strategies. To measure the progress of digitalization, a key performance indicator system was developed in collaboration with the business units. In the area of AI and analytics, various use cases were evaluated in pilot projects and put into production. In addition, Microsoft Copilot was introduced as a generic AI tool (similar to ChatGPT) and made available to a broad range of employees. Other key areas of focus included IT security, with efforts to improve employee awareness of IT security and ongoing investments in the IT infrastructure.

ASSETS

As an insurance group, the VHV Group's financial position and balance sheet structure are primarily shaped by its insurance business, even though service companies are included in the Group. On the asset side of the balance sheet, investments predominate, while on the liability side, net technical reserves and liabilities constitute the largest portion of total assets.

Investment portfolio

The carrying amount of the investment portfolio rose by 5.9 % during the financial year to EUR 18,220.9 million (previous year: EUR 17,197.9 million).



Interest-bearing investments in the form of bearer bonds, registered bonds, promissory note loans, loans and advance payments on insurance contracts, as well as other loans, continued to form the core of the portfolio with a combined share of EUR 8,552.9 million (previous year: EUR 8,012.3 million) (46.9 %).

These were followed by investment funds, which accounted for 32.9 % of the total investment portfolio and had a carrying amount of EUR 5,996.9 million (previous year: EUR 5,640.9 million).

New mortgage, land charge, and annuity receivables totaling EUR 31.3 million (previous year: EUR 38.8 million) were issued in financial year 2025. Disposals decreased to EUR 83.0 million (previous year: EUR 81.1 million). Against this backdrop, the investment portfolio decreased to EUR 953.4 million (previous year: EUR 1,005.1 million). The share of the total investment portfolio amounted to 5.2 %.

The equity allocation at market value was 2.0 % as at the balance sheet closing date (previous year: 1.6 %). The equities were held exclusively in the fund portfolio.

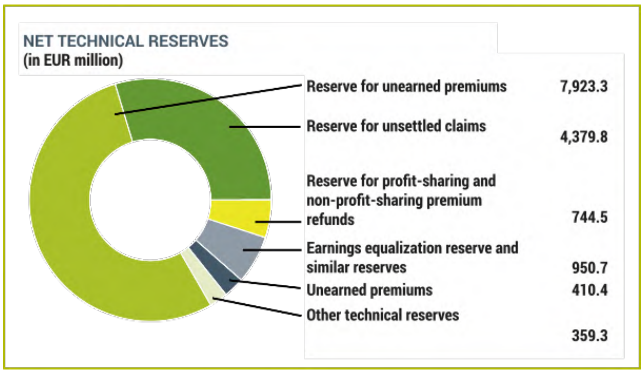
As at 31 December 2025, the Group reported a carrying amount of PE/IE investments amounting to EUR 2,143.6 million (previous year: EUR 2,045.2 million). Overall, this resulted in a PE/IE ratio of approximately 11.8 % relative to the total investment portfolio (previous year: 11.9 %).

In the area of real estate investments, selective acquisitions and disposals were made in 2025. As at 31 December 2025, the Group held shares in specialized real estate funds with a carrying amount of EUR 1,420.1 million (previous year: EUR 1,403.1 million). This represented 7.8 % of the total investment portfolio (previous year: 8.2 %).

Guarantee funds
The Group's guarantee funds increased by 3.7 % and consist of:

Guarantee funds		
	2025 EUR million	2024 EUR million
Equity	3,361.9	2,833.8
Net technical reserves	14,768.0	14,657.2
Guarantee funds for own account	**18,129.9**	**17,491.0**

Net technical reserves
As at the balance sheet closing date, the net technical reserves are composed as follows:



The majority of net technical reserves, at 52.3 % (previous year: 55.9 %), relates to the actuarial reserves. Of the reported actuarial reserves, the largest portion, at 37.6 % (previous year: 39.4 %), relates to individual life insurance contracts of the VHV Group's life insurance company. Group insurance contracts account for 24.2 %, followed by individual annuity insurance contracts, which account for 23.7 % of total actuarial reserves. To meet future interest obligations, the actuarial reserves include an additional interest reserve of EUR 655.9 million (previous year: EUR 728.0 million).

FINANCIAL POSITION

Liquidity

The VHV Group's liquidity was secured at all times during the past financial year. A risk-oriented liquidity management approach is employed to meet ongoing obligations. This ensures that payment obligations can continue to be met at all times. Further information on this is provided in the risk report.

Both the financial and liquidity position and the development of cash flows are primarily influenced by the insurance and investment businesses. Cash flows flow into the VHV Group from ongoing premium income, investment income, and returns on investments. These are offset by insurance claims, payments for business operations, and investments in financial assets.

ITEM	2025 TEUR	2024 TEUR
Cash flow from operating activities	–357,101	201,877
Cash flow from investing activities	254,086	53,907
Cash flow from financing activities	–2,999	–31,583
Change in cash and cash equivalents	**–106,014**	**224,201**
Change in cash and cash equivalents due to exchange rate fluctuations, changes in the scope of consolidation and changes in valuation	–125	6,525
Cash at the beginning of the period	451,696	220,971
Cash at the end of the period	**345,557**	**451,696**

In the statement of cash flows, the change in cash and cash equivalents for the reporting period amounted to EUR -106.1 million (prior year: EUR 230.7 million). The net cash flow therefore decreased by EUR -336.9 million (prior year: EUR 394.9 million).

Cash flow from operating activities, which primarily comprises cash inflows and outflows from technical insurance operations as well as other investments, decreased compared to the previous year. This is primarily due to increased investments as part of investment activities.

Cash flow from investment activities is determined by cash flows related to property, plant, and equipment, intangible assets, equity investments, and investments held on behalf of and at the risk of policy holders. The trend in the reporting year is primarily attributable to the sale of equity investments.

Cash flow from financing activities, which decreased compared to the previous year, consists primarily of liabilities to banks.

For further details, please refer to the statement of cash flows.

Investments

During the financial year, the VHV Group made investments primarily in the area of Capital investments. The focus of new investments was on "Other Investments." Disposals resulted mainly from scheduled maturities.

In addition, investments were made as part of the "goDIGITAL" program for digitalization initiatives.

MISCELLANEOUS

In 2025, the rating agency S&P once again affirmed the "A+" rating of VHV a. G. and its core subsidiaries, VHV Allgemeine and HL, with a stable outlook.

The rating is based in particular on the VHV Group's capital and earnings strength, with a capital adequacy ratio exceeding 99.99 %. According to S&P's assessment, the strong technical results of VHV Allgemeine and the preferred risk-return profile in the life insurance segment contribute significantly to this.

The quality of the products and services offered by VHV Allgemeine and Hannoversche was also reaffirmed in 2025 by various studies and rankings.

Hannoversche once again received the top rating of "Excellent A++" from the customer-focused Cologne-based rating agency ASSEKURATA. Once again, it received the top rating of "excellent" in all four subcategories. In addition, Hannoversche was again awarded the top rating of "5 stars" by the research firm Morgen & Morgen in its 2025 rating of life insurance companies.

CONSOLIDATED MANAGEMENT REPORT

VHV Allgemeine was also able to demonstrate its strategically anchored customer and agent focus once again in numerous product and satisfaction studies conducted in 2025. For example, it was named the "Overall Winner in Private Protection" in a joint examination by the rating agency Franke und Bornberg and the German Institute for Service Quality (DISQ), which included both a performance and a service analysis.

In addition, the "goDIGITAL" digitalization program, which is aimed at modernizing key components of the application landscape, in particular the inventory management and sales systems, continued to contribute to improving the customer experience in property-casualty insurance and life insurance in 2025 as well.

HUMAN RESOURCES REPORT

The VHV Group is characterized by the high level of expertise and dedication of its employees and managers, and is defined by constructive cooperation with employee representatives (including the Executive Committee).

Within the VHV Group, the average annual number of employees, including those on fixed-term contracts and excluding trainees, rose from 4,387 in the previous year to 4,588 in the financial year.

The focus of human resources efforts in financial year 2025 was on recruiting new employees and retaining existing staff. Other priorities included the introduction of a new competency model, the revision of potential and development reviews, and the establishment of a trainee program.

The sick leave rate for the financial year was 4.6 % (previous year: 4.5 %).

We would like to thank all employees who, through their personal commitment, knowledge, and experience, have made a significant contribution to successfully overcoming the challenges of 2025. The Management Board thanks the Executive Committee, the General Works Council, and the local works councils for their constructive and trusting cooperation.

VHV GROUP EMPLOYEE FIGURES *)

	2025	2024
Annual average number of employees *)	4,588	4,387
Annual average number of trainees	68	69
Number of employees at year-end *)	4,546	4,474
Number of trainees at year-end	76	78
Average number of office staff *)	4,314	4,125
Average age of employees (years)	44.0	44.2
Average length of employment with the company (years)	13.8	13.8
Percentage of college graduates (%)	34.6	34.9

*) Excluding trainees, including temporary employees.

GENERAL STATEMENT OF THE MANAGEMENT BOARD

The VHV Group is one of the largest motor vehicle insurance in Germany and has continued to maintain its market position in this sector. Another focus was on strengthening the non-motor vehicle business. The VHV Group has succeeded in doing so in both the private and commercial insurance segments. As a leading insurer in the construction industry, the VHV Group was able to further expand its revenue compared to previous years despite the continued challenging conditions in the construction sector. Another positive development is the continued increase in wage and fee amounts, which are factored into premium calculations. Overall, the Management Board can look back on a profitable financial year.

Looking back at the past financial year, the life insurance segment recorded a slight increase in premium income compared to the previous year. This is primarily due to higher single-premium business than in the previous year, driven by interest rates. A positive development is the maintenance of market leadership in term life insurance despite the shrinking market environment. In addition, the focus on expanding the disability business, established in 2023, continued with above-market growth in current premiums. Another positive factor is the cancellation rate, which remains well below the market average. Furthermore, it is expected that the expense ratio will also remain well below the market average. The positive trend in gross profit, which is attributable to an upward trend in investment income and other income, is also expected to continue. Taking into account the ongoing economic challenges, the Management Board assesses the 2025 financial year as good.

In financial year 2025, the International property-casualty business segment recorded moderate premium growth. As in the German property-casualty business segment, a key focus remained on strengthening the non-motor vehicle business. The continued harmonization of control systems and governance processes helped to gradually improve the portfolio's profitability.

Net investment income rose to EUR 455.4 million from EUR 443.3 million in the previous year.

Consolidated net income stood at EUR 194.8 million, driven by a slight decline in technical results in the property-casualty insurance segment and improved results in the life insurance segment, exceeding the previous year's level of EUR 138.5 million. The development of consolidated earnings in 2025 is additionally influenced by proceeds from the sale of a subsidiary. The positive development is significantly above our expectations.

Despite the challenging situation in the construction industry and the ongoing economic and political challenges, the Management Board can look back on a profitable financial year with very strong results.

OPPORTUNITY AND RISK REPORT

RISK REPORT

During the reporting period, inflation in the eurozone remained close to the European Central Bank's target. With a key interest rate of 2.15 %, the ECB is currently aligning its monetary policy stance with a neutral approach. At the same time, macroeconomic risks in the eurozone have increased: rising government debt ratios in several member states and the partial rollback of structural reforms – particularly in France – are weighing on the economic environment. However, the German government's fiscal packages are also leading to increased borrowing, and they can simultaneously provide a boost to growth. The pressure for reform due to structural problems with competitiveness, such as high energy costs, increased taxes and levies, and rampant bureaucracy, will therefore remain. This was driven not least by rising yields on long-term bonds as a result of subdued demand with increased issuance volumes.

The U.S. administration's reorientation of economic and trade policy marks a turning point in several areas. Despite individual bilateral agreements with the EU, growing protectionist tendencies are having a dampening effect on export-oriented European economies. Nevertheless, global stock markets performed well during the reporting period. High market expectations regarding technological advances in the field of artificial intelligence were a key driver. Investment in building long-lasting infrastructure in this area could lead to productivity gains in the long term. Nevertheless, there are uncertainties as to whether current market valuations adequately reflect the actual economic potential. A significant correction in valuations could entail relevant economic risks.

The risks associated with investment and insurance technology are continuously monitored and analyzed in light of the developments described, including through stress tests and scenario analyses. Even under these stress tests and scenarios, the VHV Group's minimum coverage level, as defined by its risk strategy, remained in place. The VHV Group's risk profile has not changed significantly. Ad hoc reporting on the company's own risk and solvency assessment (ORSA) was not required.

Manual and automated verification processes have been implemented within the VHV Group to check sanctions lists and ensure compliance with non-person-specific sanctions. As at the reporting date of 31 December 2025, there were no material risks related to Belarus and Russia.

Based on current information, there are no risks that threaten the Group's development or continued existence. Due to ongoing geopolitical tensions, particularly the war in Ukraine, the situation in the Middle East with the current military escalation in Iran and the simmering Taiwan conflict, the statements regarding the risk situation are subject to uncertainty.

Targets

The VHV Group attaches great importance to risk management. Risk management methods are continuously refined. Risk management serves to ensure an appropriate risk-bearing capacity and, thereby, the long-term and sustainable viability of the VHV Group and its individual insurance companies. The primary objectives of risk management are:

- Systematic establishment of a risk culture within the VHV Group,
- Support and safeguarding of the business strategy,
- Ensuring transparency regarding all material risks and appropriate risk management,
- Compliance with legal and regulatory requirements for risk management.

The VHV Group significantly exceeded the statutory solvency capital requirements with eligible own funds in every quarter of 2025.

The forecast period for the Opportunities and Risks Report is one year.

Risk Strategy
The strategic guidelines for risk management are set forth in the risk strategy. The risk strategy is derived from the business strategy and governs how the resulting risks are managed. The risk strategy is reviewed and approved annually by the Management Board. The risk strategy documents which risks are deliberately assumed in the pursuit of the business strategy and how these are to be controlled. It also serves to create a comprehensive understanding of risk and to establish a Group-wide risk culture. The most important element of a living risk culture is open internal communication regarding the risk situation. By clearly assigning risk responsibility, the Management Board aims to promote the risk culture, increase the commitment of the designated individuals, and ensure overall transparency through clearly identified contact persons.

Organization
Overall responsibility for group-wide risk management lies with the Management Board of VHV a.G. and the respective Management Boards of the individual companies, which play an active role in the ORSA process. In particular, responsibility lies with

- Approval of the methods used,
- Discussion and critical review of the results of the ORSA process,
- Approval of the Group's risk management guidelines and the ORSA report.

The Risk Committee has been adapted as a group-wide risk management body within the VHV Group. The Risk Committee's primary responsibility is to ensure the consistent development of risk management systems, methods, and procedures across the Group on behalf of the Management Board. The Risk Committee also provides a platform for cross-company discussion of the risk situation and can initiate decisions. The Risk Committee comprises the members of the Management Board of VHV a.G. and VHV Holding, representatives of the subsidiaries, as well as the responsible persons from the URCF, the Compliance function, and Internal Audit.

In addition, the Risk Committee has adapted a subcommittee to provide guidance on technical and operational issues related to the risk models.

The VHV Group has adapted the ESG Committee to control the implementation of a group-wide, uniform sustainability management system in accordance with regulatory requirements. It comprises the Chairman of the Management Board and the other members of the Management Board of VHV a.G. and VHV Holding.

In accordance with the principle of separation of functions, responsibility for risk management and its independent monitoring is structurally separated within the VHV Group at the level of the Management Board departments. If a separation of functions is disproportionate, accompanying measures (e.g., separate reporting channels) are implemented instead.

Risk officers have been appointed within the company units, with a strict separation of duties from the URCF; they are responsible for the operational control of risks and compliance with limits. The clear internal assignment of risk responsibility is intended, in particular, to promote a risk culture within the company.

The Supervisory Board's Risk Committee supports the Supervisory Board in overseeing risk management and all key functions, including their reporting. At Risk Committee meetings, the risk strategy and the reports of the key functions under Solvency II (URCF, VMF, Compliance Function, and Internal Audit) are discussed with the Management Board and the persons responsible for the key functions. This primarily involves discussing the ORSA report, the report on solvency and financial condition, and the results of the internal review of the business organization. In addition, the methods and tools of the key functions as well as changes in the organization are addressed.

The URCF is responsible for the operational implementation of a consistent and efficient risk management system. The URCF operates as a centralized organizational unit under the leadership of the URCF officer. The URCF officer reports directly to the respective Management Board of the insurance companies.

Group-level VMF is carried out within the central division of Group Risk Management. Group-level VMF is responsible, among other things, for assessing the technical risks and the solvency of the VHV Group. The Group VMF coordinates the scheduling of VMF reports. The Solo VMF of the individual insurance companies is carried out by a different responsible person than at the Group level for the respective company. The main tasks of the VMF include coordinating the calculation of technical reserves and ensuring the appropriateness of the methods and base models used. In addition, the Solo-VMF issues an opinion on the general underwriting and acceptance policy, as well as on the appropriateness of reinsurance agreements. Furthermore, the Solo-VMF submits the VMF report to the Management Board at least once a year, which contains all VMF activities as well as the results achieved and recommendations.

The compliance function is responsible for ensuring compliance with legal and regulatory requirements. The four core tasks of the compliance function include advisory, risk control, monitoring, and early warning functions. In a broader sense, the compliance function includes, in addition to the Chief Compliance Officer as the responsible person, other employees as well as corporate representatives and their staff, who specifically cover the areas of supervisory and antitrust law, distribution law, insurance contract law, the Money Laundering Act, financial sanctions and embargoes, data protection law, tax law, and anti-fraud management.

The Tax Compliance Management System ensures full and timely compliance with tax obligations and contributes to the early identification and minimization of tax risks. The Head of TAX is responsible for the operation of the Tax Compliance Management System. The Group Tax Policy describes the organization of the Tax Compliance Management System, defines the roles and responsibilities of all involved organizational units, and uniformly regulates tax-related processes.

Data protection is handled together with information security management within a separate organizational unit, which houses the company data protection officer appointed for the domestic insurance companies of the VHV Group. The data protection management system is also operated within this organizational unit.

Anti-money laundering and the fight against economic crime (including financial sanctions and embargoes, and anti-fraud management) are handled in a separate organizational unit under the leadership of the anti-money laundering officer.

Internal Audit reviews all business areas, processes, methods, and systems within the VHV Group independently and without regard to specific processes, based on an annually updated risk-oriented audit plan. Internal Audit is subject only to the directives of the Management Board, however it remains independent and objective in the performance of its duties. It has the following rights and obligations:

- Internal Audit assesses the adequacy and effectiveness of risk management in general and the internal control system in particular, as well as the security and compliance of all activities and processes
- Internal Audit is notified immediately if material deficiencies are identified, material financial losses have occurred, or there is concrete suspicion of other irregularities.

Risk management process

We define the risk management process as the totality of all organizational contracts and measures, from risk identification through risk control. Risk control at the Group level also takes into account the cumulative effects and interactions between the risks of individual companies.

The objective of risk identification is the detection and documentation of all material risks. These risks are systematically queried and updated across the VHV Group's business units and projects. To this end, risk inventories are conducted on a regular basis. A company-wide risk assessment is conducted on a specific reporting date, during which all risks are queried and updated every six months by the risk officers in all business units and projects of the VHV Group using a system-supported process.

Individual risks identified are validated by the URCF and then aggregated to determine the total solvency requirement. In addition, process-oriented risks are identified based on system-supported business process documentation.

There are also extensive ad hoc reporting requirements for the identification of risks or material changes during the year. In addition, event-driven risk analyses are prepared for risk-relevant projects, and their results are taken into account in the Management Board's decision-making process.

Risk assessment refers to all methods and processes used to measure and evaluate identified risks. Operational, strategic, and reputational risks are assessed in the semi-annual risk survey through an expert estimate by risk managers based on the criteria of probability of occurrence and economic loss potential. In addition to this quantitative assessment, an evaluation is conducted according to qualitative criteria (compliance and reputation). Using appropriate methods, the results are aggregated to determine the total solvency requirement for operational risks. Findings from the regular review of the ICS are also taken into account in the assessment of operational risks. The model calculations of the standard formula intended for the quantitative assessment of risks under Solvency II, as well as the determination of eligible own funds, are performed annually as at 31 December and quarterly. For the annual determination of the total solvency requirement, company-specific circumstances are taken into account in the risk models. The underlying assumptions of the standard formula and risks not captured by the standard formula are assessed for their appropriateness for the insurance companies of the VHV Group.

Risk monitoring is ensured at the aggregate level by the URCF. To this end, a limit system has been implemented for the operational implementation of the risk strategy; this system is continuously refined and adapted to changes in the operating environment. The limit system ensures that the risk tolerance thresholds defined in the risk-bearing capacity concept are monitored through a plurality of risk metrics. Various escalation processes ensure that, in the event of a significant deviation from target values, an immediate ad hoc notification is triggered and an early warning is issued to the Management Board.

Reporting on the company's own risk and solvency assessment is conducted both on a regular basis and on an ad hoc basis. In addition to quarterly reports as part of the standard formula model calculations, regular reporting is carried out primarily through the annual ORSA report and, during the year, through monthly limit reports. The ORSA report is approved by the Management Board and made available to the members of the Supervisory Board's risk committees as well as to the supervisory authority. Furthermore, URCF's annual regular reporting includes the results and recommendations of the HGB projections conducted in asset-liability control system studies, as well as the internal ICS report. Ad hoc risk analyses are also prepared as needed. In addition, the results of decision-relevant, event-driven risk analyses are reported to the Management Board.

Risk management refers to the process of making decisions and implementing measures to address a risk situation, in accordance with risk strategy guidelines. This includes the deliberate acceptance of risk, risk avoidance, risk reduction, and risk transfer. In particular, new business areas, new capital market and insurance products, and outsourcing projects are subject to a risk assessment by the URCF or other key functions prior to a decision being made, so that risk-oriented Management Board decisions can be made based on this assessment.

Internal Control System

The VHV Group has established binding, uniform standards in its Group policy for the internal control system. The VHV Group's internal control system consists of the entirety of internal standards, organizational measures, and controls.

The minimum requirements set forth in the Group policy are implemented at the company level through corporate guidelines. The subsidiaries confirm compliance with these requirements in an annual reporting process to the Management Board of VHV a.G., and explain any deviations and, if necessary, the required implementation measures.

The key business processes, including the associated risks and related controls, are assessed and documented in accordance with uniform standards by the risk officers of the respective organizational units. The assessment of business process-related risks is based on financial criteria (quantitative risks) and qualitative criteria (qualitative risks).

The ICS is systematically reviewed and evaluated group-wide at least once a year based on a standard method (ICS review process). The URCF coordinates the ICS regular process. The ICS regular process is primarily aligned with an assessment of key controls as well as a comprehensive confirmation of the ICS's effectiveness by all senior executives of the VHV Group. In addition, findings from key functions, such as internal audit results, URCF risk analyses, and findings from compliance activities, are taken into account in the assessment. The results of the ICS regular process are reported by the URCF at least annually to the Management Board and the Risk Committee of the Supervisory Board.

The ICS is intended to ensure, in particular with regard to financial reporting, the completeness and accuracy of the financial reporting and thus of the respective annual financial statements as well as the consolidated financial statements.

Material risks

The risk categories are described below. The significance for the VHV Group is reflected in the following ranking of risk management measures, derived from the Solvency II calculations:

1. Technical risk in property-casualty insurance
2. Market risk
3. Technical risk in life insurance
4. Credit/default risk
5. Operational risk
6. Strategic risk and reputational risk
7. Liquidity risk

Technical risk is one of the key risks to which the VHV Group is exposed. It refers to the risk that, due to chance, error, or changes in circumstances, the actual costs of claims and benefits will deviate from the projected costs.

Technical risk in property-casualty insurance

The technical risk in property-casualty insurance stems primarily from the lines of business written: motor vehicle liability, general liability, and full motor vehicle insurance.

Due to the developments outlined above, technical risks are continuously monitored and analyzed, including through stress tests and scenario analyses. Furthermore, the adequacy of premiums is closely monitored and controlled on a segment-by-segment basis for both new business and the existing portfolio. At the same time, new business and claims expectations are taken into account in pricing. Furthermore, inflation expectations are factored into claims reserves in accordance with both the German Commercial Code (HGB) and Solvency II. The technical risk arising from the property-casualty insurance business is broken down below into premium, reserve, and catastrophe risk.

Premium risk refers to the risk that (barring catastrophes) insurance premiums will be insufficient to cover claims payments, commissions, and other costs. Premium risk is mitigated, in addition to reinsurance, through the use of actuarial methods in premium calculation and the application of appropriate surcharges. Premium calculation is based on relevant actuarial methods. The VMF is integrated into the new product development process. Furthermore, compliance with key underwriting and acceptance guidelines is independently monitored by an established controlling system. In addition, the VMF regularly assesses the underwriting and acceptance policy. Through ongoing monitoring of claims expenses, changes in the claims experience are identified promptly, allowing measures to be initiated as needed. Furthermore, premium risk is mitigated through the targeted use of reinsurance. Premium risk is examined annually alongside catastrophe risk in stochastic analyses for asset-liability control. Due to risk equalization within the collective and risk diversification across lines of business, there was a low level of random variation in loss ratios at the Group-wide level. Additionally, there are equalization reserves, which are used to offset underwriting fluctuations over time.

The following shows the consolidated balance sheet loss ratios of the property and casualty insurance companies included in the consolidated financial statements, expressed as a percentage of earned premiums for own account, for the financial years 2016 through 2025.

CLAIMS RATIO: PROPERTY - CASUALTY									
2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
71.3	71.6	71.5	70.7	65.9	65.4	74.1	77.0	73.5	73.8

Reserve risk refers to the risk that technical reserves will be insufficient to fully cover future claims payments for claims that have not yet been settled or are not yet known. Reserve risks may arise in particular from unforeseeable claims trends resulting from changes in the operating environment, changes in medical care, and macroeconomic factors such as inflation, which can have a material impact on the settlement result. Reserve risk is mitigated by a conservative reserving policy that reduces the likelihood of settlement losses. To account for inflation expectations, reserve increases were made in previous years.

In addition, provisions for future claims are established for claims that have already occurred but are not yet known. The claims settlement process is also continuously monitored, and the findings are taken into account when determining the technical reserves, including the necessary reserves for future claims. The settlement potential of the claims reserves is additionally monitored by VMF. The settlement results from direct-written insurance transactions presented below, expressed as a percentage of the initial reserve for own account, demonstrate the prudent reserving policy.

CLAIMS SETTLEMENT RESULTS: PROPERTY - CASUALTY									
2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
6.3	7.0	7.0	8.2	5.9	9.1	7.2	7.2	7.6	3.9

The chart shows consistently positive claims settlements over the past few years. The risk of claims settlement losses across all lines of business is low.

Catastrophe risk refers to the risk arising from the fact that the actual cost of catastrophe losses deviates from the portion calculated in the insurance premium. Catastrophe risk can manifest in the form of natural disasters and so-called “man-made” disasters. With regard to catastrophe risks in property-casualty insurance, the VHV Group is primarily exposed to the risk of natural catastrophes such as hail, storms, floods, and earthquakes, as well as man-made catastrophes in the surety and liability insurance lines. Risk concentrations due to natural disasters in the insurance business underwritten arise from earthquake risk in Turkey as well as from cumulative risks in Germany. These risks are regularly analyzed and mitigated through the purchase of reinsurance. The VHV Group primarily underwrites technical risks in Germany. Due to its Germany-wide distribution through distributors, both the motor portfolio and the sums insured in the VHV Group’s property business are widely distributed across Germany, ensuring that the VHV Group is well diversified against natural hazards. Furthermore, in addition to being appropriately factored into premium calculations, catastrophe risk is specifically addressed through the aforementioned reinsurance coverage against natural hazards, which protects against the cumulative risk arising from natural hazards. The assessment of reinsurance needs is generally based on a modeled 200-year event. The VMF issues a statement on the adequacy of the reinsurance agreements at least once a year. In addition, the URCF issues a statement on the reinsurance program. With regard to reinsurance partners, the VHV Group sets requirements for financial strength and takes care to avoid concentrations with individual reinsurance groups.

Market risk

Market risk refers to the risk of a loss or an adverse change in the financial position and net worth resulting directly or indirectly from fluctuations in the level or volatility of market prices for assets, liabilities, and off-balance-sheet financial instruments. The VHV Group’s market risk consists primarily of equity, real estate, and interest rate risk.

Equity risk results primarily from investments in private and infrastructure equity as well as from the equity investments held. To limit the risks arising from investments in private and infrastructure equity, direct investments in individual target companies are avoided. Instead, only a simple indirect investment approach is permitted. Furthermore, the success of the investment is promoted through the careful selection of a suitable manager. During the investment process, the profitability of the investment is continuously monitored. This includes taking into account a quarterly updated valuation, reviewing the returns achieved, and incorporating private equity and infrastructure equity investments into stress tests and scenario analyses. Furthermore, compliance with the allocation ratio resulting from the strategic asset allocation for private equity and infrastructure equity is continuously monitored.

Market risks associated with equity investments are continuously monitored as part of the equity investment management and control process, which performs the detection of key risks.

Additional market risks arise from the real estate portfolio held through funds due to declining market values resulting from a real estate crisis, as well as from vacancies and the associated loss of rental income. The risks of market value losses on real estate are analyzed through stress tests.

As part of the strategic asset allocation process, investment ratios are established. The resulting limits are reviewed daily. With the exception of owner-occupied properties, real estate investments must be made exclusively through funds. The relevant real estate funds are generally aligned with Germany. To mitigate real estate risk, the respective external real estate managers and internal managers conduct ongoing market monitoring. A preselection of suitable properties is always conducted based on individual investment criteria (e.g., region, segment, volume, yield). This is followed by a due diligence process, in which additional external experts are typically involved to analyze the property's attractiveness from numerous perspectives. There is no material risk associated with the direct real estate portfolio due to intra-group leasing.

Due to the large share of fixed-income securities, additional market risks arise from fluctuations in market interest rates. While hidden reserves tend to build up during periods of falling interest rates, rising interest rates lead to a decline in valuation reserves. The sharp rise in interest rates since 2022 has resulted in hidden losses in the VHV Group's fixed-income portfolio.

Since the insurance companies of the VHV Group classify the majority of their fixed-income securities as held-to-maturity in non-current assets, the occurrence of hidden liabilities has no impact on interest income from investments. Only the fair value of the underlying investments decreases. To further identify any potential need for impairment on the affected fixed-income securities, these securities are subjected to a detailed analysis to identify the cause of the decline in fair value. If the change in market interest rates is determined to be the primary cause of the loss in fair value and no credit-related default is apparent, write-downs may be omitted. as at the reporting date, no need for write-downs was identified in the VHV Group.

A risk-conscious allocation of investments is ensured at the insurance companies of the VHV Group through regular value-at-risk analyses and as part of the companies' own risk and solvency assessments. The strategic investment allocation is established taking into account risk-bearing capacity and involving risk management and the responsible actuary. A core element of the strategic allocation is the determination of minimum returns with corresponding security. Compliance with the strategic investment allocation is continuously monitored. In addition to investments in conventional asset classes such as government and corporate bonds as well as covered bonds, new investments are made primarily in the asset classes of real estate, private equity, and infrastructure equity—including renewable energy—as well as in unlisted debt from the real estate and infrastructure sectors.

The following tables illustrate the impact of simulated market changes on the value of interest-rate- and stock-price-sensitive investments.

STOCKS AND OTHER NON-FIXED-INCOME SECURITIES

Change in stock price*)	Change in market value of equity-sensitive investments	
Decrease of 20 %	EUR	-70 million
Market value as at 31 Dec. 2025	EUR	352 million

*) Change in stock price, taking into account any equity derivatives. Private equity and equity investments were not included.

FIXED-INCOME SECURITIES AND LOANS

Interest rate changes	Change in market value of interest-rate-sensitive investments	
Change of +1 percentage point	EUR	-849 million
Change of –1 percentage point	EUR	951 million
Market value as at 31.12.2025	EUR	11,875 million

In addition, investments denominated in foreign currencies are subject to currency risk. This risk is limited by established foreign currency quotas and is continuously monitored. Furthermore, foreign currency risk is mitigated through hedging transactions.

Market risk is one of the key risks to which the VHV Group is exposed.

Technical risk in life insurance

The technical risk in life insurance includes biometric risks as well as interest rate guarantee risk, surrender risk, expense risk, and catastrophe risk. Within the VHV Group, these risks arise from the portfolios of HL and, to a lesser extent, from the pension fund as well as from pension obligations arising from the property and casualty business. An explanation of the accounting principles used by HL is provided in the notes to the financial statements of the individual company in the section on accounting and valuation methods.

Against the backdrop of an inflationary environment and high uncertainty regarding macroeconomic developments in Germany and the eurozone, technical risks are continuously monitored and analyzed through stress tests and scenario analyses, among other methods. Furthermore, the adequacy of premiums is closely monitored and controlled on a segment-by-segment basis for both new business and the existing portfolio. At the same time, new business and benefit expectations are taken into account in pricing.

Biometric risks are understood to include all risks directly linked to the life of an insured person. These encompass mortality, longevity, and disability risks. In the calculation, company-specific tables for mortality and disability probabilities are used in some cases. Fluctuation surcharges and change risks are determined in accordance with DAV derivations. For annuity insurance, the mortality tables published by the DAV are used. To verify the appropriateness of the calculation, portfolio statistics are continuously analyzed, further examinations are conducted based on profit decomposition, and corrective measures are implemented as necessary. For contracts exceeding a defined threshold, individual biometric risks associated with death or disability benefits are mitigated through reinsurance solutions.

Interest rate guarantee risk refers to the risk that the investment income generated will be insufficient to meet interest rate guarantees. The interest rate guarantee risk is continuously monitored and assessed using analyses for asset-liability control systems, portfolio projections, internal profit allocation, and stress tests. In addition to the current market and interest rate environment, further deterministic and stochastic scenarios are analyzed. The financial viability of the interest rate guarantees in the event of declining investment income is secured by the additional interest rate reserve established in accordance with DeckRV. When calculating the additional interest rate reserve, surrender and capital option probabilities as well as reduced safety margins are applied in the biometric calculation basis. The reference interest rate applicable to the funding of the additional interest reserve is 1.57 % as at the end of 2025. The additional interest reserve built up in the past is used to finance the promised insurance benefits, which strengthens the interest result.

The cost risk arises when actual costs exceed expected costs. This risk is monitored on an ongoing basis (including as part of profit allocation) and controlled through effective cost management that takes inflation assumptions into account.

The cancellation risk can arise from any change in policy holder behavior (increase or decrease in cancellations, as well as one-time shock events). In particular, a mass cancellation scenario for biometric products would have a material impact on the VHV Group. The VHV Group's life insurance portfolio has a high share of term life insurance contracts. These contracts serve to cover mortality risks and therefore offer no economic incentive for policy holders to cancel them, even in the event of rising interest rates. Furthermore, HL's cancellation rate is well below the market average and is continuously monitored and reported on using portfolio movement and claims statistics as well as through the limit system.

The main catastrophe risk in life insurance lies in the occurrence of a pandemic accompanied by higher mortality and disability rates. This could result in an unexpectedly high number of insurance claims.

Credit/Default Risk

Credit/default risk refers to the risk of a loss or an adverse change in the Group's financial position and earnings position arising from a default or a change in the creditworthiness or credit rating of securities issuers, counterparties, and other debtors (e.g., reinsurers, policy holders, insurance brokers) against whom the Group has receivables.

The ongoing geopolitical tensions, particularly the war in Ukraine, the situation in the Middle East with the current military escalation in Iran and the simmering Taiwan conflict, combined with political uncertainties in Europe and the increasing protectionist tendencies in the U.S., could lead to a further rise in risk premiums on fixed-income securities and, consequently, to declines in market value.

The ratings of the fixed-income portfolio are continuously monitored for any adverse changes using a credit limit system. In addition, the ratings are validated internally using a credit analysis tool. This involves analyzing various key figures and information for the relevant counterparties based on, among other things, annual reports, credit research reports, and data from rating agencies.

The following tables show the composition of fixed-income securities and loans at carrying amounts and the corresponding distribution across rating classes.

COMPOSITION OF FIXED-INCOME SECURITIES AND LOANS (CARRYING AMOUNTS)

	million EUR
Fixed-income securities	8,540
thereof mortgage bonds	2,698
thereof bank bonds	2,289
thereof corporate bonds	1,407
thereof bonds and treasury bills	2,146
Mortgages	953
Loans and advances on insurance contracts	6
Total	**9,499**

SHARES OF RATING CATEGORIES IN % (CARRYING AMOUNTS)

	AAA	AA	A	BBB	<BBB	NR*)
Fixed-income securities	56.6	19.3	10.4	1.3	–	2.3
Mortgages	–	–	–	–	–	10.0
Loans and advances on insurance contracts	–	–	–	–	–	0.1
Total	**56.6**	**19.3**	**10.4**	**1.3**	**–**	**12.4**

*) Not Rated

Credit risks arising from receivables from policy holders and insurance intermediaries are mitigated through appropriate organizational and technical measures. In addition, sufficient allowances for credit losses are recognized against the receivables portfolio as a precautionary measure. As at the balance sheet closing date, receivables from the insurance business due from policy holders that were more than 90 days past due, taking these allowances into account, amounted to EUR 60.2 million. Potential defaults on receivables from policy holders and insurance intermediaries do not result in any material balance sheet risks. The average default rate is calculated as the ratio of valuation allowances to gross premiums written and amounted to 0.7 % for the past three years.

Receivables from reinsurance operations amounted to EUR 83.4 million as at the balance sheet closing date. With regard to receivables from reinsurers, the ceded reinsurance business consisted almost exclusively of receivables from reinsurance relationships with a Standard & Poor's rating of at least A-. With regard to financial strength, a minimum rating is defined for the selection of reinsurers. In addition, creditworthiness analyses are conducted for major reinsurance partners based on key financial ratios. Compliance with the defined criteria is monitored within the limit system.

There is a risk of impairment of the capitalized deferred tax assets in the event of a sharp decline or negative taxable income. The development of consolidated results is closely monitored as part of our multi-year planning. The risk of impairment is assessed as low over the planning horizon.

Credit/default risk is a material risk for the VHV Group.

Concentration risk refers to the risk arising from the company's exposure to individual risks or highly correlated risks that have a material potential for default.

The VHV Group attaches great importance to concentration risk management for its investments by establishing ranges for each asset class and continuously monitoring the resulting limits. In accordance with the principle of prudent business management, care is taken to ensure a broad mix and diversification of investments. The relevant guidelines are set forth in an internal investment catalog. Furthermore, the Group aims for even greater diversification of issuers in the long term. To ensure this development operationally, a comprehensive issuer limit system and a credit portfolio model are used for risk management.

Liquidity Risk

Liquidity risk refers to the risk that a company will be unable to meet its financial obligations when due as a result of timing mismatches in cash flows and the inability to liquidate assets. The realization of assets may be necessary if the benefits and costs to be paid exceed the premiums received and income from investments. Due to the significant rise in market interest rates since 2022, this could currently result in securities having to be sold below their carrying amount. The VHV Group was able to meet its financial obligations at all times during the 2025 financial year.

The VHV Group controls liquidity risk through active liquidity management. This involves monthly liquidity planning followed by a variance analysis. In addition, liquidity classes are monitored. Investments are classified into different categories based on their liquidity, and sufficient amounts of highly liquid investments are maintained. The minimum amount of highly liquid investments is based on identified stress events and is anchored in the limit system. Long-term liquidity risks are also monitored via our asset-liability control system. Apart from liquidity risks related to the capital markets, the VHV Group, and in particular the insurance companies, is not subject to any material liquidity risk. This is due to the business model of insurance companies, which generally have sufficient liquidity due to regular premium inflows.

Operational Risk

Operational risk refers to the risk of loss arising from the inadequacy or failure of internal processes, employees, or systems, or from external events.

The VHV Group is exposed to the following operational risks, which are identified and assessed in the semi-annual risk assessment.

Legal risk refers to the risk of adverse consequences resulting from insufficient consideration of the current legal situation or the incorrect application of a legal situation that may be unclear. Legal risk also includes the risk of legal changes arising from amendments to the legal framework. Legal risk is mitigated through the use of qualified staff and by seeking external advice as needed. To reduce legal risk, a compliance management system has also been adapted, within which advisory, early warning, risk control, and monitoring functions are performed to mitigate legal risk. This ensures that changes in legislation and case law are promptly identified and addressed in all legal areas relevant to the VHV Group. The data protection risk is further mitigated by the activities of the Data Protection Officer within the scope of his or her legal duties and responsibilities. VHV Group employees receive regular training on data protection regulations, and methods are adapted for reporting and addressing data protection risks. In addition, money laundering risk and fraud risk are explicitly addressed in the risk management system and mitigated through controls adapted within the compliance management system. To this end, the roles of the Anti-Money Laundering Officer and the Anti-Money Laundering/Anti-Fraud Unit have been established within the VHV Group. The Anti-Money Laundering/White-Collar Crime Unit is specifically responsible for the prevention and detection of criminal acts (fraud). Employees of VHV Group companies subject to the Anti-Money Laundering Act receive annual training on money laundering prevention, or upon joining the company. In addition to new employee training, all employees are also invited to attend a refresher training session on fraud every two years.

A method has been adapted for the internal and external reporting of suspected cases of money laundering. The same applies to the internal reporting and investigation of criminal offenses.

Tax risks ("tax compliance") are controlled through a Tax Compliance Management System. The purpose of this internal control system is to ensure the complete and timely fulfillment of tax obligations. The Group Tax Policy describes the tax compliance organization, defines the roles and responsibilities of all involved organizational units, and uniformly regulates tax-related processes.

Organizational risk refers to the risk of inefficient process configuration, suboptimal use of resources, insufficient resource allocation (e.g., budgets), unclear or undefined interfaces, overlapping responsibilities, and/or unclear decision-making authority. Upstream controls are in place to mitigate this risk. In addition, the business organization is reviewed on a regular basis. Furthermore, there is an internal control system in which all key business processes, including the associated risks and related controls, are mapped in a standardized process modeling software. Relevant guidelines are made available to employees.

Risk selection processes are inherently subject to operational risks. These relate in particular to individual property and casualty insurance contracts as well as life insurance contracts. This risk is mitigated through careful risk assessment and appropriate underwriting guidelines. Compliance with the underwriting guidelines is monitored via a controlling system.

IT system risk refers to the danger of incurring losses that may arise as a result of a breach of one or more security objectives (confidentiality, integrity, availability, authenticity) by IT systems. Furthermore, this risk encompasses functional weaknesses in IT systems that could lead to material financial losses or compliance violations. IT risks arise from constantly increasing demands on IT architecture and IT applications, changing market requirements, and growing regulatory requirements. This increases the complexity and susceptibility to errors of the IT landscape. Other key risk drivers include the increased use of new technologies, greater connectivity and convergence of systems, and an overall increase in the number of systems coupled with a growing number of interfaces to internal and external partners. In addition to the operational risks associated with IT system downtime, there is also a reputational risk if our customers and business partners are unable to access our IT systems. To ensure the long-term sustainability of our IT application landscape and the modernization of our IT operations, the "goDIGITAL" digitalization program continued to be a high priority during the reporting year. Following the completion of the migration of private motor vehicle insurance, the focus in 2025 was on the introduction of the new portfolio management and claims system for the first SHU lines of business, as well as the continued systematic optimization and digitalization of processes. In the life insurance segment, additional contracts were migrated to the new system in 2025, meaning that over 95 % of HL's portfolio is now managed in the new system. The primary target for 2026 is to migrate the remaining contracts from the legacy system and subsequently switch off the portion of the host system used by the life insurance segment. Following the successful migration of the SAP system landscape to the successor technology S4/HANA, the focus in the finance department was on establishing an integrated financial data repository. In 2025, the data quality of the new claims system was optimized, and it was successfully migrated into the new data repository as the first partial area. In addition, numerous manual processes, such as the payment of claims in foreign currencies as well as personnel and cost planning, were replaced by modern software solutions. The "goDIGITAL" program forms the foundation for future digitalization initiatives of the VHV Group. The status of IT and the "goDIGITAL" program is regularly reported on at both Management Board and Supervisory Board meetings. Existing IT risks are closely monitored. A material risk is seen in a ransomware attack with far-reaching effects on system availability and disruption of business processes. To mitigate this risk, online mirroring of the most critical systems has been adapted at two locations. Furthermore, the ongoing cloud transformation is being driven by various factors and contributes to the implementation of the Group's strategy. It addresses relevant areas of potential and creates opportunities to strengthen key success factors. The multi-cloud approach is a key component in mitigating these risks. Against the backdrop of ever-increasing technical, legal, and regulatory requirements, as well as growing cyber risks, the VHV Group's IT risks are continuously monitored as part of its ICT risk management framework. The ICT risk management and control function serves as the central body responsible for managing and monitoring ICT risks. In addition, current methods and applications for detecting and defending against attacks are tested and implemented. The effectiveness of security measures is regularly reviewed and documented as part of IT emergency drills. The risks associated with the implementation of the "goDIGITAL" program and the challenges of the upcoming transformation are controlled accordingly through a cross-program governance structure. The personnel risk resulting from the transformation is controlled through IT personnel management. In addition to preventing failures of data processing systems, service providers, buildings, and personnel, information security and, in particular, protection against attacks on IT systems play an important role. To this end, the VHV Group has implemented appropriate precautionary measures and monitors their effectiveness.

Outsourcing risk refers to risks arising from flawed decisions, contracts, or the improper execution of an outsourcing process, as well as other operational risks that may result from outsourcing. The companies of the VHV Group have outsourced parts of their processes to internal and external service providers. Key functions and activities, in accordance with the company policy "Outsourcing and Supplier Management," are outsourced exclusively within the Group. The service-providing and service-receiving companies are fully integrated into the VHV Group's control mechanisms. The risks associated with an outsourcing project are identified, analyzed, and assessed as part of a risk analysis. The content and scope of the risk analysis are based on the regulatory classification. Depending on the assessment of service provider dependency and the risk profile of the outsourcing project, appropriate service provider control and monitoring are established. Requirements for this are defined by central service provider controlling, and their implementation is tracked. The increasing number of outsourcing projects and the growing share of cloud-based IT services, including in the context of primarily actuarial services, result in increasing cumulative risks.

These require a thorough understanding of cross-functional service provider dependencies and appropriate consideration in the risk assessment. The target is to consciously control concentration and cumulative risks through outsourcing. To this end, appropriate limit metrics are to be developed. As a result of the careful selection of partners for external outsourcing and corresponding control mechanisms, there is no significant increase in operational risk.

Personnel risk refers to risks related to the staffing capacity of the business units, employee qualifications, potential talent shortages, and employee turnover. To address these risks, training and development programs are implemented to ensure that employees maintain a high level of professional competence. Contingency and succession planning help mitigate the risk of disruptions in work processes.

In addition to the operational risks described above, data quality risk, risk arising from external events and infrastructure and project risk are systematically identified, assessed, reported, and controlled.

The VHV Group also conducts comprehensive risk assessments and performs regular business impact analyses in which extreme scenarios, such as an IT or building failure, are modeled to manage operational risk. Based on the results of these analyses, contingency plans are developed, which are regularly updated and adapted to current circumstances. Even if resources such as employees, buildings or IT systems are only available to a limited extent, the VHV Group remains capable of acting, ensuring that business operations can be maintained even in an emergency.

Strategic Risk

Megatrends are the major environmental changes affecting the insurance industry and, consequently, the VHV Group and its business segments, such as declining premiums and profitability due to macroeconomic pressures, mass standardization with price as the key differentiator, and channel and customer alignment as a future priority, technology and data as an imperative necessity, "New Work," a shortage of skilled workers, and increasing expectations of employers.

The strategic risks facing the VHV Group include failing to recognize the potential factors influencing megatrends, failing to systematically analyze the resulting consequences for the business model, and failing to adapt the business model accordingly. This is further complicated by the fact that the implications of megatrends for the VHV Group's business model are currently being influenced or even overshadowed by the micro- and macroeconomic displacements currently being observed and their effects. These include, for example, the changing geopolitical world order resulting from increasing tensions between states and multinational alliances, a heightened frequency of wars and crises, and the increased use of geopolitical instruments; or the ongoing and dynamic transformation of economic structures, which is influenced by economic policy, new technologies, increased regulation, international competition, and changing expectations in the labor market. This prompts the VHV Group to continuously update its corporate strategy. It enables the

VHV Group to navigate a dynamic environment, capitalize on opportunities, and minimize risks. It promotes future viability and competitiveness and ensures that all decisions and actions are aligned with a common target.

The Group Strategy defines overarching success factors for the strategic development of the VHV Group, which are derived from the implications of megatrends and the effects of macroeconomic displacements on the VHV Group's business model. Appropriate targets and measures are planned and implemented to realize these success factors. Risks, which primarily arise from the implementation of these measures, are mitigated to an appropriate level through suitable standards.

Reputational Risk
Reputational risk is the risk of negative economic consequences that could arise from damage to the company's reputation. The risk of reputational damage applies to all stakeholder groups (customers, business partners, government agencies, consumer advocates, and employees).

This risk is mitigated, among other things, through rigorous quality management. Service-level agreements with the VHV Group's internal and external service providers enable ongoing monitoring of key performance indicators. Measures are also taken within the communications department to minimize reputational risk, including the development of a communication strategy and the establishment of guidelines to ensure reputation-enhancing internal and external communication, raising awareness among our own employees regarding the impact of behavior and communication in the public sphere, as well as daily media monitoring to identify potential reputational damage at an early stage. In addition, the VHV Group has committed to complying with the Code of Conduct for Insurance Sales as well as the Data Protection Code.

Emerging Risks
Emerging risks are novel risks whose potential for harm is difficult or impossible to assess (among other things, due to climate change or the development of new technologies). They are also characterized by a high potential for significant damage, making early risk identification of critical importance. For this reason, emerging risks are explicitly identified and assessed by risk managers as part of the risk assessment process, with the aim of increasing the window of opportunity for countermeasures through early identification.

Risk-bearing capacity
The VHV Group's risk-bearing capacity was fully maintained at all times throughout the reporting period and in line with its risk strategy standards. as at 31 December 2025, the VHV Group had a significant excess of eligible own funds over the statutory solvency capital requirements, even without the instruments subject to approval under the transitional measures and volatility adjustment.

In the stress tests and scenario analyses conducted, risk-bearing capacity was not compromised even under the stress situations (extreme events) considered, such as in a long-term hyperinflation scenario. The hyperinflation scenario assumes long-term hyperinflation in addition to the average inflation of recent years until the current loss reserves are fully settled.

During this financial year, sustainability risk management, in particular climate stress testing, continued to be developed.

For information on market developments during the financial year and the expected trends for 2026, please refer to the economic and forecast report.

OPPORTUNITY REPORT

Identifying opportunities is an essential component of forward-looking corporate management. As part of strategic planning, current conditions are analyzed to identify emerging opportunities at an early stage and act accordingly. Due to ongoing geopolitical tensions, including the war in Ukraine, the situation in the Middle East with the current military escalation in Iran, and the conflict over Taiwan, the discussion of opportunities is subject to uncertainty.

Property-casualty insurance
In the domestic property-casualty insurance sector, the VHV Group has positioned itself as a partner to insurance agents and brokers and as a leading insurer for the construction industry. This enables the Group to identify trends and developments early on in a highly competitive market environment, which serve as the basis for competitive products. With regard to the technical result, the continuous expansion of claims management and the further development of claims processing methods offer opportunities to further reduce claims costs.

The international property-casualty insurance business will be further expanded. The selective entry into chosen foreign markets such as Austria, France, Italy, and Turkey can contribute to further improving diversification in addition to achieving growth targets. In all markets, the construction segment in particular is viewed as a sustainable business area. To achieve the strategic target of disproportionate growth in the non-motor lines, corporate business in particular is to be strengthened.

In addition, improvements in cost efficiency and productivity can contribute to the competitiveness of our products by reducing unit costs. To this end, we will continue the measures already initiated to boost productivity and further professionalize the control system for external service providers.

With regard to the technical result, the ongoing expansion of claims management and the further development of claims processing methods offer opportunities to further reduce claims costs.

Life Insurance
Products designed to cover biometric risks continue to play a significant role in the life insurance market, both in the area of death coverage and in the area of disability coverage. However, as a long-standing market leader in new business for term life insurance, HL, as a subsidiary of the VHV Group, is facing a shrinking market. We are therefore aiming for further growth for the company in the disability product segment, particularly in occupational disability and basic disability insurance, and through insurance brokers.

Investments
The rise in interest rates since 2022 continued to drive the investment focus toward covered bonds, government securities, and corporate bonds with high credit ratings. In addition, investments were made in private and infrastructure equity, real estate funds, and unlisted debt. Opportunities therefore lie not only in the portfolio's fundamentally high level of diversification but also in the potential to participate in positive market developments.

Miscellaneous
The VHV Group's corporate structure, with a mutual insurance company as the ultimate parent company, offers opportunities in the current market environment. In a dynamic market environment characterized by changing internal and external conditions, the VHV Group can act quickly and efficiently thanks to its corporate structure, thereby maintaining an above-average competitive position in the market.

Furthermore, corporate profits contribute to strengthening the company's financial position and do not need to be distributed to any shareholders. The ongoing digitalization will have a decisive influence on the future of the insurance industry due to changing customer behavior and technical innovations in the field of AI. Particularly for a medium-sized mutual insurance association with a long-term strategy and the VHV Group's positioning, opportunities in future competition are emerging here as part of the implementation of the digitalization and AI strategy newly developed for 2025.

Due to digital advancements and evolving customer needs, channel and customer focus will be of central importance in the future. There is growing customer interest, particularly in digital touchpoints and modern communication channels. Recent study results show that the customer experience is steadily improving in the direct competitive environment of the VHV Group's two largest subsidiaries, VHV Allgemeine and HL. This is evident, for example, in a continuous increase in the Net Promoter Score in the market. The VHV Group takes the relevance of the customer experience and its influencing factors into account in its strategies and implements targeted measures to operationalize its strategic targets.

Customer and broker satisfaction is a key factor in the VHV Group's future market position and profitability. We therefore conduct ongoing internal and external assessments of customer and broker satisfaction, including comparisons with competitors. Test results and awards confirm the quality of the VHV Group's products and services.

The VHV Group's alignment as an attractive employer also presents opportunities against the backdrop of demographic change. Motivated and qualified employees form the foundation for competent and high-quality collaboration with customers, brokers, and other business partners. Internal professional development initiatives, ongoing training, and systematic succession planning ensure the professional qualifications of our employees. Furthermore, we place a high priority on work-life balance and workplace health management.

SUMMARY

Based on currently available information, current findings and assessments of future developments do not currently indicate any sustained or material impacts on the VHV Group's net assets, financial position, or earnings position. The VHV Group's continued existence is not at risk, even under extreme scenarios. All material risks are identified, assessed, and controlled at an early stage.

FORECAST REPORT

Macroeconomic developments and the capital market

For 2026, economists expect the divergent growth trends to continue. The U.S. is expected to show solid, albeit moderated, growth, while the eurozone will continue to be characterized by only moderate growth momentum. Growth for Germany is forecast to be in line with that of the eurozone. Positive impulses here, in the form of fiscal policy measures, could lead to a higher contribution to growth than in previous years.

Geopolitical uncertainty remains high. In particular, the U.S. government's economic policy could further strain global trade relations. Conversely, potential progress in resolving the Ukraine-Russia conflict could provide positive momentum for the global economy.

According to forecasts, the inflation rate in the eurozone is expected to remain around the 2 % mark, however temporary spikes due to base effects are possible.

Monetary policy remains a key factor influencing economic and capital market developments. No further interest rate cuts by the ECB are anticipated for 2026, while the U.S. Federal Reserve is expected to implement several rate cuts in light of political pressure and temporary weakness in the U.S. labor market.

Bonds are expected to face significant headwinds in 2026: While declining inflation rates generally point to valuations remaining attractive, rising government debt is increasing pressure on long-term yields. Against this backdrop, a significant decline in yields – particularly at the long end of the yield curve – is not expected. Furthermore, a weakening of macroeconomic conditions or geopolitical escalations could dampen investors' risk appetite and lead to a widening of risk premiums.

Stock markets are expected to experience volatility at times. Moderate growth rates, geopolitical uncertainties, and monetary and fiscal policy measures point to an environment in which selective investment decisions and greater differentiation between individual regions and sectors are likely to gain importance.

Property-casualty insurance

After a three-year lull in investment, residential construction is showing signs of a recovery. According to the ZDB, the industry is increasingly accepting the higher construction and financing costs of recent years and is no longer postponing investments. Demand for building permits is stabilizing at a low level, but must rise significantly for a genuine trend reversal to occur. Real revenue growth of 1.6 % to EUR 56.3 billion is expected for 2026.

The development of commercial construction is largely shaped by the persistently high demand in commercial civil engineering, particularly through large-scale projects and investments in energy and transportation infrastructure. Commercial building construction continues to correlate strongly with the stagnating economic development in Germany; at the same time, the trend toward AI is driving the construction of data centers.

CONSOLIDATED MANAGEMENT REPORT

Overall, revenue is expected to grow by 3.9 % to EUR 70.2 billion in 2026.

In the public construction sector, revenue is projected to increase slightly by 1.7 % to EUR 51.6 billion in 2026. Order intake is rising in both building construction and civil engineering, driven by major projects, particularly in bridge construction. According to the ZDB's forecast, the investment backlog in municipalities will persist despite promised investments from the special fund.

Given market developments in its core business areas, the VHV Group is exceptionally well-positioned and, from today's perspective, will be able to hold its own in a challenging market environment with competitive rates and products.

In terms of investments, the plan for 2026 is to invest in securities with good credit ratings (investment grade). Furthermore, the plan is to continue investing in the real estate, private equity, and infrastructure asset classes. Equity allocations in the indirect portfolio will be actively aligned with market conditions and implemented as part of total-return investment strategies. The VHV Group plans a slight expansion of its investment portfolio for 2026. Given the support structure, the net return on investments is expected to exceed the level seen in 2025.

In the motor vehicle insurance sector, the VHV Group has been aligned with the target of increasing profitability for many years. This strategy was continued in 2025 and will remain a key priority in the coming years. It is supported by a further sharpening of risk selection, restructuring in the commercial business, premium adjustments, and, above all, comprehensive measures in claims management. The further development of higher inflation may have an impact on business performance. A decline in earnings before the equalization reserve is expected.

For motor vehicle liability insurance and other motor vehicle insurance products, the number of contracts is expected to remain stable or increase slightly in 2026, while premiums are expected to rise disproportionately. This is due to ongoing premium adjustments.

The third-party liability business for corporate customers will continue to be characterized by intense competition on price and coverage in 2026.

In certain segments, the market is expected to tighten somewhat due to risk exposure.

The VHV Group continues to view its position as a specialized insurer serving the construction sector positively. The construction industry is showing signs of growth again for the first time in 2026. Real revenue in the construction sector is expected to rise to EUR 178.1 billion (+2.5 %). According to the ZDB, the impetus for this continues to come primarily from civil engineering. Large-scale projects in commercial and public construction are also having a positive impact on the industry and the order situation. Positive effects on the development of the portfolio and earnings are expected from the continued active management of the professional liability insurance portfolio for architects and engineers. The further development of geopolitical crises, as well as the macroeconomic development in Germany, which depends in part on these crises, could have a material impact on the construction industry and thus negatively affect the Group's business performance.

Growth in the number of contracts is expected for personal liability insurance in 2026. Premiums are projected to grow at a disproportionately high rate based on the premium adjustment recommended by the independent trustee in 2025 and subsequently implemented.

In the area of accident insurance, tariff revisions in 2026 are expected to provide positive momentum for new business and portfolio development, resulting in above-market-average premium growth.

For combined household property insurance, a decline in the number of contracts is expected in 2026, with premiums remaining approx. unchanged. With regard to combined building insurance, an increase in the number of contracts is expected in 2026, accompanied by disproportionately rising premiums. This is attributable to ongoing premium adjustments.

The technical insurance segment is expected to continue to see positive growth in the number of contracts and premiums.

For loan and surety insurance, an increase in premium income and the number of contracts is expected in 2026. The insolvency situation, which had already deteriorated in 2025, could remain bleak due to the consequences of declining construction activity.

The number of expected insolvencies in 2026 is expected to remain stable.

In the fire and property insurance lines, the competitiveness of the products will again lead to growth in the number of contracts and in premiums. This applies in particular to the commercial segment.

For the international property-casualty business segment, premium growth is expected in 2026 based on the portfolio management and underwriting policy measures implemented in 2025, which will strengthen profitability and sustainably consolidate the VHV Group's international positioning.

Overall, the VHV Group anticipates positive growth in the policy portfolio and premiums for the coming years. For 2026, it is expected that claims expenses will rise due to growth and inflation. Given the planned growth in the policy portfolio and simultaneous increase in premium income in 2026, claims management measures, in particular in the motor vehicle insurance business, and measures to reduce administrative costs will be a high priority in order to secure the Group's current competitive position in the future.

In financial year 2025, the renewal of the private motor vehicle insurance policy system was completed as part of the "goDIGITAL.KOMPOSIT" digitalization program, with the successful migration of the remaining contracts from the legacy system to the new system. This has laid the groundwork for consistently optimizing and further digitizing business processes. In addition, the modernization of the contract and claims systems in the private SHU business was continuously advanced through further go-live implementations. In 2026, the transition of the individual SHU lines of business/products, including the migration of legacy portfolios to the new system, will be continued step by step. Furthermore, a decision regarding future commercial portfolio management is to be made.

Life Insurance

With the rise in interest rates in recent years, the VHV Group was able to make significant releases from the interest rate reserve (ZZR). Assuming interest rates remain at comparable levels, similar releases are expected in the coming year. Since 2011, life insurers have established provisions within the ZZR to meet interest obligations in the low-interest-rate environment. The Group considers itself competitively positioned in the market environment due to targeted duration management and the relatively low share of annuity insurance in the portfolio compared to the market. HL continues to monitor the effects of significant interest rate increases and decreases through ongoing ALM studies to ensure that its investment policy remains aligned with the requirements of the liability side in the future.

In terms of investments, the plan for 2026 is to invest in long-term securities with high credit ratings (investment grade). Furthermore, the plan is to continue investing in the real estate, private equity, and infrastructure asset classes. The VHV Group expects a slight decline in the carrying amount of its investments for the year 2026. Due to the investment structure, the net return on investments is expected to be slightly below the 2025 level.

In 2025, the Group expanded its biometrics portfolio with the introduction of basic coverage insurance. This step is part of the Group's strategy to continuously refine and optimize its products in the life insurance sector as a multi-channel biometrics insurer. Through innovative and needs-based product development, the ongoing review and adjustment of the existing product portfolio, and high-quality sales and service, the Group considers itself to be competitively positioned in the market. As a result, the market share in new business for risk insurance has been further expanded to a high level in recent years. This share is to be maintained in an environment characterized by increasing competitive intensity; furthermore, occupational and basic skills insurance is to be further expanded, particularly in the broker market.

In 2026 too, the state pension will remain under pressure, so that a growing need for citizens to take personal responsibility for their retirement planning is to be expected. The potential for subsidized retirement savings products therefore remains high.

Against the backdrop of ongoing uncertainty regarding economic developments, consumers continue to show a cautious attitude toward risky investment forms and long-term capital commitments. As expected, single premiums will be driven in particular by demand for products with shorter terms. Overall, the VHV Group expects life insurance premium income in the coming year to remain at the previous year's level. As expected, investment income and net income after taxes in 2026 will decline slightly compared to 2025.

The growth in premium income will also be supported by the continuation of the "fitness program" implemented in recent years, which covers a range of topics from product innovations and service quality to cost-cutting measures and risk selection. By systematically addressing the individual areas of the "fitness program," the aim is, among other things, to further improve the already excellent customer satisfaction and to maintain the low cost ratios at their current levels.

In addition, the "goDIGITAL" digitalization program will continue, within the framework of which the IT application landscape will be modernized and a foundation laid for future digitalization initiatives within the VHV Group.

Miscellaneous
WAVE will continue to operate primarily as the asset management company of the VHV Group, which will also offer a focused range of mutual funds. Due to its focus on asset management within the VHV Group, WAVE's operating results depend significantly on the investment portfolios of the Group's subsidiaries. From today's perspective, it is expected that this portfolio will remain stable in the coming year.

Based on current assumptions, the Group's planning anticipates stable business performance over the next two financial years (excluding performance-based compensation). Productivity gains will offset the higher-than-expected operating expenses. For the institutional third-party business, including mutual funds, a slight increase in earnings is expected for the 2026 fiscal year. This is due to higher-than-expected trailing commissions as well as higher income from fund management. For the years 2026 and 2027, earnings from ordinary business activities are expected to decline slightly, excluding performance-based compensation.

In financial year 2026 as well, continuing the measures from the "fitness program" remained a key objective for the ongoing improvement of costs and quality. Taking into account the insurance companies' planning, a sustained positive trend in non-financial performance indicators is expected. In particular, the focus in 2026 will be on increasing productivity while simultaneously reducing the operating expense ratio as well as average claims in the claims sector. These optimizations will be supported by the functionalities of the new IT systems in the policy and claims areas, so that a noticeable increase in productivity is expected in 2026. In this context, implementing measures to realize automation potential is just as important as the ongoing review of processes and organizational structures in the individual business units to achieve sustainable cost reductions.

For this purpose, the telephone routing system will be modernized in 2026 to efficiently handle customer and agent inquiries in the areas of contracts and claims. In addition to a simplified telephone routing process from the customer's perspective, this includes the implementation of new technologies, such as the use of AI-powered voice dialogue to identify inquiries and intelligent call-back management. The sustainable optimization of average claims expenses and the continuous improvement of processing quality are of key importance. The digitalization of input and output processes will continue unabated and be optimized in 2026 as well, with the target of further reducing the volume of written correspondence and further improving the service experience for customers and brokers. The difficulty in planning, due to the generally strained macroeconomic situation, on the demand side, i.e., on the customer side, as well as with regard to internal operational and technical resources, is countered by utilizing all flexibility options in operational activities, thereby ensuring operational service readiness and cost efficiency.

Proactive technology management is reflected in the advancement of the digitalization strategy, with a focus on the goDIGITAL program, the migration of infrastructure to the cloud, and innovation initiatives in the areas of AI and digital interfaces. These initiatives are supported by the continued development of agile teams. The newly introduced key performance indicator system for measuring the progress of digitalization is to be operationalized. To ensure a robust technical infrastructure, the focus will be on upholding information technology principles and adhering to security standards.

For the 2026 financial year, the VHV Group expects a positive consolidated net income, taking into account the positive forecasts for its individual business segments, however, this figure will be significantly lower than the previous year's result, which was influenced by a one-time sale of a business unit.

FORWARD-LOOKING STATEMENTS DISCLAIMER

This forecast report contains assessments of the Group's future development. After weighing all known opportunities and risks and based on plans and projections, assumptions have been made that may not materialize, or may not materialize in full, due to unknown risks and uncertainties.

Due to the rapidly changing operating environment, the long-term effects on economic development, the capital markets, and the business performance of the VHV Group cannot yet be conclusively assessed at this time. In this respect, the aforementioned forward-looking statements are subject to a higher degree of uncertainty.

Hanover, 16 March 2026

MANAGEMENT BOARD

Voigt	Bickhoff	Hilbert
Dr. Reddemann	Schneider	Stark

Sustainability: an ongoing journey.

With a clearly defined sustainability strategy, the VHV Group is focussing on responsible value creation in the long term. The aim is to actively implement and continuously improve this strategy. Suitable functions and instruments have been created for this purpose.

Transforming the economy and society to ensure a sustainable future is a key challenge and a responsibility we owe to current and future generations. Guided by a philosophy of mutual solidarity and support, the VHV Group takes responsibility for the social and environmental challenges of our time; climate change and demographic trends, in particular, are issues the VHV Group confronts on a daily basis.

They influence the core business of Germany's leading specialty insurer for the construction industry and major auto and biometrics insurer in many ways. Therefore, the VHV Group also takes sustainability into account in its business activities by integrating environmental and social issues.

In accordance with the requirements of the European Sustainability Reporting Standards (ESRS), the Group Sustainability Report is structured into the following sections:

- General Information (ESRS 2)
- Environmental Information
  - Climate change mitigation (ESRS E1)
    - Disclosures pursuant to Article 8 of Regulation 2020/852
    - Climate Change (ESRS E1) – Cross-cutting
    - Climate Change (ESRS E1) – Underwriting
    - Climate Change (ESRS E1) – Investments
    - Climate Change (ESRS E1) – Own Business Operations
- Social Information
  - Own Workforce (ESRS S1)
  - Affected communities (ESRS S3)
  - Consumers and end users (ESRS S4)
- Governance information (ESRS G1)
- Appendix: E.U. Taxonomy Investment Tables 2024

Each chapter addresses the specific reporting requirements of the ESRS. The relevant key performance indicators are compiled at the end of each chapter. For this reason, the report follows the structure of the reporting standards.

The Group Sustainability Statement covers the ESRS requirements that were identified as material for the VHV Group based on the materiality analysis. Since the individual requirements were implemented independently of one another, there may be some overlap in content in certain areas. This overlap was intentionally accepted to ensure comprehensive and transparent reporting. All thematic duplications were specifically addressed and placed in their respective contexts.

The VHV Group is a mutual insurance company, which is why the company is committed to responsible corporate governance and control adapted to sustainable value creation.

a) General nature of the company

The VHV Group is a group of insurance, pension and asset specialists that has grown over 100 years.

The parent company of the VHV Group is organized as a mutual insurance company. This organizational structure enables the company to think and act strategically over the long term and not to base its business activities on short-term shareholder value.

> Part of its mission is to make risks calculable for people and businesses.

The VHV Group is founded on a business philosophy that builds on tradition and experience while also setting new, forward-looking targets. Thus, the VHV Group pursues a long-term and reliable business policy based on a partnership with its customers. By not striving for short-term profit maximization but instead acting with foresight, the VHV Group aims to ensure the long-term security and economic stability of the company as a guarantor for its customers.

b) Strategy, business model and value chain [ESRS 2 SBM-1, 38–42]

[ESRS 2 SBM-1, 38–40] As an insurance specialist in defined business areas, the VHV Group strives to align its range of products and insurance solutions with the expectations and needs of its customers and distribution partners. In addition, the VHV Group sees its role as integrating new or changing risks into its products and insurance solutions and providing its customers with ongoing protection.

The **Group strategy** sets out the strategic framework for the VHV Group. It defines the strategic guidelines and success factors for the VHV Group. In addition, the Group strategy establishes the VHV Group's overarching (quantitative) ambition—including its breakdown into business segments, key measures, and roadmap.

In addition to the Group Strategy, the superordinate thematic strategies (Risk, Digital Operational Resilience, Sustainability, and IT and Digitalization strategies) also provide a framework for guidance. The implementation of the Group strategy and the superordinate thematic strategies into concrete strategies across the business segments is carried out in the respective business segment strategies (investment, life, property-casualty insurance, and internationalization), from which specific objectives are derived. Quantitative targets and necessary measures are also derived through the business segment strategies. The success factors specified in the business segment strategies, in turn, give rise to implementation plans for selected areas (including, in property-casualty insurance, the implementation plan for the construction business segment).

In its Group strategy, the VHV Group has identified the following success factors and is committed to implementing them:

Our success factors ...

1 Focused approach on channels and customers
2 Cost discipline and efficiency
3 Technological excellence
4 End-to-end process excellence

... for our core business ...

5 Underwriting excellence
6 Investment
7 Excellent group functions

... built on a strong foundation

8 Long-term corporate governance
- Solidity and strength from within
- Employer attractiveness
- Integration of ESG / sustainability

9 Systematic benchmarking

The VHV Group's areas of activity are divided into domestic/German insurance operations and strategic growth markets in international insurance operations and technology-based or digitalizable insurance-related services. In Germany, the individual companies operate under the trademarks "VHV Versicherungen" and "Hannoversche"; in Austria under the trademark "VAV Versicherungen"; in Turkey with VHV Re and VHV Allgemeine Sigorta; and in Italy with VHV Italia under the trademark "VHV Versicherungen." Key markets for the VHV Group include the retail and commercial insurance sectors in Germany, France, Italy, Austria, and Turkey. In addition to retail insurance, the VHV Group also offers life insurance contracts as part of corporate pension plans, which are entered into with employers
.

The VHV Group offers property and casualty insurance products in the following major lines of business:

- Liability insurance
- motor vehicle liability insurance
- Other motor vehicle insurance
- Loan and surety insurance
- Fire and property insurance

In life insurance, primarily biometric products (in particular term life insurance, disability insurance, and funeral expense insurance) and insurance investment products (unit-linked annuity insurance, annuity insurance with traditional investment, certificate-linked annuity insurance, and capitalization transactions) are offered.

[ESRS 2 SBM-1, 40a iii] The VHV Group employs 4,435 people worldwide. The table “Breakdown of Employees by Country [ESRS S1-6.2]” in the section “Social Information – Own Workforce” shows the geographic distribution of employees.

[ESRS 2 SBM-1, 40e] The VHV Group strives to incorporate sustainability aspects into its products and insurance solutions in order to meet the expectations and needs of customers and sales partners, while at the same time adhering to the principle of risk-based premium calculation (Adequacy of calculated insurance premiums to cover future claims payments, commissions, and other costs).

In the life insurance sector, the VHV Group focuses on meeting its customers’ needs for insurance coverage and their desire for protection. In the area of unit-linked life insurance, Hannoversche Lebensversicherung AG (HL) offers funds geared toward sustainable economic activities.

[ESRS 2 SBM-1, 40f] The most important products in terms of sustainability are found particularly in the areas of construction insurance, technical insurance, fire and property insurance, loan and surety insurance, and motor vehicle insurance. These insurance products support the transformation and the energy transition and have a material impact on environmental effects. Contracts with natural hazard components for buildings and household contents can also provide support for damages caused by environmental impacts that have already occurred, such as floods, landslides, or heavy rainfall events. In motor vehicle insurance, the VHV Group offers special additional services for electric vehicles. In addition, the VHV Group has been providing complete insurance coverage in the field of renewable energies for more than 15 years.

[ESRS 2 SBM-1, 40g] The VHV Group’s key activities focus on further developing its ESG investment approach, for example by expanding it to include government bonds as an asset class, and on further developing its CO_2 data framework.

In 2023, a large-scale project was launched within the company to enhance its appeal as an employer and raise the profile of its employer brand. In addition, the VHV Group continuously monitors current market trends so that it can respond appropriately.

[ESRS 2 SBM-1, 41] The VHV Group is not permitted to make an exception to the disclosure requirement under Article 18(1a) of Directive 2013/34/EU.

[ESRS 2 SBM-1, 42a/b]
As a modern, high-performing insurance association, the VHV Group combines the advantages of the traditional mutual insurance concept of a solidarity-based community of policy holders with a professional focus on service and customer needs. It is part of our mission to make risks calculable for individuals and businesses. Our strong foundation is a stable business policy that builds on tradition and experience while also setting new, forward-looking targets. As an insurance association, management is primarily committed to the interests of customers and sales partners, for whom the VHV Group is a reliable partner in the areas of insurance, retirement planning, and wealth management. There are no claims from other stakeholders, such as shareholders in capital market-oriented companies. Accordingly, the VHV Group pursues a long-term, reliable, and down-to-earth business policy based on a fair partnership with its customers.

In keeping with the cooperative spirit, the VHV Group does not seek to maximize short-term profits, but rather aims to ensure the long-term security and financial stability of the company as a guarantor for its customers through forward-looking actions. The benefits of our mutuality philosophy extend to the customers of all Group companies – regardless of the formal legal structure of the VHV Group's operating companies – since all profits remain within the VHV Group to provide long-term protection against potential customer claims.
As an insurance company, value creation is based on the collection, development, and safeguarding of key inputs such as financial capital, data, technological infrastructure, and the expertise of our employees. These inputs are effectively utilized and further developed through specialized approaches, such as structured data management, innovative product development, and long-term partnerships.

The outputs and results are reflected in complete insurance coverage, reliable claims settlement, and financial security and resilience. In this way, the VHV Group creates current and future benefits for its customers and strengthens relationships with other stakeholders along the value chain.

[ESRS 2 SBM-1, 42c] The VHV Group's upstream value chain is defined by the legal requirements of the supply chain of the Supply Chain Due Diligence Act (LkSG). The VHV Group's supply chain comprises activities related to the production of goods or the provision of services.

Within the VHV Group's upstream value chain, service providers and suppliers that ensure IT infrastructure as well as site and operational services are particularly relevant. These include, above all, IT service providers, telecommunications service providers, and energy suppliers. In addition, external services for building and site operations, as well as postal and logistics services, play a role. Indirectly upstream are also manufacturers of IT hardware and other operating equipment, as well as their respective upstream suppliers.

The downstream value chain encompasses insurance activities and investment.

For further details on the implementation of the requirements of the LkSG, please refer to the chapter on social information. The topic of human rights is also addressed in the chapter on social information.

c) Stakeholder interests and positions [ESRS 2 SBM-2, 43-45]

The VHV Group's stakeholders include its customers, employees, distribution partners, other business partners, and civil society. Due to the organizational structure of the VHV Group's parent company as a mutual insurance association, the interests of external investors do not need to be taken into account. Further details regarding the interests of customers, sales partners, and employees can be found in the chapter on Social Information.

[ESRS 2 SBM-2, 45a] The stakeholders of the VHV Group are organized through the following organizations, among others:

Customers
- Consumer Advice Center
- Bund der Versicherten e.V.
- Versicherungsombudsmann e.V.
- Institut der Bauwirtschaft (institute of the construction industry)

Employees
- General Works Council of the VHV Group
- Works Councils in Berlin, Munich, and Hanover
- Youth and Apprentice Representatives
- Representatives for Severely Disabled Employees
- Employee Representatives on the Supervisory Board of VHV Allgemeine Versicherung AG, VHV Holding SE, and VHV solutions GmbH
- Trade Union

The Group strategy takes stakeholder interests into account and defines overarching requirements based on channel and customer needs, as well as differentiation from key competitors. Furthermore, the Group strategy anchors the VHV Group's overarching (quantitative) ambition—including its breakdown into business segments, key measures, and roadmap. The annual strategy process thus ensures that strategic directions align with the preferences of the aforementioned stakeholders.

[ESRS 2 SBM-2, 45b] Stakeholders and their positions are considered a key success factor for achieving business strategy targets in the conception of the Group strategy and superordinate thematic strategies, and care is taken during development to ensure that the strategies do not conflict with one another. The VHV Group strives to support its stakeholders in the transition to a sustainable economy and sees itself as their partner.

[ESRS 2 SBM-2, 45c] In the further development of strategies, stakeholder interests are taken into account to ensure that they do not conflict with the company's interests. This includes, for example, aspects such as customer protection and service quality, integrity and compliance, data protection and information security, employee concerns, as well as sound corporate governance and financial stability.

The relationship with stakeholders and their positions is generally not altered by this.

This is ensured through a structured and regular process for implementing the Group strategy into business unit and thematic strategies.

[ESRS 2 SBM-2, 45d] The Management Board and the Supervisory Board are explicitly involved in the development and refinement of the Group strategy and the superordinate thematic strategies. The strategies are adopted by the Management Board.

d) Material impacts, risks, and opportunities, and their interaction with the strategy and the business model [ESRS 2 SBM-3, 46–48]

[ESRS 2 SBM-3, 48a] The VHV Group has identified material impacts and risks in the areas of climate change mitigation, own workforce, affected communities, consumers and end users, and business conduct. Further details are provided in the table below.

Impact/ risk/ opportunity	Part of the value chain	Topic	Related ESRS standard/company-specific disclosure	Descriptions of the key sustainability-related impacts, risks, and opportunities
Risk	Underwriting	Climate change	E1	The environmental changes that have already occurred and the resulting increase in extreme weather events pose a material risk, particularly in terms of providing insurance coverage. These events can lead to a rise in natural hazard claims and impair the profitability of insurance products.
Negative impact	Underwriting	Climate change	E1	As an insurer of buildings and motor vehicles, including natural hazard insurance, VHV is particularly affected by damage caused by extreme weather events. The increasing frequency of extreme weather events resulting from climate change could impact contracts that include natural hazard coverage (such as building, property, household contents, and full motor vehicle insurance).
Risk (transition risk)	Investment	Climate change	E1	Climate action is also a material issue in the field of investment. As a result of the economic transformation, investments may no longer retain their value (so-called "stranded assets").
Negative impact	Investment	Climate change	E1	Investments in high-emission sectors and industries increase greenhouse gas emissions and exacerbate climate change.
Positive impact	Own business operations	Own workforce	S1	Company policies on flexible work schedules and remote work promote employee satisfaction and motivation. This leads to lower turnover, reduced sick leave, and higher productivity.
Positive impact	Own business operations	Own workforce	S1	The VHV Group's compensation system consists of a fixed and a variable component. In this way, the VHV Group offers fair and performance-based compensation that recognizes and rewards individual contributions to the company's success.
Positive impact	Own business operations	Own workforce	S1	VHV offers a comprehensive range of professional development opportunities that takes into account the diversity of its headcount and leverages it as a strength to prepare employees for the demands of a dynamic work environment. Investments in training and development promote equal opportunity and strengthen the company's competitiveness. The personal development of all employees is supported – regardless of background, gender, or age – and contributes to an open, forward-looking corporate culture.
Positive impact	Own business operations	Own workforce	S3 Company-specific	Through its funding projects in the fields of art and culture, education, training, and vocational education, philanthropy, and science, the VHV Foundation strengthens the economic self-reliance and cultural participation of communities, thereby promoting equal opportunities and social cohesion in the long term. In this way, it creates sustainable development opportunities and improves the quality of life for disadvantaged groups.

Impact/ risk/ opportunity	Part of the value chain	Topic	Related ESRS standard/ company-specific disclosure	Descriptions of the key sustainability-related impacts, risks, and opportunities
Negative impact	Own business operations	Consumer and end user	S4	In the course of business operations, negative impacts may arise, such as those related to data processing, the right to privacy, and the protection of personal data.
Risk	Own business operations	Consumer and end user	S4	Failure to comply with customer protection and data protection requirements could result in legal consequences and reputational risks.
Positive impact	Own business operations	Consumer and end user	S4	The main positive benefit for customers lies in the financial security and health protection provided by the VHV Group's insurance products. In addition to covering defined risks, early-warning systems and quality-focused advice on loss prevention play a key role in promoting customers' well-being, safety, and resilience. Through high-quality advice and the conscientious fulfillment of disclosure obligations, the VHV Group increases customer satisfaction and supports customers in complying with legal regulations. This strengthens trust in our services in the long term and solidifies our partnership-based customer relationships.
Negative impact	Own business operations	Corporate policy	G1	Incidents of corruption and bribery can occur in the course of business and may involve one or more employees or external business partners. This can lead to a loss of trust among internal and external partners.

[ESRS 2 SBM-3, 48b] Climate change, in particular, has a negative impact on the VHV Group's business model. The environmental changes that have already occurred and the associated increase in extreme weather events pose a material risk, particularly in relation to the provision of insurance coverage. These events can lead to an increase in natural hazard claims and impair the profitability of insurance products. As a result of the economic transformation, there is a risk in the investment segment that investments will no longer retain their value (so-called "stranded assets") if the business models of the relevant investments do not adapt to the changed conditions.

On the other hand, in the investment segment, there is potential for more stable returns by focusing on assets, the allocation of which takes ESG criteria into account. This focus is implemented operationally through the definition of climate-based exclusions, positive criteria, and exclusions in cases of serious controversy.

Further information on this is provided in the chapter "Environmental Information – Investments." Future potential can be tapped by controlling CO_2 emissions (intensity management) within the covered asset classes. As part of an effort to improve the data available, additional asset classes are to be included in the future through the "net-zero target" control concept.

[ESRS 2 SBM-3, 48c]

Descriptions of the material impacts	How the material negative and positive impacts of the company affect people or the environment (or in the case of potential impacts, how they are likely to affect them) [ESRS 2 SBM-3, 48c (i)]	Whether and how the impacts of the company's strategy and business model arise from or are related to them [ESRS 2 SBM-3, 48c (ii)]	What time horizons for the effects can reasonably be expected [ESRS 2 SBM-3, 48c (iii)]	Whether the company through its activities or due to its business relationships contributes to the material impacts, with a description of the nature of the relevant activities or business relationships [ESRS 2 SBM-3, 48c (iv)]
Investments in emission-intensive sectors and industries increase GHG emissions and exacerbate climate change.	Greenhouse gas discharges are linked to climate change and therefore have an impact on people and the environment.	In accordance with the sustainability strategy, the target is to achieve net-zero emissions by 2050.	Long-term	Investment activities, for example in emission-intensive industries and sectors, can influence the impact described.
As an insurer of buildings and motor vehicles, including natural hazard coverage, VHV is particularly affected by losses resulting from extreme weather events. Increasing extreme weather events resulting from climate change could impact contracts with natural hazard coverage (including buildings, property, household contents, and full motor vehicle insurance).	Potential changes to contracts with natural hazard coverage would affect policy holders.	This impact is directly linked to the sustainability strategy.	Long-term	New or changing risks, such as those arising from changing climate conditions, are taken into account in product development and the underwriting and acceptance processes.
Company policies on flexible work schedules and remote work promote employee satisfaction and motivation. This contributes to lower turnover, reduced sick leave, and higher productivity.	In its commitment to social sustainability, the VHV Group places particular emphasis on attractive and employee-oriented working conditions. Key measures include the introduction of flexible work schedules, targeted support for individual skill development, and a wide range of training and continuing education opportunities. The work-life balance is actively supported through appropriate organizational frameworks.	The positive impact on our own workforce, such as targeted training and skills development, measures to improve work-life balance, and fair, performance-based compensation, stems from our internal human resources strategy.	Long-term	Impacts in the areas of social and governance can be attributed to the VHV Group's own activities, as they arise directly from the VHV Group's products, processes, corporate

Descriptions of the material impacts	How the material negative and positive impacts of the company affect people or the environment (or in the case of potential impacts, how they are likely to affect them) [ESRS 2 SBM-3, 48c (i)]	Whether and how the impacts of the company's strategy and business model arise from or are related to them [ESRS 2 SBM-3, 48c (ii)]	What time horizons for the effects can reasonably be expected [ESRS 2 SBM-3, 48c (iii)]	Whether the company through its activities or due to its business relationships contributes to the material impacts, with a description of the nature of the relevant activities or business relationships [ESRS 2 SBM-3, 48c (iv)]
The VHV Group's compensation system consists of a fixed and a variable component. In this way, the VHV Group offers fair and performance-based compensation that recognizes and rewards individual contributions to the company's success.	In its commitment to social sustainability, the VHV Group places particular emphasis on attractive, health-promoting, and employee-oriented working conditions. Key measures include the introduction of flexible work schedules, targeted support for individual skill development, and a wide range of training and professional development opportunities. Ensuring stable, collectively bargained employment relationships and long-term employment prospects is an integral part of the HR strategy.	The positive effects on the company's own workforce, such as targeted training and skills development, measures to improve work-life balance, and fair, performance-based compensation, stem from the internal human resources strategy.	Medium-term	Impacts in the areas of social responsibility and governance can be attributed to the VHV Group's own activities, as they arise directly from the VHV Group's products, processes, corporate governance, and corporate culture.
VHV offers a comprehensive range of professional development opportunities that takes into account the diversity of its headcount and leverages it as a strength to prepare employees for the demands of a dynamic work environment. Investments in training and development promote equal opportunity and strengthen the company's competitiveness. The personal development of all employees is supported – regardless of background, gender, or age – and contributes to an open, forward-looking corporate culture.	Continuous skills development is considered essential for individual and organizational growth. Employees are supported in leveraging and expanding their potential in a targeted manner.	The positive effects on the company's own workforce, such as targeted training and skills development, measures to improve work-life balance, and fair, performance-based compensation, stem from the internal human resources strategy.	Medium-term	Impacts in the areas of social responsibility and governance can be attributed to the VHV Group's own activities, as they arise directly from the VHV Group's products, processes, corporate governance, and corporate culture.
Through its funding projects in the fields of art and culture, education, training, and vocational education, philanthropy, and science, the VHV Foundation strengthens the economic self-reliance and cultural participation of communities, thereby promoting equal opportunities and social cohesion in the long term. In this way, it creates sustainable development opportunities and improves the quality of life for disadvantaged groups.	The foundation's positive impact directly benefits people by promoting economic independence and strengthening cultural participation. Its activities improve the quality of life for disadvantaged groups and promote equal opportunities and social cohesion.	The positive impacts of the VHV Foundation described above are an integral part of the sustainability strategy. The VHV Foundation's funded projects are directly aligned with the strategic direction of the VHV Group, which aims, among other things, to assume social responsibility and create societal value.	Medium- to long-term	Through the activities of its foundation, the VHV Group contributes directly to these positive impacts. The foundation's grant projects are specifically adapted to support disadvantaged groups and thereby achieve the material impacts described.

Descriptions of the material impacts	How the material negative and positive impacts of the company affect people or the environment (or in the case of potential impacts, how they are likely to affect them) [ESRS 2 SBM-3, 48c (i)]	Whether and how the impacts of the company's strategy and business model arise from or are related to them [ESRS 2 SBM-3, 48c (ii)]	What time horizons for the effects can reasonably be expected [ESRS 2 SBM-3, 48c (iii)]	Whether the company through its activities or due to its business relationships contributes to the material impacts, with a description of the nature of the relevant activities or business relationships [ESRS 2 SBM-3, 48c (iv)]
In the course of business operations, negative impacts may arise, such as those related to data processing, the right to privacy, and the protection of personal data.	Potential impacts on customers regarding compliance with data protection regulations.	Compliant data processing is an integral part of the VHV Group's business model.	Short-term	The VHV Group's existing data protection policy ensures compliance with the General Data Protection Regulation (GDPR) and the Federal Data Protection Act (BDSG). In addition, the companies of the VHV Group joined a voluntary code of conduct regarding the handling of personal data in the insurance industry (Code of Conduct) on 1 June 2014. The Code of Conduct specifies the provisions of the General Data Protection Regulation (GDPR) and the Federal Data Protection Act (BDSG) with regard to the insurance industry.
The main positive benefit for customers lies in the financial security and health protection provided by the VHV Group's insurance products. In addition to covering defined risks, early-warning systems and quality-focused advice on loss prevention play a key role in promoting customers' well-being, safety, and resilience. Through high-quality advice and the conscientious fulfillment of disclosure obligations, the VHV Group increases customer satisfaction and supports customers in complying with legal regulations. This strengthens trust in our services in the long term and solidifies our partnership-based customer relationships.	As Germany's leading specialist insurer for the construction industry and a major provider of motor and biometric insurance, the VHV Group supports customers in securing their essential needs. The products and advisory services aim to provide financial security and meet individual insurance needs in a tailored manner.	The positive impacts of the VHV Group's insurance solutions stem directly from the products it offers and are therefore inextricably linked to the business model.	Short-term	Impacts in the areas of social responsibility and governance can be attributed to the VHV Group's own activities, as they arise directly from the VHV Group's products, processes, corporate governance, and corporate culture.
Incidents of corruption and bribery can occur in the course of business and may involve one or more employees or external business partners. This can lead to a loss of trust among internal and external partners.	Potential impacts on customers regarding loss of trust among internal and external partners.	The implementation of appropriate governance processes with positive impacts on corporate management is a central component of the strategic direction. The instruments used are aligned with the business model, operational requirements, and industry-specific conditions of the financial and insurance sectors.	Medium-term	The VHV Group implements group-wide integrity and compliance guidelines, supplemented by mandatory training and a whistleblower system for the confidential reporting of issues. These measures are continuously implemented as part of regular operations and adapted as needed to new regulatory requirements and internal findings.

[ESRS 2 SBM-3, 48d] In the course of preparing this report, no current financial impacts of the material risks on the financial position, financial performance, and cash flows were identified. Accordingly, no significant adjustment to the carrying amounts of the assets and liabilities reported in the accompanying financial statements is expected.

[ESRS 2 SBM-3, 48e] With regard to the statements on the short-, medium-, and long-term expected financial impacts of material risks and opportunities on the financial position, financial performance, and cash flows, including the time horizons reasonably expected for these impacts, the VHV Group makes use of the transitional provisions of the ESRS.

The investment portfolio management system is intended to increase opportunities for actively controlling CO_2 emissions and to identify potential financial impacts at an early stage. Reporting takes place within the Investment Committee.

[ESRS 2 SBM-3, 48f] The resilience of the strategy and business model is analyzed as part of the capital projection over the planning horizon with regard to the impact on the VHV Group's coverage ratio. For further details, please refer to the discussion on resilience in the Environmental Information section.

[ESRS 2 SBM-3, 48g] The following overview presents the significant changes in impacts, risks, and opportunities compared to the preceding reporting period. It lists newly identified, ongoing, and discontinued topics and explains the rationale for each.

Topic	Status previous year	Status current year	Change/rationale
The environmental changes that have already occurred and the resulting increase in extreme weather events pose a material risk, particularly in terms of providing insurance coverage. These events can lead to a rise in natural hazard claims and impair the profitability of insurance products.	Material	Material	Continued, no changes
As an insurer of buildings and motor vehicles, including natural hazard coverage, VHV is particularly affected by losses resulting from extreme weather events. Increasing extreme weather events resulting from climate change could impact contracts with natural hazard coverage (including buildings, property, household contents, and full motor vehicle insurance).	Material	Material	Continued, no changes
Climate action is also a material issue in the field of investment. As a result of the economic transformation, investments may no longer retain their value (so-called “stranded assets”).	Material	Material	Continued, no changes
Investments in emission-intensive sectors and industries increase GHG emissions and exacerbate climate change.	Material	Material	Continued, no changes
Material risks arise in the area of employer attractiveness against the backdrop of the growing shortage of skilled workers.	Material	Immaterial	The risk is no longer classified as material, and comprehensive measures to enhance the company’s attractiveness as an employer have been implemented. For this reason, the relevance of the risk to the VHV Group has decreased.
A flawed human resources strategy can lead to excessive workloads and, as a result, health problems among employees.	Material	Immaterial	The impact is no longer considered material, as the human resources strategy aligns with sustainable employee development, health promotion, and the balanced use of resources. Measures such as workplace health management, work-life balance programs, and regular employee surveys significantly reduce the risk of excessive work demands.
Company policies on flexible work schedules and remote work promote employee satisfaction and motivation. This leads to lower turnover, reduced sick leave, and higher productivity.	Not assessed	Material	A positive impact was identified during the update of the materiality analysis.
The VHV Group’s compensation system consists of a fixed and a variable component. In this way, the VHV Group offers fair and performance-based compensation that recognizes and rewards individual contributions to the company’s success.	Not assessed	Material	A positive impact was identified during the update of the materiality analysis.
VHV offers a comprehensive range of professional development opportunities that takes into account the diversity of its headcount and leverages it as a strength to prepare employees for the demands of a dynamic work environment. Investments in training and development promote equal opportunity and strengthen the company’s competitiveness. The personal development of all employees is supported – regardless of background, gender, or age – and contributes to an open, forward-looking corporate culture.	Not assessed	Material	A positive impact was identified during the update of the materiality analysis.
Through its funding projects in the fields of art and culture, education, training, and vocational education, philanthropy, and science, the VHV Foundation strengthens the economic self-reliance and cultural participation of communities, thereby promoting equal opportunities and social cohesion in the long term. In this way, it creates sustainable development opportunities and improves the quality of life for disadvantaged groups.	Material	Material	Continued, no changes

Topic	Status previous year	Status current year	Change/rationale
In the course of business operations, negative impacts may arise, such as those related to data processing, the right to privacy, and the protection of personal data.	Material	Material	Continued, no changes
Failure to comply with customer protection and data protection requirements could result in legal consequences and reputational risks.	Material	Material	Continued, no changes
Improper business organization, as well as conflicts of interest and misaligned incentives, can have a negative impact on a company's long-term development.	Material	Immaterial	This is no longer material, as existing governance structures, clear compliance rules, and regular employee training ensure proper business organization and minimize conflicts of interest and misalignments.
Inadequate implementation of the sustainability strategy carries the risk of eroding stakeholder trust and negatively impacting public perception and the long-term reputation of the VHV Group.	Material	Immaterial	This is no longer material, as the sustainability strategy has been implemented, integrated into the control system, and has secured stakeholder trust through transparent communication.
The main positive benefit for customers lies in the financial security and health protection provided by the VHV Group's insurance products. In addition to covering defined risks, early-warning systems and quality-focused advice on loss prevention play a key role in promoting customers' well-being, safety, and resilience. Through high-quality advice and the conscientious fulfillment of disclosure obligations, the VHV Group increases customer satisfaction and supports customers in complying with legal regulations. This strengthens trust in our services in the long term and solidifies our partnership-based customer relationships.	Immaterial	Material	A positive impact was identified during the update of the materiality analysis.
Failure to adequately transition to new or specialized business partners and services carries the risk of negatively impacting the quality and efficiency of the insurance products and services offered, particularly if such services can only be provided partially or with delays.	Material	Immaterial	This is no longer material, as professional service provider management, standardized quality controls, and monitoring processes ensure the reliable integration of new service providers.
Incidents of corruption and bribery can occur in the course of business and may involve one or more employees or external business partners. This can lead to a loss of trust among internal and external partners.	Not significant	Significant	Negative impacts were identified during the update of the materiality analysis.

[ESRS 2 SBM-3, 48h] As part of the materiality analysis, a entity-specific disclosure was identified in the area of "Affected Communities (S3)." This topic relates to the company's own business operations and was classified as having a positive impact.

The analysis revealed that the activities of the VHV Foundation are exclusively aligned with the promotion of positive social and economic effects. No negative impacts were identified. The Foundation's initiatives contribute in particular to promoting participation, cultural integration, access to education, and strengthening the economic self-reliance of communities. This strengthens equal opportunities and promotes social cohesion in the long term.

A realistic likelihood of negative consequences was assessed as non-existent.

> Rather, these support measures have predominantly positive effects, particularly with regard to social cohesion, cultural participation, and opportunities for the sustainable development of communities.

Topic-specific disclosure requirements:
S1 Own workforce

INTERESTS AND POSITIONS OF STAKEHOLDERS [ESRS S1, 12 (ESRS 2 SBM-2)]

The interests, positions and rights of employees, including respect for human rights, are taken into account in the VHV Group's corporate and sustainability strategy and business model. In the updated corporate strategy, "employer attractiveness" is an explicit success factor. In this regard, we refer to requirement ESRS 2 SBM-1, 38–42.

The positions of our own workforce flow into our strategies, for example, through regular employee surveys and through employee representative bodies.

Topic-specific disclosure requirements:
S3 Affected communities

INTERESTS AND POSITIONS OF STAKEHOLDERS [ESRS S3, 7 (ESRS 2 SBM-2)]

Under "Affected communities," the VHV Group has identified civil society as a stakeholder.

The positions, interests, and rights, including respect for human rights, are taken into account as part of the revision of the strategy and business model. There is no direct exchange or dialogue.

Topic-specific disclosure requirements:
S4 Consumers and End Users

INTERESTS AND POSITIONS OF STAKEHOLDERS [(ESRS 2 SBM-2)]

The interests, positions, and rights of consumers and end users are taken into account within the Group strategy through the success factor "Consistent channel and customer focus." In addition, these interests are considered as part of the described product development process.

General Principles for the Preparation of the Sustainability Statement [ESRS 2 BP-1, 3-5a-b]

[ESRS 2 BP-1, 5a] The present Group Sustainability Statement has been prepared in accordance with the provisions of Sections 289c et seq. and Section 315c of the German Commercial Code (HGB), the CSRD, and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2099 and the delegated acts adopted thereunder. It comprises the Group Sustainability Statement of the parent company VHV Vereinigte Hannoversche Versicherung a. G. as well as the Group Sustainability Statement of the VHV Group.

[ESRS 2 BP-1, 5b] Unless otherwise stated, the present Group Sustainability Statement covers the same scope of consolidation as the consolidated financial statements.

The following subsidiaries are exempt from sustainability reporting pursuant to Article 19a(9) of Directive 2022/2464/EU, as they are included in this non-financial consolidated statement:

- VHV Vereinigte Hannoversche Versicherung a. G.
- VHV Holding SE
- VHV Allgemeine Versicherung AG
- Hannoversche Lebensversicherung AG
- Pensionskasse der VHV-Versicherungen
- VHV International SE
- VHV Reasürans A. S.
- VHV Allgemeine Sigorta A. S.
- VHV Italia Assicurazioni S. p. A.
- VAV Versicherung-Aktiengesellschaft
- VHV digital development GmbH
- VHV solutions GmbH
- WAVE Management AG
- Eucon Digital GmbH
- Eucon GmbH*
- InterEurope AG European Law Service
- InterEurope Beteiligung GmbH
- WAVE Private Equity SICAV-SIF

VHV a. G. is the ultimate parent company and is not itself a subsidiary. Therefore, no use is made of the exemption provided for in Article 29(8) of Directive 2013/34/EU.

[ESRS 2 BP-1, 5c] The VHV Group is a modern and high-performing mutual insurance association that considers human rights and environmental risks in a global context. To comply with the human rights and environmental due diligence obligations set forth in the LkSG, the VHV Group identifies and assesses associated risks across national borders. The VHV Group identifies risks associated with protected legal positions within its own business operations and among its direct suppliers through risk analyses to detect and minimize, to the greatest extent possible, any violations of human rights or environmental rights. To this end, the VHV Group has expanded its existing group-wide risk management system. Further details on the implementation of the requirements under the LkSG and the protected legal positions are presented in the Social Information chapter.

[ESRS 2 BP-1, 5d] The VHV Group has not made use of the option to omit certain information relating to intellectual property, know-how, or the results of innovations.

[ESRS 2 BP-1, 5e] VHV a. G. has not made use of the exemption provision in Article 19a(3) of Directive 2013/34/EU and Article 29a(3) of Directive 2013/34/EU regarding the exemption from disclosing upcoming developments or matters currently under negotiation.

*) Eucon GmbH was included in the scope of consolidation until 30 September 2025. With the exception of key figure S1-16, this company's sustainability information up to that date is included in the report.

Disclosures relating to specific circumstances [ESRS 2 BP-2, 6–16]

[ESRS 2 BP-2, 9a–b] The VHV Group does not use a definition of time horizons that differs from that defined in the ESRS. The following time horizons are defined within the VHV Group:

- **Short-term:** up to one year
- **Medium-term:** one to five years
- **Long-term:** over five years

[ESRS 2 BP-2, 10] Currently, no estimates or approximations, such as sector average data, are used in the upstream and downstream value chain.

[ESRS 2 BP-2, 11-12] When determining gross Scope 3 GHG emissions along the upstream and downstream value chain, indirect data sources are partially used for the disclosures in accordance with ESRS E1-6 (gross GHG emissions of Scopes 1, 2, and 3, as well as total GHG emissions), indirect data sources are sometimes used, and - where necessary -approximations or estimates are applied. The key principles and assumptions for determining the corresponding metrics are presented in the disclosures under ESRS E1-6.

In these cases, the use of indirect sources and estimation methods represents the best possible determination of the metrics available at the time of reporting.

As part of the control concept for the net-zero CO_2 emissions target in investment management, data on greenhouse gas emissions from managed investments is sourced from a data provider. In this context, only reported and not estimated greenhouse gas emissions are used when analyzing the value chain of the invested companies. Similarly, no significant source of uncertainty in the results can be identified in the calculation of the metrics for taxonomy compliance of the investments, as the calculations are based solely on published figures from the portfolio companies.

[ESRS 2 BP-2, 13] The benchmark value for the base year 2021 for Scope 3 Category 15 emissions was recalculated retroactively due to alignment with the new PCAF standard and the inclusion of additional asset classes compared to the previous year. See further information in the chapter "Targets Related to Climate action and Adaptation to Climate Change." Beyond that, there have been no changes in the preparation and presentation of sustainability information.

[ESRS 2 BP-2, 14] The VHV Group has not identified any errors in reporting for the comparative period.

[ESRS 2 BP-2, 15] In the present Group Sustainability Statement, it is transparently disclosed in the relevant sections when information has been taken from other legal requirements or established, generally accepted standards of sustainability reporting.

[ESRS 2 BP-2, 16] The VHV Group does not make use of the option to cross-reference information.

PRINCIPLES OF THE SUSTAINABILITY STRATEGY [ESRS 2 STRATEGIES MDR-P, 63-65]

[ESRS 2 Strategies MDR-P, 65a/b] The VHV Group conducts its business activities with a focus on sustainability and has adopted a separate sustainability strategy for this purpose. It defines sustainability as a long-term financial orientation and long-term risk mitigation, taking into account environmental and social concerns as well as proper and ethical corporate governance. The sustainability strategy was derived from the Group strategy and linked to the VHV Group's Code of Conduct and its values.

The VHV Group's sustainability strategy sets out the strategic framework at the Group level. The Group Policy "Sustainability Management" defines the requirements for sustainability management across all geographic regions, which must be implemented by the individual companies. Stakeholders include, in particular, customers, employees, and civil society.

[ESRS 2 Strategies MDR-P, 65e] The interests of the most important stakeholders are taken into account when defining the strategy.

[ESRS 2 Strategies MDR-P, 65f] In addition to the information provided in this report, the cornerstones of the sustainability strategy are also available on the websites of the VHV Group and its subsidiaries VHV Allgemeine, HL, and VAV for potentially affected stakeholders.

ACTIONS AND RESOURCES RELATED TO MATERIAL SUSTAINABILITY ASPECTS [ESRS 2 MEASURES MDR-A, 66–69]

[ESRS 2 Measures MDR-A, 68a] The VHV Group's sustainability strategy identifies climate change as one of the greatest current challenges. Therefore, great importance is attached to measuring and controlling adverse sustainability impacts related to CO_2 emissions. A strategic target is to achieve the net-zero target in investments by 2050 and thereby contribute to decarbonization.

In the 2025 reporting year, it was also decided to expand the ESG investment approach to include the government bond asset class, which will take effect in 2026. This measure aimed to continuously advance sustainability efforts in investment. Specifically, the intention is to make new investments in government bonds only in countries classified as "free" by Freedom House. The Freedom House organization publishes a corresponding index to assess political freedoms and civil rights in countries. This measure is intended to ensure that countries with serious violations of democratic rights and human rights are excluded from investments. In addition, the Corruption Perception Index was introduced as an additional criterion for new investments. Preventing and combating corruption is given high priority in the sustainability strategy. The consideration of sustainability criteria in investment decision-making processes and risk management is regularly reviewed and, if necessary, adjusted.

Likewise, in the 2025 reporting year, the CO_2 data framework was expanded to include the asset classes of external mutual funds and real estate in order to further improve the coverage rate for CO_2 measurement.

[ESRS 2 Measures MDR-A, 68b-c] In addition to the previously formulated net-zero target for CO_2 emissions in investments by 2050, the further development of the ESG investment approach, and the consideration of the Corruption Perception Index, the VHV Group has not yet defined any further time horizons for implementing the most important measures.

[ESRS 2 Measures MDR-A, 68d] In the reporting year, no remedial measures were required as a result of harm caused by material impacts.

[ESRS 2 Measures MDR-A, 69] Since the VHV Group has not yet established a concrete action plan, no significant operating expenses or capital expenditures are foreseeable based on current information. Therefore, no statements can currently be made regarding the amount of current or future financial resources.

PARAMETERS RELATING TO MATERIAL SUSTAINABILITY ASPECTS [ESRS 2 ACTIONS MDR-M, 73-77]

The following overview lists all key performance indicators reported in this Sustainability Statement. For each relevant disclosure requirement, we briefly describe the underlying methodology and key assumptions. Detailed methodological information can be found in the respective disclosure requirement. It is also indicated whether the measurement of the key performance indicator – in addition to the statutory audit by the auditor – has been validated by another external body.

Validation of the parameters is carried out in accordance with the dual-control principle.

List of key performance indicators used	Overview of methods applied	Validation of key performance indicator measurements by an external body
Disclosure requirement E1-4 – GHG emission reduction targets	Determination of GHG data and reductions over time in accordance with the PCAF standard	None
Disclosure requirement E1-5 – Energy consumption and energy mix	Meter readings, analysis of (utility) bills, calculations based on energy performance certificates, and additional statistical methods	None
Disclosure requirement E1-6 – Gross GHG emissions for Scope 1, 2, and 3, as well as total GHG emissions	Conversion of energy consumption, requesting data from suppliers and logistics service providers, and analysis of business travel; statistical analyses; PCAF standards for financed emissions	None
Disclosure requirement E1-7 – Removal of greenhouse gases and projects to reduce greenhouse gases, financed via CO_2 certificates	GHG emissions to be offset are derived from the calculation under disclosure requirement E1-6.	The climate action projects of atmosfair are audited by TÜV according to the criteria of the CDM Gold Standard.
Disclosure Requirement S1-6 – Characteristics of the Company's Employees	Calculation based on data from the HR management and payroll system	None
Disclosure Requirement S1-9 – Diversity Metrics	Calculation based on data from the HR management and payroll system	None
Disclosure Requirement S1-10 – Fair Compensation	Calculation based on data from the HR management and payroll system	None
Disclosure Requirement S1-14 – Health and Safety Metrics	Determination based on data from the HR management and payroll system	None
Disclosure Requirement S1-16 – Compensation Metrics (Pay Gaps and Total Compensation)	Determination based on data from the HR management and payroll system	None
Disclosure Requirement S1-17 – Incidents, complaints, and serious impacts related to human rights	Determination based on data from the HR management and whistleblower system	None

TRACKING THE EFFECTIVENESS OF STRATEGIES AND MEASURES THROUGH OBJECTIVES [ESRS 2 OBJECTIVES MDR-T, 78–81]

The Management Board of WAVE Management AG (WAVE) aims to examine new sustainability-related requirements for investments. The focus will be on internal processes and the ESG data management of illiquid assets.

[ESRS 2 Objectives MDR-T, 80a] This objective is consistent with the “responsible investment” target formulated in the sustainability strategy. Accordingly, the VHV Group is committed to sustainable investment. As a long-term investor, the VHV Group has a strong interest in capitalizing on the opportunities presented by the transition to a sustainable economy and society and in managing potential risks as early as possible.

[ESRS 2 Objectives MDR-T, 80b] This is a qualitative objective.

[ESRS 2 Objectives MDR-T, 80e] The period to which the objective applies is from 1 January 2025, to 30 September 2025

[ESRS 2 Objectives MDR-T, 81] The objectives set forth in the VHV Group’s sustainability strategy are incorporated into the VHV Group’s target-setting process and must be further operationalized by the individual companies. The timeframe for the individual target agreements is one year. The effectiveness of the targets and measures with regard to material sustainability-related impacts, risks, and opportunities is regularly tracked and monitored using the instruments already described. Tracking is currently based primarily on qualitative indicators.

THE FRAMEWORK

The VHV Group’s sustainability strategy takes into account internationally established principles and standards such as

- **ESG criteria for sustainable business practices**
- **Targets of the UN 2030 Agenda**
- **Principles of major sustainability initiatives**

THE THREE PILLARS OF ESG

At the heart of our sustainability strategy are the **ESG criteria** for sustainable business practices outlined below. These three criteria illustrate how broadly the concept of sustainability should be understood today. They range from equal opportunity for employees to product development and sustainable financing strategies.

Environment
- Combating climate change
- Reducing CO_2 emissions
- Using renewable energy
- Reducing energy consumption

Social Responsibility
- Diversity and equal opportunity
- Fair wages
- Healthy and safe products
- Healthy and safe working conditions
- Social engagement

Corporate Governance
- Compliance with all legal and internal regulations
- Prevention of corruption and bribery
- Prevention of money laundering
- Respect for human rights
- Compensation for the Management Board aligned with sustainability targets
- Tax compliance
- Data protection and security
- Rejection of anti-competitive practices

STRATEGIES FOR ADDRESSING MATERIAL SUSTAINABILITY ISSUES [ESRS 2 STRATEGIES MDR-P, 65d]

The UN 2030 Agenda, with its 17 Sustainable Development Targets, is a global plan to promote sustainable peace and prosperity and to protect the planet. The VHV Group supports all 17 targets -five of which it actively promotes:

TARGET 4

Quality Education
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

TARGET 5

Gender equality
Achieving gender equality and empowering all women and girls to self-determination

TARGET 8

Decent Work and Economic Growth
Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all

TARGET 12

Sustainable Consumption and Production
Ensuring sustainable consumption and production patterns

TARGET 13

Climate protection measures
Take immediate action to combat climate change and its impacts

In addition, the VHV Group supports the target of a climate-neutral Europe by 2050, the Green Deal, in order to contribute specifically to the objectives listed.

ENGAGEMENT IN SUSTAINABILITY INITIATIVES

The VHV Group has joined numerous sustainability initiatives and relevant networks: In doing so, it publicly demonstrates its commitment to its targets and further fosters accountability and transparency.

Signatory of: PRI Principles for Responsible Investment

Principles for Responsible Investment

The PRI is a global investor initiative that has established six principles for responsible investment, which the VHV Group is committed to implementing.

German Sustainability Network

GSN is a content-oriented collaboration platform for the German-speaking insurance industry and related stakeholders. Across eleven focus areas, it provides knowledge, generates ideas, and facilitates industry-wide exchange.

Principles for Sustainable Insurance

The PSI support a sustainable transformation in the insurance industry through four principles to which the VHV Group, as a member, is committed.

charta der vielfalt – Für Diversity in der Arbeitswelt

Diversity Charter

An employer initiative to promote diversity in companies and institutions with the aim of advancing the recognition, appreciation, and inclusion of diversity in the workplace.

FNG Label

The quality standard for sustainable investment funds in German-speaking countries. The WAVE Total Return ESG Fund, managed by WAVE, has been awarded the FNG Label.

WE SUPPORT

UN Global Compact

The UN Global Compact is the world's largest and most important initiative for sustainable and responsible corporate governance.

ÖKOPROFIT Hannover 2023

Ökoprofit (Ecological Project for Integrated Environmental Technology)

A collaborative project between municipalities and the local business community aimed at reducing operating costs while conserving natural resources.

THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT ARE:

1. Businesses should support and respect the **protection of internationally proclaimed human rights**.
2. Businesses should ensure that they are **not complicit in human rights abuses**.
3. Businesses should uphold the **freedom of association** and the **effective recognition of the right to collective bargaining**.
4. Businesses should work towards **eliminating all forms of forced and compulsory labour**.
5. Businesses should stand up for the **abolition of child labour**.
6. Businesses should work towards **eliminating discrimination** in employment and occupation.
7. Businesses should support a precautionary **approach to environmental challenges.**
8. Businesses should **undertake initiatives** to promote greater **environmental responsibility.**
9. Businesses should encourage the development and diffusion of **environmentally friendly technologies**.
10. Businesses should work **against corruption in all its forms**, including extortion and bribery.

SIX KEY SUSTAINABILITY ISSUES

In its sustainability strategy, the VHV Group has defined six areas of focus that encompass customers, employees, sales partners, investments, and social initiatives.

01 Deliver the right products
The VHV Group designs its products and services to align with the interests of its customers and sales partners in actively contributing to a livable future.

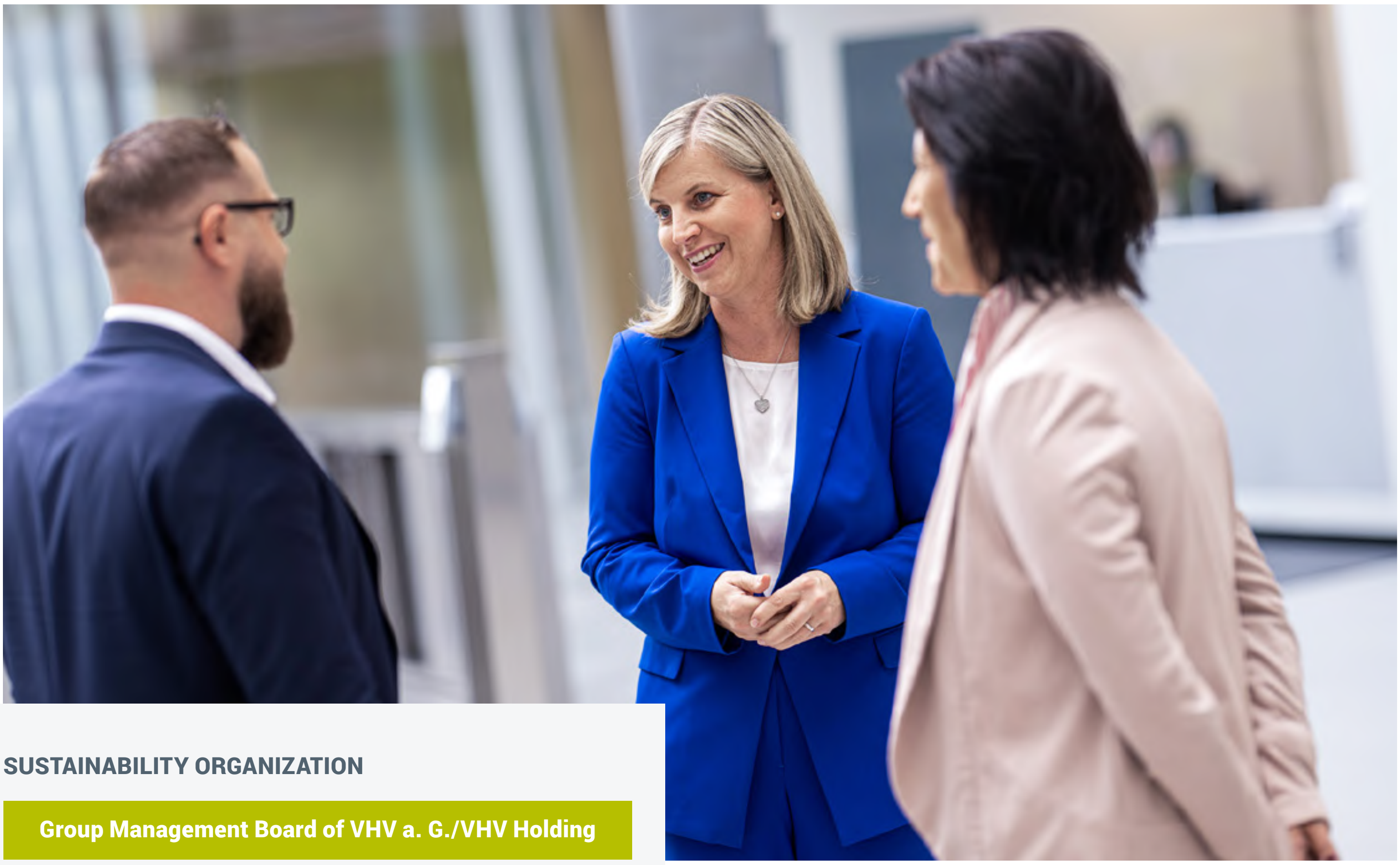
02 Invest responsibly
Sustainability is the defining social trend of our time. As a long-term investor, the VHV Group aims to benefit from this development early on and is striving for a net-zero target in its investments by 2050.

03 Attractiveness as an employer
Fully realizing one's potential and continuously developing: The VHV Group makes this possible for all its employees. With a corporate culture in which everyone has equal opportunities and no one is discriminated against.

04 Implement climate-friendly operations
To this end, the VHV Group has offset its direct emissions as at 31 December 2024, its fleet management in 2025, and its purchased energy in 2025.

05 Follow the guidelines
Whether legal regulations, the VHV Code of Conduct, or the VHV Group's work guidelines: The VHV Group clearly states what each individual should do.

06 Foster and engage
The VHV Group is also committed to greater sustainability beyond its operations. The VHV Foundation supports relevant educational, integration, cultural, and scientific projects and pursues exclusively and directly charitable and benevolent purposes, particularly in the Hanover region.



SUSTAINABILITY ORGANIZATION

[ESRS 2 Strategies MDR-P, 65c; ESRS 2 GOV-1, 22c]
As the highest authority of the VHV Group, the **Management Board of VHV a. G./VHV Holding** makes group-wide strategic decisions and monitors the progress of sustainability management implementation. In doing so, it establishes the group-wide standards for the VHV Group's sustainability management. The annual internal review of the business organization initiated by the Management Board also includes an assessment of the adequacy and effectiveness of the VHV Group's adapted sustainability management system.

The **ESG Committee (ESGC)** makes company-wide and cross-functional strategic decisions and controls the establishment of a uniform sustainability management system across the Group. The VHV Group's ESGC consists of the Management Board of VHV a. G./VHV Holding. Additionally, a cross-functional exchange takes place regarding the progress of sustainability management implementation to monitor consistent and comprehensive implementation.

The Management Board is regularly informed by the ESGC regarding the implementation of the CSRD/ESRS as well as all identified material impacts, risks, and opportunities. They also receive reports on the strategies, measures, and targets developed in connection with reporting. Through these recurring information and exchange formats, the management and supervisory bodies ensure that they are always informed about current developments regarding impacts, risks, and opportunities. This enables them to make strategic decisions on a sound basis and to monitor the company's direction.

The overarching strategic decisions made by the ESGC are implemented by the respective subsidiaries. The spokespersons for the Management Board of VHV Allgemeine, HL, VHV digital services, and WAVE, as well as the Managing Director of VHV digital development, who are members of the ESGC, communicate the decisions made by the ESGC to their respective subsidiaries for further implementation.

The **Sustainability Manager** serves as the central point of contact and cross-functional expert for all matters related to sustainability management. He performs a controlling role within the operational sustainability management system and carries out additional operational coordination and implementation tasks related to the Group.

[ESRS 2 GOV-2, 24-26] Within WAVE, a transparent investment process is in place, which is integrated into the various business units and committees. This institutionalized investment process serves to develop assessments of the relevant capital markets and investment topics for the mandates entrusted to the company, as well as to prepare and make decisions within the scope of those mandates. The objective of the adapted Investment Committee (IC) is to control and monitor the approved strategic investment policy for the clients of the VHV Group and institutional third-party clients. Based on a prepared assessment of the capital markets and the compiled mandate-related information, relevant market developments and their implications are discussed, and concrete management measures are agreed upon as needed. The IC receives reports on ESG metrics and engagement activities, reviews the results of screenings against exclusion criteria and controversies, and is informed about the utilization of investment limits. The IC is empowered to make decisions through the WAVE Management Board, which is also a member of the IC in accordance with the IC's rules of procedure.

In addition, an internal WAVE committee has been adapted to make recommendations to the IC regarding the further development of the ESG investment process, taking into account regulatory changes and other industry developments. This committee is also responsible for preparing ESG reports for the IC. The committee also reviews the plausibility of the methodology used for ESG scores as well as the qualitative ESG assessments and makes a recommendation to the IC.

[ESRS 2 GOV-1, 22c] Risk inventories are conducted regularly for the detection and documentation of all material risks. A company-wide risk assessment is conducted as at a specific reporting date, during which all risks are systematically queried and updated every six months by the risk managers in all business units and projects of the VHV Group. Identified individual risks are validated by the Independent Risk Controlling Function (URCF) and subsequently aggregated to determine the total solvency requirement.

In addition, process-oriented risks are identified based on system-supported business process documentation. Extensive ad hoc reporting requirements are also in place to identify risks or significant changes during the course of the year. Furthermore, event-driven risk analyses are conducted for risk-relevant projects, and their results are taken into account in the Management Board's decision-making process.

METHOD AND PROCESS OF MATERIALITY ASSESSMENT

Methods and Assumptions Used

[ESRS 2 IRO-1, 51-53] The materiality analysis was conducted in accordance with the requirements of the ESRS and the guidance provided in the EFRAG IG 1 Materiality Assessment Implementation Guidance. In addition, the concepts of dual materiality (ESRG 1) contained in the draft European Sustainability Reporting Guidelines 1 were taken into account. In particular, the methodological approaches to assessment and weighting described therein. As part of the materiality analysis, the sustainability topics defined in the ESRS were systematically examined at the levels of “topic,” “subtopic,” and “sub-subtopic.” The assessment of the individual sustainability topics was conducted using the principle of dual materiality required by the CSRD:

> The dual materiality approach considers the two dimensions of “materiality of impact” and “financial materiality.” It determines which sustainability aspects are reported on.

The list of topics underlying the materiality analysis is based on the sustainability topics defined in ESRS 1 AR 16. In addition, further sector- and company-specific topics were identified and systematically reviewed as part of the materiality analysis. Each of these topics was mapped to the ESRS standards and assessed along the value chain in terms of potential impact.

Based on this structured review, the sustainability topics were assessed according to the principle of double materiality. In addition to the topics described in the ESRS framework, company-specific circumstances were also taken into account to detect concrete impacts, risks, and opportunities in their company-specific context.

As a result, a company-specific positive impact on our own business operations was identified in topic area S3 – Affected Communities. Beyond this identification, no further company-specific material impacts, risks, or opportunities were identified that go beyond the ESRS definitions.

Under the coordination of the Sustainability Manager, the relevant departments determined the weighting of the sustainability topics under consideration in the materiality analysis and validated the decision with the Management Board.

With regard to the sustainability topic of climate action (emissions), the influence of financing companies through investments or providing insurance coverage for companies is taken into account in the materiality assessment. In the reporting year, all topics were assessed for materiality. For topics ESRS E1 through ESRS E5, a quantitative assessment was conducted, focusing on the evaluation of negative impacts in investment activities. The remaining IROs (Impacts, Risks, Opportunities) and supply chain segments were not assessed quantitatively, but only qualitatively.

The materiality analysis conducted in the area of investments was primarily based on industry and sector assessments regarding the extent to which individual sectors are affected. In the area of underwriting, the analysis drew on internal reporting regarding the distribution of premiums by line of business as well as the financial impact of major loss events.

Materiality of the impacts

[ESRS 2 IRO-1, 53] When identifying impacts (inside-out perspective), a distinction is made between positive and negative as well as actual and potential impacts. The potential and actual impacts of the company on people and the environment are part of the materiality analysis conducted and, in addition to the company’s own business operations, include in particular underwriting processes and investments.

A sustainability aspect is material with respect to impacts if it relates to the company’s material actual or potential, positive or negative impacts on people or the environment within short-, medium-, or long-term time horizons.

When assessing impacts, their magnitude, scope, and irreversibility (in the case of negative impacts) are evaluated, as well as the likelihood of occurrence in the case of potential impacts.

The assessment is based on scales whose scores are defined by qualitative descriptions of the respective effects. The likelihood of occurrence is assessed using an internal five-point rating scale.

Financial Materiality

Financial materiality (outside-in perspective) assesses sustainability risks and opportunities based on whether they could have a material impact on the VHV Group's financial position, earnings position, and cash flows, as well as on its access to financing, in the short-, medium-, or long-term. This assessment is based on the Group's own business activities, product portfolio, and investment portfolio.

The quantitative assessment is conducted separately for each sub-subtopic according to the company's own operations, underwriting, and investments. The degree of financial materiality is derived from the combination of the extent of the potential financial impact (scale 1–5) and the probability of occurrence (scale 1–5). The scales are defined on a company-specific basis and applied in consultation with relevant internal stakeholders.

Based on the results of the analysis (inside-out and outside-in perspectives), the arithmetic mean is rated on a point scale and prioritized across various assessment levels. Once a predefined materiality threshold (≥ 4) is exceeded, the assessed sub-subtopic is classified as material within the meaning of the ESRS. Below this point threshold, a sub-subtopic is considered immaterial.

The threshold was established by VHV as a quantitative measure based on the selected scales so that material sustainability topics can be identified. This assessment was conducted separately for the company's own business operations, underwriting processes, and investments at the sub-subtopic level.

There is no direct consultation with affected stakeholders. The extent of impact is derived and assessed based on available internal and external information.

[ESRS 2 IRO-1, 53d] The results of the materiality analysis are discussed internally by the relevant departments and validated by the Management Board. This includes both the identified issues and their respective assessments. The process is embedded in the existing governance system.

[ESRS 2 IRO-1, 53g] The VHV Group uses a plurality of input parameters to integrate the identification, assessment, and control of sustainability risks into decision-making processes. These include, among others:

Data sources

The VHV Group uses both internal and external data sources, including claims statistics, actuarial analyses, market studies, regulatory reports, and ESG databases. Data from industry associations also flows into the assessments.

Scope of Transactions Detected

Risk assessment is based on a broad spectrum of business transactions, including underwriting contracts, claims management processes, and investment activities. Particular attention is paid to the impact of climate risks, social factors, and governance aspects on the portfolio and the business model.

Level of detail of the assumptions

The modeling is based on differentiated assumptions that take into account both historical data and forward-looking scenario analyses.

[ESRS 2 IRO-1, 53h] Compared to the previous reporting period, the method for reviewing the materiality assessment has been further developed. Whereas previously only the environmental topics ESRS E1 and ESRS E4 were assessed quantitatively, all environmental topics are now subject to quantitative assessment; the remainder of the review process has remained unchanged.

DISCLOSURE REQUIREMENTS CONTAINED IN THE ESRS AND COVERED BY THE COMPANY'S SUSTAINABILITY STATEMENT [ESRS 2 IRO-2, 54–59]

[ESRS 2 IRO-2, 58] For the VHV Group, the impacts, risks, and opportunities of the following standards are immaterial; therefore, the disclosure requirements for these topic-specific ESRS are limited to those listed in ESRS 2 Appendix C:

- ESRS E2 Pollution
- ESRS E3 Water and Marine Resources
- ESRS E4 Biodiversity and Ecosystems
- ESRS E5 Resource Use and Circular Economy
- ESRS S2 Headcount in the Value Chain

The classification of the aforementioned standards is the result of the materiality analysis conducted, as both the impacts within the scope of the Group's own business operations and those across the value chain, as well as their remediability, were classified as immaterial.

THE FOLLOWING SUSTAINABILITY ISSUES WERE IDENTIFIED FOR THE VHV GROUP AS A RESULT OF THE MATERIALITY ANALYSIS:

Environment

- **Climate change mitigation (emissions) (E1)**
- **Climate change adaptation (E1)**

Social

- **Working conditions (S1)**
  - Secure employment
  - Working time
  - Adequate wages
  - Work-life balance
  - Health and safety
- **Equal treatment and opportunities for all (S1)**
  - Gender equality and equal pay for work of equal value
  - Training and skills development
  - Diversity
- **Entity-specific disclosure (S3)**
  - Other social and economic rights of communities
- **Information-related impacts for consumers and/or end-users (S4)**
  - Privacy
  - Freedom of expression
  - Access to (quality) information
- **Personal safety of consumers and/or end users (S4)**
  - Health and safety
  - Security of a person
  - Protection of children

Governance

- **Corruption and bribery (G1)**
  - Prevention and detection, including training
  - Incidents

The key topics identified form the basis for reporting the required qualitative and quantitative data.

Double materiality principle

PROCEDURES FOR IDENTIFYING, ASSESSING, PRIORITIZING, AND MONITORING RISKS

Within the VHV Group, a risk is defined as the possibility of deviating from an explicitly stated or implicitly derived objective. Particular emphasis is placed on deviations from objectives that have negative effects on the Group's financial position, liquidity position, or earnings position. Sustainability risks are defined as events or conditions in the areas of the environment, social issues, or corporate governance, the occurrence of which could have significant negative impacts on the VHV Group's financial position, liquidity position, and earnings position, as well as on its reputation. However, sustainability risks do not constitute a new risk category; rather, they can have a significant impact on the known risk categories and contribute to the materiality of these risk categories.

The objective of sustainability risk management within the VHV Group is therefore to address the mechanisms and effects of sustainability risks on the known risk categories in a thorough and comprehensive manner, without limiting the focus to purely financial impacts on the asset and liability sides. Sustainability risks are consequently integrated into the existing risk identification, management, and control systems.

Operational implementation is achieved by integrating sustainability risk management into the existing Group policy and documents for VHV-specific documentation of the required written risk management guidelines under Solvency II. The Group policy set out the minimum requirements from a Group position, which must be implemented and specified at the subsidiary level in company guidelines to be approved by management, taking local requirements into account. The chosen approach clearly defines tasks, responsibilities, and the timeframe for the identification, assessment, control, monitoring, and reporting of sustainability risks within the risk management system.

Risk assessment refers to all methods and processes used to measure and evaluate identified risks. Operational, strategic, and reputational risks are assessed in the semi-annual risk survey through expert estimates by risk managers based on the criteria of probability of occurrence and economic loss potential. In addition to this quantitative assessment, an evaluation is conducted according to qualitative criteria (compliance and reputation). Using appropriate methods, these are aggregated to determine the total solvency requirement for operational risks. Findings from the regular review of the ICS are also taken into account in the assessment of operational risks. The model calculations of the standard formula intended for the quantitative assessment of risks under Solvency II, as well as the determination of eligible own funds, are performed annually as at 31 December and on a quarterly basis. For the annual determination of the total solvency requirement, company-specific circumstances are taken into account in the risk models. The underlying assumptions of the standard formula and risks not reflected in the standard formula are assessed for their appropriateness for the insurance companies of the VHV Group.

Materiality Concept
Materiality thresholds are required for the classification of risks and enable management to focus on risks with potentially material impacts and monitor them more closely. In the materiality assessment, a distinction is made between solvency assessments and risks outside the scope of solvency assessments. The application depends on whether the respective risks can be backed by capital or controlled through capital. The specific quantitative thresholds are determined during the annual update of the risk strategy and approved by the Management Board.

[ESRS 2 IRO-1, 53h] Compared to the previous reporting period, the method for reviewing the materiality assessment has not changed.

Topic-Specific Disclosure Requirements:
E1 Climate Change

DESCRIPTION OF PROCEDURES FOR IDENTIFYING AND ASSESSING MATERIAL CLIMATE-RELATED IMPACTS, RISKS, AND OPPORTUNITIES (ESRS 2 IRO-1)

[ESRS E1, 20a (ESRS 2 IRO-1)] For the VHV Group, direct environmental impacts are limited compared to companies with energy- and material-intensive business models. The VHV Group therefore focuses its efforts on areas where it can have a concrete and positive impact and strives to keep CO emissions and resource consumption low in its own business processes.

[ESRS E1, 20b/21 (ESRS 2 IRO-1)] The VHV Group identifies and assesses climate-related impacts and risks through the climate stress tests described under ESRS 2 SBM-3 and as part of the risk management processes described under ESRS 2 GOV-5.

The climate stress tests examine the effects of physical and transitory risks on the risk categories of market risk, property technical risk, and life technical risk at VHV Allgemeine, HL, and – taking the pension fund into account – at the VHV Group. In addition to regulatory requirements, the derivation also took into account, among other things, publications by the NGFS (Network for Greening the Financial System), which are increasingly referenced in regulatory frameworks as a potential starting point for climate scenarios. The assumptions of the climate stress tests are also supported by the paper “Climate Change Scenarios in ORSA” (GDV, 2025), which describes approaches for implementing the supervisory requirements.

The current NGFS Phase V scenarios comprise seven different scenarios. Two of these form the basis for the climate scenarios calculated within the VHV Group: the “Current Policies” scenario and the “Net Zero 2050” scenario. Both scenarios are calculated in the ORSA model as at the reporting date 31 December 2024 and additionally as at the future reporting date 31 December 2054 in the form of a hypothetical “time jump.” It is assumed that the rise in temperature and the transition to a low-carbon economy (for example through political decisions or climate-friendly technologies) would have occurred in accordance with the scenario assumptions, but that the VHV Group would be exposed to this situation with its portfolio as at 31 December 2024. This calculation should be understood as a first intermediate step toward a projection to be developed in the coming years and follows a proposal from the aforementioned GDV paper. Thus, in their current form, the climate stress tests cover short-term and, as a first approximation, medium-term risks that would be expected over the next 30 years in the two scenarios.

> The target over the next few years is also to develop a long-term assessment of the risks by the end of the century.

Property insurance risks are primarily exposed to physical risks. The portfolio analysis conducted to determine risk exposure identified risks related to storms, flooding, and hail in particular.

However, the additional chronic risks will only come into play if there is an actual increase in temperature compared to 2024, i.e., at the future reference date in 30 years. Based on the current state of knowledge, no clear trend can be identified regarding the future development of storm activity, so no climate stress test is currently being conducted for this risk. For the risks posed by flooding and hail, the GDV paper “Climate Change Scenarios in ORSA” describes possible parameterizations. The modeling of changes in the annual expected loss from river flooding for various climate trajectories and the derivation of a stress factor for the hail hazard were taken from this analysis (Climate Impact Explorer).

Physical risk is also a key factor in life insurance risk. In the portfolio analysis to determine risk exposure, increased risks were identified, particularly from heat waves and the spread of new diseases. Since no relevant data is currently available on the spread of new diseases, the risk of heat is currently factored into the climate stress tests based on studies and expert estimates. To this end, the biometric assumptions are adjusted in accordance with the scenarios. Unlike in property insurance risk, however, future mortality expectations are also included in the calculation as at the current reporting date, so adjustments are also made here as at 31 December 2024.

In addition to physical risks, the technical analysis of the insurance portfolio also addresses transitory risks and classifies them under the strategic risk category. These include:

Political and regulatory risks:
Political risks include measures that prohibit activities with negative impacts on climate change or those that support adaptation to climate change. Examples include a carbon tax, the promotion of energy-efficient solutions, the promotion of water-efficient measures, and support for sustainable land-use practices. The associated risks depend on the nature and timing of the policy change. Regulatory risk stems from increasing regulation in the context of sustainability and a resulting wave of litigation due to a lack of organizational adaptation to climate change and insufficient disclosure regarding material financial risks. As losses and damages caused by climate change increase, regulatory risks also rise.

Technology risk:
Technological improvements or innovations that contribute to the transition to a low-carbon, energy-efficient economy can have a significant impact on competitiveness and products, and consequently on demand (including technologies such as renewable energy, battery capacity, energy efficiency, and carbon storage). Old technologies and systems may therefore be displaced by new technologies, resulting in risks from this disruptive process.

Market risk (changes in the market environment):
Demand patterns are changing as climate-related risks are increasingly taken into account.

The investment is generally subject to both transitory and physical risks. The data used to calculate the climate stress test is generated using the MSCI Climate Value at Risk (CVaR) module. For the above-mentioned scenarios as at the future reference date of 31 December 2054, both transition and physical risks are first modeled in this model and quantified at the individual security level in the form of so-called climate costs. The key modeling variable for transition risks is the price of carbon dioxide emissions (euros per ton of CO). This means that in scenarios with a faster pace of transition toward a low-carbon economy, higher transitional risks are modeled. When modeling physical risks, the geographic location of production facilities and buildings is taken into account. The standard CVaR thus calculates potential climate costs through the year 2100. To estimate the costs incurred up to the reporting date of 31 December 2054, the physical costs are allocated pro rata up to that point. The climate costs determined in this way reduce the initial market values for the solvency calculation. The adjusted market values result in a modified solvency overview and have a direct impact on own funds.

As at 31 December 2024, there is hardly any difference between the two scenarios in terms of the VHV Group's coverage ratio. Even for HL, the impact of the biometric adjustments is minimal. For the year 2054, the calculations show somewhat greater impacts in the "Net Zero 2050" scenario. Here, the loss in value of the investment portfolio comes into play. In the "Current Policies" scenario, the RCR (Risk Capital Requirement) coverage ratios of HL and the Pension Fund increase, as the life insurance risk declines due to higher mortality assumptions amid rising temperatures. The RCR of VHV Allgemeine for natural hazard risk increases only moderately. Overall, however, the ESG stress tests focus on chronic risks arising from further temperature increases. Acute risks are to be examined in the future through topic-specific "what-if" analyses, which are currently in preparation. To this end, further portfolio analyses have already been conducted, including on geographic diversification.

[ESRS E1, 20c/21 (ESRS 2 IRO-1)]
Climate-related opportunities are taken into account as part of the update of individual business strategies. Furthermore, these are an integral part of both the product development process for underwriting and the new product development process. Otherwise, climate-related opportunities are not currently explicitly identified and assessed.

The climate scenarios used in the stress tests are consistent with the critical climate-related assumptions in the financial reporting.

CLIMATE STRESS TESTS [ESRS E1, 18-19 (ESRS 2 SBM-3), ESRS E1, 20b/21 (ESRS 2 IRO-1)]

To account for the increasing relevance of sustainability risks, climate stress tests were also conducted and analyzed during the current reporting year as at 31 December 2024.

The stress tests are intended to demonstrate the VHV Group's resilience to physical and transitional risks under various climate scenarios. In doing so, the effects of various scenarios on the VHV Group's coverage ratio are analyzed. The stress tests conducted take into account both physical risks and transitional risks (in the context of market risk). Additionally, transitional risks are assessed qualitatively and assigned to strategic risks.

In deriving the present climate stress tests, publications from the following initiatives were taken into account in addition to regulatory requirements:

- Network for Greening the Financial System (NGFS)
- UN Principles for Responsible Investment (UN PRI)
- UNEP FI Principles for Sustainable Insurance (PSI)
- Task Force on Climate-related Financial Disclosures (TCFD)

In the regulatory context, the NGFS is increasingly cited as a potential starting point for climate scenarios. The current NGFS Phase IV scenarios comprise seven different scenarios. Two of these form the basis for the climate scenarios calculated by the VHV Group:

Net Zero 2050 (1,5°C)
In this scenario, net carbon dioxide emissions are zero by 2050. The transition is orderly, however far-reaching climate action laws take effect immediately. CO removal technologies are used, but reduced to the necessary minimum. This results in at least a 50% probability of limiting global warming to below 1.5°C by 2100. This scenario has the lowest physical risks but higher transitional risks.

Current Policies (3°C)
This scenario describes a so-called "hot-house world" and has the lowest transitional risks but relatively high physical risks.
No further laws or guidelines for climate action are introduced, but existing ones remain in place. Carbon dioxide emissions thus continue to rise, increasing the physical risk. This also makes irreversible climate changes possible.

In the Net Zero 2050 (1.5°C) and Current Policies (3°C) scenarios, the impacts on the following risk categories were examined:

- **Non-life insurance risk:**
  Climate stress tests were conducted for the hazards of hail and flooding across the various climate scenarios. The significance of extreme weather events on business operations is described, among other places, in ESRS 2 IRO-1, 53c/e, and in ESRS 2 SBM-3, 48.

- **Life insurance technical risk:**
  For the various climate scenarios, annual adjustments were applied to the biometric assumptions (mortality, disability, critical illness, and reinstatement) were used for the various climate scenarios.

- **Market risk:**
  In calculating market risk, both transitory and physical risks were modeled for the individual climate scenarios and quantified at the individual security level in the form of so-called climate costs.

- **Strategic risk**

The impacts of the climate stress tests conducted were not material for the VHV Group as at 31 December 2024. The excess coverage of solvency capital requirements remained at a high level across all scenarios. Based on current information, adjustments to the business model are therefore not necessary.

An annual strategy process provides the opportunity to adapt the business model for the short-, medium-, and long-term time horizons. This leads to increased resilience.

In 2025, the GDV published the third version of its paper "Climate Change Scenarios in ORSA," which describes approaches for implementing regulatory requirements. The assumptions of VHV's climate stress tests continue to be supported by this paper. Additionally, it provides possible parameterizations for the further development and design of climate stress tests. The climate change scenarios are calculated for the ORSA model.

In addition to the stress scenarios, a geographical analysis of the asset and liability portfolios was again conducted in the reporting year. This was done in particular to prepare for additional stress tests in the coming years.

[ESRS E1-1, 18] The VHV Group has identified two climate-related risks as part of its materiality analysis. The climate-related risk in the insurance underwriting value chain is a climate-related physical risk. The climate-related risk in the investment value chain is a climate-related transition risk.

Topic-specific disclosure requirements:
E2 Environmental pollution

ENVIRONMENTAL POLLUTION [ESRS E2, 11 (ESRS 2 IRO-1)]

For the VHV Group, direct environmental impacts are limited compared to companies with energy- and material-intensive business models. Therefore, the VHV Group's impacts on the sustainability aspects of air, water, and soil pollution, as well as substances of concern, including substances of very high concern, are of minor significance for its own business operations. Consequently, no consultation, particularly with affected communities, was conducted.

As part of the implemented environmental management system, the VHV Group identifies and communicates the environmental aspects of its activities, products, and services that it can control and influence. In doing so, the associated environmental impacts are also considered, taking into account the entire life cycle. Changes, including planned or new developments and new or modified activities, products, and services, are taken into account.

As part of the implemented environmental management system, the VHV Group has identified the external and internal issues relevant to its purpose. To identify these internal and external issues, all factors affecting the VHV Group's ability to achieve the intended outcomes of the environmental management system and to improve environmental performance are considered.

Topic-specific disclosure requirements:
E3 Water and marine resources

WATER AND MARINE RESOURCES [ESRS E3, 8 (ESRS 2 IRO-1)]

[ESRS E3, 8 (ESRS 2 IRO-1)] As part of its materiality analysis, the VHV Group has not identified any material business activities in which impacts, risks, or opportunities related to water and marine resources could arise in its own business operations, underwriting, or investment activities. Therefore, no consultation, particularly with affected communities, was conducted.

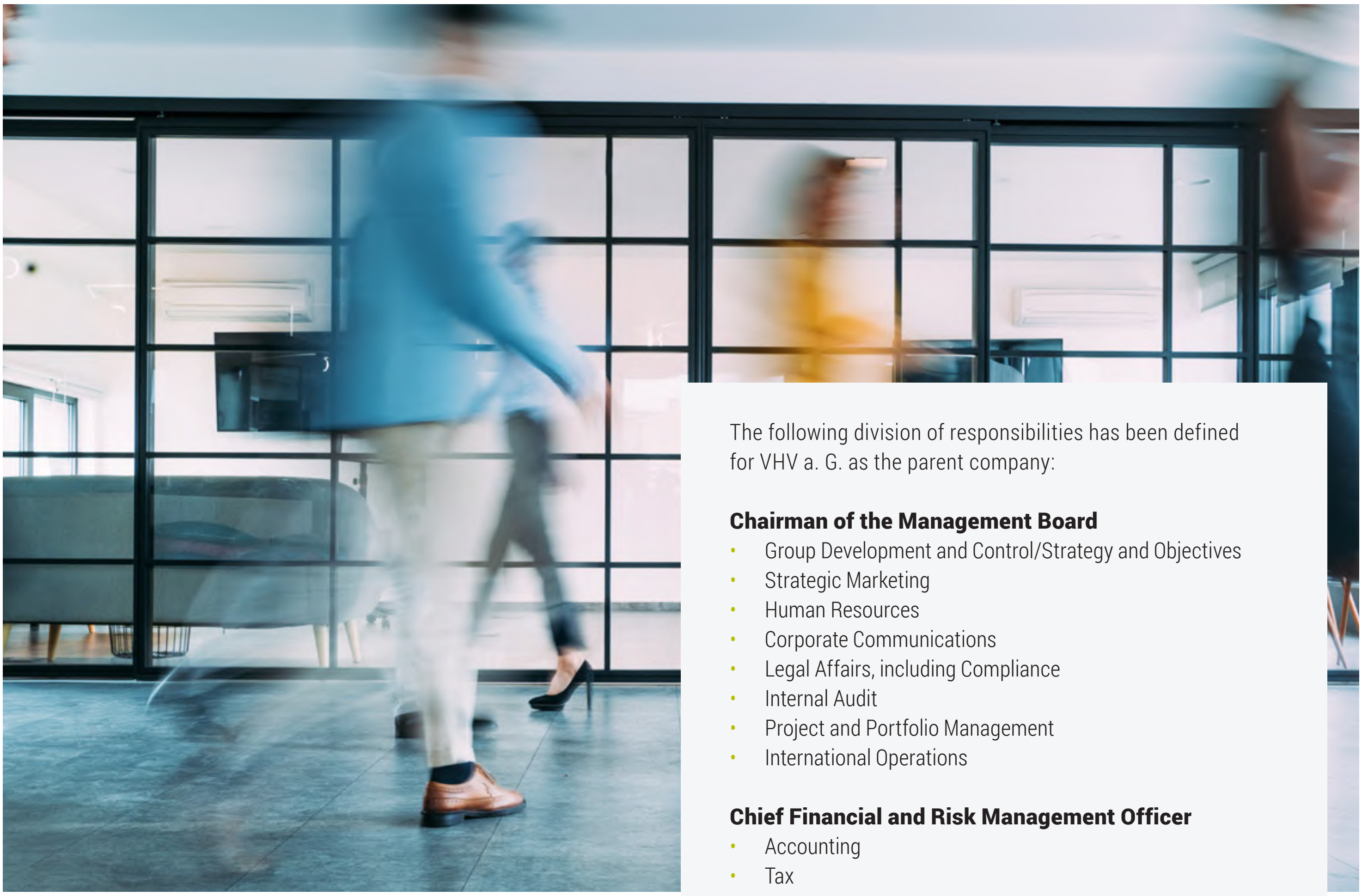
BIODIVERSITY AND ECOSYSTEMS [(ESRS 2 SBM 3) ESRS E4, 17-19 (ESRS 2 IRO-1)]

[ESRS E4, 17 (ESRS 2 IRO-1)] The VHV Group has identified and assessed the impacts, risks, dependencies, and opportunities related to biodiversity and ecosystems as part of the materiality analysis conducted. The VHV Group has no significant impact arising from its own business operations, underwriting, or investment activities. Consultation with affected communities has therefore not taken place.

[ESRS E4, 19 (ESRS 2 IRO-1)] The VHV Group does not have sites in or near areas with biodiversity in need of protection and does not engage in activities that have negative impacts on these areas by leading to the degradation of natural habitats and the habitats of wildlife.

RESOURCE USE AND CIRCULAR ECONOMY [ESRS E5, 11 (ESRS 2 IRO-1)]

[ESRS E5, 11 (ESRS IRO-1)] As a result of the materiality analysis, no material impacts, risks, or opportunities were identified regarding resource use and the circular economy in relation to the Group's own business operations, underwriting, or investment activities. Therefore, no consultation with affected communities took place.



The Role of the Administrative, Management, and Supervisory Bodies (ESRS 2 GOV-1, 19-23)

[ESRS 2 GOV-1, 22] Within the VHV Group, the administrative, management, and supervisory bodies include the Supervisory Board, the Management Board, and the management teams.

The tasks and responsibilities are defined in the respective rules of procedure and division of duties. The rules of procedure of the Management Board define the measures for which the entire Management Board is responsible and the matters requiring the approval of the Supervisory Board.

The Management Board or the management of the respective individual company is responsible for monitoring the impacts, opportunities, and risks. The assignment of individual topics is determined by the plan of responsibilities.

The following division of responsibilities has been defined for VHV a. G. as the parent company:

Chairman of the Management Board
- Group Development and Control/Strategy and Objectives
- Strategic Marketing
- Human Resources
- Corporate Communications
- Legal Affairs, including Compliance
- Internal Audit
- Project and Portfolio Management
- International Operations

Chief Financial and Risk Management Officer
- Accounting
- Tax
- Group Operational Controlling, including Investment and Equity Interest Controlling
- Procurement
- Anti-Money Laundering and Combating Economic Crime
- Group Data Protection and Information Security
- Group Business Management
- Risk Management
- Actuarial Function

Chief Investment Officer
- Investments
- Real Estate
- Facility Management
- Investment Management

Chief Property-Casualty Insurance Officer
- Property-casualty Insurance segment
- Co-insurance VHV a. G.
- Reinsurance

Chief Life Insurance Officer
- Life Insurance Business Unit
- Mortgages

Chief Information Technology Officer
- IT
- Operations
- Digitalization/Transformation

The topic of sustainability is an explicit component of the individual topics mentioned and is, furthermore, assigned in its entirety to the Management Board for Finance and Risk Management.

[ESRS G1, 5a (ESRS 2 GOV-1)] The Management Board is responsible for establishing corporate policy, which is monitored by the Supervisory Board in the course of its oversight and control functions.

[ESRS 2 GOV-1, 19-21] In the 2025 reporting year, 100 percent of the Management Board positions at VHV a. G./VHV Holding are held by men. The term of the contracts ranges from three to five years. The company is legally represented by two members of the Management Board or by one member of the Management Board together with an authorized signatory. The Management Board's rules of procedure define the matters for which the entire Management Board is responsible and the transactions that require the approval of the Supervisory Board. Management Board meetings generally take place every two weeks.

[ESRS 2 GOV-1, 22] The Management Board of VHV a. G. manages the company under the advisory supervision of the Supervisory Board and on its own responsibility, and sets the relevant targets and strategies. The Management Board bears overall responsibility for the implementation, further development, and monitoring of the governance system. The Management Board is therefore also responsible for implementing the statutory and regulatory requirements for risk management as well as for controlling risks at VHV a. G. The Supervisory Board and the Management Board form the structural pillars of the management and supervisory bodies of the VHV Group. In this context, the Management Board is considered the executive body, in contrast to the Supervisory Board.

Members and Responsibilities of the Supervisory Board

[ESRS 2 GOV-1, 19-21] The Supervisory Board of VHV a. G. consists of six members, who are elected by the General Meeting as the company's highest representative body. For the reporting year, the board comprises one woman and five men. Meetings of the Supervisory Board are held at least once a calendar year and as needed. At the request of a Supervisory Board member or the Management Board, a Supervisory Board meeting may be convened within the next two weeks.

> The Supervisory Board of VHV a. G. serves as the supervisory and control body for the Management Board.

As part of their supervisory and control functions, the Supervisory Board bodies are regularly, and on an ad hoc basis when necessary, provided with comprehensive information by the Management Board regarding business performance, the status of the Group companies and their subsidiaries, fundamental issues of corporate governance, corporate planning, and the intended business policy of the VHV Group.

The Supervisory Board bodies are also regularly involved in risk management processes.

[ESRS 2 GOV-1, 21b] There are no employee representatives on the Supervisory Board of VHV a. G.

[ESRS 2 GOV-1, 21e] All members of the Supervisory Board of VHV a. G. are 100% independent.

[ESRS 2 GOV-1, 19-22] Supervisory Board Committees
The Supervisory Board bodies of the VHV Group have established the following committees from among their members:

- Personnel and Nominating Committee
- Audit Committee
- Investment Committee*
- Real Estate Committee*
- IT/Digitalization Committee
- Risk Committee

The individual committees perform the following tasks, each of which also takes sustainability into account:

Responsibilities of the Risk Committee
- Discussion of the risk strategy
- Discussion of reports with the Management Board and the holders of the respective key functions
- Assessment of the effectiveness of the management systems of the key functions by the four key functions
- Discussion of reports on solvency and financial position
- Discussion of the internal review of the business organization
- Solvency II benchmarking
- Overview of BaFin procedures and BaFin communication regarding the individual key functions (if applicable)

The **Audit Committee** assists the Supervisory Board in particular with the monitoring of:

- the financial reporting process and the internal control system,
- the conduct of the financial statement audit, particularly with regard to the selection and independence of the auditor, the quality of the audit, and the additional services provided by the auditor (scope, frequency, reporting), and
- the prompt rectification by the Management Board, through appropriate measures, of any deficiencies in the financial reporting process and the internal control system identified by the auditor and internal control functions during internal and external audits.

The Group Sustainability Statement is discussed and reviewed by the Audit Committee of the Supervisory Board.

The responsibilities of the **IT/Digitalization Committee** include preparing reports for the relevant Supervisory Board committees on the status of current market developments in the IT industry, the status of IT application development and the IT landscape, IT operations, and IT control systems, as well as time and cost planning for current IT and digitalization projects, as well as assessments of necessary prioritizations and the staffing situation in IT.

The **Human Resources and Nominations Committee** deals with the compensation system for members of the Management Board and managing directors, as well as with adjustments and modifications to the responsibilities of the Management Board members and managing directors.

The VHV Group attaches great importance to the independence of the governing bodies and senior leadership roles. Aside from the Supervisory Board, the Management Board, and the four key functions, no other key responsibilities have been identified within the VHV Group.

All individuals in key functions have entered into an employment contract with VHV a. G. or with all other Group companies in which they perform such a function.

Individuals in key functions are executives and, in accordance with the division of responsibilities, report directly to the responsible member of the Management Board. Overall responsibility lies with the Management Board, which monitors the appropriateness and effectiveness of the key functions.

Employee representation is provided by the elected employee representatives on the Supervisory Board of VHV Holding, VHV solutions, and VHV Allgemeine.

*) not affiliated with VHV Vereinigte Hannoversche Versicherung a. G.

Members and Responsibilities of the Management Board [ESRS 2 GOV-1, 22]

The Management Board of VHV a. G. consists of six members and, in accordance with the division of responsibilities, comprises the following individuals, including their respective areas of responsibility:

Member of the Management Board
Thomas Voigt born 1961 Chairman Hanover
Frank Hilbert born 1963 Life Insurance Division Hanover
Dr. Sebastian Reddemann born 1982 Property-casualty Insurance Hanover
Ulrich Schneider born 1964 Investments Hanover
Sebastian Stark born 1980 Finance and Risk Management Hanover
Arndt Bickhoff born 1968 IT Hamburg

The Management Board of VHV a. G. manages the company under the advisory supervision of the Supervisory Board and is solely responsible for setting the company's targets and strategies. The Management Board bears overall responsibility for the implementation, further development, and monitoring of the governance system. Consequently, the Management Board is also responsible for implementing the statutory and regulatory requirements for risk management as well as for controlling and monitoring risks at VHV a. G. This encompasses both the implementation of a functional risk management system and its structure.

[ESRS 2 GOV-1, 21a] All members of the Management Board of VHV a. G. are executive members.

The Management Board also bears overall responsibility for the organizational structure and operational procedures. In this context, the Management Board of VHV a. G. is responsible for the establishment, appropriate structure and effectiveness of a functional ICS.

The Management Board of VHV a. G. is responsible for the VHV Group's risk strategy and, in particular, for setting risk tolerances. In addition, the Management Board of VHV a. G. is responsible for the ongoing monitoring of the VHV Group's risk profile. To this end, a limit system with an early warning function has been adapted at the Group level. No committees have been formed within the Management Board.

SPECIALIST QUALIFICATIONS AND INTEGRITY [ESRS 2 GOV-1, 21c, 23; ESRS G1, 5b (ESRS 2 GOV-1)]

The guidelines on specialist qualifications and integrity are defined in the Group and Company Policy on Professional Competence and Integrity (Fit & Proper). This guideline describes the framework for appropriately structuring the requirements and assessing the professional competence and reliability of board members, responsible persons, and employees in key functions at the insurance companies of the VHV Group, and outlines the responsibilities for establishing and monitoring the structure and assessment of these requirements.

Compliance with the requirements is assessed on the basis of various supporting documents. The relevant European and national insurance supervisory regulations apply to the primary and reinsurance companies of the VHV Group headquartered in the European Union. For insurance companies from third countries, the respective national supervisory law applies.

Suitability of Supervisory Board Members

Supervisory Board members must possess sufficient expertise to understand the business transactions carried out by the VHV Group, assess the associated risks, and, if necessary, implement changes in management. Relevant areas include, among others, investment, actuarial science, accounting, and auditing.

If a Supervisory Board member previously held a senior position at an insurance company for many years, their professional competence can generally be assumed. The same applies if a Supervisory Board member has several years of experience as a member of the Supervisory Board of an insurance company.

Supervisory Board members are informed about current developments in the area of sustainability during Supervisory Board meetings.

The professional competence of Supervisory Board members requires that they possess the expertise necessary to perform the supervisory function and to assess and monitor the business operations of the company. Insurance-specific knowledge in risk management is particularly important in this regard. Attention is paid to ongoing professional development.

Expertise may also be acquired through prior activities in other industries, in public administration, or through political mandates, provided that these were or are significantly aligned with economic and legal issues over an extended period and were not of a purely subordinate nature. The provisions regarding employee co-determination remain unaffected.

The requirements for professional competence must be met in accordance with the principle of proportionality. This principle states that requirements must always be met in a manner that takes into account the company’s specific risks, as well as the nature and scope of its business operations. Thus, the required knowledge must always be considered in relation to the general business, economic, and market environment in which the company operates.

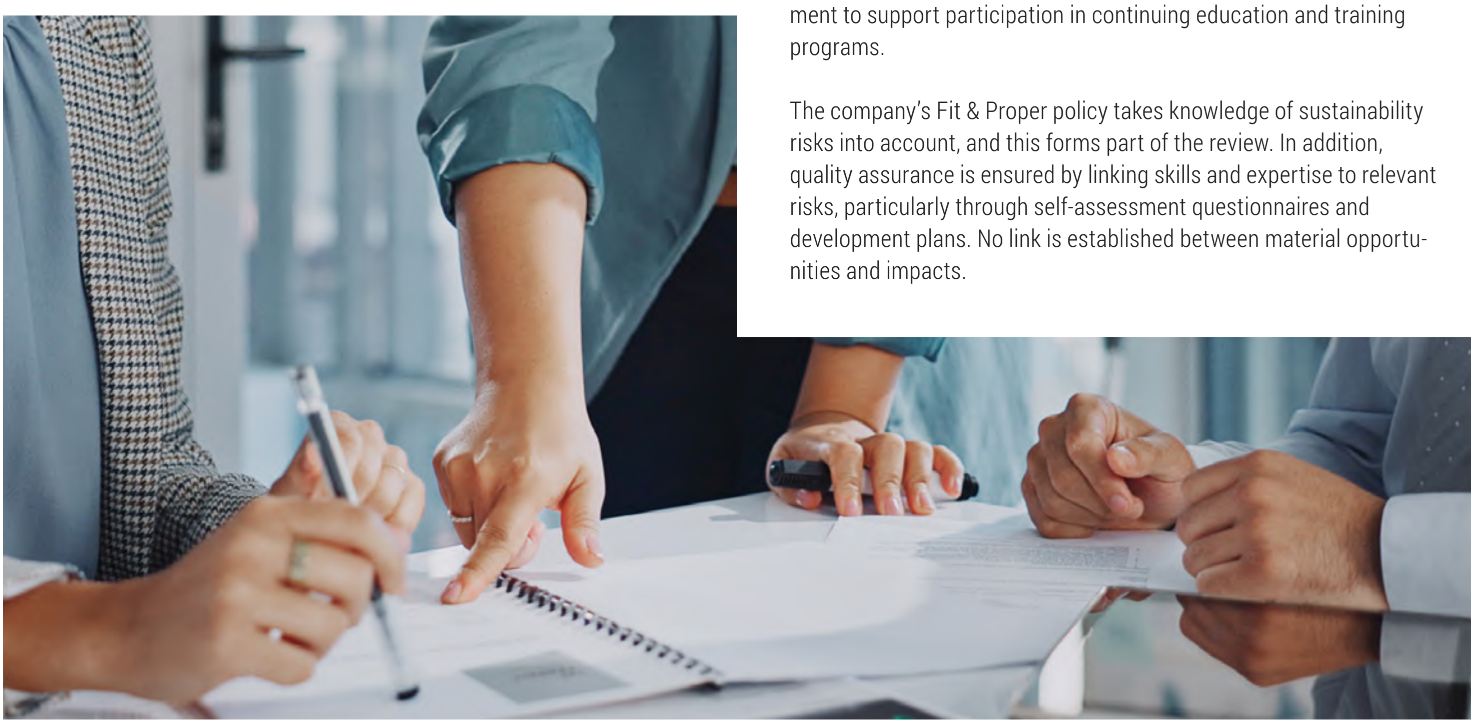
Each individual member of the Supervisory Board must possess sufficient knowledge of all areas to ensure appropriate oversight. The knowledge and experience of other board members or other employees do not substitute for the appropriate professional qualifications of the respective Supervisory Board member.

Suitability of Management Board Members
The professional competence of Management Board members requires a sufficient level of theoretical and practical knowledge of corporate affairs as well as management experience. Management experience may be gained, in particular, through work in a managerial role, provided that the position was directly below the executive level or involved the management of larger operational units.

The Management Board of VHV a. G. is regularly informed about current developments in the area of sustainability via the implemented ESGC. As part of this reporting, the Management Board is informed, among other things, on the following topics:

- Results of the climate stress tests conducted
- Status of implementation of sustainability-related projects
- Status of implementation of sustainability-related regulations
- Results of the risk assessment, taking sustainability risks into account

In addition, reporting is conducted in the individual subsidiaries as needed.



Members of the Management Board must possess appropriate qualifications, experience, and knowledge in at least the following areas:

- Insurance and financial markets
- Business strategy and business model
- Governance system
- Risk management
- Information technology
- Financial analysis and actuarial analysis
- Regulatory framework and regulatory requirements

Once a year, each member's suitability is reviewed, and a personal development plan is drawn up if necessary.

Sufficient funds are set aside for professional and personal development to support participation in continuing education and training programs.

The company's Fit & Proper policy takes knowledge of sustainability risks into account, and this forms part of the review. In addition, quality assurance is ensured by linking skills and expertise to relevant risks, particularly through self-assessment questionnaires and development plans. No link is established between material opportunities and impacts.

Information and sustainability issues addressed by the company's administrative, management, and supervisory bodies (ESRS 2 GOV-2)

[ESRS 2 GOV-2, 26a] Significant impacts, risks, and opportunities are reported both through the ESGC and at the board meetings of the individual companies. In addition, the Risk Committee reports on risks (e.g., results of the climate stress test). The detailed results regarding the implemented governance system, the adequacy and effectiveness of which are assessed as part of the internal review of the governance system initiated by the Management Board during the reporting year, are reported to the Management Board committees and the Risk Committee of the VHV Group's supervisory bodies. A documented resolution of the VHV a. G./VHV Holding Management Board was issued regarding the statements of the key functions and the results of external audits, including the final assessment.

[ESRS 2 GOV-2, 26b] The monitoring of individual strategies and decisions on significant transactions (including the defined criteria for conducting a risk analysis) is carried out by the Management Board of the relevant individual company or, in the case of group-wide issues, additionally by the Management Board of VHV a. G./VHV Holding.

[ESRS 2 GOV-2, 26c] All impacts and risks reported to the Management Board are explained in Disclosure SBM-3 – Significant Impacts, Risks, and Opportunities and Their Interaction with Strategy and the Business Model.

Various impacts and risks are discussed in detail with the Management Board as needed or upon request.

In addition, the Supervisory Board is regularly briefed on the further development of the sustainability management system.

The strategic guidelines for risk management are set forth in the risk strategy. The risk strategy is derived from the Group strategy and governs the handling of the resulting risks.

The established Group functions monitor the Group-wide implementation of governance requirements.

The Supervisory Board and the Management Board, together with their committees and bodies, as well as the four key functions, are integrated into the VHV Group's risk management and internal control system as cornerstones of the governance system in the performance of their duties.

Both the members of the Supervisory Board and the Management Board are supported in the performance of their duties by committees and bodies adapted specifically for this purpose. The organization facilitates coordinated interaction between individual risk officers and the Management Board committees and Supervisory Board committees at both the Group and individual company levels.

The bodies and functions listed below are subject to requirements regarding the professional competence and personal integrity of their officers.

GOVERNANCE STRUCTURE AND COMPOSITION OF THE SUPERVISORY BOARD

Honorary Chairman of the Supervisory Board

Dr. Achim Kann
Honorary Chairman
Retired Chairman of the Management Board of GLOBALE Rückversicherungs AG, Cologne;
Retired Chairman of the Management Board of Frankona Rückversicherungs AG, Munich

Dr. Peter Lütke-Bornefeld
Honorary Chairman
Retired Chairman of the Management Board of General Reinsurance AG, Cologne

Members of the Supervisory Board elected by the General Meeting

Uwe H. Reuter
Chairman
Retired Chairman of the Management Boards of VHV Vereinigte Hannoversche Versicherung a. G. and VHV Holding AG, Hanover (since 2024 VHV Holding SE, Hanover);
Chairman of the Management Board of PATRIZIA SE, Augsburg (until 4 June 2025)
Chairman of the Advisory Board of Solutio AG, Grünwald

Rechtsanwalt Fritz-Klaus Lange
Vice Chairman
Retired Chairman of the Management Board of Gegenbauer Holding SE & Co. KG, Berlin;
Retired Chairman of the Management Board of RGM Facility Management GmbH, Berlin/Dortmund

Dr. Thomas Birtel
Retired Chairman of the Management Board of STRABAG SE, Vienna, Austria;
Member of the Supervisory Board of Wienerberger AG, Vienna, Austria

Thomas Bürkle
Retired Chairman of the Management Board of NORD/LB; Norddeutsche Landesbank Girozentrale, Hanover; Senior Advisor at Boston Consulting Group, Boston, USA;
Deputy Chairman of the Supervisory Board of Modulat Leasing AG, Hanover

Sarah Rössler
Former member of the Management Board of the HUK-COBURG Insurance Group, Coburg; Chair of the Supervisory Board of MLP SE, Wiesloch;
Chair of the Supervisory Board of MLP Banking AG, Wiesloch

Dr. Josef Adersberger
Managing Director of QAware GmbH, Munich;
Advisory Board Member of TWIP Venture Studio GmbH & Co. KG, Munich

Incorporation of sustainability-related performance into incentive schemes [ESRS 2 GOV-3, 27-29]

COMPENSATION POLICY AND COMPENSATION PRACTICES

The VHV Group's compensation system is aligned with the VHV Group's business and risk strategy and promotes long-term corporate development by avoiding conflicts of interest or misalignments. The incentive-compatible compensation system serves as a risk management tool, whereby variable compensation components can be completely eliminated if corporate and individual targets are not met. The VHV Group's compensation system consists of a fixed and a variable component. There is no independent monitoring of the compensation policy by external consulting firms. Remuneration within the VHV Group is agreed upon according to the following methods:

- The basis for employees' individual targets is the written target agreement documented between the employee and the manager at the beginning of the year.
- The targets for senior executives are agreed upon in measurable terms with the respective divisional board member. The departmental targets (individual targets) are based on the written target agreement documented between the Management Board and the Supervisory Board at the beginning of the year.
- Remuneration for Supervisory Board members is determined by the General Meeting in accordance with statutory provisions and the Articles of Association. It is paid out after the end of the financial year and consists of a fixed amount plus attendance fees.

Variable compensation is based on the company's results (corporate targets of the VHV Group as well as those of the individual company relevant to the executive in question) and the individual target achievement of employees, senior executives, and management (individual targets). Members of the Management Board, managing directors, and senior executives each receive the qualitative and quantitative targets for the coming financial year at the end of the financial year. Accordingly, transparent compensation parameters are established that allow for a clear assessment of target achievement.

All performance agreements take the following aspects into account in particular:

a) Corporate and individual targets are set in accordance with the Group strategy and superordinate thematic strategies (including risk and sustainability strategies), the risk profile, the objectives, risk management practices, and the long-term interests and performance of the respective company and the VHV Group. In particular, no targets should be agreed upon for which conflicts of interest are foreseeable.

b) Corporate and individual targets are agreed upon with due regard for environmental and social concerns as well as proper and ethical corporate governance and are intended to promote sound and effective risk management and not to encourage the assumption of risks that exceed the risk tolerance thresholds of the corporate group or the VHV Group.

c) The corporate targets apply to the companies of the VHV Group and to the VHV Group as a whole. The individual targets provide for specific agreements that take into account the duties and performance of employees.

[ESRS 2 GOV-1, 22d] Targets and measures are formulated based on the sustainability strategy. The sustainability targets define the target states in the action areas that are to be achieved. In contrast, the measures describe selected actions through which the implementation of the target states is pursued.

As part of the target-setting process, the targets of the individual action areas of the sustainability strategy are operationalized by deriving targets for the respective Management Board departments. The derived targets for the individual action areas include, among other things, product development, investment, environmental management system, disclosure, and communication.

The sustainability-related targets defined in the target agreement are adopted as part of the strategic dialogue. The thematic scope covers individual subcategories of the specific targets in the target agreement.

Target achievement is superordinate to the ESGC level and monitored on an ongoing basis throughout the year as part of the operational dialogue.

For senior executives, the target variable compensation is 45% (subsidiaries) or 50% (for individuals who are also members of the Management Board of VHV a. G./VHV Holding) of the base salary. This variable compensation is capped at 100% of the base salary. A significant portion (at least 30%) of the variable compensation is withheld and paid out over a period of three years. In addition, the Supervisory Board has the option of granting an additional discretionary bonus to reward exceptional performance or results.

For senior executives, the target percentage of variable compensation is 25%. This also applies to those in key roles. However, as with members of the Management Board, a significant portion (at least 30%) of the variable compensation is withheld and paid out over a period of three years.

The ratio of variable to fixed compensation is structured in such a way that the individuals concerned do not rely too heavily on variable compensation. Profit-sharing is contingent upon the achievement of the VHV Group's corporate targets, which are relevant to the Management Board, senior management, and employees alike; individual performance factors are taken into account when determining the distribution. When assessing the achievement of targets as the basis for variable compensation, compliance with a minimum coverage ratio and the development of equity are taken into account.

[ESRS 2 GOV-3, 29b/c/d (ESRS E1, 13)] The targets agreed upon as part of the target-setting process also take into account overarching sustainability targets. Specific sustainability-related targets or impacts are not taken into account when defining the targets and are therefore not considered in the performance assessment. Consequently, no sustainability-related performance metrics are treated as performance benchmarks, such as specific emission reduction targets. In the reporting year, the following sustainability targets were agreed upon in the target-setting process:

- Review and adaptation of new sustainability-related requirements for investments, the associated internal processes, and data management Expansion of the sustainability report (CSRD)
- Concept for incorporating the United Nations Sustainable Development Targets (SDGs) into the investment process

Measured against the overall targets, sustainability targets accounted for 0.9 %.

[ESRS 2 GOV-3, 29e] The Supervisory Board is responsible for the structure of the compensation system for senior executives. The compensation of Supervisory Board members is determined by the General Meeting of VHV a. G. or by the Annual General Meetings and Shareholders' Meetings of the respective companies within the VHV Group.

Statement on Due Diligence [ESRS 2 GOV-4, 30-33]

The following table provides a reference to the core elements of due diligence regarding both human and environmental impacts.

Core Elements of Due Diligence	Sections in the Group Sustainability Report
Integration of due diligence into corporate governance, strategy, and the business model	• Information and sustainability issues addressed by the company's administrative, management, and supervisory bodies • Incorporation of sustainability-related performance into incentive schemes • Material impacts, risks, and opportunities and their interplay with strategy and business model
Involvement of relevant stakeholders in all key stages of due diligence	• Information and sustainability aspects addressed by the company's administrative, management, and supervisory bodies • Stakeholder interests and positions • Approach and process for materiality analysis
Identification and assessment of adverse impacts	• Material impacts, risks, and opportunities and their interplay with strategy and business model • Approach and process for materiality analysis • Description of the methods for identifying and assessing material climate-related impacts, risks, and opportunities
Measures to address adverse impacts	• Information is provided in the topic-specific sections on actions and transition plans
Monitoring the effectiveness of these efforts and communication	• Actions and resources related to climate strategies

Risk Management and Internal Controls for Sustainability Reporting [ESRS 2 GOV-5, 34-36]

The VHV Group has established binding, uniform guidelines in its Group Policy for the Internal Control System. The VHV Group's ICS consists of the entirety of internal guidelines, organizational measures, and controls.

[ESRS 2 GOV-5, 36a] All public reports and regulatory reports are validated and approved by the Management Boards of the individual companies or, at the Group level, by the Management Board of VHV Holding / VHV a. G. In addition, all reports from the key functions under Solvency II are made available to the Supervisory Board's Risk Committee.

As part of the updating of the respective reports, corresponding control processes are implemented in the relevant departments involved. These implemented processes also apply to sustainability reporting.

In addition to regulatory reports (Disclosure Regulation and Group Sustainability Statement), sustainability reporting also includes topic- and event-specific reporting to the Management Board and Supervisory Board or the respective committees.

The VHV Group's ICS consists of the entirety of internal guidelines, organizational measures, and controls. These have the following objectives:

- the effectiveness and efficiency of business operations
- compliance with laws and regulations
- the protection of assets, particularly against intentional damage from both internal and external sources
- the appropriateness, completeness, and accuracy of internal and external reporting, in particular financial reporting and reporting to regulatory authorities

The ICS comprises controls at the VHV Group level, at the level of individual companies, within key business processes, and for monitoring key IT systems.

[ESRS 2 GOV-5, 36b] Risk assessment refers to all methods and processes used to measure and evaluate identified risks. The assessment is conducted as part of the semi-annual risk survey through an expert estimate by the risk officers based on the criteria of probability of occurrence and economic loss potential. In addition to this quantitative assessment, an evaluation is conducted based on qualitative criteria (compliance and reputation).

The key business processes are assessed and documented by the risk officers of the respective organizational units. Based on uniform materiality criteria, so-called key controls are identified in a risk-oriented manner; these controls are of particular importance for ensuring the control objectives.

The ICS is systematically reviewed and evaluated group-wide at least once a year following a uniform method based on a regular process (ICS regular process). The results of the ICS regular process are reported by the URCF at least annually to the Management Board and the Risk Committee of the Supervisory Board.

[ESRS 2 GOV-5, 36b] To determine the underwriting risk exposure with regard to physical sustainability risks, a portfolio analysis was conducted in collaboration with the technical departments of VHV Allgemeine during the development of the methodology, and the results were presented in the form of a heat map. The selection of the hazard sources considered in the portfolio analysis was made deductively based on the "PSI Guideline Underwriting environmental, social and governance risks in property insurance business (2021)" and the "Guidance from the report of the Property and Casualty Insurance Committee of the German Actuarial Association (2021)."

To determine the underwriting risk exposure with regard to physical sustainability risks, a portfolio analysis was also conducted in collaboration with the underwriting departments of HL during the development of the methodology, and the results were presented in the form of a heat map.

In addition to physical risks, the technical analysis of the insurance portfolio also addresses transitory risks and classifies them under the strategic risk category. These include:

- **Political and regulatory risks:**
  Political risks include measures that prohibit activities with adverse effects on climate change or that support adaptation to climate change. Examples include a carbon tax, the promotion of energy-efficient solutions, the promotion of water-efficient measures, or support for sustainable land-use practices. The associated risks depend on the nature and timing of the policy change.

  Regulatory risk stems from increasing regulation in the context of sustainability and a resulting wave of litigation due to a lack of organizational adaptation to climate change and insufficient disclosure regarding material financial risks. As losses and damages caused by climate change increase, regulatory risks also rise.

- **Technology risk:**
  Technological improvements or innovations that contribute to a transition to a low-carbon, energy-efficient economy can have a significant impact on competitiveness and products, and consequently on demand (including technologies such as renewable energy, battery capacity, energy efficiency, and carbon storage). Old technologies and systems may therefore be displaced by new technologies, resulting in risks from this disruptive process.

- **Market risk (changes in the market environment):**
  Demand patterns are changing as climate-related risks are increasingly taken into account.

[ESRS 2 GOV-5, 36c] With regard to sustainability reporting, there are potential risks concerning the completeness and integrity of data, as well as the availability or timing of information. These risks are to be addressed and mitigated through the VHV Group's implemented ICS by establishing appropriate controls.

[ESRS 2 GOV-5, 36d] The results of the risk assessment, the actuarial portfolio analysis, and the internal controls flow into the annual standard process for reviewing and evaluating the ICS.

[ESRS 2 GOV-5, 36e] Sustainability risks are an explicit component of regular reporting to the Management Board and Supervisory Board and are also an integral part of the risk management processes. Reporting on the company's own risk and solvency assessment takes place both on a regular basis and on an ad hoc basis. In addition to quarterly reports as part of the model calculations using the standard formula, regular reporting is provided in particular through the annual ORSA report and, during the year, through monthly limit reports. The ORSA report is approved by the Management Board and made available to the members of the Supervisory Board's Risk Committee as well as to the supervisory authority. Ad hoc risk analyses are also prepared as needed. In addition, the results of ad hoc risk analyses relevant to decision-making are reported to the Management Board.

ESRS disclosures **at a glance.**

This list shows which disclosure requirements of the European Sustainability Reporting Standards (ESRS) are met in this sustainability report and in which chapter the respective disclosure can be found

[ESRS 2 IRO-2, 56]
List of disclosure requirements met

Requirements	Short description	Paragraph	Chapter
ESRS 2-GOV 1	Gender diversity in the management and supervisory bodies	Paragraph 21(d)	General Information
ESRS 2-GOV 1	Percentage of management body members who are independent	Paragraph 21(e)	General Information
ESRS 2-GOV 4	Statement on due diligence	Paragraph 30	General Information
ESRS 2-SBM 1	Involvement in activities related to fossil fuels	Paragraph 40(d)(i)	Not material
ESRS 2-SBM 1	Involvement in activities related to the production of chemicals	Paragraph 40(d)(ii)	Not material
ESRS 2-SBM 1	Involvement in activities related to controversial weapons	Paragraph 40(d)(iii)	Not material
ESRS 2-SBM 1	Involvement in activities related to the cultivation and production of tobacco	Paragraph 40(d)(iv)	Not material
ESRS E1-1	Transition plan to achieve climate neutrality by 2050	Paragraph 14	Environmental Information – cross-cutting
ESRS E1-1	Companies exempt from the benchmarks agreed upon in Paris	Paragraph 16(g)	Environmental Information – cross-cutting
ESRS E1-4	GHG emission reduction targets	Paragraph 34	Environmental Information – cross-cutting
ESRS E1-5	Energy consumption from fossil fuels broken down by source (climate-intensive sectors only)	Paragraph 38	Not material
ESRS E1-5	Energy consumption and energy mix	Paragraph 37	Environmental Information – own business operations
ESRS E1-5	Energy intensity related to activities in climate-intensive sectors	Paragraphs 40 to 43	Environmental Information – Own Operations
ESRS E1-6	Gross GHG emissions from Scope 1, 2, and 3 categories, as well as total GHG emissions	Paragraph 44	Environmental Information – Own Operations
ESRS E1-6	Intensity of gross GHG emissions	Paragraphs 53 to 55	Environmental Information – Own Operations
ESRS E1-7	Greenhouse gas removals and CO_2 credits	Paragraph 56	Environmental Information – Own Operations

Requirements	Short description	Paragraph	Chapter
ESRS E1-9	Risk position of the benchmark portfolio relative to climate-related physical risks	Paragraph 66	Not material
ESRS E1-9	Breakdown of monetary amounts by acute and chronic physical risk	Paragraph 66(a)	Not material
ESRS E1-9	Location of significant assets subject to material physical risk	Paragraph 66(c)	Not material
ESRS E1-9	Breakdown of the carrying amount of its real estate by energy efficiency class	Paragraph 67(c)	Not material
ESRS E1-9	Degree of the portfolio's exposure to climate-related opportunities	Paragraph 69	Not material
ESRS E2-4	Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted into air, water, and soil	Paragraph 28	Not material
ESRS E3-1	Water and marine resources	Paragraph 9	Not material
ESRS E3-1	Specific strategy	Paragraph 13	Not material
ESRS E3-1	Sustainable oceans and seas	Paragraph 14	Not material
ESRS E3-4	Total volume of water recovered and reused	Paragraph 28(c)	Not material
ESRS E3-4	Total water consumption in m³ per net revenue from own operations	Paragraph 29	Not material
ESRS 2-SBM 3 E4	Biodiversity and Ecosystems	Paragraph 16(a)(i)	Not material
ESRS 2-SBM 3 E4	Biodiversity and Ecosystems	Paragraph 16(b)	Not material
ESRS 2-SBM 3 E4	Biodiversity and Ecosystems	Paragraph 16(c)	Not material
ESRS E4-2	Sustainable methods or strategies in the area of land use and agriculture	Paragraph 24(b)	Not material
ESRS E4-2	Sustainable methods or strategies in the area of oceans/seas	Paragraph 24(c)	Not material
ESRS E4-2	Strategies to combat deforestation	Paragraph 24(d)	Not material
ESRS E5-5	Non-recycled waste	Paragraph 37(d)	Not material
ESRS E5-5	Hazardous and radioactive waste	Paragraph 39	Not material
ESRS 2-SBM 3 S1	Risk of forced labor	Paragraph 14(f)	Social Information – Own Workforce
ESRS 2-SBM 3 S1	Risk of child labor	Paragraph 14(g)	Social Information – Own Workforce
ESRS S1-1	Commitments regarding human rights policy	Paragraph 20	Social Information – Own Workforce
ESRS S1-1	Due diligence policies regarding issues covered by the International Labour Organization's Core Conventions 1 through 8	Paragraph 21	Social Information – Own Workforce
ESRS S1-1	Methods and measures to combat human trafficking	Paragraph 22	Social Information – Own Workforce
ESRS S1-1	Strategy or management system regarding the prevention of workplace accidents	Paragraph 23	Social Information – Own Workforce
ESRS S1-3	Handling of complaints	Paragraph 32(c)	Social Information – Own Workforce

Requirements	Short description	Paragraph	Chapter
ESRS S1-14	Number of fatalities and number and rate of workplace accidents	Paragraph 88(b) and (c)	Social Information – Own Workforce
ESRS S1-14	Number of days lost due to injuries, accidents, fatalities, or illnesses	Paragraph 88(e)	Phase-in
ESRS S1-16	Unadjusted gender pay gap	Paragraph 97(a)	Social Information – Own Workforce
ESRS S1-16	Excessive compensation of members of the governing bodies	Paragraph 97(b)	Social Information – Own Workforce
ESRS S1-17	Cases of discrimination	Paragraph 103(a)	Social Information – Own Workforce
ESRS S1-17	Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	Paragraph 104(a)	Social Information – Own Workforce
ESRS 2-SBM 3 S2	Significant risk of child labor or forced labor in the supply chain	Paragraph 11(b)	Not Material
ESRS S2-1	Commitments regarding human rights policy	Paragraph 17	Not Material
ESRS S2-1	Strategies related to the headcount in the supply chain	Paragraph 18	Not Material
ESRS S2-1	Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	Paragraph 19	Not Material
ESRS S2-1	Due diligence policies regarding issues covered by the International Labour Organization's Core Conventions 1 through 8	Paragraph 19	Not Material
ESRS S2-4	Human rights issues and incidents within the upstream and downstream value chain	Paragraph 36	Not Material
ESRS S3-1	Human rights commitments	Paragraph 16	Social Information – Affected Communities
ESRS S3-1	Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines	Paragraph 17	Social Information – Affected Communities
ESRS S3-4	Human rights issues and incidents	Paragraph 36	Social Information – Affected Communities
ESRS S4-1	Strategies related to consumers and end users	Paragraph 16	Social Information – Affected Communities
ESRS S4-1	Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	Paragraph 17	Social Information – Affected Communities
ESRS S4-4	Human rights issues and incidents	Paragraph 35	Social Information – Affected Communities
ESRS G1-1	United Nations Convention against Corruption	Paragraph 10(b)	Governance Information
ESRS G1-1	Protection of whistleblowers	Paragraph 10(d)	Not Material
ESRS G1-4	Fines for violations of anti-corruption and anti-bribery regulations	Paragraph 24(a)	Governance Information
ESRS G1-4	Anti-corruption and anti-bribery standards	Paragraph 24(b)	Governance Information

Climate change mitigation: **Every step counts.**

The VHV Group is committed to ESG-compliant investments and, as a partner to the business community, insures sustainable technologies. It protects its customers from the financial consequences of increasingly frequent natural disasters. To limit emissions from its own operations, the company continuously refines its internal environmental management system.

DISCLOSURES IN ACCORDANCE WITH ARTICLE 8 OF REGULATION 2020/852 (TAXONOMY REGULATION)

Background of the EU Taxonomy Regulation

The EU Taxonomy Regulation is a measure set out in the EU Action Plan on "Sustainable Finance" for classifying economic activities as environmentally sustainable. The measure was codified in Regulation 2020/852 (Taxonomy Regulation) with the aim of steering investments toward environmentally sustainable activities. To this end, the EU Taxonomy Regulation has established the conditions for a common understanding of what constitutes an "environmentally sustainable activity."

The EU Taxonomy Regulation is based on the following six EU environmental objectives:

1	Climate change mitigation
2	Climate change adaptation
3	Sustainable use and protection of water and marine resources
4	Transition to a circular economy
5	Pollution prevention and control
6	Protection and restoration of biodiversity and ecosystems

For each of these environmental objectives, the EU publishes a catalog of sustainable economic activities in accordance with the EU Taxonomy Regulation. In doing so, economic activities were selected from sectors that are most important for achieving the environmental objectives. However, this also means that economic activities belonging to sectors that are not yet listed in the catalogs will not automatically be classified as unsustainable under the EU Taxonomy Regulation.

When classifying an activity as "environmentally sustainable" within the meaning of the EU Taxonomy Regulation, a distinction must be made between taxonomy-eligible and taxonomy-aligned. Taxonomy-eligible describes the fundamental ability of an economic activity to be taxonomy-aligned, i.e., environmentally sustainable within the meaning of the EU Taxonomy Regulation. Taxonomy eligibility does not indicate whether an activity is environmentally sustainable. However, it is the prerequisite for classification as taxonomy-aligned or non-taxonomy-aligned.

The amendments to the legal act regarding Article 8 of the Taxonomy Regulation under Delegated Regulation 2023/2486, which came into force on 21 November 2023, provide that the first application of reporting on taxonomy eligibility with respect to environmental objectives 3 to 6 was already mandatory as at the 2023 financial year. However, Delegated Regulation 2023/2486 established a transition period for environmental objectives 3 to 6 and the newly included activities related to their taxonomy eligibility. Consequently, financial companies were required to disclose information on taxonomy eligibility for environmental objectives 3 to 6 in the 2024 reporting year. Starting with the 2025 reporting year, full reporting must be provided for environmental objectives 3 to 6.

Economic activities are considered "environmentally sustainable" or taxonomy-aligned if they meet the criteria set forth in the EU Taxonomy Regulation. These criteria include both making a substantial contribution to the realisation of one or more environmental objectives and ensuring that there is no significant adverse impact on one or more other environmental objectives, which is assessed using the technical assessment criteria. In addition, compliance with the established minimum protection standards must be ensured.

On 8 January 2026, an amendment to the reporting requirements under Article 8 of the Taxonomy Regulation was published as Delegated Regulation 2026/73 and applies retroactively from 1 January 2026. Additionally, on 17 December 2025, the European Commission published an FAQ with clarifications and guidance on the changes to reporting. Due to the short-notice change in reporting, the transitional arrangement is being utilized, meaning that for the 2025 reporting year, the disclosures under Article 8 of the EU Taxonomy Regulation will continue to be based on the delegated acts and existing reporting templates valid up to that point.

Taxonomy Key Data of the VHV Group

For the VHV Group, investment activities and the insurance business are key areas for the implementation of the EU Taxonomy Regulation.

The Taxonomy Regulation currently limits the scope of investments that may generally be considered taxonomy-eligible and taxonomy-aligned to companies that report in accordance with Articles 19a or 29a of Directive 2013/34/EU (Non-Financial Reporting Directive, NFRD) or pursuant to Articles 19a and 29a of Directive 2022/2464/EU (Corporate Sustainability Reporting Directive, CSRD) are required to disclose non-financial information. Consequently, for taxonomy reporting as an investor, the VHV Group considers only the economic activities of companies within the scope of the NFRD or CSRD. In addition, real estate and property loans, for example, are taken into account, as these can generally be considered taxonomy-eligible and potentially taxonomy-aligned.

The investment figures include all direct and indirect investments, including investments in funds, participations, loans, mortgages, property, plant, and equipment, and, where applicable, intangible assets (excluding goodwill). The investment KPIs are calculated in relation to total investments, excluding government bonds, investments in central banks, and supranational issuers. These are included neither in the numerator nor in the denominator of the KPIs. This also applies to green bonds issued by governments.

Investments for which no information or only uncertain information is available are classified as neither taxonomy-eligible nor taxonomy-aligned and are therefore not included in the numerator. For this reason, and due to partial overlaps in the metrics, the sum of the individual ratios listed below does not equal 100%.

The first key indicator reflects the ratio of taxonomy-aligned investments to total investments. Additionally, further information is generated by breaking down the numerator and denominator. In the denominator, assets are primarily divided into categories such as the share of derivatives, other counterparties, and assets. As part of the breakdown of the denominator – into financial and non-financial undertakings – the total share of companies not subject to NFRD requirements must be presented, as well as the share of non-EU companies and, therefore, companies not subject to NFRD requirements. The following KPIs indicate what share of the VHV portfolio is subject to NFRD requirements, as well as what share of investments is non-taxonomy-eligible or taxonomy-eligible but not taxonomy-aligned. Furthermore, by presenting the investment ratio excluding the share of fund-linked life insurance contracts, their impact on the metrics becomes apparent.

The numerator includes taxonomy-aligned investments. Additional information is also disclosed regarding the share of financial and non-financial undertakings, the impact of fund-linked life insurance contracts, and investments in other counterparties and assets.

Furthermore, information regarding taxonomy-aligned economic activities in the fields of nuclear energy and fossil gas on the part of the investment targets (issuers) must be disclosed in accordance with the supplementary Delegated Regulation 2022/1214.

Taxonomy-aligned investment

The weighted average value of all investments of insurance or reinsurance undertakings that are directed at funding or are associated with taxonomy-aligned economic activities, **relative to the value of total assets covered by the KPI**, with the following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with taxonomy-aligned economic activities, with the following weights for investments in undertakings per below:	
Turnover-based:	3.1 %	Turnover-based:	EUR 500.3 million
CapEx-based:	3.8 %	CapEx-based:	EUR 605.9 million
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (Total AuM). Excluding investments in sovereign entities. Coverage ratio:	52.3 %	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage:	EUR 8,349.1 million

Additional, supplementary disclosures: Breakdown of the denominator of the KPI

The percentage of derivatives relative total assets covered by the KPI:	0.0 %	The value in monetary amounts of derivatives:	EUR 1.0 million
The proportion of **exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**, over total assets covered by the KPI:		The value of **exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:	10.2 %	For non-financial undertakings:	EUR 1,624.9 million
For financial undertakings:	12.5 %	For financial undertakings:	EUR 1,991.7 million
The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**, over to total assets covered by the KPI:		The value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:	6.1 %	For non-financial undertakings:	EUR 981.3 million
For financial undertakings:	5.6 %	For financial undertakings:	EUR 897.3 million
The proportion of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		The value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:**	
For non-financial undertakings:	9.3 %	For non-financial undertakings:	EUR 1,478.9 million
For financial undertakings:	38.9 %	For financial undertakings:	EUR 6,214.6 million

Additional, supplementary disclosures: Breakdown of the denominator of the KPI

The proportion of **exposures to other counterparties and assets over total assets** covered by the KPI:	20.2 %	The value of **exposures to other counterparties and assets:**	EUR 3,230.8 million
The proportion of the insurance or reinsurance undertaking's investments, other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders:***	98.4 %	The value of the insurance or reinsurance company's investments, other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**:	EUR 15,725.5 million

The value of all investments that are funding **economic activities that are not taxonomy-eligible** relative to the value of total assets covered by the KPI:	
Turnover-based:	41.4 %
CapEx-based:	40.3 %
The value of all investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned relative to the value** of total assets covered by the KPI:	
Turnover-based:	26.0 %
CapEx-based:	26.4 %
The value of all investments that are funding **economic activities that are not taxonomy-eligible**:	
Turnover-based:	EUR 6,613.8 million
CapEx-based:	EUR 6,443.5 million
The value of all investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned**:	
Turnover-based:	EUR 4,155.5 million
CapEx-based:	EUR 4,224.8 million

*) According to the text of Delegated Regulation 2021/2178, this KPI is intended to apply to investments that are aligned with the financing of taxonomy-compliant economic activities or are linked to such activities. Since this KPI is intended to break down the denominator, we believe this addition is not applicable.

Additional, supplementary disclosures: Breakdown of the numerator of the KPI

The proportion of **taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over** total assets covered by the KPI: **For non-financial undertakings:** Turnover-based: CapEx-based: **For financial undertakings:** Turnover-based: CapEx-based:	 1.4 % 1.8 % 1.6 % 1.9 %	The value of **taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:** **For non-financial undertakings:** Turnover-based: CapEx-based: **For financial undertakings:** Turnover-based: CapEx-based:	 EUR 220.3 million EUR 280.0 million EUR 258.3 million EUR 298.3 million
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, taxonomy-aligned: Turnover-based: CapEx-based:	 3.1 % 3.8 %	The value of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, taxonomy-aligned: Turnover-based: CapEx-based:	 EUR 500.3 million EUR 605.1 million
The proportion of taxonomy-aligned **exposures to other counterparties and assets over total assets**, covered by the KPI: Turnover-based: CapEx-based:	 0.5 % 0.5 %	The value of **taxonomy-aligned exposures to other counterparties and assets over total assets** covered by the KPI: Turnover-based: CapEx-based:	 EUR 81.9 EUR 81.9

Breakdown of the numerator of the KPI by environmental target

Taxonomy-aligned activities – provided that "do-no-significant-harm" (DNSH) and social safeguards positive assessment:

1	Climate change mitigation	Turnover: CapEx:	2.5 % 3.2 %	Transition Activities: A % (Turnover; CapEx) Enabling Activities: B % (Turnover; CapEx)	0.1 % 0.9 %	0.2 % 1.4 %
2	Climate change adaption	Turnover: CapEx:	0.0 % 0.0 %	Enabling Activities: B % (Turnover; CapEx)	0.0 %	0.0 %
3	The sustainable use and protection of water and marine resources	Turnover: CapEx:	0.0 % 0.0 %	Enabling Activities: B % (Turnover; CapEx)	0.0 %	0.0 %
4	The transition to a circular economy	Turnover: CapEx:	0.0 % 0.0 %	Enabling Activities: B % (Turnover; CapEx)	0.0 %	0.0 %
5	Pollution prevention and control	Turnover: CapEx:	0.0 % 0.0 %	Enabling Activities: B % (Turnover; CapEx)	0.0 %	0.0 %
6	Protection and restoration of biodiversity and ecosystems	Turnover: CapEx:	0.0 % 0.0 %	Enabling Activities: B % (Turnover; CapEx)	0.0 %	0.0 %

TURNOVER-BASED

Reporting template 1 / Activities in the fields of nuclear energy and fossil gas		
Row	**Nuclear energy related activities**	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Reporting template 2 / Taxonomy-aligned economic activities (denominator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	6.4	0.0	6.4	0.0	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	490.5	3.1	394.9	2.5	0.6	0.0
8	**Total applicable KPI**	497.1	3.1	401.5	2.5	0.6	0.0

Reporting template 3 / Taxonomy-aligned economic activities (numerator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	6.4	1.3	6.4	1.3	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	490.5	98.0	394.9	78.9	0.6	0.1
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	500.3	100.0	401.5	80.3	0.6	0.1

Reporting template 4 / Taxonomy-eligible but not taxonomy-aligned economic activities

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	3.9	0.0	3.9	0.0	0.0	0.0
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1.9	0.0	1.9	0.0	0.0	0.0
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	4,028.4	25.2	1,575.1	9.9	8.7	0.1
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	4,034.4	25.3	1,581.1	9.9	8.7	0.1

Reporting template 5 / Taxonomy non-eligible economic activities			
Row	**Economic activities**	**Amount in EUR million**	**Percentage**
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.9	0.0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	6,611.8	41.4
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	6,613.8	41.4

CAPEX-BASED

Reporting template 1 / Activities in the fields nuclear energy and fossil gas

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Reporting template 2 / Taxonomy-aligned economic activities (denominator)							
Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	1.2	0.0	1.2	0.0	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	4.2	0.0	4.2	0.0	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	1.4	0.0	1.4	0.0	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.4	0.0	0.4	0.0	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	594.6	3.7	497.6	3.1	0.7	0.0
8	**Total applicable KPI**	601.9	3.8	504.9	3.2	0.7	0.0

Reporting template 3 / Taxonomy-aligned economic activities (numerator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	1.2	0.2	1.2	0.2	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	4.2	0.7	4.2	0.7	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	1.4	0.2	1.4	0.2	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.4	0.1	0.4	0.1	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	594.6	98.1	497.6	82.1	0.7	0.1
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	605.9	100.0	504.9	83.3	0.7	0.1

Reporting template 4 / Taxonomy-eligible but not taxonomy-aligned economic activities

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	3.2	0.0	3.0	0.0	0.1	0.0
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	2.9	0.0	2.9	0.0	0.0	0.0
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.4	0.0	0.4	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	4,097.3	25.6	1,659.1	10.4	10.3	0.1
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	4,103.8	25.7	1,665.4	10.4	10.4	0.1

Reporting template 5 / Taxonomy non-eligible economic activities			
Row	**Economic activities**	**Amount in EUR million**	**Percentage**
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4.1	0.0
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.7	0.0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	6,438.7	40.3
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	6,443.5	40.3

Investments are recognized at their respective carrying amounts. Total assets, excluding government bonds, investments in central banks, and supranational issuers, amounted to EUR 15,975.1 million in the 2025 reporting year (previous year: EUR 15,415.6 million). Total assets include the sum of investments, property, plant, and equipment, and intangible assets, excluding investments in governments, central banks, and supranational issuers. The item “Total investments” corresponds to the term “Total assets”.

Derivatives are not included in the numerator of the key performance indicators and are only included in the denominator.

The term “other counterparties and assets” includes items that do not relate to undertakings, i.e., intangible assets (excluding goodwill), property, plant, and equipment, loans to private individuals, and real estate.

The disclosures on taxonomy-aligned risk positions for the 2025 reporting year includes real estate, mortgage loans, covered bonds and investments in undertakings engaged in taxonomy-aligned economic activities. The information on whether the underlying economic activities of investments in undertakings and covered bonds were taxonomy-aligned was primarily provided by an external data provider. For illiquid assets (e.g., participations, private equity and private debt) not supplied by the external data provider, the information was collected through independent research in the form of questionnaires. In this process, only information reported for investments in undertakings subject to NFRD requirements was used.

Mortgages are classified as taxonomy-eligible, as in the previous year. To assess taxonomy alignment, a separate assessment of the relevant economic activity “acquisition and ownership of buildings” was conducted based on the technical assessment criteria. The assessment of a significant contribution to the environmental objective “climate change mitigation” could not be completed due to the lack of consistently available data, particularly energy performance certificates. Therefore, mortgages are reported as non-taxonomy-aligned. Efforts are underway to expand the data set, particularly for new business. Investments in real estate funds are also considered taxonomy-eligible. To determine taxonomy-alignment, a review was conducted down to the level of individual properties. Similar to the mortgages, a separate assessment of the relevant economic activity “acquisition and ownership of buildings” was performed. The assessment of a significant contribution to the environmental objective “climate change mitigation” was conducted based on energy performance certificates. The assessment of whether there is a non-significant adverse impact on the environmental objective “climate change adaptation” was conducted based on the MSCI ESG Real Estate Module and the “GIS-ImmoRisk Natural Hazards” tool from the Federal Institute for Research on Building, Urban Affairs and Spatial Development. Investments in funds and unit-linked contracts are also classified as taxonomy-eligible. A review is also conducted here to evaluate taxonomy alignment. The VHV Group has classified property, plant and equipment and intangible assets as non-taxonomy-eligible and thus as non-taxonomy-aligned.

In determining the proportion of total investments* represented by investments in companies not subject to the obligation to publish a non-financial statement under EU law, data from an external data provider was used. For investments not covered by the external data provider, the information was researched independently. Here, too, only information reported for investments subject to NFRD requirements was used. The most recent available published information was utilized for this purpose.

The VHV Group performed quality assurance on the data from the external data provider. Investments in sovereigns, central banks, and supranational issuers were classified in the same manner as in the solvency balance sheet, with the exception of securities backed by state or government guarantees. Investments in securities with state or government guarantees were classified as taxonomy-eligible or non-taxonomy-eligible based on the economic activity pursued, provided that there was an obligation to prepare a non-financial statement for the investment object.

*) Abzüglich Investitionen in Staaten, Zentralbanken und supranationale Emittenten

TAXONOMY-COMPLIANT INSURANCE BUSINESS

	Material contribution to climate change adaptation			No material impact (DNSH)					
Economic activities	**Absolute premiums Year 2025**	**Proportion of premiums Year 2025**	**Proportion of premiums Year 2024**	**Climate Change Mitiga-tion**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**	**Minimum safe-guards**
	EUR million	**%**	**%**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**	**Y / N**
A.1 Taxonomy-aligned non-life insurance and reinsurance business (environmentally sustainable)	85.8	2.5	1.9	Y	Y	Y	Y	Y	Y
A.1.1 Of which reinsured	4.2	0.1	0.1	Y	Y	Y	Y	Y	Y
A.1.2 Of which from reinsurance activities	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y
A.1.2.1 Of which reinsured (retrocession)	0.0	0.0	0.0	Y	Y	Y	Y	Y	Y
A2 Taxonomy-eligible but not environmentally sustainable non-life insurance and reinsur-ance business (non-taxonomy-aligned activities)	35.2	1.0	1.1						
B Non-taxonomy-eligible non-life insurance and reinsurance business	3,384.7	96.6	97.1						
Total (A.1 + A.2 + B)	3,505.7	100.0	100.0						

In calculating the proportion of gross premiums written in the non-life insurance business, the gross premiums written in accordance with the German Commercial Code (HGB) for the entire VHV Group were included. Since this is a group-level view, intra-group transactions were consolidated.

> The taxonomy-eligible VHV Group's business segments are other motor vehicle insurance, marine, aviation, and transport insurance, as well as fire and other property insurance.

To identify the taxonomy-eligible business segments, the insurance contracts were analyzed with regard to coverage of climate-related risks. Based on Notice C/2024/6691* published by the European Commission on 8 November 2024, the VHV Group concludes that, when reporting both the taxonomy-eligible and taxonomy-aligned shares of written premiums, only the portion attributable to climate-related risks must be disclosed in each case. The VHV Group's reported taxonomy-eligible premiums consist of the climate-related proportions of the gross premiums from the taxonomy-eligible business segments where such a separation was possible. In contrast, the non-taxonomy-eligible proportions include the remaining premium shares of the taxonomy-eligible business segments and the premiums from the business segments of occupational disability insurance, motor vehicle liability insurance, assistance cover, general liability insurance, loan and surety insurance, legal protection insurance, as well as various insurance contracts covering financial losses. Due to the high proportion of motor vehicle liability, general liability, and loan and surety insurance in VHV Allgemeine's portfolio and furthermore due to the separation of the climate-related proportion of premiums from the taxonomy-eligible business segments, the taxonomy-eligible share is low at 3.5%. In determining the share, the proportion of taxonomy-aligned business segments was taken into account, as taxonomy-aligned business is simultaneously taxonomy-eligible.

Under the EU Taxonomy, non-life (re)insurance activities can only make a substantial contribution to the environmental objective "climate change adaption". For this purpose, the five technical assessment criteria

- leadership in the modeling and pricing of climate risks,
- product design,
- innovative insurance solutions,
- data sharing, and
- high level of service following a catastrophe

must be met. To ensure taxonomy alignment, the "Do No Significant Harm" criterion, i.e., the non-impairment of other environmental objectives, as well as the guarantee of minimum social protection, must also be ensured.

*) Commission Notice on the interpretation and implementation of certain provisions of the Delegated Act on disclosure requirements under Article 8 of the EU Taxonomy Regulation for the reporting of taxonomy-eligible and taxonomy-aligned economic activities and assets (Third Commission Notice)

The taxonomy-aligned gross premiums written shown, amounting to EUR 85.8 million (previous year: EUR 60.3 million) and representing 2.5% of the total, consist of a portion of household contents insurance for private customers, as well as all full motor vehicle insurance and a portion of commercial property insurance from VHV Allgemeine. The absolute increase in the KPI results from premium growth in taxonomy-aligned business. Premium growth in full motor vehicle insurance rose disproportionately to the general growth in the property insurance business. No new products were classified as taxonomy-aligned. Premiums were determined based on individual policy information and meet all technical assessment criteria. A climate-related proportion of premiums was also separated here. Since household contents insurance and private full motor vehicle insurance constitute non-commercial business, the "Do No Significant Harm" criterion is met. Likewise, compliance with the minimum social protection for policy holders is ensured in non-commercial business. In commercial full motor vehicle insurance, the "Do No Significant Harm" criterion is met by excluding insured vehicles that transport hazardous materials. In commercial property insurance, certain types of operations, such as "coal mining and processing" or "oil and natural gas drilling and production facilities," etc., are excluded when determining taxonomy-aligned contracts. With regard to compliance with minimum social standards for corporate clients in full motor vehicle and property insurance, VHV Allgemeine follows a case-by-case approach. Based on the available information about the customer, the company assesses to the best of its ability whether the customer is in violation of minimum social standards. The VHV Group itself meets the minimum social standards through the VHV Code of Conduct, as well as a Legal/Compliance Department, an Anti-Fraud Management unit, an Internal Audit function, and a Data Protection Officer (see also the "General Information" chapter). The reinsured share of the gross premiums written that are taxonomy-aligned was calculated as a share of the total reinsurance premiums for the corresponding lines of business.

CONSIDERATION IN THE BUSINESS STRATEGY

With regard to investments, the VHV Group is not currently aiming for a minimum quota for environmentally sustainable investments as defined by the EU Taxonomy Regulation.

In the insurance business, the VHV Group is analyzing the introduction of additional products that are environmentally sustainable as defined by the EU Taxonomy Regulation. A minimum quota is not currently being pursued.

Thinking green – *internally and externally.*

Solutions for the business community. Measures for own operations.

The VHV Group sees itself as a partner to the business community and its stakeholders in the financing and insurance of low-emission technologies. In its own operations, the VHV Group implements measures derived from its established environmental management system.

ESRS E1 CLIMATE CHANGE

In both underwriting and investment, the VHV Group is dependent on emission reductions in the real economy. As a result, the VHV Group shares in the real economy's reduction targets.

Further emission reductions result from a restructuring of the investment portfolio.

The explanations on ESRS E1 Climate Change are divided into an overarching section followed by the subtopics of insurance, investment, and own operations.

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION [ESRS E1-1, 17]

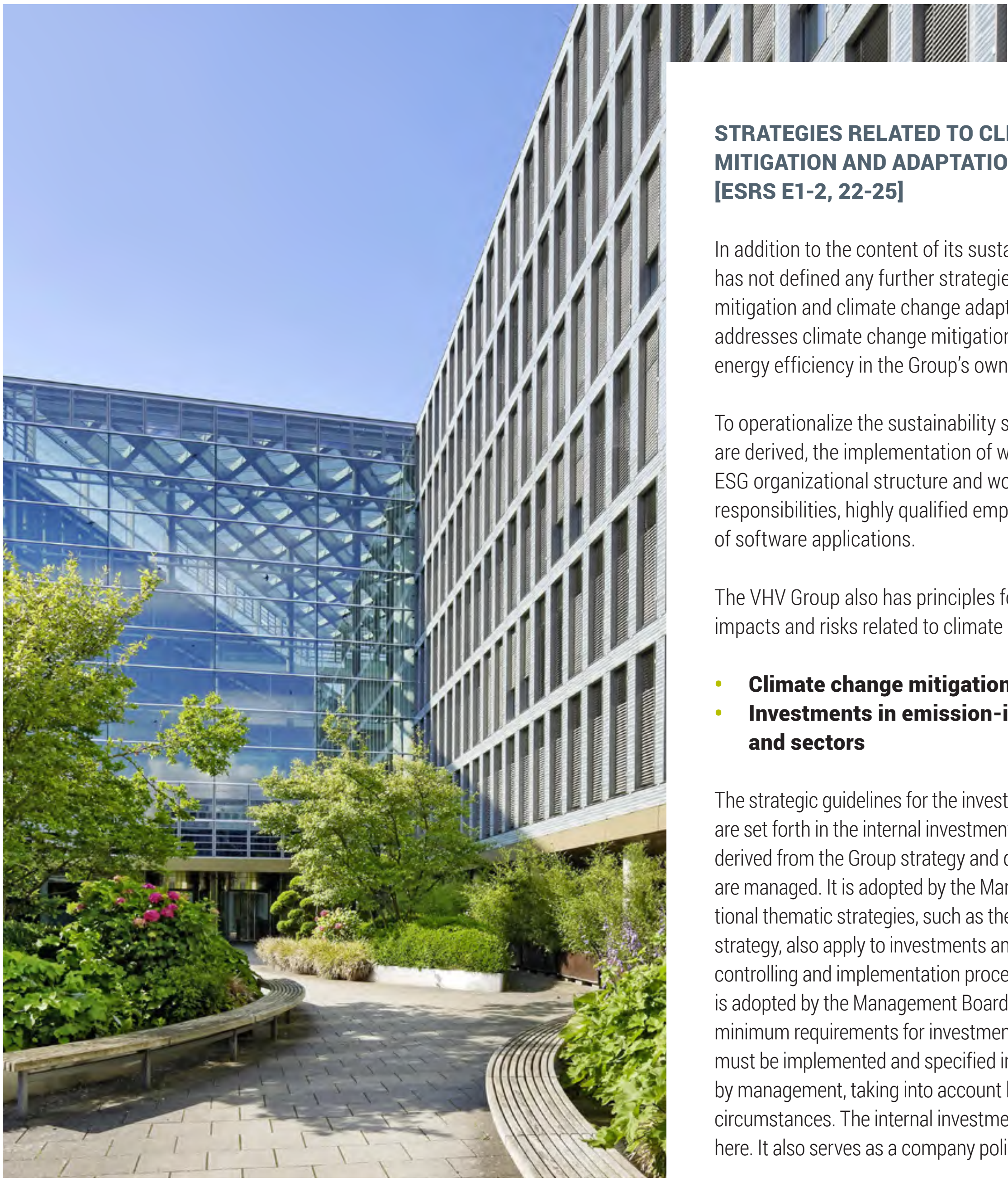
The VHV Group aligns itself with the climate change mitigation targets of the German Insurance Association (GDV), which are consistent with the Paris Agreement and aim for a net-zero emissions target for its investments by 2050. As a member of the GDV, the VHV Group supports its framework conditions and commitments, including measures to reduce CO_2 emissions and promote sustainable investments.

The sustainability strategy is derived from the Group strategy and is linked to the VHV Code of Conduct and its values. It describes the VHV Group's strategic positioning with regard to sustainability and is divided into six areas of action. The VHV Group's sustainability strategy is operationalized by the companies within the scope of the sustainability strategy. Targets and measures are formulated based on the sustainability strategy. The sustainability targets define the target states in the areas of action that are to be achieved. In contrast, the measures describe selected actions through which the VHV Group pursues the implementation of the desired states.

Furthermore, the VHV Group does not have a transition plan for climate change mitigation for the 2025 financial year. The option to create a transition plan remains open at any time if necessary or when a suitable opportunity arises.

Material impacts, risks, and opportunities and their interaction with strategy and business model [(ESRS 2 SBM-3) ESRS E1-1, 18]

The climate-related risks identified in the materiality analysis include both physical risks and transition risks.



STRATEGIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION [ESRS E1-2, 22-25]

In addition to the content of its sustainability strategy, the VHV Group has not defined any further strategies related to climate change mitigation and climate change adaptation. The sustainability strategy addresses climate change mitigation, climate change adaptation, and energy efficiency in the Group's own-use buildings.

To operationalize the sustainability strategy, targets and measures are derived, the implementation of which is supported by an effective ESG organizational structure and workflow with a clear allocation of responsibilities, highly qualified employees, and the purpose-driven use of software applications.

The VHV Group also has principles for managing the following material impacts and risks related to climate change mitigation and adaptation:

- **Climate change mitigation in the investment portfolio**
- **Investments in emission-intensive industries and sectors**

The strategic guidelines for the investment portfolio business segment are set forth in the internal investment policy. The investment strategy is derived from the Group strategy and defines how opportunities and risks are managed. It is adopted by the Management Board of VHV a. G. Additional thematic strategies, such as the risk strategy and the sustainability strategy, also apply to investments and are likewise integrated into the controlling and implementation processes. The Group Investment Policy is adopted by the Management Board of VHV a. G. and sets forth the minimum requirements for investments from a Group perspective, which must be implemented and specified in company policies to be approved by management, taking into account local requirements and specific circumstances. The internal investment policy is particularly noteworthy here. It also serves as a company policy.

The Group policy comprehensively and bindingly sets forth the investment philosophy, investment strategy, and investment process. It takes into account the insurance business conducted, time constraints, and legal and regulatory frameworks. It defines responsibilities, monitoring procedures, the content and scope of investment reporting, and the intended audience.

Other significant implications:

- **Climate change mitigation in the field of underwriting**
- **Climate change in the field of underwriting**

The strategic guidelines for underwriting are set forth in the Property and Casualty Insurance Strategy for Germany and the Life Insurance Strategy. These strategies are derived from the Group strategy and define how opportunities and risks are managed. They are adopted by the Management Board of VHV a. G. Additionally, other thematic strategies apply to underwriting, such as the risk strategy and the sustainability strategy, which are also integrated into control systems and implementation.

The Group Underwriting Policy is adopted by the Management Board of VHV a. G. and sets forth the minimum requirements for underwriting from a Group position, which must be implemented and specified in company policies to be approved by management, taking into account local requirements and specific circumstances. Notable examples include the companies' underwriting and acceptance policies.

The Group policy sets forth the principles and guidelines for underwriting and accepting insurance risks within the VHV Group.

The target is to ensure that decisions regarding the assumption of risks are made based on sound business principles and the defined business strategy. The policy ensures that the responsible departments adopt a holistic perspective that takes into account all relevant aspects of the respective business segment. Furthermore, it emphasizes that decisions may only be made by departments with the appropriate expertise.

The VHV Group's strategies are subject to an annual update cycle. This cycle concludes with resolutions passed by the Management Board and Supervisory Board committees of the VHV Group. In addition, there is a process for updating the written regulations at the beginning of each financial year, during which Group policies, company policies, rules of procedure, and work guidelines are adopted by the Management Board committees. Furthermore, compliance with the strategies and policies in the various areas is ensured through the instruments or processes of the internal review of the business organization.

The organizational level responsible for the Group policies is the Management Board of VHV a. G.

The scope of application of the Group policies is generally the consolidated group, depending on the business model of the respective company.

MEASURES AND RESOURCES RELATED TO CLIMATE STRATEGIES [ESRS E1-3, 26-29] and [ESRS 2 BP-2, 13a-c]

To achieve the net-zero target in investment, greenhouse gas emissions from the asset classes of equities, corporate bonds, funds, and real estate are measured annually. Equities and corporate bonds are also controlled in accordance with the controlling concept. This measure relates to the risk identified under ESRS 2 SBM-3, 48a and the impact on investment. No measures are currently in place for the other identified risks and impacts. The reason for this is the prioritization of the superordinate net-zero target in investment management.

The continuous measurement and controlling of greenhouse gas emissions in liquid asset classes is being carried out for the first time in accordance with the defined management concept.

For illiquid assets, specifically in the real estate sector, an additional specialized data provider has been integrated. This is intended to achieve the greatest possible coverage and a high degree of automation.

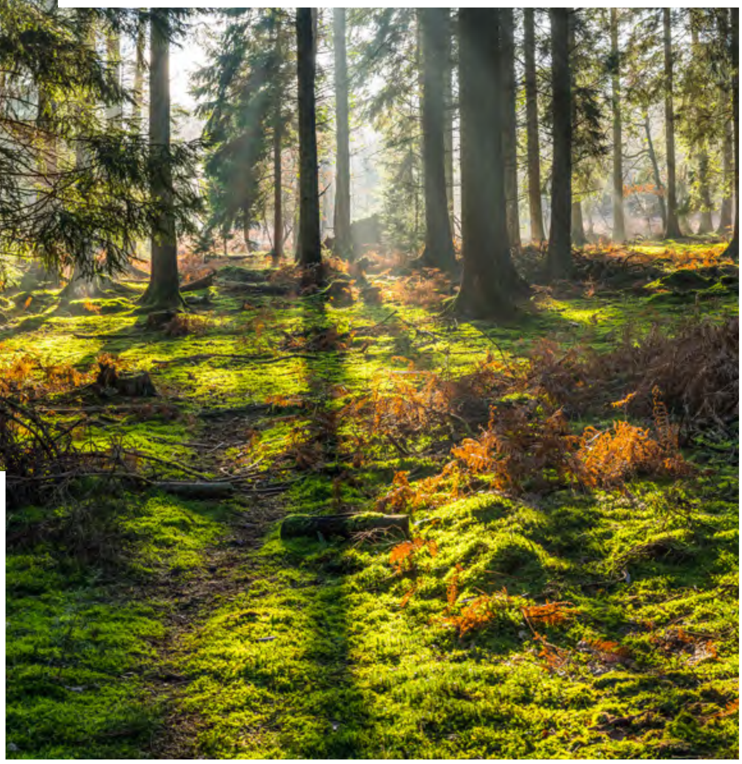
By 2025, a 20% reduction in GHG emissions in the liquid asset classes under Scope 1 and 2 is to be achieved. The base year is the GHG emissions for 2021. In 2021, GHG emissions from liquid asset classes amounted to 304,674 t CO_2e and were reduced to 120,468 t CO_2e in 2025. This corresponds to a reduction of 60.46%.

The greenhouse gas figure for the base year 2021 was recalculated retroactively due to the update of the methodology in accordance with the new PCAF standard and the inclusion of additional asset classes. This results in a minor adjustment of the base year figure for the “liquid asset classes” (equities and corporate bonds) by 5,326 t CO_2e, from 310,000 t CO_2e to 304,674 t CO_2e. The adjustment is based solely on the methodological update to align reporting with the new PCAF requirements. Across all asset classes and scopes, greenhouse gas emissions from investments in 2021, taking into account the methodological update and the inclusion of additional asset classes, amounted to 3,092,524 t CO_2e and were reduced to 2,252,360 t CO_2e by 2025.

The continuous measurement and control system for greenhouse gas emissions in liquid asset classes is operated in accordance with the defined control concept. Control is primarily achieved through the management of maturities and the reinvestment of securities. The exclusion and positive criteria introduced in the meantime ensure that no investments are made in particularly GHG-intensive issuers.

The implemented controlling measures to reduce greenhouse gas emissions act as decarbonization levers by specifically targeting the control system for liquid asset classes and the exclusion of particularly GHG-intensive issuers. Implementation primarily involves adjusting investment decisions and applying specific exclusion and positive criteria. However, nature-based solutions were not utilized in this context, as the measures are primarily focused on financial market-related management instruments.

ACQUISITION OF
966 hectares
OF FOREST LAND
IN STYRIA



In light of the significant negative impacts of the investment on climate change mitigation, the following two measures were taken during the reporting year in addition to the use of financial market-related management tools: The VHV Group implemented a nature-based measure to contribute to sustainable development by acquiring a 966-hectare forest property in Styria, Austria. The investment is made through an investment company, making the VHV Group the owner of the forest. To ensure sustainable management, the VHV Group directly commissions a service provider responsible for the operational forestry operations and for the maintenance and management of the forest. The avoided, achieved, and expected emissions from this investment cannot be quantified at this time.

The second climate change mitigation measure is the installation of photovoltaic systems on the rooftops of the VHV Group's real estate investments. In 2025, the installed photovoltaic capacity was 7,153 kWp, resulting in a reduction of 2,138 t CO_2e compared to the average German energy mix. The calculated greenhouse gas reduction has a Data Quality Score of 3 according to the PCAF Standard (Part A). Additional photovoltaic systems with a capacity of 7,489 kWp are currently in the planning stage or already under construction. All PV systems were installed in Germany, and all planned systems are also located in Germany. The PV systems are primarily located on the roofs of office, retail, and logistics properties.

The measures described regarding the forest property and the PV systems were newly initiated or implemented during the reporting year. Due to the early stage of implementation, no reliable conclusive information is currently available regarding the progress of implementation, results, or effectiveness. The corresponding requirements for progress measurement and reporting will be established as implementation proceeds and are to be reported in future reporting periods.

Based on current information, no significant amounts of money appear to be required for the operational implementation of the measures that have been taken or are planned. Nor are significant opportunity costs expected in connection with investment decisions.

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND CLIMATE CHANGE ADAPTATION [ESRS E1-4, 30-34, MDR-T 81b, and ESRS 2 BP-2, 13a-c]

With regard to climate protection and climate change adaptation, the VHV Group has set an interim target for 2025 in its sustainability strategy, in addition to the net-zero target for investments by 2050, according to which a reduction of 20% of GHG emissions in the corporate bond and equity asset classes by the end of the year, which has been achieved. These are not science-based targets, however they are consistent with the Paris Agreement. No climate scenarios were taken into account when setting the targets. No stakeholders were involved in setting the reduction targets.

> The reason for setting the interim target lies in prioritizing the superordinate net-zero target in investment.

No targets have been set for the material IROs related to climate change mitigation in underwriting. These targets pertain to the two material IROs related to investment and are intended to mitigate the negative impacts of investments, reduce exposure to high-emission industries, and appropriately reduce stranded asset risk. Ultimately, the clear focus on these targets is intended to ensure that measures, resources, and strategic decisions are aligned to achieve a credible and comprehensive transformation of the portfolio. However, this does not preclude the possibility that additional, specific measures may be added in the future as the transformation process progresses. These will be determined as soon as reliable data and experience from ongoing work are available, to ensure that they are realistic and effective.

In the investment segment, a management framework has been developed to achieve the net-zero target by 2050, on the basis of which future GHG emission reduction targets will be derived. The management concept is based on a corresponding measurement of portfolio emissions. The measurement includes the Scope 1, 2, and 3 emissions reported by issuers for the asset classes of equities and corporate bonds, government bonds, subnational debt securities, fund certificates, and real estate. No information on Scope 3 is currently available for real estate. Progress in reducing GHG emissions can be tracked through VHV's own CO_2 reporting, which is prepared on a quarterly basis. Progress is compared to the base year 2021.

The year 2021 marks the starting point of VHV's sustainability strategy and thus of CO_2 measurement.

Due to the integration of new asset classes, the historical data has also been adjusted accordingly to ensure consistent comparability. The adjusted baseline for the base year 2021 is now 304,674 t CO_2e. In the previous reporting period, this figure was still 310,000 t CO_2e. A 20% reduction in GHG emissions discharged in the liquid asset classes was targeted and achieved by 2025.

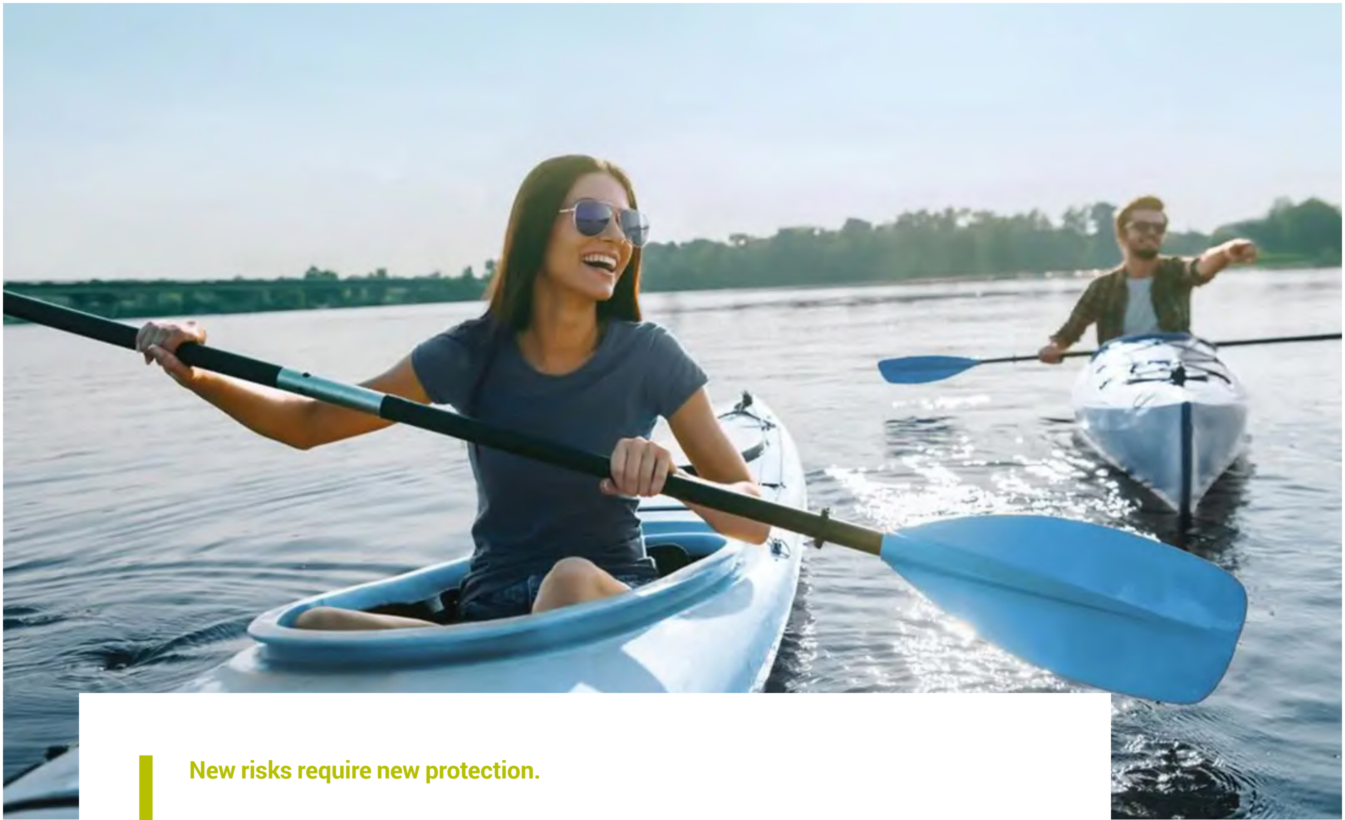
In the base year 2021, emissions from liquid asset classes amounted to 304,674 t CO_2e, and in 2025 to 120,468 t CO_2e. This means the reduction target was achieved and the effectiveness of the control system was confirmed.

The measurement and management framework is regularly reviewed for opportunities for further development and adjusted where possible, for example by adding additional metrics or including further asset classes, with a view to achieving a net-zero perspective through the potential consideration of climate-positive investments to reach the net-zero target.

Furthermore, the VHV Group has not set any additional targets or strategies regarding GHG emission reduction targets in its sustainability strategy. The reason for this lies in the prioritization of the superordinate net-zero target in investment. However, this does not rule out the possibility that additional, specific measures may be added in the future as the transformation process progresses. These will be defined as soon as reliable foundations and experience from ongoing work are available to ensure that they are realistic and effective.

The monetary cost of the ongoing development and adaptation of the measurement and management framework cannot be clearly quantified at this time, as the specific measures and their scope depend on future developments in the areas of sustainability metrics, regulatory requirements, and the availability of new technologies.

Tackling climate change: *providing the right products.*

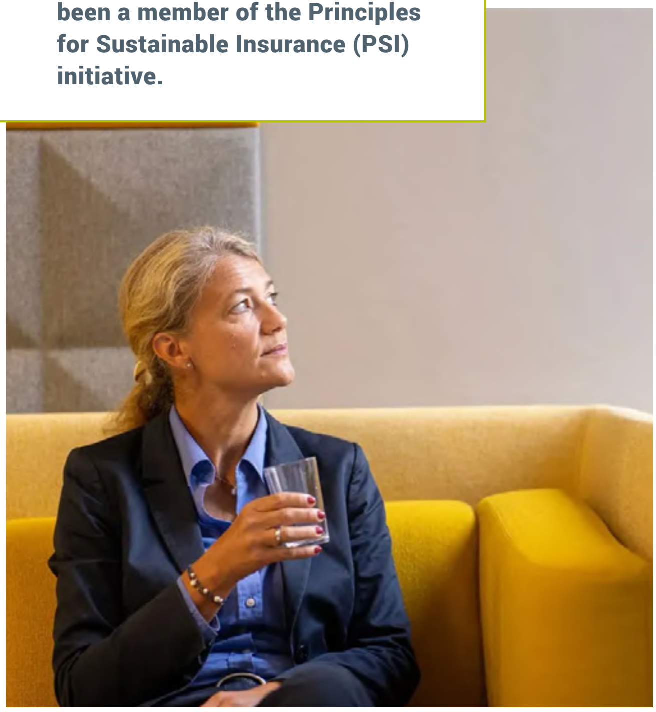


New risks require new protection.

As an insurance specialist in clearly defined market segments, the VHV Group continuously strives to align its range of products and insurance solutions with the expectations and needs of its customers and sales partners. In addition, the VHV Group sees it as its mission to integrate new or changing risks into its products and insurance solutions and to offer its customers ongoing protection.

Of particular importance to the VHV Group are the sustainability-related expectations and needs of its customers and sales partners. The Group aims to incorporate sustainability aspects into its products and insurance solutions while adhering to the principle of risk-based premium calculation (ensuring that calculated insurance premiums are sufficient to cover future claims payments, commissions, and other costs).

Since 2022, the VHV Group has been a member of the Principles for Sustainable Insurance (PSI) initiative.



The initiative provides four principles to which participating companies must commit – these are:

1. **We will embed** in our decision-making environmental, social and governance issues **relevant to our insurance business**.
2. **We will work together with our customers and business partners** to raise awareness of environmental, social and governance **issues, manage risk and develop solutions**.
3. **We will work together with governments, regulators and other key stakeholders** to promote widespread action across society on environmental, **social and governance issues**.
4. **We will demonstrate accountability and transparency** in regularly disclosing publicly our progress in implementing the **Principles**.

TAKING AN ACTIVE ROLE IN "SLOWING CLIMATE CHANGE"

The VHV Group is taking responsibility by supporting the transition process with its products and insurance solutions.

Sustainable construction – a strong partner to the construction industry here as well

Climate change mitigation and climate change adaptation, energy efficiency, resource conservation, affordable housing, as well as digitalization and modern infrastructure are the key challenges facing sustainable construction. More and more clients are demanding sustainable practices from all project participants and across all aspects of a project – keyword: green building. As Germany's leading specialist insurer for the construction industry, the VHV Group offers a comprehensive range of services. For example, current product generations already include specific coverage for sustainable construction. In the area of liability insurance for architects and engineers, for example, the scope of coverage has been expanded to include ESG due diligence (assessment/expert opinion of a construction project or building with regard to ESG risks) as well as co-insurance for EV charging stations and wall boxes.

Renewable Energy – Complete Insurance Coverage for the Energy Transition

Renewable energy and its expansion are a central pillar of the energy transition. The goal is to make energy supply more climate-friendly while simultaneously reducing Germany's dependence on imported fossil fuels, power, and heating materials. The VHV Group supports the energy transition and has been offering complete insurance coverage in the field of renewable energy for more than 15 years. This includes, in particular, insurance for photovoltaic systems – including solar power storage units and wall boxes – as well as hydroelectric and wind power plants, near-surface geothermal energy systems, and biogas plants. These are all-risk insurance contracts that cover property damage to the insured's own assets. At the same time, the rapid and professional resolution of a claim helps prevent or reduce potential subsequent negative environmental impacts. Currently, the VHV Group's portfolio includes more than 70,000 photovoltaic systems and more than 1,400 biogas plants.

E-Mobility and Telematics – Actively Shaping and Promoting Climate-Friendly and Environmentally Sustainable Mobility

Electric mobility is a key technology for designing an innovative, sustainable transportation system and for achieving climate protection goals in the transportation sector. The operation of electric vehicles produces significantly fewer CO_2 emissions, particularly when combined with renewable electricity. Through VHV motor vehicle insurance products featuring special additional benefits for electric vehicles, such as complete coverage and insurance for accessories, the VHV Group is already actively promoting and supporting the transition to climate- and environmentally-friendly mobility in Germany. The telematics rate from VHV Motor vehicle insurance is an optional add-on. It uses telematics technology to detect and analyze driving data. Based on individual driving style, a discount on the insurance premium may be granted for responsible driving.

Risk protection, security, and retirement planning – acting responsibly in all areas of life

The VHV Group also promotes awareness of and the need for sustainability in life insurance and retirement planning. In doing so, the VHV Group focuses on its core business area – covering biometric risks in the segments of term life, pension, and disability insurance. Target market definition, product monitoring, and marketing are carried out with consideration for sustainability aspects. In the area of retirement planning, customers can determine the level of sustainability themselves through targeted fund selection in unit-linked annuity insurance. The relevant funds demonstrate a strong track record not only financially (in terms of performance) but also in environmental, ethical, and social areas (e.g., by receiving the FNG lable). The range of funds available for selection has included funds that are aligned with sustainable practices for several years now. In future adjustments to the fund selection list, sustainable funds and ETFs will increasingly be the focus.

RISK PROTECTION "DEALING WITH CLIMATE CHANGE"

Climate change is causing natural disasters to occur more frequently and increasing the damage caused by climate-related natural disasters. This makes it all the more important to protect oneself against the financial consequences. In addition to natural hazard coverage under complete property insurance, the VHV Group protects policy holders' property against damage caused by fire, storm, hail, and any resulting business interruption through its home contents and building insurance for private customers, as well as its contents and building insurance for commercial customers. In addition, coverage for additional natural hazards can be purchased. The VHV Group offers tiered supplemental coverage options that provide financial compensation for damages caused by events such as high water, flooding, and backflow.

The VHV Group already offers its customers complete insurance coverage against natural hazards.

Using the transition as an opportunity: *investments that retain their value.*

Investments with a sustainable strategy

As a long-term investor, the VHV Group has a strong interest in capitalizing on the opportunities presented by the transition to a sustainable economy and managing risks as early as possible. To meet the financial needs of its companies, ensuring the value retention of its investments is a top priority.

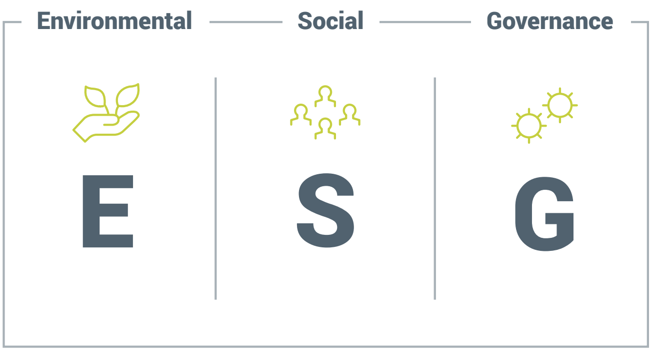
SUSTAINABILITY MANAGEMENT IN THE VHV GROUP'S INVESTMENT ACTIVITIES

In its investment decisions, the VHV Group also takes into account sustainability risks related to environmental, social, and governance (ESG) factors that could negatively impact the value of its investments.

As a responsible investor, the VHV Group is aware that its investment decisions can have an impact on these areas. It takes adverse sustainability impacts into account and works to mitigate them. The VHV Group views climate change and its significant relevance to the economy and society as the most important adverse impacts. With a high volume of assets under management and an average remaining term of its clients' investments of well over ten years, it is possible to limit these adverse impacts as early as possible. Accordingly, the VHV Group focuses on the adverse sustainability impacts of "greenhouse gas emissions," "carbon footprint," and "greenhouse gas intensity."

The incorporation of sustainability criteria supports the VHV Group in achieving its fundamental goal of optimizing the risk-return profile. Within the VHV Group, investment management is handled by WAVE.

Both prior to accepting a new mandate and on an ongoing basis thereafter, WAVE ensures that all sustainability criteria specified by the client are incorporated into the investment process and monitored within the risk management framework.



ESG INVESTMENT STRATEGY OF THE VHV GROUP

ESG Integration

The VHV Group has integrated ESG criteria into its investment decision-making processes, risk management, and investment guidelines. This holistic approach encompasses various ESG investment strategies:

Exclusion Criteria

Defined exclusion criteria are intended to reduce risks to the portfolio and avoid new investments that cause negative sustainability impacts defined as significant by the VHV Group. The definition of exclusion criteria is based on ESG objectives as well as internationally recognized standards such as the ten principles of the UN Global Compact, the core labor standards of the International Labor Organization (ILO), the OECD Guidelines for Multinational Enterprises, and the Convention on Cluster Munitions. These are consistent with the values of the VHV Group.

Specifically, for example, exclusions were established for controversial corporate behavior. Therefore, a standards-based screening process is applied in the investment process with regard to very serious violations of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, and the ILO (International Labour Organization) core labor standards. This is intended to reduce the proportion of investments in companies involved in violations of the UN Global Compact principles, the ILO core labor standards, or the OECD Guidelines for Multinational Enterprises.

Issuers affected by the exclusion criteria are barred from new investments. Affected holdings are sold within a 90-day period. The ESG exclusion criteria are applied to direct holdings and specialized securities funds. These criteria also generally apply to illiquid assets when subscribing to new investments.

VHV Group's ESG Exclusion Criteria for Companies

Exclusions Based on Business Activities

Categorically excluded:

Controversial weapons

Excluded if revenue is significant:

Coal-fired power generation
(30 % revenue tolerance)

Fracking and tar sands
(5 % revenue tolerance)

Exclusions based on conduct

Very serious violations of:

- 10 Principles of the **UN Global Compact**
- **ILO Core Labor Standards**
- **OECD Guidelines for Multinational Enterprises Fracking and tar sands**

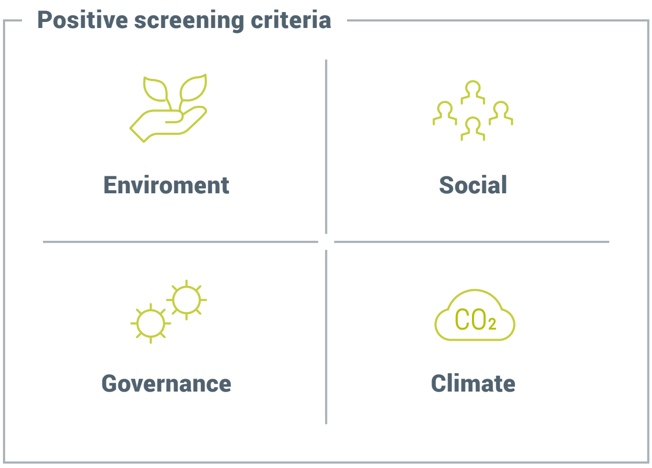
Global standards

Controversies

Positive Screening Criteria

In addition, positive screening is conducted to achieve high ESG quality in the portfolio. This is based on ESG scores that the VHV Group obtains from a sustainability data provider. To this end, the various pillars of sustainability are analyzed separately for each issuer and limited as part of the positive screening process. This promotes investments in issuers that are not exposed, or only to a limited extent, to adverse sustainability impacts. A key focus is on the climate-related ESG component through the inclusion of the "Low Carbon Transition Score."

In addition to these approaches, the VHV Group emphasizes dialogue and collaboration through the following elements:



Engagement

The VHV Group conducts engagement activities in the form of ad hoc dialogues with issuers and/or data providers. The aim of this measure is to improve issuers' ESG quality in order to broaden the investment universe or to enhance the ESG quality of the existing portfolio. This is intended to resolve any conflicts of interest that may arise. The trigger for engagement is identified violations of the ESG investment criteria.

Memberships in Associations and Initiatives

Through its membership in sustainability initiatives, the VHV Group demonstrates its commitment. In this way, it supports the collective achievement of sustainability goals in investment management and can further develop its own approaches and processes through dialogue with experts. Through the associated reporting, the VHV Group enables its clients and distribution partners to track its sustainability performance. As a member of the Principles for Responsible Investment (PRI) initiative, the VHV Group is committed to implementing the following principles for responsible investment:

Six Principles for Responsible Investing

1. We will incorporate **ESG issues** into our investment analysis and decision-making **processes.**
2. We will be **active owners** and incorporate ESG issues into our ownership policies and practices.
3. We will **seek appropriate disclosure on ESG issues** by the entities in which we invest.
4. We will **promote acceptance and implementation** of the **Principles** within the investment industry.
5. We will work together to **enhance our effectiveness** in implementing the Principles.
6. We will each report on our **activities and progress** towards implementing the Principles.

Accounting for ESG criteria in the investment process

Step 1
Exclusion Criteria

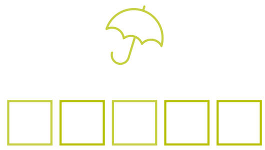
Companies
- Controversial weapons (e.g., landmines and cluster bombs)
- Very serious violations of the UN Global Compact, the ILO Core Labor Standards and the OECD Guidelines for Multinational Enterprises
- Fracking and tar sands (5% revenue tolerance)
- Coal-fired power generation (30% revenue tolerance)

Step 2
Positive criteria

Companies
- Detailed assessment of an issuer's sustainability across the dimensions E (Environmental), S (Social) and G (Governance) und G (Governance)
- Minimum thresholds for ESG scores
- Consideration of the climate component through positive screening based on the "Low Carbon Transition Score" (which measures the transition risks of companies on the path to a low-carbon economy.)

Countries
- Freedom House status
- Corruption Perception Index

Step 3
Risk Management



- Climate-related scenario analyses
- Climate stress tests

Portfolio

VHV GRUPPE /

In the 2025 reporting year, the ESG investment approach was expanded to include the government bond asset class. This measure aims to continuously advance sustainability efforts in investment activities. Specifically, it was decided to make new investments in government bonds only in countries classified as “free” by Freedom House and with a score of at least 35 on the Corruption Perception Index. This measure is intended to ensure that countries with serious violations of democratic rights and human rights are excluded from investment.

ESG in Risk Management

The integration of sustainability risks into risk management is based on the ESG instruments described above. Risk mitigation is achieved, on the one hand, through negative criteria such as exclusions and, on the other hand, through limits on ESG scores. In risk management, the available qualitative and quantitative ESG data are used for analytical purposes. In addition to traditional scenario analyses, climate-related scenarios are also examined for examination of physical and transitional risks.

To this end, a Climate Value at Risk (CVaR) calculation is performed. This includes climate scenarios with different temperature trajectories as well as an assessment of physical risks in the form of natural hazards and their potential impacts on production facilities and buildings. Results of the Climate VaR calculation include, among other things, the projected market value losses of the portfolios due to climate change.

Sustainability Among External Managers

For financial service providers to be newly appointed, sustainability criteria are an integral part of the selection criteria. External managers to be newly selected must demonstrate that they invest responsibly, e.g., by signing the UN PRI and/or by complying with the Code of conduct of the German Investment and Asset Management Association. In addition, strategies for managing sustainability risks must be implemented. Proof may be provided through the existence of ESG guidelines and guidelines on the exercise of voting rights. Furthermore, external managers report on their strategies for managing sustainability risks and their implementation during regular investment committee meetings. This also applies to external managers already under contract. The exclusion and positive criteria described are also binding for external managers. Any resulting portfolio adjustments must be carried out by external managers within a specified timeframe.

The criteria presented here are minimum criteria for responsible investing that are generally adhered to by the VHV Group. Stricter ESG criteria apply to individual products. For example, the WAVE Total Return ESG, an investment fund managed by WAVE, has repeatedly been awarded the FNG label, the industry standard for sustainable investing in German-speaking countries.

Thematic Investments with an ESG Focus

For more than ten years, the VHV Group has been making targeted investments in the renewable energy and infrastructure sectors, thereby contributing to environmentally friendly electricity generation and, consequently, to the energy transition. Through direct investments and fund investments, the Group has focused on renewable energy sources such as solar, onshore wind, and offshore wind. These investments have included both equity and debt investments across Europe. Infrastructure investments are an integral part of the strategic asset allocation, and there are plans to further increase the investment ratios over the long term. Investments that meet ESG criteria come from the following sectors, for example:

Wind energy

Solar energy

Public transportation

Grid infrastructure (electricity)

Green/social/ sustainable bonds

Certified real estate

As at 31 December 2025, the VHV Group's portfolio comprised EUR 1,091 million in infrastructure investments, of which EUR 285 million was attributable to renewable energy alone.

Technical Implementation and Automation
The VHV Group obtains sustainability information such as ESG scores and checks for exclusion criteria from the sustainability data provider MSCI ESG for market-traded securities (corporate bonds, bank bonds including mortgage bonds, and listed stocks) as well as for demand and time deposits, and integrates this data into its IT systems for use and processing. The physical and transitional risks of real estate are also assessed using a tool from the sustainability data provider MSCI ESG.

To achieve comprehensive ESG integration, qualitative ESG assessments are conducted during the due diligence process for new investments in unlisted assets (the asset classes private equity, infrastructure equity, credit investments, and real estate). These result in categories intended to enable comparability with the ESG assessment of market-traded securities. External expertise is also drawn upon as needed.

All defined ESG limits are stored in the investment management system and are automatically incorporated into all trading and risk management processes and used for control purposes.

The VHV Group is continuously working to improve the coverage of assets under management with information on sustainability impacts. The aim is to achieve the highest possible coverage and a high degree of automation.

Net-Zero Target for the Portfolio by 2050
One of the greatest challenges we face today is combating climate change, given its significant impact on the economy and society.

The VHV Group aims to achieve the net-zero target in its investment portfolio by 2050, thereby making a significant contribution to decarbonization.

This is being done in line with scientific findings and the availability of suitable measurement methods. In this context, the VHV Group aims to help align capital flows with the Paris Agreement. As a first important step toward achieving this goal, the VHV Group regularly measures the greenhouse gas emissions of its liquid portfolio retroactively from 31 December 2021 and has developed a management framework based on this. This concept is reviewed regularly and, where possible, further developed. To reduce CO_2 emissions in the portfolio, a voluntary interim target of a 20% reduction in GHG emissions in the corporate bond and equity asset classes by 2025 was defined and achieved.

For investments made through real estate funds, potential renovation options such as the installation of solar systems are being evaluated.

In the reporting year, the total financed emissions of Scopes 1, 2, and 3 for the investment amounted to 2,252,360 tons of CO_2, with an intensity of 126.73 tons/million EUR. Coverage of the financed Scope 1–3 emissions stands at 61.36%.

Moving systematically **towards greater internal sustainability.**

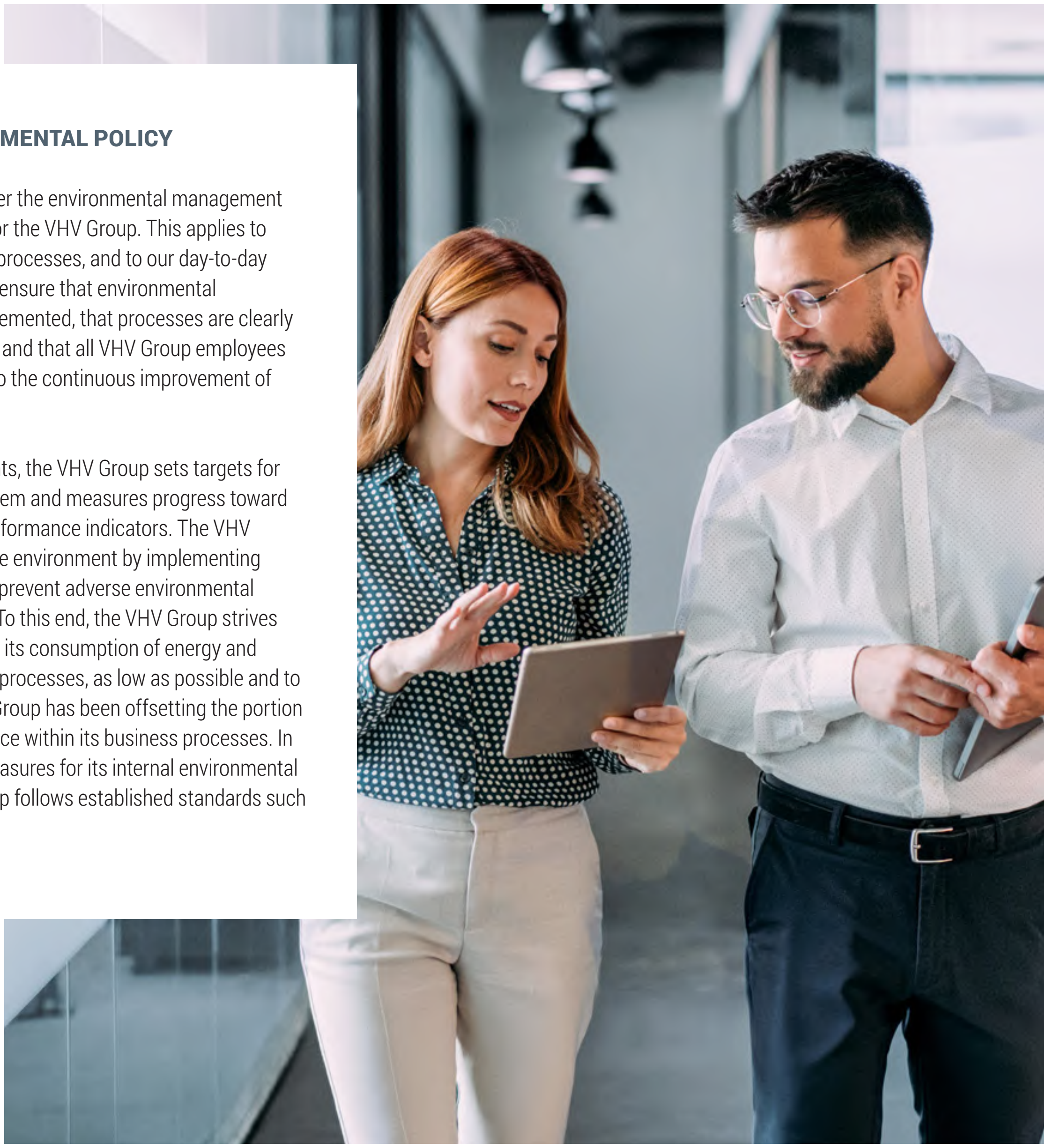
Environmental Management for Products, Services and Processes

The VHV Group is committed to making an active contribution to environmental protection and has therefore implemented an environmental management system aligned with ISO 14001 for its defined scope of application, which supports the Group in this endeavor and provides an appropriate framework.

THE VHV GROUP'S ENVIRONMENTAL POLICY

Compliance with all obligations under the environmental management system is a fundamental principle for the VHV Group. This applies to products and services as well as to processes, and to our day-to-day operations. The VHV Group aims to ensure that environmental management requirements are implemented, that processes are clearly defined and continuously improved, and that all VHV Group employees have the opportunity to contribute to the continuous improvement of environmental performance.

Based on these binding commitments, the VHV Group sets targets for its environmental management system and measures progress toward these targets using selected key performance indicators. The VHV Group is committed to protecting the environment by implementing measures at its sites that reduce or prevent adverse environmental impacts caused by the VHV Group. To this end, the VHV Group strives to keep its CO_2 emissions, as well as its consumption of energy and other resources in its own business processes, as low as possible and to reduce them. Since 2022, the VHV Group has been offsetting the portion of CO_2 emissions that it cannot reduce within its business processes. In developing further improvement measures for its internal environmental management system, the VHV Group follows established standards such as ISO 14001.

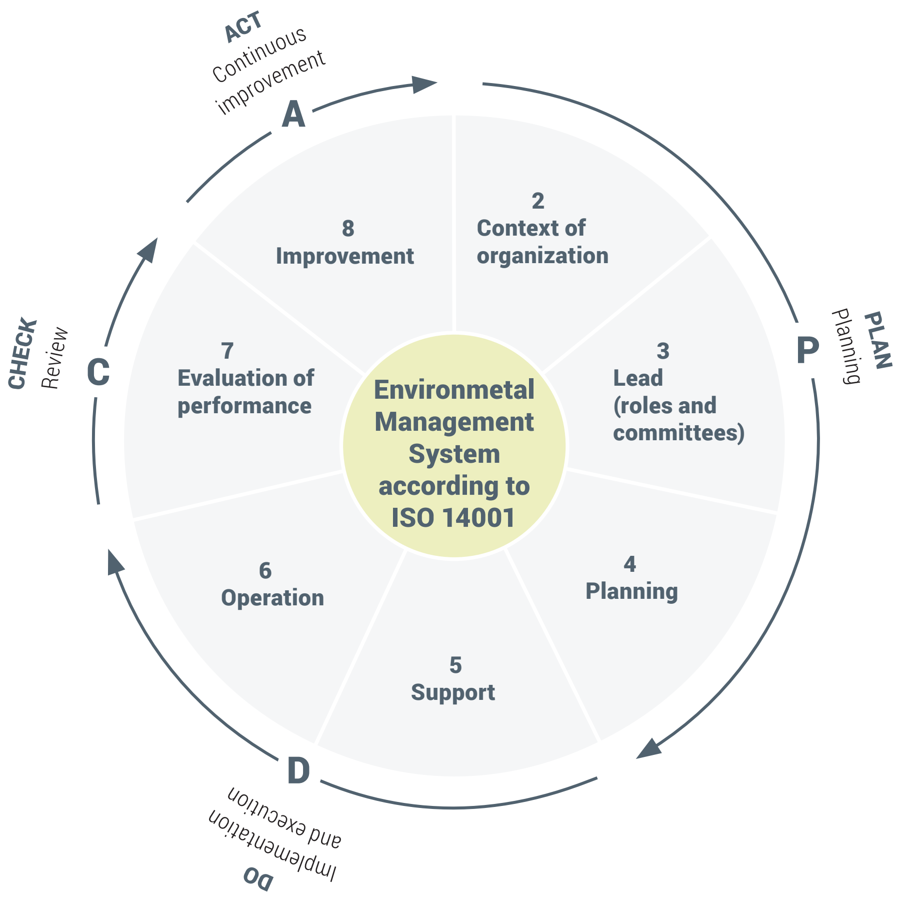


THE ENVIRONMENTAL MANAGEMENT SYSTEM

The environmental management system is implemented in accordance with ISO 14001, based on the Plan-Do-Check-Act (PDCA) cycle. The cycle comprises four elements and begins with planning, during which environmental targets and corresponding processes are defined. The second part, "do," involves implementing the processes, after which, in part three, "check," the results are reviewed and measured against the targets. In the final part, "act," measures for improvement are then taken.

The implemented environmental management system currently covers the management and support processes at the headquarters in Hanover, at the administrative locations in Berlin and Munich, and at all regional offices in Germany, as well as business travel and company vehicles. The environmental management system applies to the following companies:

- VHV Vereinigte Hannoversche Versicherung a. G.
- VHV Holding SE
- VHV Allgemeine Versicherung AG
- Hannoversche Lebensversicherung AG
- VHV International SE
- VHV solutions GmbH
- WAVE Management AG
- Pensionskasse der VHV-Versicherungen



ENERGY CONSUMPTION AND ENERGY MIX [ESRS E1-5, 35-43]

The VHV Group does not operate in climate-intensive sectors in relation to its own business operations.

The VHV Group reports the following total energy consumption in MWh in connection with its own business operations:

As at 31 December	2025 in MWh	Share of total energy consumption in %
Total energy consumption from fossil fuels	**13,067.2**	**58.9**
Total energy consumption from nuclear sources	**0.0**	**0.0**
Total energy consumption from renewable sources broken down by		
Fuel consumption from renewable sources, including biomass (including industrial and municipal waste of biological origin), biofuels, biogas, and hydrogen from renewable sources	0.0	0.0
Consumption of purchased or supplied electricity, heat, steam, and cooling, and from renewable sources	9,126.8	41.1
Consumption of self-generated renewable energy that is not in the form of fuel	0.0	0.0
Total energy consumption	**22,194.0**	

The energy generated by the company-run daycare center's photovoltaic system is immaterial and is therefore not reported separately.

VHV GROUP'S CO_2 FOOTPRINT BY SCOPE [ESRS E1-6, 44-46]

According to the Greenhouse Gas Protocol, CO_2 emissions can be divided into three categories (scopes).

Scope 1

Emissions from sources that are directly owned or operated by the company (e.g., operation of its own boiler).

Scope 2

Emissions resulting from the use of energy purchased by the company (e.g., its own electricity consumption, heating, and cooling).

Scope 3

Emissions resulting from activities that are not directly related to the company (e.g., business travel or waste management)

The VHV Group reports below the CO_2 emissions determined within its environmental management system.

[ESRS E1-6, 50] The reported emissions cover the consolidated Group.

[ESRS E1-6, 47] There have been no changes compared to the previous year.

[ESRS E1-6, 48] The VHV Group does not fall within the scope of regulated emissions trading schemes, so none of the reported greenhouse gas emissions are attributable to regulated emissions trading schemes.

CO_2-EMISSIONS

[ESRS E1-6, 48-51]

Retrospective			**Milestones and target years**		
	Base year 2021	**2025**	**2025**	**2050**	**Year-on-year in % of the target/ base year**
Scope-1 Greenhouse gas emissions					
Scope 1 gross greenhouse gas emissions ($t\ CO_2e$)		2,744.2			
Percentage of Scope 1 greenhouse gas emissions covered by regulated emissions trading schemes (in %)		–			
Scope-2 Greenhouse gas emissions					
Scope 2 gross GHG emissions, site-based ($t\ CO_2e$)		4,122.2			
Scope 2 gross GHG emissions, market-based ($t\ CO_2e$)		536.6			
Significant Scope-3 Greenhouse gas emissions					
Total indirect (Scope 3) gross GHG emissions ($t\ CO_2e$)		2,293,545.7			
1 Purchased goods and services		39,705.5			
6 Business travel		268.3			
7 Commuting employees		1,211.9			
15 Investments	3,092,524*	2,252,360	A 20% reduction in shares and corporate bonds compared with the base year	Net-zero emissions in investment	
Total GHG emissions					
Total GHG emissions, site-based ($t\ CO_2e$)		2,300,412.1			
Total GHG emissions, market-based ($t\ CO_2e$)		2,296,826.5			

*) The comparative figure for the base year 2021 was recalculated retroactively to align with the new PCAF standard and to include additional asset classes compared to the previous year. In the previous year, a figure of 310 thousand $t\ CO_2e$ was reported for the base year 2021. The adjustment was made in accordance with the changes in the preparation or presentation of sustainability information (ESRS 1, 7.4).

Greenhouse gas emissions are calculated under Scope 1 for heating oil, natural gas, diesel, and gasoline, and under Scope 2 for electricity and district heating for all energy consumption reported in disclosure requirements E1–5. In addition, greenhouse gas emissions from the use of refrigerants are also reported under Scope 1. There are no direct activities in which biogenic emissions are relevant. Consequently, there are also no CO_2 emissions from burning or biological degradation of biomass. The calculation of greenhouse gas emissions is based on multiplying activity data (e.g., energy consumption in kWh) by predefined emission factors. Emission factors are metrics used to calculate greenhouse gas emissions. They quantify the amount of greenhouse gases emitted per unit of activity.

The calculations of greenhouse gas emissions are based on the following emission factors:

- Billing documents from fuel suppliers
- Literature values, e.g., from the Federal Environment Agency
- Certificates from energy suppliers

The calculation of greenhouse gas emissions from our own business operations is performed using nationally recognized or contract-specific emission factors. The goal is to provide an accurate, consistent, and transparent representation of emission intensity by country and energy source.

For foreign subsidiaries, contract-specific or country-specific emission factors are also used, provided these are published by the relevant national authorities or recognized public institutions. If no official national factors are available, internationally recognized average values are used.

To calculate emissions using the location-based method, the determined electricity consumption is multiplied by the emission factors for the respective country-specific electricity mix.

To calculate emissions using the market-based method, the determined electricity consumption is multiplied by the supplier-specific emission factors provided by the utilities.

There is no differentiated presentation of Scope 1 and Scope 2 emissions by reporting group and affiliated companies.

Energy consumption and CO_2 emission values were in part determined based on older consumption data, which served as the basis for extrapolating the values for the reporting year. In individual cases, available data up to and including 2019 was used, as current utility bills for certain leased office spaces were not yet available at the time of reporting, and therefore more recent consumption data was not available.

Estimates and uncertainties regarding results exist for the greenhouse gas emissions determined within the framework of the implemented environmental management system for the Group's own business activities, which were not calculated based on utility bills. This applies in particular to emissions from leased office space, as the VHV Group relies here on the utility bills provided by landlords, which are largely made available only after a delay. If no current values are available, the previous year's values are currently used. If the office space has changed since the last available utility bill, the previous year's consumption is calculated accordingly based on the adjusted office space. For individual offices, a calculation is performed based on degree-day figures.

Eucon GmbH was only included in the scope of consolidation until 30 September 2025. No fully reliable emissions data on an interim basis was available for the reporting period. Against this background, emissions for the 2025 financial year were extrapolated on a pro rata basis using the available prior-year figures (2024). The extrapolation was performed on a pro rata basis corresponding to the duration of the company's inclusion in the Group during the reporting year. The resulting values represent methodologically derived approximations and are subject to corresponding uncertainties due to limited data availability.

The VHV Group collects and consolidates Scope 2 emissions based on available consumption and emission factor data. A separate determination of the share of contractual instruments in Scope 2 emissions is not possible in the reporting year due to the lack of complete and uniform contract and verification data; accordingly, no separate quantification is provided for this. Data availability and processes for detection of this information are being improved as part of the ongoing development of GHG data collection.

For Scope 3 emissions from activities within the upstream and downstream value chain, the following subcategories of the GHG Protocol were identified as material:

- Scope 3.1 Purchased goods and services
- Scope 3.6 Business travel
- Scope 3.7 Commuting employees
- Scope 3.15 Investments

Where subcategories were classified as immaterial, this was due to their small scale relative to total emissions.

No quantitative disclosure of insurance-related emissions is provided in the reporting year. This is due to the lack of industry-wide recognized methods for the consistent and reliable determination of emissions from insurance activities. Against this background, the VHV Group makes use of the transitional relief provided for in ESRS 1 133b.

To determine greenhouse gas emissions for the Scope 3 category "Purchased Goods and Services" (Scope 3 Category 1), the VHV Group's billing volume for the financial year is considered. The determination and allocation of CO emission factors at the industry level are based on the ESG data profiles of Creditreform Compliance Service GmbH. These provide a robust and regularly updated database that includes the following elements:

- Financial and structural metrics from published annual financial statements
- Classifications by industry, company size, and geographic region
- Sustainability information from publicly available sources

This comprehensive data structure enables a methodologically sound application of the "average" and "spend-based" approaches in accordance with the GHG Protocol guidelines. Industry-specific differentiation creates transparency and comparability in emissions quantification and forms a solid foundation for the creation of a robust emissions inventory.

In cases of incomplete data sets, supplier-specific calculation methods (supplier-specific approach) are used to supplement the data, provided they are available.

Data from the CWT travel portal is used to determine greenhouse gas emissions for the Scope 3 category "Business Travel" (Scope 3 Category 6). The VHV Group uses this portal as a platform for booking and managing business travel involving air travel, rental cars, and pool vehicles, as well as hotel stays, and it allows for the retrieval of the relevant data. To calculate greenhouse gas emissions, the collected data on business travel is combined with conversion factors. If employees did not book their trips through this provider, these emissions are currently not reported.

To determine greenhouse gas emissions for the Scope 3 category "Commuting Employees" (Scope 3 Category 7), the distance between each employee's place of residence and the workplace is calculated. An average mode of transportation mix is used based on data published by Destatis regarding the use and distribution of modes of transportation (e.g., cars, motorcycles, etc.). The resulting emissions are calculated based on the individual commute distance and the assumed mode of transportation mix. Contractually agreed-upon work-from-home arrangements are taken into account by excluding the corresponding commute days from the calculation or reducing them proportionally.

Of the Scope 3 emissions described, 99.97% of the data for Scope 3 categories 1, 6, and 7 was calculated using primary data.

> Methodologically, the CO_2 measurement framework for investments follows the PCAF standard "Global GHG Accounting and Reporting Standard for the Financial Industry."

This standard is compatible with the well-known requirements of international standard-setters such as the "Task Force on Climate-related Financial Disclosures" (TCFD). Furthermore, the affiliated data provider MSCI calculates the reported metrics in accordance with the PCAF Standard as well. The attributable GHG emissions from the respective investments represent Scope 3 GHG emissions for the VHV Group and are assigned to the Scope 3 category "Investments" (Scope 3 Category 15).

The CO_2 measurement framework covers the Scope 1, 2, and 3 emissions reported by issuers for the asset classes of equities, corporate bonds, government bonds, subnational debt securities, fund certificates, and real estate. No information on Scope 3 is currently available for real estate. Progress in reducing GHG emissions can be tracked through our own CO_2 reporting, which is prepared on a quarterly basis. This progress is compared to the base year of 2021. The year 2021 marks the starting point of VHV's sustainability strategy and thus of CO_2 measurement. Due to the integration of new asset classes, the data history was also backfilled accordingly to ensure consistent comparability. The fundamental focus on the use of reported data corresponds to a data quality score of at least 2 according to the PCAF classification and aligns with the high proportion of primary data at 99.1%. The focus on reported data also means that any data gaps are not filled with estimates but are taken into account when determining the coverage rate.

The calculation of an investment's emissions is generally based on the pro-rata allocation of the investment's emissions, in accordance with the proportion of shares held by VHV relative to the total value of the respective investment; for companies, for example, expressed as Enterprise Value Including Cash (EVIC).

Portfolio Emissions

The following table provides a detailed overview of the investment's emissions. The methodology used to calculate the greenhouse gas emissions of the reported asset classes complies with the currently applicable PCAF standard. Across all asset classes, Scope 1–3 emissions total 2,252,360 t CO_2e, with a GHG intensity of 126.73 t CO_2e per million euros invested. This intensity refers to the economic emissions intensity according to PCAF, calculated as the ratio of Scope 1–3 emissions to invested capital (per million euros). This emissions intensity relates to the market value of the VHV Group's entire portfolio and thus also includes securities for which no emissions data is available. The coverage of financed Scope 1–3 emissions is 61.36%. The share of underlying primary data is 99.1%, while the share of secondary data is 0.9%. Secondary data is used sporadically in the real estate and fund certificate asset classes.

Asset classes	**Scope 1 in t CO_2**	**Scope 2 in t CO_2**	**Scope 3 in t CO_2**	**Coverage Scope 1**	**Coverage Scope 2**	**Coverage Scope3**
Stocks and corporate bonds	89,948	30,521	1,759,403	90 %	89 %	88 %
Real estate (including real estate funds)[1]	28,309			99 %	99 %	
Government bonds[2]	113,937			100 %		
Subnational debt securities	57,536			60 %		
Fund certificates (excluding real estate funds)	12,351	2,258	158,097	25 %	25 %	25 %
Total of asset classes considered	**302,081**	**32,779**	**1,917,500**	**81 %**	**63 %**	**46 %**
Total portfolio	**302,081**	**32,779**	**1,917,500**	**61 %**	**47 %**	**34 %**

1) It is not possible to distinguish between Scope 1 and 2; here, they are included in the total for Scope 1

2) Excluding LULUCF (Land Use, Land Use Change, and Forestry); including LULUCF, emissions from the government bonds asset class amount to 113,988 t CO_2e.

[ESRS E1-6, 53]

Greenhouse Gas Emissions Intensity	2025
Total GHG emissions (site-based) per net revenue (t CO_2/currency unit)	0.00053574
Total GHG emissions (market-based) per net revenue (t CO_2/currency unit)	0.00053491

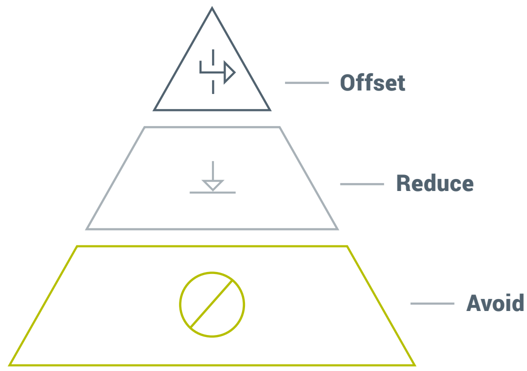
[ESRS E1-6, 55]

Reconciliation of net revenue with the corresponding item or notes in the financial statements	2025
	Corresponding item or note in the financial statements
Net revenue used to calculate greenhouse gas intensity	4,293,891,522 EUR

Insurance revenue (net) is derived from two items in the income statement (P&L): on the one hand, earned premiums for own account (P&L item 1 Property and Casualty) from the underwriting account for the property and casualty insurance business, and earned premiums for own account (P&L item 1 Life) from the underwriting account for the life insurance business.

The VHV Group's long-term priority is to avoid CO_2 emissions above all other forms of emissions reduction.

Forms of Emission Reduction



The potential for improvement is greatest in the two administrative buildings owned by the VHV Group, as changes can be made to the facilities and technical systems. In the leased offices, energy consumption can primarily be reduced by downsizing office space and raising employee awareness

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OFFSETTING CO_2 EMISSIONS [ESRS E1-7, 56-61]

Offsetting is part of a climate-friendly strategy and mitigates the impact of unavoidable emissions once avoidance and reduction measures have been exhausted.

When selecting offset providers, the VHV Group took the following criteria into account:

Additionality
Additionality in offset projects means that the project would not have been implemented without funding from CO_2 credits.

Permanence
Permanence in offset projects means that emission reductions achieved through climate protection projects must be permanent.

Non-profit organization

Uniqueness
Uniqueness (avoidance of double counting) in offset projects means that the CO_2 emissions saved by the projects and the resulting certification can only be used once to offset other CO_2 emissions.

Standards
Compliance with established standards such as the “Verified Carbon Standard (VCS)” and the “Gold Standard“.

[ESRS E1-7, 59-61] Since the emissions as at 31 December 2025 are not yet fully available, the emissions as at 31 December 2024 are reported below. Offsetting is carried out annually for the emissions of the included companies determined within the framework of the implemented environmental management system. To this end, the VHV Group has offset the direct emissions determined as at 31 December 2024, its fleet management in 2025, and its purchased energy in 2025. In the reporting year, the VHV Group offset 700 tons of CO_2 through the offset provider atmosfair. The quality standard for the CO_2 credit is 100% Gold Standard, and the proportion of corresponding adjustments is also 100%. Details on the projects funded by atmosfair are published on the offset provider's website. Additional offsets were carried out directly by the fuel card provider, ensuring that emissions resulting from the fleet are directly offset.

Beyond this, there are no plans for CO_2 offsetting outside the value chain described.

In addition, HL has offset a further 183 t of CO_2 for its marketing campaigns through the offset provider PRIMAKLIMA. The quality standard for the CO_2 credit is 100% Verra Standards Verified Carbon Standard and Climate, Community & Biodiversity Standard (CCBS). The proportion of the corresponding adjustment is zero percent.

[ESRS E1-7, 58] The VHV Group has not developed any projects for the removal and storage of greenhouse gases within its own operations or within the upstream and downstream value chain.

[ESRS E1-7, 60-61] To achieve climate neutrality in its own business operations for the companies included in the environmental management system, the Scope 1 and 2 emissions determined as at 31 December 2024, as well as selected Scope 3 emissions, will be offset through appropriate offset providers. These are organizations that offer CO_2 offset certificates or projects to offset greenhouse gas emissions generated. Climate neutrality is currently achieved entirely through offsetting. The VHV Group has not yet set GHG emission reduction targets for its own business operations.

Supporting people.
Strengthening the community.

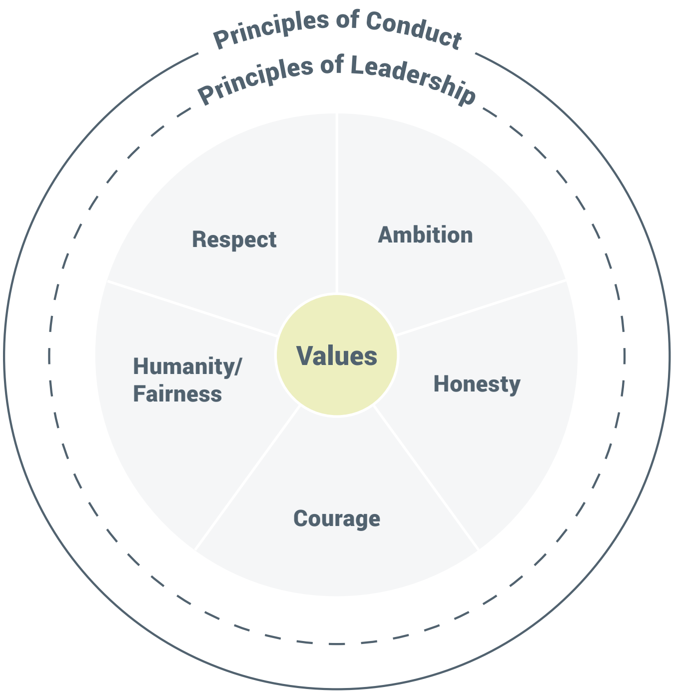
Five fundamental, binding values shape how we interact with one another at the VHV Group. This applies not only to how employees work together, but also to our interactions with the sales team and with customers.

In the reporting year, the VHV Group made use of the phase-in provisions set forth in ESRS for the disclosures required by S1-13, S1-14, and S1-15.

FOR AN ATTRACTIVE WORKING ENVIRONMENT

Five values on the path to sustainability

For the VHV Group, the corporate culture with its five core values – often referred to internally as "DNA" – forms the binding foundation for collaboration, leadership, and entrepreneurial action. The values of respect, ambition, honesty, courage, and fairness were developed together with the headcount in 2009 and further refined in 2025 to anchor their strategic contribution even more clearly in day-to-day operations. They provide guidance for decision-making and thus strengthen performance, excellence, and sustainable business success. The leadership and operational principles derived from these values specify the standards for how we interact with one another, as well as with customers and sales partners.



MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND THE STAKEHOLDER BUSINESS MODEL [ESRS S1, 13-16 (ESRS 2 SBM-3)]

[ESRS S1, 13a (ESRS 2 SBM-3] Actual and potential impacts on our own workforce are taken into account when updating our strategies. When assessing materiality, social aspects and human rights issues such as secure employment, working hours, fair compensation, equality, and diversity are considered. In addition to the existing labor law regulations and the collective bargaining agreement for the private insurance industry, the VHV Group has also joined the UN Global Compact and signed the Diversity Charter.

This framework promotes the consideration of employees' interests.

[ESRS S1, 13b (ESRS 2 SBM-3)] The materiality analysis conducted revealed that only positive impacts were identified in relation to the company's own workforce. These relate in particular to flexible working time models and remote work, a fair compensation system, and comprehensive training and qualification opportunities. No material risks were identified with regard to the strategy or the business model.

[ESRS S1, 14a (ESRS 2 SBM-3)] All employees who, as at the evaluation date of 31 December, have a current employment contract directly with a company of the VHV Group or with a subsidiary are included.

The following are not included:

- Employees in passive partial retirement
- Employees on parental leave
- Employees receiving a disability pension
- Employees with a work disability lasting more than 78 weeks (the health insurance provider has set aside sick pay)
- Interns and trainees (as they are in a training relationship)
- Board members (e.g., members of the Management Board)
- Temporary workers or agency workers (not included in personnel expenses)

Definition of non-salaried employees:
Self-employed individuals and persons provided by companies.

No negative impacts related to the company's headcount were identified as part of the materiality analysis.

[ESRS S1, 14c (ESRS 2 SBM-3)] The positive impact on VHV Group employees is particularly evident in initiatives that promote a modern, employee-oriented work culture. These include flexible work schedules and the option to work remotely, which boost both satisfaction and motivation. In addition, a balanced compensation system consisting of fixed and variable components ensures transparency and fairness by making individual performance visible and rewarding it accordingly. Another focus is on a broad range of continuing education opportunities that enable employees to meet the growing demands of a changing work environment. Investments in training and development also contribute to the VHV Group's competitiveness and support the personal development of employees. These apply to all employees of the VHV Group.

[ESRS S1, 14d (ESRS 2 SBM-3)] No risks or opportunities related to the company's headcount were identified as part of the materiality analysis.

[ESRS S1, 14e (ESRS 2 SBM-3)] The measures implemented that have a positive impact on the headcount – such as flexible working time models and remote work, a fair and performance-based compensation system, and a comprehensive range of continuing education opportunities – are aimed at generally promoting employee motivation, satisfaction, and competitiveness. However, these initiatives are not related to transition plans for reducing CO_2 emissions or to restructuring, job relocations, and retraining resulting from the implementation of climate and environmental goals.

[ESRS S1, 14f/g (ESRS 2 SBM-3)] No significant risk regarding incidents of forced labor or child labor is currently known.

[ESRS S1, 15, 16 (ESRS 2 SBM-3)] Currently, based on the tools of the LkSG, no risks of forced labor or child labor are known.

STRATEGIES RELATING TO THE COMPANY'S WORKFORCE [ESRS S1-1, 17-24]

These topics are part of the overarching Group strategy and are integrated into the HR strategy.

The refined Group strategy defines excellent Group functions, employer attractiveness, and the topics of corporate culture and values as key success factors for the VHV Group. In line with the Group strategy, the Group HR strategy addresses, among other things, demographic developments (declining employee numbers, generational change), associated challenges in the labor market, and the further development of the VHV Group.

[ESRS S1-1, 19] Respect for employee interests and the social concerns of employees is of central importance to the VHV Group. Management, employee representatives, and employees jointly strive for a fair balance between business interests and social responsibility.

In this context, compliance with the following regulations plays a central role:

- Legal regulations (e.g., AGG, JArbSchG, ArbZG, MuSchG, BEEG, SGB)
- VHV Values and VHV Code of Conduct
- UN Global Compact
- Company agreement on "Work-Life Balance"
- Regulations on occupational health and safety in (overall) company agreements
- Collective bargaining agreements for the private insurance industry

HUMAN RIGHTS POLICY [ESRS S1-1, 20-22]

The VHV Group regards respect for human and environmental rights as a fundamental component of social responsibility. Corporate due diligence to protect these rights extends to our own business operations as well as to all suppliers along the value chain in accordance with the LkSG.

To this end, the VHV Group has adopted a policy statement on the protection of human rights as its human rights strategy to demonstrate its commitment to its values and social responsibility. The policy statement covers the issues of human trafficking, forced labor, and child labor. Additionally, a human rights officer has been appointed.

Managers are required to complete internal awareness training on the LkSG and to train their employees on compliance with human and environmental rights. The training is available under the "Learning" tab for every employee of the VHV Group.

Should human rights violations come to light, employees can report them via the EQS Integrity Line on the VHV Group's website. This information is available to every employee via the intranet and the VHV Group's website. Access via the website applies equally to reports from both VHV employees and non-employees.

The Human Rights Officer conducts a comprehensive risk analysis of LkSG risks and reviews the preventive and remedial measures. The identified risks are assessed, prioritized, and communicated to management. Risk analyses are conducted at least once a year or as needed (e.g., in response to reports in the EQS Integrity Line system).

Violations of human and environmental rights are not accepted or tolerated by the VHV Group in any form. The VHV Group therefore actively advocates for the following protected legal statuses and thereby complies with Section 2 of the LkSG.

With its policy statement on the LkSG, the VHV Group makes a clear and unequivocal commitment to its values and social responsibility. The VHV Group commits to appropriately observing the human rights and environmental due diligence obligations set forth in the LkSG within its own business operations and supply chain, with the aim of preventing or minimizing human rights or environmental risks, or ending violations of human rights or environmental obligations.

To comply with the human rights and environmental due diligence obligations set forth in the LkSG, the VHV Group identifies and assesses associated risks across national borders. Its goal is to protect the legal rights described in the LkSG in order to contribute to a just society:

- Prohibition of child labor
- Prohibition of forced labor and all forms of slavery
- Prohibition of discrimination
- Fair compensation for work
- Performance of labor rights and occupational safety
- Protection of the right to form a coalition or association and the right to collective bargaining
- Lawful use of private and public security forces
- Protection of land rights
- Protection of environmental rights

The policy statement regarding the LkSG is available on the VHV Group's website.

In addition, the VHV Group has strategies and guidelines for managing the following key impacts with regard to its own workforce:

- Flexible work schedules and remote work
- Compensation system
- Continuing education opportunities and professional development initiatives

The strategic guidelines for the VHV Group's human resources policy are set forth in the HR strategy. This strategy is formulated in alignment with the Group's overall strategy. The HR strategy focuses on optimizing and automating HR processes, introducing digital solutions, and expanding capacities to operate efficiently and with a forward-looking approach. At the same time, group-wide standards create uniform processes and structures, drive international harmonization, and establish clear compensation models, while systematic workforce planning, talent development, and employee retention and engagement ensure long-term competitiveness. It is adopted by the Management Board of VHV a. G.

The Group Human Resources Policy is adopted by the Management Board of VHV a. G. and sets forth the minimum requirements for human resources management from a Group perspective, which must be implemented and specified in company policies to be approved by management, taking into account local requirements and specific circumstances. The company policy of the same name is worth mentioning here.

The Group Policy sets forth the key guidelines and principles of human resources policy within the VHV Group.

It ensures that the human resources departments of all companies within the VHV Group act in a uniform manner by establishing clear guidelines for the recruitment, development, and retention of employees, as well as for promoting corporate values, quality standards, and an attractive employer brand. The goal is to implement a consistent and sustainable human resources strategy that supports the long-term competitiveness and success of the VHV Group.

The VHV Group's strategies are subject to an annual update cycle. This cycle concludes with resolutions passed by the executive and supervisory board committees of the VHV Group. In addition, there is a process for updating the written regulations at the beginning of each financial year, during which Group guidelines, company guidelines, rules of procedure, and work guidelines are adopted by the Management Board committees. Furthermore, compliance with the strategies and guidelines in the various areas is ensured through the instrument or process of internal review of the business organization.

The organizational level responsible for Group guidelines is the Management Board of VHV a. G.

The scope of application of the Group guidelines is generally the consolidated group, depending on the business model of the respective company.

Code of Conduct [ESRS S1-1, 24]

The VHV Group has adopted a Code of Conduct to strengthen its corporate governance. It encompasses key rules such as values, principles of conduct and leadership, as well as anti-corruption principles, and establishes the framework for how employees interact with one another, with business partners, and with the public (including equal opportunity and protection against discrimination). The person responsible for the compliance function is the highest-ranking official accountable for this Code of Conduct.

The Code of Conduct is freely accessible to all employees on the VHV Group's intranet and is distributed to new employees upon hiring. Separate notifications are also provided regarding any changes. The Code of Conduct is also available on the VHV Group's website. Corporate governance is further supported by numerous Group and company guidelines, as well as the GDV's Code of Conduct for Data Protection.

To the extent that rules of conduct are specified in special guidelines or regulations for individual divisions or companies within the Group, these apply without restriction alongside the Code of Conduct.

The VHV Group and all its employees are committed to its principles of conduct and corporate values. In this context, the value of "respect" deserves special mention, as it is intended to support the personal development of employees and promote equal opportunity and freedom from discrimination.

All employees are expected to respect the personal dignity, privacy, and personal rights of every individual.

[ESRS S1-1, 24b] Discrimination based on race or ethnic origin, gender, religion or belief, disability, age, or sexual identity will not be tolerated. Sexual or other forms of personal harassment or abuse will not be tolerated.

[ESRS S1-1, 24c] The VHV Group has not identified any group of people within its headcount who are particularly at risk with regard to inclusion or support measures. There are no specific policy commitments.

[ESRS S1-1, 24d] Violations of anti-discrimination policies, the values of the VHV Group, or the binding provisions of the Code of Conduct can be reported anonymously via the implemented whistleblower system. All reports are followed up on so that cases of discrimination can be mitigated and addressed.

DIALOGUE ON MANAGEMENT INITIATIVES [ESRS S1-2, 25-29, ESRS S1-2, 27A-E, 28]

The VHV Group involves employee representatives in the company's further development. Management seeks dialogue with the various committees at an early stage, particularly when decisions or changes have a direct impact on the headcount.

Future plans are presented to the committees or the relevant subcommittees (Economic Committee, Personnel Committee, Social Committee, etc.). On key issues, negotiations are conducted with employee representatives regarding works agreements or other regulations.

[ESRS S1-2, 27d] To safeguard human rights, the VHV Group has adopted a human rights strategy.

[ESRS S1-2, 27e] The effectiveness of collaboration with the workforce is assessed not only through ongoing dialogue but also, for example, through regular employee surveys.

To keep the entire headcount informed, the VHV Group uses additional communication channels: the employee newsletter "GRÜN," the intranet, company announcements, and video messages.

The General Works Council has established the following committees:

- Technology Committee*
- Economic Committee*
- solutions GmbH Committee*
- Social Affairs Committee*
- Sales Committee*
- Joint Remuneration Committee (Section 6 of the general works council agreement on remuneration)
- Joint Committee on ESM - vehicle claims
- Joint Committee on ESM - property claims
- Development Advisory Board (general works council steering committee)
- BGM Steering Group (Management/Works Council members)*
- Joint Working Group on New Operating Model

*) Including the overall representative body for severely disabled employees

In addition to regular staff meetings, the works council offers consultation hours for employees.

- Joint Committee on Conversion of Special Payment into Time Off

Options for addressing problems

[ESRS S1-3, 30-34; ESRS S1-3, 32] To facilitate ongoing and early dialogue between management and employee representative bodies, a special position (Management Employee Representative) has been created within the Management Board. This position also serves as a channel for employees to voice complaints and raise issues.

The Works Council meets monthly with the CEO and the spokespersons of the major subsidiaries. The Head of Group Human Resources and the holder of the Management Employee Representative position participate in this meeting. In addition, a second monthly meeting takes place between the employee representatives, the Head of Group Human Resources, and the Management Employee Representative.

Even outside of these committees and regular meetings, employees can voice concerns or address grievances. This occurs at town hall meetings or through the whistleblower system embedded in the compliance management system (see ESRS G1-1). Dates for town hall meetings are published on the VHV Group's intranet. There is also an information page on the whistleblower system on the intranet. In addition, the company conducts annual surveys using the Employee Compass. This gives employees the opportunity to provide anonymous feedback on the company and their direct supervisors.

If negative impacts on its headcount are identified, the VHV Group takes appropriate corrective measures. The effectiveness of these measures is monitored through internal controlling measures.

Management of Opportunities and Risks Related to the Headcount

Various measures are designed to mitigate the risks to the company arising from its reliance on its own employees. These include, for example, the disciplinary process, the whistleblower system, the detection of money laundering, and additional due diligence checks (e.g., IDD). To promote opportunities for employees, the VHV Group has introduced the following measures, among others:

Executive Assistant Program

Executive assistants work for approximately three years as an assistant to one of our members of the Management Board. To support their individual development and prepare them for future leadership roles, they participate in the management trainee program.

Continuing Education Offerings

The continuing education offerings, as part of employee development, provide a comprehensive general and subject-specific training program and support individual private continuing education.

MeWE

The MeWe project addresses topics related to the VHV Group's employer attractiveness.

Profit-sharing model

Profit-sharing aligns the interests of the company and its employees. It is based on the same performance metrics for members of the Management Board, managers, and employees. The goal of the model is to allow everyone to participate flexibly in the company's results.

goDIGITAL.Workspace

The goDIGITAL WORKSPACE project proactively adapts the VHV Group's work environment to the changing needs of customers, sales partners, companies, and employees. Key priorities include the implementation of mobile work and the rollout of the new office layout concept.

Diversity@VHV

Diversity, as the fundamental principle guiding our actions and in the interest of employer attractiveness, is reflected in aspects such as individual professional development, flexible working conditions, health, and health promotion.

MEASURES AND RESOURCES RELATED TO MATERIAL SUSTAINABILITY ASPECTS [ESRS S1-4, 35-43], [ESRS 2, MDR-A, 68-69]

Measures to Support Work-Life Balance

The VHV Group offers its employees flexible work models that enable both mobile and hybrid work. The goal is to increase employee satisfaction and reduce turnover by striking a balance between on-site and remote work.

In addition, the VHV Group actively promotes the balance between family and career. This includes free counseling and support services for questions regarding childcare, family emergencies, or caring for relatives. The company daycare center also offers daycare spots for employees. These measures play a crucial role in helping employees balance different life stages with professional demands. All VHV Group employees can take advantage of these offerings. The measures are in effect for the year 2025 and beyond.

Effectiveness is measured using key performance indicators such as remote work rates, the proportion of mobile work/telework, the proportion of workations, and the utilization of services from the PME Family Service. The framework conditions for supporting work-life balance are regulated in the comprehensive company agreements “Workspace” and “Workation“.

Measures for Occupational Health and Safety

Occupational health and safety is based on comprehensive risk assessments, regular safety inspections, and measures related to ergonomics, emergency preparedness, and fire prevention. This is supplemented by training sessions, first-aid courses, and awareness programs designed to enhance safety and health awareness.

Special attention is given to the physical and mental health of employees. In addition to informational events, there is a wide range of sports activities available, including options in the immediate vicinity of the company’s location. Furthermore, all employees can participate in health checkups free of charge and make use of the company medical service. To support mental well-being, the VHV Group offers individual coaching to address challenges in personal life situations.

Exercise and break programs at various locations, as well as digital offerings, address the prevention of health complaints. These measures serve both to protect and to ensure the long-term maintenance of work capacity. They enhance the company’s appeal as an employer. The measures are in effect through 2025.

Various methods are used to assess the effectiveness of the measures. As part of the psychological risk assessment, stress factors are systematically identified, preventive measures are derived from them, and their implementation and success are tracked. In addition, occupational safety indicators are regularly evaluated through institutionalized committee work in the Occupational Safety Committee, and the measures are controlled through a control system that incorporates health management. In addition, a regular, random assessment of the relevance and quality of prevention and sports programs is conducted based on participant and trainer feedback. The use of psychological support services is further supported by quality assurance measures from an external partner (pme Familienservice), including monitoring and anonymized effectiveness analyses.

Quantitative indicators include, among others, the degree to which measures resulting from risk assessments have been implemented, statistical detection of the use of Management Board and management health screenings as well as digital prevention programs (pme Familienservice), and the long-term monitoring of sick leave rates and days lost to illness as downstream indicators. In addition, qualitative indicators are taken into account, in particular the assessment of the ergonomic quality of workplace design through expert consultation as well as subjective feedback on effectiveness from employees. The promotion of psychological resilience is also evaluated through anonymized analyses of case numbers and key areas of consultation with external providers.

Measures for Fair Compensation and Adherence to Collective Bargaining Agreements

Compensation is based on the applicable collective bargaining agreements in the insurance and banking sectors. This ensures fair and gender-neutral pay. Job classification is determined solely by the role and requirements of the respective position.

Job descriptions are regularly reviewed and updated to ensure transparency and comparability. Salary bands and external market benchmarks serve as the basis for the compensation policy. This ensures that all employees receive appropriate and market-competitive pay. These measures will continue beyond 2025.

Employees are classified according to the applicable collective bargaining agreement and taking into account their years of professional experience. To ensure collective bargaining equity across the entire company, job classifications are centrally controlled by the Human Resources department. Salary benchmarks are also used as an indicator of market-based compensation; these are typically conducted annually for managerial positions and every two years for other roles.

Training and Skills Development Initiatives

In 2025, numerous initiatives were launched to develop employees' skills with an eye toward the future. These include training programs in artificial intelligence, prompting, and topics such as "New Work" and "The Future of Work."

There is a particular focus on leadership development. To this end, there are workshops and training modules on resilience, understanding one's role, and project management. These are supplemented by structured development programs for high-potential employees, which prepare them to assume key positions within the company, as well as 360-degree feedback or potential and career perspective discussions. This promotes the long-term and sustainable development of employees. The measures apply to the year 2025 and will continue thereafter.

Individual development and qualification are discussed based on various competencies during the annual potential and perspective review and documented in a self-assessment and peer assessment. The results of the competency assessments serve as the basis for departmental and division meetings to identify high-potential employees within the departments/divisions and to derive individual development opportunities. The employee survey also includes various questions regarding the implementation of leadership.

Training programs can be analyzed based on participation rates and quality, for example, through surveys gathering participant feedback on topics such as practical benefits.

The framework conditions for qualification and competency development are regulated in the company-wide agreement on "Personnel Development."

The resources made available are utilized within the scope of respective line management responsibilities to perform controlling and monitoring of the material impacts.

In the reporting year, no significant operating expenses (OpEx) or capital expenditures (CapEx) were incurred in connection with the material sustainability-related measures.

Objectives related to promoting positive impacts [ESRS S1-5, 47, MDR-T 81b]

The VHV Group has not defined any specific goals. The effectiveness of the guidelines and measures regarding positive impacts is continuously reviewed. Various internal tools are used for this purpose, for example, the monitoring of measures, the evaluation of statistical indicators, and feedback from employee surveys. Developments are assessed based on qualitative and quantitative indicators to continuously improve working conditions.

Characteristics of the Company's Employees [ESRS S1-6, 48-50]

For the key figures, please refer to the overviews at the end of this chapter. The data required for this was generated from the VHV Group's systems. The data was collected as of the end of the reporting period (as at 31 December 2025). For the fully consolidated subsidiaries that are not integrated into the systems, the data was manually retrieved, quality-assured, and consolidated. No assumptions or methods were used. The data is reported as the number of employees.

Diversity Parameters (ESRS S1-9)

The diversity parameters are presented in the appendix to this chapter.

The VHV Group has not implemented its own diversity policy, but it complies with legal requirements. Pursuant to the Act on Equal Participation of Women and Men in Leadership Positions in the Private Sector and Public Service, the VHV Group is required to set targets for increasing the proportion of women and deadlines for achieving them.

The VHV Group defines the senior management level as the first or second level below the administrative and supervisory bodies. Specifically, the F1 level is defined as the first management level below the Management Board, while the F2 level describes the second management level below the Management Board.

The company has set a target of 11.1% for the Supervisory Board and a target of 0.0% for the Management Board. The proportion of women on the Supervisory Board is 16.7%. The target quota for the Management Board is based on the fact that, although the composition of the Management Board has recently changed due to retirement regulations, succession had already been arranged internally based on long-term planning and internal organizational decisions. Expanding the Management Board does not appear sensible for business reasons. Therefore, a change from the current quota of 0 cannot be pursued. The Supervisory Board will make every effort to consider suitable female candidates in the event of future appointments in order to increase gender balance and diversity on the Management Board. For example, the proportion of women on the Management Boards of the subsidiaries VHV Allgemeine is 20% and VHV International SE is 33%. Age is also taken into account as an additional criterion in the context of diversity.

Diversity@VHV

The VHV Group is characterized by a diverse headcount. This is evident, for example, in the diversity of age, gender, and background at all levels of the Group. At the same time, the VHV Group is working to further promote diversity within the company. In 2023, the VHV Group signed the Diversity Charter, thereby placing even greater emphasis on this issue.

By promoting diversity, the VHV Group aims to ensure that all employees experience personal appreciation, equal opportunity, and a sense of belonging, and are motivated to realize their potential. For the VHV Group, promoting diversity is not only an expression of social responsibility but also contributes significantly to the company's economic success. At the same time, the VHV Group aims to attract new talent in line with its values to strengthen its foundation as an attractive employer.

Currently, selected measures related to diversity in the workplace are being successively expanded. Contributing to employer attractiveness is considered a priority aspect in the implementation of these measures.

The following three areas of action guide the VHV Group in this endeavor:

1 **Highlighting existing diversity …**
… within the headcount and measures to promote diversity

2 **Awareness …**
… of the relevance of the topic and acceptance of all dimensions of diversity

3 **Establishing structures …**
… to promote diversity and equal opportunity

FAIR COMPENSATION [ESRS S1-10]

Fair Compensation [ESRS S1-10, 67-70]

All employees of the VHV Group receive fair compensation. The VHV Group shares its economic success with its employees through a profit-sharing program: The special payment can amount to up to 2.5 months' salary.

Notwithstanding this, the subsidiaries have implemented their own profit-sharing models. These are based on the system implemented in Germany.

With the **VHV Profit-Sharing Program**, the VHV Group aims to

- involve its employees in the VHV Group's achievement of its goals based on their performance and motivate them,
- increase motivation and engage employees in the company's results,
- optimize results,
- secure and improve competitiveness,
- support the continuous improvement process, and
- implement a uniform compensation system.

Profit sharing aligns the interests of the company and its employees. It is based on the same performance parameters for members of the Management Board, managers, and employees. Profit sharing is governed by a general works agreement.

For all companies bound by collective bargaining agreements, the relevant collective wage agreement applies; all companies not bound by such agreements also align with the respective collective wage agreements. All employees receive appropriate compensation based on the reference values of the collective wage agreement.

HEALTH AND SAFETY PARAMETERS [ESRS S1-1, 23]

Occupational Health Management (OHM)

The VHV Group places great importance on the physical, mental, and social well-being of its employees. Good working conditions and quality of life in the workplace not only promote health and motivation in the long term but also increase the company's productivity.

A centralized occupational health management system coordinates all measures for all employees of the corporate group and involves company physicians, employee representatives, and representatives for employees with severe disabilities.

The core of the OHM is described in the OHM Framework Strategy. Occupational health management is an integral part of the VHV Group's corporate culture and group strategy. The group strategy focuses on securing the company's long-term viability. This requires consistent profitability, which is made possible primarily by the outstanding performance of employees and managers at all levels. OHM supports employees through targeted programs that empower them to take responsibility for their own health.

Employees' willingness to perform is based primarily on their motivation. This is supported by balanced competency management. This includes the tools established within the Group, such as performance agreements, potential and career development discussions, and the profit-sharing model. In addition, modern leadership skills and a team culture have a positive impact on motivation. This also includes a strong culture of communication and feedback. Within the OHM, this communication culture is also practiced when it comes to health-related topics. The OHM ensures meaningful situational and behavioral prevention for employees and motivates them to prioritize their health in order to maintain and enhance their performance.

Environmental prevention focuses on health promotion in relation to workplace design, the physical workplace, work equipment, and the broader work environment.

The goal of environmental prevention is to design the work environment in a way that promotes health, with a focus on reducing risk factors and limiting stressors. Accordingly, environmental prevention measures aim to establish work structures that promote health. Examples include workplace integration management (BEM), risk assessments, and VHV social services (cafeteria, medical services).

Behavioral prevention starts with the individual employee. Behavioral prevention concerns the prevention of health risks related to an individual's behavior at and in connection with work.

The goal of behavioral prevention is to avoid and minimize certain health-risk behaviors and psychological stress by addressing the individual person directly. Accordingly, behavioral prevention measures aim to promote health-conscious behaviors and are primarily directed at individuals.

Measures for behavioral prevention include, in particular, information and education initiatives, publications on health topics, company sports programs, ergonomics consulting, and many other health-related initiatives.

The BGM is supported by a steering committee composed of senior executives from various VHV companies, as well as representatives of employee committees, the health manager, the Head of Group HR Strategy, and the Head of Group HR.

!

In 2025, the strategic focus of the BGM was set on mental health. To this end, a partnership was established with the service provider pme, which offers support in the area of mental health through targeted measures and is funded by the VHV Group.

The company fitness program includes:

- Relaxation and recovery
- Strength training
- Stress management
- Massages
- Pilates
- Back care
- Smoking cessation and addiction counseling
- Weight Watchers
- Yoga

To encourage physical activity among employees, there is also a company-wide bicycle leasing program.

In 2023, the company cafeteria offerings were expanded to include a "Health Corner," which features a variety of bowls, complemented by vegetarian and vegan options.

Since the health of the headcount has a noticeable impact on the VHV Group's economic success, absenteeism rates are regularly tracked.

Workplace Safety

Workplace inspections are conducted every two to three years at the VHV Group's facilities. The information gathered during these inspections flows into a detailed risk assessment.

The VHV Group has adopted a workplace safety policy.

The objectives of this policy are:

a) To outline the role of the workplace safety coordination office

b) To define the interfaces in the areas of occupational safety and fire protection between the various stakeholders in occupational safety, including those responsible for occupational safety.

To ensure safe working conditions are maintained at home office workstations as well, employees working from home document their workstations in accordance with the company agreement. Additionally, a checklist regarding local conditions is completed.

Occupational Health Care
Given the number of employees in the VHV Group, routine care is provided in accordance with the guidelines of Regulation 2 of the German Social Accident Insurance. This consists of basic care and company-specific care. In addition, hours have been allocated for health management.

Occupational health care complements technical and organizational measures without replacing them. In recent years, flu vaccinations have been administered.

Occupational Health and Safety Projects
In 2025, the following priorities were set for occupational health and safety:

- Continuation of regular occupational safety committee meetings
- Conducting workplace inspections
- Conducting risk assessments
- Supporting the delivery of employee training sessions
- Conducting ergonomics consultations
- Training fire safety assistants in theory and practice
- Supporting the conduct of evacuation drills
- Conducting occupational health checkups
- Implementing preventive measures such as flu vaccinations, Pilates, yoga, and back training
- Implementation of occupational safety and health association regulations, guidelines, and information
- Advising employers and employees on all matters related to occupational medicine, occupational safety, and fire safety

Accident Statistics for the VHV Group for 2025 [ESRS S1-14, 88b/c]
In 2025, 22 workplace and commuting accidents were reported. The absenteeism rate due to workplace and commuting accidents is 3 %*. All accident reports received are promptly reviewed to determine if action is required and, if necessary, addressed at the next occupational safety committee meeting.

The situation regarding near-misses is regularly assessed at the Hanover site by reviewing entries in the first-aid log. If action is required, appropriate measures are taken. No work-related fatalities were recorded during the reporting period.

Voluntary Social Benefits
In addition to the legal requirements (BEM and risk assessment), the VHV Group offers voluntary social benefits as part of its occupational health management program.

*) For InterEurope AG, the number of working hours was estimated in proportion to the number of employees.

REMUNERATION PARAMETERS (WAGE DIFFERENTIALS AND TOTAL REMUNERATION) [ESRS S1-16]

Gender Pay Gap

The VHV Group applies the collective wage agreement for the private insurance industry, which provides for gender-neutral compensation. Employees can pursue career development or reorient their careers through an internal job market. Job placements are determined by job requirements and individual qualifications.

> **!**
> **To bring more women into leadership positions, female employees are given targeted support.**

Measures to reduce the pay gap:

- Promoting women to leadership positions (including through the Executive Assistant Program)
- Adherence to the collective bargaining agreement

To promote the professional development of women, the VHV Group has implemented a mentoring and career program for female executives and high-potential employees. In this program, women receive individual support in shaping their leadership careers. Promoting gender equality is important to the VHV Group. At various management levels, executives are working to increase the proportion of female employees. The Executive Assistant Program plays a significant role as a recruitment channel for future executives: currently, more than half of the assistants are women.

INCIDENTS, COMPLAINTS, AND SERIOUS IMPACTS RELATED TO HUMAN RIGHTS [ESRS S1-17]

Incidents, complaints, and serious impacts related to human rights [ESRS S1-17, 100-104]

During the reporting period, one confirmed incident of discriminatory conduct was identified. The matter was investigated as part of the internal compliance and HR method and resulted in disciplinary action. No further confirmed cases of discrimination or harassment were identified during the reporting period.

Furthermore, no other complaints related to social or human rights matters that did not involve discrimination or harassment were reported.

Additionally, no fines, penalties, or damages were imposed or paid in connection with discrimination or other work-related human rights violations.

Complaints and grievances related to other labor-related rights

All employee complaints are taken seriously and reviewed on a case-by-case basis by the Human Resources department.

Conflicts between the company and the headcount

There were no conflict-related work stoppages during the reporting year. Strikes and work stoppages have no impact on the VHV Group's operational business activities.

FURTHER INITIATIVES IN THE AREA OF INTERNAL OPERATIONS

goDIGITAL.WORKSPACE
The VHV Group views digitalization as an opportunity to align its internal work environment with the changing needs of customers, sales partners, businesses, and employees.

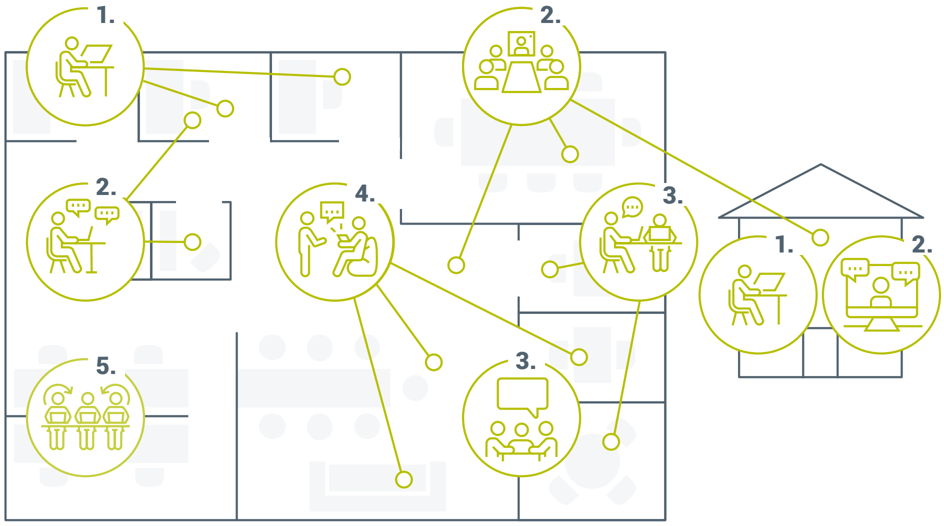
With the goDIGITAL.WORKSPACE project, the VHV Group has, on the one hand, responded to the expectations of customers, sales partners, and companies seeking improved communication in terms of both timing and technology. On the other hand, Workspace addresses employees' interest in achieving the best possible work-life balance.

In times of demographic change and a competitive labor market, it is important to have a clear employer value proposition in order to attract and retain employees in the long term. More than ever, this requires personal autonomy, flexible working hours, remote work options, and attractive on-site workplaces. goDIGITAL.WORKSPACE has made these possibilities a reality.

Key elements of the workspace concept:

- Greater flexibility in working hours and location (VHV.Mobil and telework), including options for managing work
- Extension of working hours from 6:00 a.m. to 10:00 p.m. on weekdays and voluntary Saturday work
- Implementation of a new office concept based on the activity-based working principle

The free-seating concept enables flexible work at various workstations and locations



Type of Activity

1. Concentration
2. Communication
3. Collaboration
4. Community
5. Support

Greater flexibility for managers and employees and improved space efficiency

The inspiration for the new office layout: the activity-based working concept.
Employees are provided with the work environment required for their specific tasks. This is based on the free-seating principle: instead of assigned desks, there are various workspaces that are shared according to the sharing principle.

A distinction is made between workstations and work areas. Workstations are equipped for long-term use in accordance with workplace guidelines. Work areas, on the other hand, are intended only for temporary use and are not necessarily set up in compliance with guidelines. They are available for social interaction, communication, and taking breaks.

The Free Seating Principle in Detail.
In concrete terms, Free Seating means: A dedicated workstation is no longer reserved for every employee. Instead, employees share the available work options (the sharing concept). This reduces the total number of workstations while creating additional new work locations.

The free-seating principle supports the company's sustainability goals, as a 2018 space utilization study revealed: On average, approximately 20 percent of workstations remain unused due to absences (vacation, illness, meetings, off-site appointments, business trips). With the expansion of remote work since 2018, even more desks would currently be unoccupied.

The new "village" structure
The spatial concept is based on the organizational structure of the departments. It provides that employees within a group sit in close proximity to one another. Each department essentially forms a village.

Units that perform similar activities, have significant overlap, or handle tasks with similar content should remain together in the future as well. Exceptions may apply due to structural constraints or special requirements, such as heightened confidentiality.

!

Free seating is intended to optimize the use of space and promotes a more mindful approach to the resource of space

Through a company-wide referral program, all VHV Group employees at all locations can use the Talentry online platform to share VHV Group job openings within their personal and social networks. For successful referrals that result in a hire, they receive a cash bonus in accordance with the program guidelines.

Employee referral program

Trainee Program – A Career Start for Young Professionals

Last year, the VHV Group launched its own trainee program for young professionals. With the VHV Young Professionals Program, the VHV Group aims to further increase the visibility and appeal of the VHV Group employer brand in the market and actively contribute to attracting young talent.

Over a total period of 24 months, trainees gain insights into various areas of the VHV Group and benefit from a wide range of training opportunities for their professional and personal development. The program includes the following components:

Trainee program

Customized selection of rotations	Professional development programs to help you grow in your field	24-month term
Starting 1 October	One-on-one mentoring to support your personal growth	Networking through regular networking meetings
Great career opportunities even after the trainee program	Unique insights into the diverse worlds of an insurance group	Permanent employment contract

Employee Programs
The VHV Group offers its employees special rates on various insurance products. Through partnerships, additional discounts are available in various areas of life (including sports, wellness, and hobbies).

Deferred Compensation
Since 1 January 2002, there has been a legal entitlement to deferred compensation. The VHV Group offers three ways to implement this: direct commitment, direct insurance, and a support fund.

Onboarding New Employees
The VHV Group aims to help its new employees get off to a successful start with the following offerings.

As part of the VHV Start program, new employees traverse a variety of activities over two days to gain an overview of the Group and its business areas.

In addition, an additional onboarding session – covering both professional and social aspects – takes place at the Hanover location on the first of every month as part of VHV Welcome. Both events are designed to help new employees integrate quickly and build networks.

CHARACTERISTICS OF EMPLOYEES IN THE VHV GROUP [ESRS S1-6]
PRESENTATION OF DATA ON THE NUMBER OF EMPLOYEES BY GENDER [ESRS S1-6.1][1]

Gender	Number of employees (headcount)
Male	2,304
Female	2,131
Other	0
Not specified	0
Total number of employees	4,435

BREAKDOWN OF EMPLOYMENT BY COUNTRY [ESRS S1-6.2][2]

Country	Number of employees (headcount)
Germany	3,825
Austria	259
Turkey	143
Italy	72
France	45
Poland	23
Luxembourg	1
Spain	12
Portugal	7
Netherlands	14
UK	20
Belgium	14

[1]) [ESRS S1-6 50f] The average number of employees can be found in the VHV Group's annual report under "Key Figures".
[2]) This figure also satisfies the requirement set forth in [ESRS 2 SBM-1 40 a iii]

PRESENTATION OF INFORMATION ON EMPLOYEES BY TYPE OF CONTRACT, BROKEN DOWN BY GENDER [ESRS S1-6.3]

As at 31 Dec. 2025	Female	Male	Other	Not specified	Total
Number of employees (headcount)	2,131	2,304	0	0	4,435
Number of permanent employees (headcount)	2,009	2,185	0	0	4,194
Number of temporary employees (headcount)	119	122	0	0	241
Number of employees without guaranteed working hours (headcount)	0	0	0	0	0
Number of full-time employees (headcount)	1,402	2,116	0	0	3,518
Number of part-time employees (headcount)	729	188	0	0	917

PRESENTATION OF INFORMATION ON EMPLOYEES BY TYPE OF CONTRACT, BROKEN DOWN BY REGION [ESRS S1-6.4]

See presentation according to [ESRS S1-6.2]

EMPLOYEE TURNOVER [ESRS S1-6.5]

As at: 31 December 2025	
Total number of external departures[3]	414
Employee turnover rate	9.2 %

[3]) Employees who have left the company voluntarily or due to termination, retirement, or death.

DIVERSITY PARAMETER – GENDER DISTRIBUTION [ESRS S1-9.1]

As at 31 Dec. 2025	Amount	in %
Gender distribution on the Management Board of VHV a. G.		
Male	15	88.2
Female	2	11.8
Not reported as male or female	0	0
In management positions within the VHV Group		
Male	324	72.8
Female	121	27.2
Not reported as male or female	0	0

DIVERSITY PARAMETERS – AGE DISTRIBUTION [ESRS S1-9.2]

As at 31 Dec. 2025	Amount	in %
Percentage of employees under 30	659	14.9
Percentage of employees between the ages of 30 and 50	2,198	49.6
Percentage of employees over 50	1,578	35.6

COMPENSATION PARAMETERS (EARNINGS DIFFERENTIALS AND TOTAL COMPENSATION)* [ESRS S1-16]

As at 31 Dec. 2025	
Earnings differential	20.16 %
Total compensation ratio	19.73

*) For Eucon GmbH, no reliable data was available during the reporting year to calculate the ratio in accordance with ESRS S1-16. Nor were there any suitable comparative or reference values from previous periods, making it impossible to make an appropriate estimate or projection. Eucon GmbH was therefore not included in the calculation of the ratio.

Projects for the *common good.*

This is how the VHV Foundation is involved.

The VHV Foundation supports projects across a wide range of social sectors. Through its work, it aims to promote social justice, strengthen communities economically, and preserve cultural heritage.

[ESRS S3, 8-11 (ESRS 2 SBM-3)] INTERESTS AND POSITIONS OF STAKEHOLDERS

The positive impacts on affected communities result in particular from the activities of the VHV Foundation, which is an integral part of the sustainability strategy. Through targeted funding projects in the areas of art and culture, education, training and vocational education, philanthropy, and science, the Foundation helps to promote economic self-reliance, improve equal opportunities, and strengthen social cohesion.

The insights gained from the VHV Foundation's funding projects and the ongoing dialogue with stakeholders also provide important impetus for the strategic direction of the sustainability strategy. Societal challenges such as unequal educational opportunities, economic uncertainties, or social disadvantage require continuous adaptation of funding measures to ensure their effectiveness.

The dynamic interaction between the VHV Foundation and the sustainability strategy ensures that the VHV Group's social and environmental goals are consistently adapted to current societal developments.

Specific activities that lead to positive impacts are presented in the section "Examples of Current Funding Projects." These positive impacts benefit, for example, patients and healthcare professionals, children and adolescents, schoolchildren and students, people in need, as well as those interested in culture and the arts.

Identification of Stakeholders
The main stakeholders of the VHV Foundation include:

- Communities and target groups: communities that directly benefit from the Foundation's grant projects (e.g., educational and cultural communities, disadvantaged groups).
- Grant partners: organizations and institutions with which the VHV Foundation collaborates to implement projects.
- Government agencies and regulatory bodies: public institutions that influence the legal and social framework of the Foundation's work.

Methodology of Stakeholder Dialogue
The VHV Foundation uses various mechanisms to gather the interests and positions of stakeholders:

- Regular consultations with stakeholders
- Project-specific feedback
- Strategic partnerships with funding partners to ensure that projects are aligned with the actual needs of the target groups.
- Transparent reporting: Publication of annual reports that reflect the results of the foundation's work and stakeholder feedback.

The VHV Foundation will continue to prioritize dialogue with its stakeholders to ensure that its work achieves the greatest possible benefit for communities and target groups.

[ESRS S3-1, 12-18] STRATEGIES IN RELATION TO AFFECTED COMMUNITIES

[ESRS S3-1, 16a-c] In its statement of principles on human rights, the VHV Group commits to respecting and adhering to internationally recognized human rights and undertakes to respect them in all areas of business.

As part of its commitment, the VHV Group has also joined the UN Global Compact, thereby supporting the ten universal principles in the areas of human rights, fair labor practices, environmental protection, and anti-corruption. The UN Global Compact is aligned with sustainable and responsible principles.

In this way, the VHV Group ensures that the rights of communities affected by the VHV Foundation are also respected. Indigenous peoples do not constitute a stakeholder group of the VHV Group.

The VHV Group maintains a transparent and responsible dialogue with its customers and partners to ensure compliance with human rights standards. As a signatory to the UN Global Compact, the VHV Group is committed to involving stakeholders in relevant decision-making processes.

The VHV Group has mechanisms in place to identify and address potential human rights violations within its sphere of influence.

In accordance with the Statement of Principles and the principles of the UN Global Compact, the VHV Group relies on transparent processes for reporting and handling complaints (see also the information in ESRS S1-3, 32).

The Foundation's Board of Trustees monitors the Foundation's objectives and makes decisions on all fundamental matters.

[ESRS S3-2, 19-22] PROCEDURES FOR ENGAGING AFFECTED COMMUNITIES REGARDING IMPACTS

Legal Form and Objectives of the Foundation

The VHV Foundation is a foundation under civil law with legal capacity, headquartered in Hanover. In accordance with its bylaws, it promotes art and culture, science, education, and vocational training, as well as charitable activities. Its regional focus is on the Hanover area.

Grants from the VHV Foundation

The purpose of the VHV Foundation is realized in particular through the support of projects, including exhibitions, academic seminars, events, and lectures; the promotion of schools and their educational activities; and the funding of scholarships and competitions. This may also be achieved through the support of other tax-exempt entities or public-law corporations for the realization of tax-exempt purposes.

Foundation Assets

The endowment must be preserved in its entirety and used in accordance with the bylaws. The Foundation fulfills its purposes using the income from the endowment as well as donations. All funds may only be used for purposes in accordance with the bylaws. Thanks to the endowments made during the foundation's early years and, in particular, in recent years, the dedicated assets have been significantly increased, thereby creating the foundation for a more robust implementation of the foundation's objectives, which has led to the VHV Foundation gaining increasing recognition in the Hanover region. The VHV Foundation's endowment capital amounts to TEUR 79,750.

Funding Priorities for 2025

In accordance with its statutory purposes, the VHV Foundation has for many years established funding partnerships with nonprofit organizations, educational institutions, and other entities across all its funding categories to enable them to plan their activities and projects over the medium term.

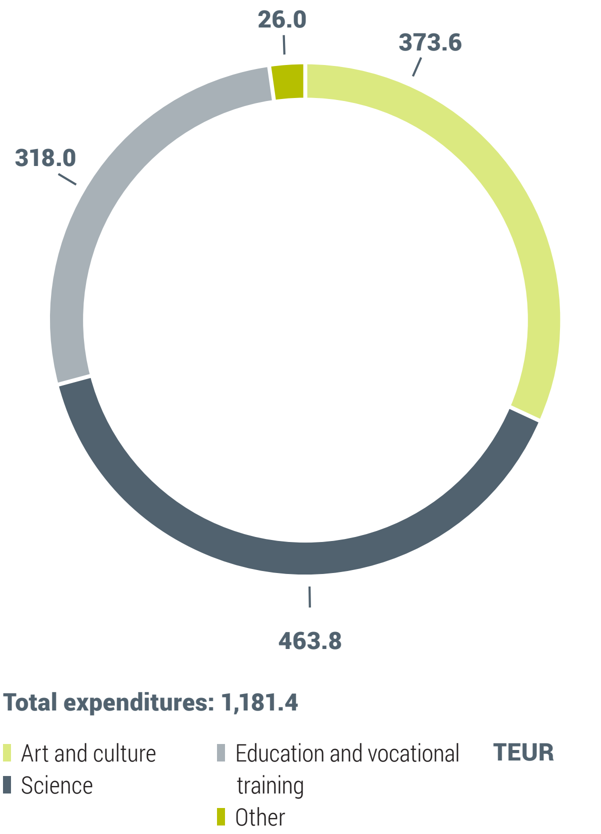
There are a total of 12 funding partnerships in the areas of art and culture, education, training and vocational education, and charitable work. Under these three-year funding partnerships, applications must be resubmitted and decisions made each year. In selecting partners, particular emphasis was placed on the sustained benefit to society provided by the funded institutions. In evaluating the funded projects, greater emphasis was placed on sustainability, i.e., on the greatest possible and long-lasting benefit to the general public resulting from the funding.

The field of science received the largest share of funding payments in the reporting year. Here, the VHV Foundation focuses in particular, but not exclusively, on medical research. Two multi-year scientific projects dealing with artificial skin substitutes and rejection reactions in transplants were continued during the reporting year.

In addition to funding partnerships and scientific projects, other projects in all areas consistent with the foundation's purpose were also supported, with smaller projects, particularly in the fields of art and culture, education and training, and charitable work, also being taken into consideration.

In 2025, expenses related to the fulfillment of the foundation's purpose were distributed as follows:

Composition of the funded projects



EXAMPLES OF CURRENT FUNDED PROJECTS [ESRS S3 SBM-3, 9C]

This compilation presents examples of funded projects from 2025. It highlights the concept of the five funding priorities and demonstrates how the foundation's support is focused on the Hanover region.

In many cases, the VHV Foundation opts for continuous funding adapted over several years. However, its support may also apply to time-limited individual projects, such as temporary art exhibitions.

FUNDING CATEGORY: SCIENCE

In this category, two scientific research projects from the Hanover Medical School are presented.

Development of a US11 Biopharmaceutical for Local Suppression of the Immune Response Following Transplants
A project aimed at developing new strategies for preventing rejection reactions and new drugs for post-transplant therapy to suppress the immune response triggered by the transplanted tissue.

Vascularized bioartificial implants
A project aimed at developing ("cultivating") clinically relevant larger three-dimensional tissues to "repair" damaged tissue or replace it with the closest possible equivalent without triggering immune reactions.

FUNDING CATEGORY: EDUCATION, TRAINING, AND VOCATIONAL TRAINING

Förderkreis der HMTMH e. V. (Funding Partnership)
Funding for the organization of masterclasses and orchestral performances

Domiziel gGmbH (Funding Partnership)
Project for child and youth welfare. Domiziel gGmbH is a charitable organization dedicated to the particularly vulnerable group of 10- to 17-year-old boys who have come to the attention of the police and youth welfare services due to multiple offenses. There are only a few facilities nationwide for this very specific target group. Helping these young people graduate from school and complete vocational training are key goals and integral parts of the organization's work.

Literary Salon of the University of Hanover
Support for the “In Zukunft” (In the Future) series

Brüder-Grimm Elementary School (Funding Partnership)
Support for schoolyard design with a focus on “Cooperative Learning“

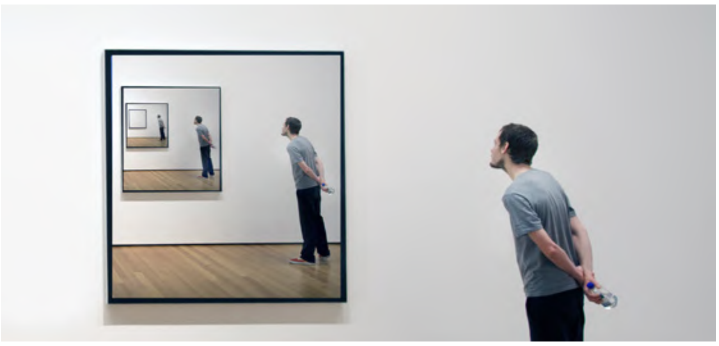
Raschplatz Open Air e.V.
Support for the Songwriter Camp for students

LHH Herrenhäuser Gärten
Support for the “Academy of Games” project

FUNDING CATEGORY: CHARITY

ASB Landesverband Niedersachsen e. V. (funding partnership)
Support for the “Wünschewagen” project. The ASB “Wünschewagen” (Wish Cars) of the Arbeiter-Samariter-Bund (ASB) fulfill the final heartfelt wishes of seriously ill people in the Hanover region and throughout Lower Saxony. They drive these individuals to their favorite places so they can spend time with family and friends one last time. The “Wünschewagen” are operated by volunteers from the nursing and emergency medical services. The project is funded exclusively by donations.

Diakonisches Werk Hannover
During the winter months, Diakonisches Werk Hannover organizes an ecumenical food distribution program for people in need. Hot meals are provided daily, primarily for the homeless and people living in poverty.



FUNDING CATEGORY: ART

Kestner Gesellschaft (Funding Partnership)
Funding for exhibitions by Trevor Yeung, Ian Waelder, and Cauleen Smith

Wilhelm-Busch-Museum (Funding Partnership)
Funding for the exhibition by F.K. Waechter and Tex Rubinowitz

Kunstverein Hannover (Funding Partnership)
Funding for the exhibition by Teresa Solar

artothek Hannover e. V.
Funding for the purchase of artworks

FUNDING CATEGORY: CULTURE

Hanover Girls' Choir (Funding Partnership)
As part of a funding partnership, the Hanover Girls' Choir receives annual funding. This funding covers the costs of vocal training and the choir's scheduled performances.

Hanover Boys' Choir (funding partnership)
As part of a funding partnership, the Hanover Boys' Choir receives annual funding. This funding covers the costs of vocal training and the choir's scheduled performances.

Herrenhausen Arts Festival
Support for the annual festival

NDR Radio Philharmonic Orchestra (sponsorship partnership)
Support for the free open-air concert Hannover Klassik Open Air. Hannover Klassik Open Air is an annual open-air event featuring opera music. Since 2014, two concerts featuring the NDR Radio Philharmonic Orchestra and various conductors and soloists have been held annually in the summer behind the New Town Hall. More than 40,000 people attend the two events each year.

[ESRS S3-1, 12-14] Strategies related to affected communities

The VHV Foundation is an integral part of the sustainability strategy; however, it does not explicitly serve as a tool for controlling or measuring impacts, risks, and opportunities. A strategy for managing the VHV Foundation's significant impacts on affected communities, as well as the associated significant risks and opportunities, is to be developed in the coming years.

[ESRS S3-2, 19-24] Procedures for engaging affected communities regarding impacts

Apart from the stakeholder dialogue described above, the VHV Foundation currently has no standardized procedure for systematically engaging affected communities regarding actual or potential impacts. A process for engaging affected communities is to be developed and implemented in the coming years.

[ESRS S3-3, 27-28] Procedures for addressing negative impacts and channels through which affected communities can raise concerns

During the reporting period, no adverse impacts resulting from the VHV Foundation's activities were identified. Instead, the Foundation's funded projects contribute positively to strengthening the resilience of the supported communities and creating sustainable social and cultural value.

[ESRS S3-3, 29]

The existing channels for communicating concerns are currently being reviewed. Any changes, such as the introduction of new channels, will be implemented in the medium term to ensure effective communication with affected communities.

[ESRS S3-4, 31-39] Information on negative impacts and mitigation measures

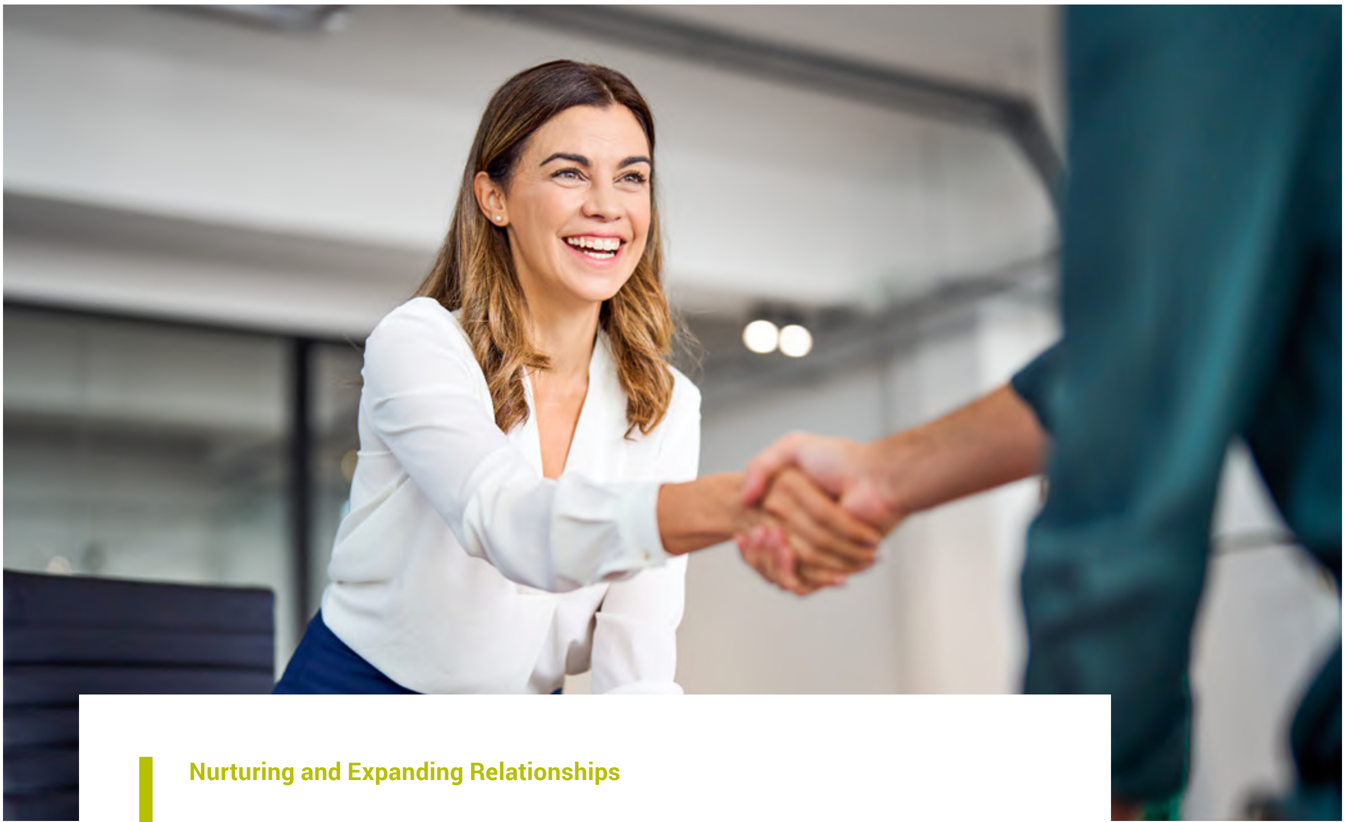
The VHV Group does not currently have a comprehensive, structured action plan that explicitly addresses the material impacts on affected communities in connection with the VHV Foundation. This is to be developed in the medium term.

During the reporting period, the VHV Foundation did not identify any significant negative impacts on economic, social, and cultural rights.

[ESRS S3-5, 40-42] Targets related to promoting positive impacts

The VHV Foundation does not have any targets related to promoting positive impacts.

Closer to the customer, *closer to the goal.*



Nurturing and Expanding Relationships

A strong focus on customers and distribution partners forms the foundation of our business operations and is a key factor in the VHV Group's market position and profitability. Our actions are therefore aligned with the goal of retaining existing customers and distribution partners over the long term and attracting new ones.

CUSTOMER- AND BROKER-CENTRIC APPROACH

Quality management is a key aspect of this approach. The VHV Group strives for a service orientation that is above average and perceived as distinctive in the market, a fact underscored by test results and awards such as the AssCompact Award in the brokerage services category. Service quality and customer satisfaction are regularly monitored through internal and external assessments – this is intended to drive the needs-based and continuous improvement of service quality (including communication quality) externally, as well as to monitor internal company processes while considering sustainability aspects. Among other things, annual reviews of service and communication quality (e.g., call recordings in claims processing) are conducted. Furthermore, customer satisfaction is measured using a Net Promoter Score (NPS). Additionally, customer and broker feedback is regularly solicited. The methods for measuring service quality and customer satisfaction are continuously reviewed and refined.

The digitalization of customer interfaces and functional areas has a direct impact on service and the value proposition for the VHV Group's customers and sales partners. To enhance the digital customer experience, the VHV Group therefore strives to technically optimize all processes in order to lay the groundwork for faster response times, time-to-market product development, and higher service quality, particularly through digital communication channels.

With regard to underwriting and acceptance guidelines, the VHV Group has implemented a corresponding Group policy as well as a company policy. Compliance with the underwriting/acceptance guidelines and underwriting authorizations is verified via the implemented system for monitoring compliance with underwriting guidelines.
This system is designed to ensure, through random checks of business transactions, that

- compliance with the signing guidelines is monitored,
- violations of the signing guidelines are detected, and
- any necessary measures are taken.

Systematic spot checks are coordinated on a quarterly basis through the URCF. From a risk perspective, the focus is on particularly critical business processes (so-called "high-risk processes"). The VHV Group has implemented various guidelines and checklists at both the Group and company levels. These apply to sales, the product development process, and product approval procedures, thereby controlling their impacts and risks with regard to consumers and end users:

- Checklist for Sustainability Strategy and External Initiatives (Life)
- Checklist for Sustainability (Property/Casualty)
- Working Guidelines for the Product Development Process of the Various Divisions
- Product Development Checklist (Property/Casualty and Life)
- Product Review Checklist (Life)
- Product Approval Procedure Guideline (Property/Casualty and Life)
- Company Guideline for Internal Product Approval Procedures

In keeping with its core values, the VHV Group integrates its sustainability philosophy into its customer- and broker-centric approach as well as into its quality management.

The VHV Group promotes fair advice in sales and clear explanations of its insurance solutions.

The implemented product approval process ensures that it is formally documented whether the customer's goals (including sustainability preferences), interests, and characteristics were sufficiently taken into account during product development. Furthermore, the process aims to prevent negative impacts on customers and avoid any disadvantage to them.

The product approval process supports the proper handling of conflicts of interest. Legal requirements for the product approval process are defined in the EU Insurance Distribution Directive (hereinafter: IDD). In addition, the sustainability strategy of the VHV Group companies is decisive.

The product approval process is documented using a corresponding checklist and is intended to ensure that, among other things, the following areas have been taken into account:

- Materiality assessment of product changes
- Target market definition and assessment of whether the product is suitable for the target market
- Product type
- Selection of distribution channel
- Product testing
- Provision of relevant information to the distributor

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In general, the approval of a new product requires a decision by the Management Board of the respective company.

The product approval process must be applied when developing new products and when making significant changes to existing insurance products (e.g., coverage of new types of risks, risks covered by new types of coverage).

Even after product launch, insurance products already distributed are regularly monitored to identify events that could have a significant impact on the products' key features, risk coverage, or guarantees. The insurance products are assessed to determine whether they meet the needs, characteristics, and objectives (including sustainability preferences) of the identified target market. Compliance with the guidelines while traversing the product development process is intended to ensure that all supervisory and regulatory requirements are taken into account during product development. Furthermore, the product approval process is intended to ensure that the product meets customer needs.

Material impacts, risks, and opportunities and their interaction with strategy and business model [ESRS S4, 9 (ESRS 2 SBM-3)]

The actual and potential impacts on consumers and end users result primarily from the provision of insurance coverage and the settlement of insurance claims in the event of a loss or, in the case of endowment life insurance, upon maturity. Therefore, changes in the business model or business strategy may influence these impacts.

The actual and potential impacts on consumers and end users are an integral part of the VHV Group's corporate and risk strategy. As part of the regular updating of these strategies, impacts and dependencies related to consumers and end users are taken into account.

[ESRS S4, 10b/c/d (ESRS 2 SBM-3)]

Negative impacts may arise in the course of business activities, such as in the context of data processing, the right to privacy, and the protection of personal data. Failure to comply with customer protection and data protection requirements could lead to legal consequences and reputational risks. The right to freedom of expression and non-discrimination is addressed, among other things, through the VHV Group's Code of Conduct.

The VHV Group achieves a direct positive impact for consumers and end users through its core services of risk transfer and claims settlement. This includes, in particular:

- The provision of needs-based insurance products (e.g., liability, auto, property, term life, and accident insurance) to enable financial planning and protection against defined risks,
- preventive services and consultations (e.g., risk education and recommendations for loss prevention),
- low-barrier access and service processes (digital and telephone claims reporting, transparent information), as well as efficient claims management with rapid claim assessment and payment for the prompt settlement of property and financial losses (e.g., to residential buildings, household contents, and vehicles) following claims events.

Types of consumers/end users positively affected
- Private customers/households (coverage for personal, financial, and property risks)
- Small businesses, self-employed individuals, and small and medium-sized enterprises (coverage for operational risks)
- Third parties/injured parties in liability cases (e.g., traffic accidents) who benefit from claims settlement

The positive effects are evident in the markets in which the VHV Group operates.

Through a combination of risk transfer, prevention, accessible services, and rapid claims settlement, the products enhance the financial resilience and planning security of consumers and end users and mitigate the negative consequences of loss events (e.g., income, property, or business interruption risks).

[ESRS S4, 10a]
Given the VHV Group's business model, the following information regarding consumers and end users is not relevant to the VHV Group:

- Consumers and/or end users of products that are harmful to humans and/or increase the risk of chronic disease,
- Consumers and/or end users of services that may negatively impact their right to privacy, the protection of their personal data, their right to freedom of expression, and non-discrimination,
- Consumers and/or end users who rely on accurate and accessible product- or service-related information, such as manuals and product labels, to avoid potentially harmful use of a product or service,
- Consumers and/or end users who are particularly vulnerable to health or privacy impacts or to the effects of marketing and sales strategies, such as children or financially vulnerable individuals.

[ESRS S4, 11 (ESRS 2 SBM-3)]
No consumers or end users were identified who might be exposed to a greater risk of harm.

[ESRS S4, 12 (ESRS 2 SBM-3)]
The VHV Group has analyzed and assessed the material risks arising in connection with consumers and/or end users. In doing so, it was determined that the identified risks do not affect only specific groups of consumers or end users. The VHV Group therefore considers all consumers and end users to be relevant with regard to the identified risks.

Through this holistic approach, the VHV Group ensures that its sustainability strategy and the associated measures are designed to achieve maximum effectiveness and address the needs of all consumers and end users.

Strategies Relating to Consumers and End Users [ESRS S4-1, 13-17]
The VHV Group has strategies/group guidelines for managing the following material impacts and risks related to consumers and end users:

- Impacts arising from business operations in the context of data processing and the right to privacy
- Legal consequences and reputational risks in the event of non-compliance with customer and data protection requirements
- Positive impacts resulting from the VHV Group's insurance products

The strategic guidelines for data protection and information security are set forth in the risk strategy and the DOR strategy. These are formulated in line with the Group strategy and are adopted by the Management Board of VHV a.G. The risk strategy outlines which risks are deliberately assumed in the pursuit of the Group strategy and the superordinate thematic strategies, as well as from the business unit strategies derived therefrom, and how the material risks are to be controlled. The DOR strategy defines the objectives and framework conditions for implementing a high level of digital resilience in the companies' key business processes. The use of service providers is also taken into account. Additionally, further thematic strategies such as the IT and Digitalization Strategy apply to data protection and information security and are likewise integrated into the control system and implementation.

The Group guidelines on Data Protection and Information Security and ICT Risk Management are adopted by the Management Board of VHV a.G. and set forth the minimum requirements for data protection and information security management from a Group perspective, which must be implemented and specified in company guidelines to be approved by management, taking into account local requirements and specific circumstances. Of particular note here are the company guidelines on data protection and information security.

The Group Data Protection Guideline governs the handling of personal data and defines binding minimum requirements for data protection within the VHV Group. The aim is to ensure the protection of employee, customer, and third-party data in accordance with applicable laws and voluntary industry-specific obligations. The policy establishes a binding framework that strengthens an effective data protection culture through training, clear reporting channels, and regular reviews. It ensures the establishment of a data protection management system, compliance with legal requirements, and the continuous improvement of existing processes to guarantee the security of personal data.

The Group Policy on Information Security and ICT Risk Management governs the requirements for information security and ICT risk management within the VHV Group to ensure the availability, confidentiality, authenticity, and integrity of information and to protect it from unauthorized access, misuse, loss, disclosure, destruction, or manipulation. It ensures that information security, as an integral part of corporate policy, supports the reliability of IT systems, the availability of relevant information, and compliance with legal and regulatory requirements. In this way, the policy strengthens the VHV Group's competitiveness, fosters the trust of customers and business partners, and protects the Group's reputation. The goal is to achieve a level of security based on state of the art that takes into account the security objectives and the specific risk profile of the companies.

The key benefit of the VHV Group's insurance products is the provision of tailored insurance solutions (e.g., liability, auto, property, term life, and accident insurance) that enable financial planning and protection against defined risks. The VHV Group's strategy is aligned with the goal of reliably protecting consumers and end users against events that threaten their livelihood and of settling claims quickly and fairly in the event of a loss. It is based on:

- Group underwriting guidelines that establish risk-appropriate and non-discriminatory underwriting principles as well as clear acceptance and exclusion criteria,
- Product governance processes for needs-based product design,
- Preventive services (e.g., risk education, claims prevention recommendations), and
- Efficient claims management with transparent communication and rapid benefit assessment.

Implementation is cross-functional: Underwriting, Product Management, Claims, Compliance/Legal, Data Protection, and Customer Service. The Group policy and the company guidelines operationalizing underwriting are binding and are ensured through training, the dual-control principle, and controls. Effectiveness is monitored through regular monitoring as well as internal audits and management reviews.

The positive impact described occurs in the markets in which the VHV Group operates.

The VHV Group's strategies are subject to an annual review cycle. This cycle concludes with the adoption of resolutions by the VHV Group's executive and supervisory board committees. In addition, there is a process for updating the written regulations at the beginning of each financial year, during which Group guidelines, company guidelines, rules of procedure, and work guidelines are adopted by the Management Board committees. Furthermore, compliance with the strategies and guidelines in the various areas is ensured through the instruments or processes of internal review of the business organization.

The organizational level responsible for Group guidelines is the Management Board of VHV a. G.

The scope of application of the Group guidelines is generally the consolidated group, depending on the business model of the respective company.

[ESRS S4-1, 16]
In its statement of principles on human rights, the VHV Group commits to respecting and adhering to internationally recognized human rights and undertakes to respect them in all areas of business. This encompasses both its own business operations and the entire supply chain.

> As part of its commitment, the VHV Group has also joined the UN Global Compact, thereby supporting the ten universal principles in the areas of human rights, fair labor practices, environmental protection, and anti-corruption.

The UN Global Compact calls on companies worldwide to align their business practices with sustainable and responsible principles.

In this way, the VHV Group ensures that its business practices respect the rights of consumers and end users.

The VHV Group engages in transparent and responsible dialogue with its customers and partners to ensure compliance with human rights standards. As a signatory to the UN Global Compact, the VHV Group is committed to involving stakeholders in relevant decision-making processes.

The VHV Group has mechanisms in place to identify and address potential human rights violations within its sphere of influence.

In accordance with the Policy Statement and the principles of the UN Global Compact, the VHV Group relies on transparent processes for reporting and handling complaints (see also the information in ESRS S1-3, 32).

[ESRS S4-1, 17]
The VHV Group aligns its strategies with internationally recognized human rights standards, in particular with the principles of the UN Global Compact.

In its Policy Statement on Human Rights, the VHV Group commits to identifying and minimizing human rights risks throughout the entire value chain.

To date, no cases of human rights violations in connection with consumers or end users have been identified. Should this occur in the future, the VHV Group will take appropriate remedial measures in accordance with the obligations of the UN Global Compact and its policy statement.

Procedures for dialogue with consumers and end users regarding impacts
[ESRS S4-2, 18-20; ESRS S4-4, 31]
The checklists resulting from the product approval process are intended to ensure that products are aligned with customer needs or developed with the customer's interests in mind. Specific measures (customer surveys conducted by sales, etc.) are defined as part of the product approval process. Nevertheless, corrective actions are described that must be taken in the event of a deviation.

Customers are involved in the definition of the target market when a product is newly developed or undergoes significant changes. This information is obtained from the customer during consultations regarding suitability and appropriateness. A draft of the target market definition is developed as part of a preliminary study by product management staff in consultation with the sales department. The final definition of the target market is approved by the product manager or the Management Board as part of the product approval process. In accordance with a principles-based approach, the subdivisions should take into account the characteristics, risk profile, degree of complexity, and type of product, as well as sustainability factors.

The Chairman of the Supervisory Board of VHV a. G. bears the highest level of responsibility for monitoring compliance with the described procedures.

Monitoring Compliance with the Product Approval Procedure

The VHV Group takes various measures to ensure that insurance brokers act in accordance with the objectives of the product approval procedure it has established. Insurance products are regularly reviewed to ensure they are distributed in the defined target market.

In addition, communication with customers takes place via the customer portal adapted in 2019. Through the customer portal, customers can view their policy details and make changes to their personal information.

Products must not conflict with the sustainability strategy, the Principles for Responsible Investment (PRI), and the Principles for Sustainable Insurance (PSI).

In addition, since 10 March 2021, binding framework conditions have been in effect under Regulation (EU) 2019/2088 of the European Parliament and of the Council regarding sustainability-related disclosure requirements in the financial services sector. HL and WAVE fall within the scope of the Regulation and are therefore required to provide additional information on sustainability.

Measures and targets relating to significant impacts on consumers and end users [ESRS S4-4, 28-37, ESRS S4-5, 38-41, MDR-T 81b]

The VHV Group's existing data protection policy ensures compliance with the General Data Protection Regulation (GDPR) and the Federal Data Protection Act (BDSG). In addition, the companies of the VHV Group joined a voluntary code of conduct regarding the handling of personal data in the insurance industry (Code of Conduct) on 1 June 2014. The Code of Conduct specifies the provisions of the GDPR and the BDSG with regard to the insurance industry. Furthermore, the VHV Group has not adopted any specific goals or measures regarding significant impacts on consumers and end users.

Regardless of this, the VHV Group continuously reviews the effectiveness of existing measures and concepts for the protection of personal data as well as for safeguarding the rights of consumers and end users. Various internal tools are used for this purpose, for example, the monitoring of data protection and IT security incidents, the evaluation of statistical indicators, the results of internal audits, and feedback from the complaint management system.

The positive impacts of the VHV Group's insurance products result from the inherent characteristics of the products. Currently, there are no specific measures or targets in terms of sustainability reporting regarding this product offering or regarding significant impacts on consumers and end users.

The VHV Group continuously reviews the effectiveness of existing strategies that are aligned with the goal of strengthening needs-based insurance solutions, customer-oriented advice and clear communication, customer satisfaction, as well as data protection and cybersecurity. To this end, various internal procedures are used, such as the analysis of statistical indicators and feedback from customer surveys.

In addition, the volume of complaints is monitored on a quarterly basis through the limit system implemented by the independent risk control function (URCF).

CHANNELS THROUGH WHICH CONSUMERS AND END USERS CAN EXPRESS THEIR CONCERNS [ESRS S4-3, 23-25; ESRS S4-4, 31]

Customers – and, in the event of an insurance claim, also claimants – of the VHV Group have the opportunity to voice their concerns through the implemented complaint management system. The VHV Group defines a complaint from a customer or claimant as an unmet expectation regarding the service or product. To this end, the VHV Group has implemented internal guidelines for handling complaints.

Customers or injured parties have the opportunity to express their dissatisfaction both verbally (by phone or in person) and in writing (including via email, letter, or the website).

Complaints are processed and recorded internally in a timely and secure manner (data protection/data security) in accordance with the applicable work instructions.

The VHV Group has implemented measures to ensure that customers or affected parties are aware of and can trust the existing structures and procedures. This is achieved through transparent communication. We clearly and openly communicate which structures are in place for expressing concerns and needs, and how the process for a potential complaint works. The relevant information on this is provided on the homepage under the heading “Provide Feedback.”

The VHV Group regularly reviews the use and effectiveness of the feedback channels to ensure that they meet the needs of customers and claimants. Incoming inquiries and concerns are analyzed in this regard. Complaints are generally handled according to the “polluter pays” principle by the department that processed the underlying contract or claim. The complaint management function is handled centrally by the respective control system of Life and Property & Casualty Insurance and serves as the central interface between all relevant departments. Key aspects of this function include ensuring the efficiency of processes and adherence to deadlines.

The central complaints management team is responsible for analyzing, optimizing, and reporting on complaints across all departments, taking the following aspects into account:

- examining complaints fairly and in accordance with the law, identifying potential areas of concern, and working with decentralized complaint managers to prevent or manage these issues as effectively as possible,
- tracking the implementation of measures taken by the departments or documented by the decentralized complaint managers,
- supporting compliance with internal guidelines, including through a random sample analysis of complaint response letters and their detection, a quarterly report, and analyses by the Human Resources department regarding employee training conducted,
- facilitating the internal flow of information and the necessary internal reporting channels so that the complaint process is monitored at least quarterly and adjusted as necessary.

The VHV Group’s central complaints manager reports quarterly to the Management Board on the current status of complaint volumes and, at his or her discretion, on any special circumstances that may arise. This ensures that the complaints process is analyzed, monitored, and adjusted as necessary at least quarterly. The central complaints management team reports annually to BaFin in accordance with the relevant guidelines.

In addition, the central complaints manager regularly participates in training events related to complaints management and continues to develop their expertise in this area.

Decentralized complaints managers are also appointed in the respective departments, who perform the following tasks:

- obtaining the information necessary for their areas of responsibility regarding recurring or systematic problems,
- analyzing this information from a technical perspective and documenting the measures they have taken based on this information,
- continuously monitoring the efficiency of complaint handling,
- regularly participating in training sessions on complaint management and continuing professional development in this area.

Clear leadership on **the path to the future.**

Adherence to rules and laws contributes to sustainability within the company. The VHV Group promotes proper conduct through modern compliance management as well as its Code of Conduct. After all, those who demand that values be upheld must lead by example.

KEY ELEMENTS OF GOVERNANCE

The VHV Group attaches great importance to proper business organization. Compliance with statutory and legal requirements, the VHV Code of Conduct, and internal regulations forms the foundation for the VHV Group's business activities.

The overarching framework applicable to all companies within the VHV Group is the VHV Code of Conduct (adopted directly by key companies), which sets forth the values of the VHV Group. The written regulations are subordinate to the VHV Code of Conduct and are divided into the following document levels:

1	Group Policy
2	Company Policy
3	Division Policy
4	Procedure

The Group Policies set forth the minimum requirements from the Group's perspective, which must be implemented and specified in Company Policies to be approved by management, taking into account local requirements and specific circumstances.

OVERVIEW OF THE GOVERNANCE SYSTEM

The VHV Group has a governance system whose adequacy and effectiveness are assessed as part of the internal review of the governance system initiated by the Management Board during the reporting year. All key functions under Solvency II (URCF, Actuarial function, compliance function, and internal audit) have issued statements on the internal assessment of the following components of the governance system as defined by regulatory authorities:

- Organizational structure and operational processes
- Written guidelines
- Governance requirements at the Group level
- Role of the Management Board and the Supervisory Board
- Materiality concept
- Own funds
- URCF
- Actuarial function
- Compliance management system and function
- Tax compliance management system
- Anti-money laundering/combating economic crime
- Internal Audit
- Professional Competence and Personal Integrity
- Risk Management System
- Information Security Management System
- Data Protection Management System
- Internal Control System
- Own Risk and Solvency Assessment (ORSA)/Own Risk Assessment (ERB)
- Outsourcing
- Compensation Policy
- Emergency Management

The internal review of the governance system also covered new legal and regulatory requirements during the reporting year. In addition, the status of implementation of updated supervisory circulars was included in the review.

LEADERSHIP PRINCIPLES

The Supervisory Board, Management Board, and senior executives exert a significant influence on the company's governance through their leadership and role-modeling functions.

For this reason, the following leadership principles have been established in the VHV Group's Code of Conduct:

- Exemplify and uphold values
- Treat employees with respect
- Actively promote employee success
- Communicate clear goals regarding expected results
- Allow flexibility regarding the method of implementation
- Make performance contributions transparent
- Recognize performance, address criticism
- Encourage constructive criticism
- Communicate credibly and promptly
- Work in partnership with employee representatives

These principles are also important for the supervision of corporate management, which is demonstrated daily through teamwork and extends to customers and all other stakeholders. The performance evaluation process in the supervision of corporate management is thus informal and directly linked to the corporate culture of the VHV Group.

FAIR SALES

Insurance sales serve as the link between insurance companies and their customers. In addition to high product standards, high-quality advice and sales practices are essential for customer satisfaction. Adherence to these standards is a prerequisite for building lasting customer relationships.

For this reason, VHV Allgemeine joined the GDV Sales Code on 3 February 2016. The GDV Sales Code is a voluntary commitment by the insurance industry designed to ensure high-quality customer advice.

The GDV Sales Code transparently sets out the standards of conduct for the sale of insurance products and establishes a framework of norms and values for insurance companies to ensure they serve the interests of their customers. These standards apply to all forms of insurance sales.

Now that the IDD was implemented in the 2018 financial year, the focus is on ensuring ongoing compliance with the requirements in the VHV Allgemeine and the HL.

The IDD is supplemented by delegated acts of the European Commission. These include regulations on supervisory and governance requirements (Product Oversight and Governance) as well as specific guidelines for insurance-based investment products. In addition, the European Insurance and Occupational Pensions Authority (EIOPA) provides guidelines, technical recommendations, and interpretative notes on the implementation of the IDD. These requirements are supplemented by national legislation.

Since 2 August 2022, additional requirements have been in effect regarding insurance-based investment products with respect to the integration of sustainability factors, risks, and preferences.

RISK MANAGEMENT PROCESSES

Risk management within the VHV Group serves, in particular, to ensure the risk-bearing capacity defined in the risk strategy and, thereby, to secure the long-term viability of the VHV Group and its individual companies. The primary objectives of risk management are:

- Ensuring compliance with regulatory and legal requirements,
- Establishing and promoting a risk culture within the VHV Group,
- Supporting and safeguarding the Group's strategy by ensuring an adequate capital base in accordance with the risk strategy,
- Ensuring that obligations to customers can be met at all times,
- Creating transparency regarding all material risks and ensuring appropriate risk management,
- Providing a comprehensive risk management system closely aligned with the VHV Group's business activities, including methods and models for quantifying, analyzing, and controlling risks across the organization.

Risk management within the VHV Group and its subsidiaries is guided by the following risk policy principles regarding the fundamental approach to and handling of risks:

1 Commitment
All companies must implement and comply with the VHV Group's risk strategy and the requirements of this Group Policy.

2 Risk-taking
Taking on acceptable risks in line with business strategies is part of the business models and should therefore be viewed positively.

3 Integration
Risk management is integrated into all business units and activities.

4 Proportionality
Decisions are made based on a professional assessment of opportunities and risks.

5 Risk responsibility
A risk owner is assigned to each material risk.

6 Long-term financial orientation
Risk-mitigating measures must be monitored and aligned with a long-term financial perspective.

7 Realism
Risk assessments must be conducted realistically.

8 Prioritization
Risk management focuses on material risks.

9 Transparency
Risk management aims to ensure transparency.

10 Timeliness
Risk positions are reviewed on a regular basis. Risk-relevant ad hoc events must be reported immediately.

11 Consideration of human and cultural factors
Risk management within the VHV Group, as an internationally active insurance group, takes human and cultural factors into account.

The Supervisory Board's Risk Committee supports the Supervisory Board in overseeing risk management and all key functions, including their reporting. At Risk Committee meetings, the risk strategy and the reports from the key functions are discussed with the Management Board and the individuals responsible for the key functions. This primarily involves discussing the ORSA report, the report on solvency and financial condition, and the results of the internal review of the business organization. In addition, the methods and tools of the key functions, as well as changes in their organization, are addressed.

Overall responsibility for group-wide risk management lies with the Management Board of VHV a. G. and the respective Management Boards of the individual companies, which play an active role in the ORSA process.

Its responsibilities include, in particular

- approving the methods used,
- discussing and critically reviewing the results of the ORSA process, and
- approving the Group and company risk management policies and the ORSA report.

The Risk Committee has been adapted as a cross-company risk management body within the VHV Group. The primary task of the Risk Committee is to ensure, on behalf of the executive bodies, the Group-wide further development of risk management systems, methods, and procedures. The Risk Committee also provides a platform for cross-company discussion of the risk situation and can initiate decisions. The Risk Committee comprises the members of the Management Board of VHV a. G. and VHV Holding, representatives of the subsidiaries, as well as the responsible persons from the URCF, the Compliance function, and Internal Audit. In addition, a subcommittee of the Risk Committee has been adapted to provide assistance with technical and operational issues related to the risk models.

In accordance with the principle of segregation of duties, responsibility for risk management and independent risk monitoring within the VHV Group is structurally separated down to the level of the Management Board departments. If segregation of duties is disproportionate, supporting measures (e.g., separate reporting channels) are implemented instead. Within the business units, risk officers are appointed in strict functional separation from the URCF and are responsible for the operational control of risks and compliance with limits. A clear internal assignment of risk officers is intended, in particular, to promote the risk culture within the company. The URCF's task is the operational implementation of a consistent and efficient risk management system. The URCF is managed centrally within an organizational unit under the leadership of the URCF head. The URCF head reports directly to the respective Management Board of the insurance companies. In addition to the URCF's regulatory duties, the role includes operational and technical responsibility for other management systems, such as business continuity management and emergency management, as well as the framework guidelines for the internal control system, the outsourcing process, and the handling of sustainability risks within the VHV Group.

In addition, the person responsible for the URCF coordinates the regular internal review of the governance system, the VHV Group's rating processes, and the reporting of all other key functions to the Risk Committee and the Risk Board.

The VHV Group's risk management generally follows a centralized approach with group-wide uniform risk management guidelines, which are set forth in the Group guidelines. To ensure consistent implementation of the Group guidelines across the Group, company-specific guidelines are additionally implemented at the level of the individual insurance companies and, where necessary, supplemented to account for local particularities or adjusted in their implementation to ensure proportionality.

> The risk management system includes quantitative model calculations (e.g., risk models, stress tests, scenario analyses) as well as qualitative processes (e.g., risk inventory, event-driven risk analyses).

he company's own risk and solvency assessment refers to the entirety of procedures and methods used to identify, assess, control, and monitor the current and future risk profile and its implications for capital adequacy. This involves a forward-looking and company-specific identification and assessment of risks, ensuring that risks not detected by the standard regulatory formula are also taken into account. The annual ORSA report is prepared on a regular basis in the first half of the year as at 31 December and involves all relevant business units as well as the Management Board. As part of the ORSA process, compliance with the risk strategy – which is designed to be consistent with the business strategy – is monitored. The key risks – underwriting risk as well as market and credit risk – are additionally examined through stress tests and scenario analyses. Among other things, interest rate and inflation scenarios are analyzed. Furthermore, sustainability risks are taken into account in the risk management processes. To this end, both the qualitative and quantitative impacts are identified over short-, medium-, and long-term time horizons and quantified using scenario analyses. The results are reported to the Management Board on a regular annual basis in the ORSA report, as well as on an ad hoc basis in the event of specific occurrences (e.g., when limits are exceeded or not met), so that the Management Board has a complete picture of all material risks at all times. The results of the ORSA processes serve as an important basis for decision-making by the Management Board.

The strategic guidelines for risk management are set forth in the risk strategy. The risk strategy is derived from the business strategy and governs how the resulting risks are managed. The risk strategy is reviewed and approved annually by the Management Board. The risk strategy documents which risks are deliberately assumed in the pursuit of the business strategy and how these are to be controlled. It also serves to create a comprehensive understanding of risk and to establish and promote a Group-wide risk culture. The most important element of a living risk culture is open internal communication regarding the risk situation. By clearly assigning risk responsibility, the Management Board aims to promote the risk culture, increase the commitment of the designated individuals, and ensure overall transparency through clearly defined points of contact.

The goal of risk identification is detection and documentation of all significant risks.

To this end, risk inventories are conducted on a regular basis. A company-wide risk assessment is performed as of a specific reporting date, during which all risks are systematically queried and updated every six months from the risk officers in all business units and projects of the VHV Group. Individual risks identified are validated by the URCF and subsequently aggregated to determine the total solvency requirement. In addition, process-oriented risks are assessed based on system-supported business process documentation. Extensive ad hoc reporting requirements are also in place for the identification of risks or significant changes during the year. Furthermore, event-driven risk analyses are prepared for risk-relevant projects, and their results are taken into account in the Management Board's decision-making.

Risk assessment refers to all methods and processes used to measure and evaluate identified risks. Operational, strategic, and reputational risks are assessed in the semi-annual risk survey through expert estimates provided by risk managers based on the criteria of probability of occurrence and economic loss potential. In addition to this quantitative assessment, an evaluation is conducted based on qualitative criteria (compliance and reputation). Using appropriate procedures, the results are aggregated to determine the total solvency requirement for operational risks. Findings from the regular review of the ICS are also taken into account in the assessment of operational risks.

The model calculations using the standard formula for the quantitative assessment of risks under Solvency II, as well as the determination of eligible own funds, are performed annually as at 31 December and on a quarterly basis. In addition, a calculation of the Solvency Capital Requirement, the total solvency requirement, and own funds is performed based on projections for the current financial year and over the five-year planning period. This analysis determines whether the company's planning is consistent with the risk strategy and whether sufficient coverage will continue to be achieved in the future. In the event that the minimum or target coverage ratios defined in the risk strategy are not achieved with the proposed plan, the URCF must develop recommendations for adjustments to the plan and, if necessary, to the risk strategy. If necessary, capital management measures are implemented at an early stage to ensure that risk strategy requirements are always met. The URCF is responsible for the capital management analyses; it is involved in the process at an early stage when capital management measures are planned and coordinates them. For the annual determination of the total solvency requirement as at 31 December, company-specific circumstances are taken into account in the risk models. The underlying assumptions of the standard formula and risks not reflected in the standard formula are assessed for their appropriateness for the insurance companies of the VHV Group. Deviations of the actual risk profile from the underlying assumptions of the standard formula are analyzed. If significant deviations are identified, a company-specific adjustment is made in the assessment of the corresponding risks. In addition, stress tests and scenario analyses are conducted as part of the company's own risk and solvency assessment. Among other things, these analyses examine the extent to which sufficient own funds remain available to cover the Solvency Capital Requirement following the occurrence of defined extreme events, or whether capital management measures might become necessary. In addition to the fair value assessments in accordance with Solvency II, stochastic HGB projection calculations are performed in annual studies for asset-liability control.

Risk monitoring is ensured at the aggregate level by the URCF. To this end, a limit system has been implemented to operationalize the risk strategy; this system is continuously refined and adapted to changes in the operating environment. The limit system ensures that the risk tolerance thresholds defined in the risk-bearing capacity concept are monitored using a variety of risk metrics. Various escalation processes ensure that, in the event of a significant deviation from target values, an immediate ad hoc notification is triggered and an early warning is issued to the Management Board.

Reporting on the company's own risk and solvency assessment is conducted both on a regular basis and on an ad hoc basis. In addition to quarterly reports as part of the standard formula model calculations, regular reporting is carried out primarily through the annual ORSA report and, during the year, through monthly limit reports. The ORSA report, which documents the key results of the ORSA processes, is designed as a "single ORSA report" in such a way that it includes the results of the VHV Group from a consolidated group perspective as well as those of the companies VHV a. G., VHV Holding, VHV Allgemeine, and HL. A separate report on the internal risk assessment (ERB) is prepared for the VHV Insurance Pension Fund. The results of the ORSA processes of VAV and VHV Italia Assicurazioni are also presented in separate reports. The single ORSA report is approved by the Management Board and made available to the members of the risk committees of the Supervisory Boards as well as to the supervisory authority. The single ORSA report was approved by the Management Board on 26 March 2025. In addition, the URCF's annual regular reporting includes the results and recommendations of the HGB projections conducted in asset-liability control studies, as well as the internal ICS report. Ad hoc risk analyses are also prepared as needed. Possible circumstances for ad hoc reporting by the URCF to the Management Board and the supervisory authority include, among others:

- Falling below the minimum coverage ratio defined in the risk strategy
- Limit violations (red flag)
- Changes in the organizational structure (with regard to key functions)
- Doubts regarding the qualifications of employees with key responsibilities ("Fit & Proper" requirements), e.g., criminal convictions of responsible individuals
- Significant errors in governance and business processes, e.g., systematic errors in customer-related processes

In addition, the results of event-driven risk analyses relevant to decision-making are reported to the Management Board.

Risk management refers to the process of making decisions and implementing measures to address a risk situation, in accordance with risk strategy guidelines.

These include deliberate risk acceptance, risk avoidance, risk reduction, and risk transfer. In particular, new business areas, new capital market and insurance products, and outsourcing projects are subject to a risk assessment by the URCF or other key functions prior to a decision being made, so that risk-oriented Management Board decisions can be made based on this assessment. Measures are derived from the insights gained through the company's own risk and solvency assessment, which are then incorporated into the performance agreements of the members of the Management Board and senior executives responsible for implementation, as well as into the VHV Group's compensation system. In summary, the company's own risk and solvency assessment is therefore fully integrated into the organizational structure and decision-making processes of the VHV Group.

COMPLIANCE MANAGEMENT SYSTEM

The implementation of regulatory requirements for the compliance function within the VHV Group is defined in the Group Policy on the Compliance Management System, which applies to all companies. These requirements are specified in company-level policies and implemented in a binding manner. The company guideline "Compliance Management System" is accessible to all employees. The objective of the Compliance Management System is to ensure compliance with these regulations in order to avoid the risk of significant financial losses, liability claims, and other legal disadvantages, as well as reputational damage to the VHV Group, its employees, and members of its governing bodies. In particular, the aim is to prevent employees and members of the VHV Group's governing bodies from being held liable under civil law or facing criminal charges, and to ensure that the VHV Group itself is not exposed to claims for damages or criminal or administrative penalties.

In a broader sense, the compliance function includes, in addition to the Chief Compliance Officer as the responsible person, other employees as well as corporate representatives and their staff. As a senior executive, the Chief Compliance Officer reports directly to the respective member of the Management Board responsible for the relevant division. The employees of the compliance function responsible for supervisory and antitrust law, distribution law, and insurance contract law report directly to the Chief Compliance Officer. The compliance function is supported by decentralized compliance coordinators who are employees of other specialist departments.

> The four core tasks of the compliance function include advisory, risk control, monitoring, and early warning functions.

The Compliance function submits a written compliance report to the Management Board once a year. The Compliance function must immediately notify the Management Board of the relevant companies of significant findings, such as serious legal violations, by means of an ad hoc report tailored to the specific circumstances. The report must include a proposal regarding the corrective measures to be taken.

As part of its advisory role, the compliance function advises the Management Board on compliance with the laws, regulations, and supervisory requirements applicable to the operation of the insurance business. The compliance function identifies and assesses compliance risks (risk control function).

Based on the risk analysis, the compliance function develops a compliance plan that takes all relevant business areas into account. The compliance function's monitoring activities are conducted based on this compliance plan. The compliance function monitors compliance with the laws, regulations, and supervisory requirements applicable to the operation of the insurance business (monitoring function).

The monitoring function of the compliance function includes verifying whether compliance with external requirements is facilitated by appropriate and effective internal methods.

As part of its early warning function, the compliance function monitors and assesses the potential impact of changes in the legal environment and promptly informs management of the consequences of possible changes. To this end, it must monitor and analyze developments in the regulatory framework at an early stage. The early warning function is carried out through continuous monitoring of the legal environment. The compliance function publishes periodic newsletters on key topics. Particularly important legal changes, especially those whose implementation places a significant burden on the entire business organization in terms of implementation costs, are presented to the Management Board of the affected companies within the VHV Group.

SANCTIONS AND EMBARGO MEASURES

The companies of the VHV Group are required to comply with the sanctions and embargo measures of the European Union and the Federal Republic of Germany. This includes, in particular, identifying (potential) customers and payees subject to targeted sanctions. Personal sanctions are restrictive measures directed specifically against individual persons, entities, or organizations and thus apply regardless of the location of the persons concerned. These include, for example, the EU's embargo measures to combat terrorism. For persons subject to such measures, restrictions on capital and payment transactions may be ordered, including a prohibition on the provision of economic resources (prohibition on provision and fulfillment).

Furthermore, business partners, such as reinsurers and insurance brokers, are increasingly requiring the existence of sanctions prevention measures as a prerequisite for entering into a business relationship with the VHV Group. The absence of such measures could lead to weaker negotiating positions or the refusal to enter into a business relationship.

As an internationally active insurance group, the VHV Group is also likely to be affected by the provisions of U.S. sanctions law. Therefore, precautions must also be taken to appropriately minimize the resulting risks. The scope of these measures is limited in such a way that the measures taken do not conflict with the boycott regulations of the European Union or the Federal Republic of Germany.

INTERNAL AUDIT

The purpose of internal audit is to provide independent and objective audit and consulting services (within appropriate limits) that align with the goal of creating added value and improving the business processes of the companies within the VHV Group.

> In this way, the value of the organization is intended to be enhanced and protected through risk-oriented and objective audits, consulting, and insights.

Internal Audit supports the achievement of the organization's objectives by using a systematic and targeted approach to assess the effectiveness of risk management, controls, and management and oversight processes, and by helping to improve them.

BUSINESS CONDUCT [ESRS G1-1, 10A]

The corporate culture regarding business conduct has a significant impact on the success of the VHV Group. Detecting and combating corruption, accepting and offering gifts and invitations in contact with customers and business partners, and avoiding conflicts of interest are essential topics of the Code of Conduct.

The VHV Group also has strategies/Group guidelines for managing the following significant impacts related to corporate policy and corporate culture:

- Incidents of corruption and bribery in business operations

The strategic guidelines prohibiting discrimination are binding throughout the Group. Any suspected instances of retaliation are examined immediately and independently; necessary corrective measures are implemented. Upon request, anonymous reporting via a whistleblower system is made available. Data processing is conducted in accordance with applicable data protection laws.

In addition, the VHV Group relies on mandatory, recurring compliance training sessions on topics such as anti-corruption, fraud prevention, data protection, and information security. Participation is documented. The training promotes legally compliant behavior, enhances regulatory compliance competence, and sustainably reduces the risk of regulatory violations.

The Group Anti-Fraud Management Policy is adopted by the Management Board of VHV a. G. and sets forth the minimum requirements for an appropriate and effective anti-fraud management system from a Group perspective; these requirements must be implemented and specified in company policies subject to approval by management, taking into account local guidelines and specific circumstances. The company policy of the same name is particularly relevant here.

The Group Policy governs the definition and implementation of responsibilities and measures relating to the areas of prevention and detection. The objective is to use an appropriate and effective anti-fraud management system to reduce the likelihood of fraud through preventive measures (prevention and detection) and to limit any resulting damage in cases of fraud through effective and efficient measures as part of the fact-finding process (investigation). The Group Policy is an integral part of the VHV Group's Compliance Management System and covers the areas of consulting, early warning, training, and monitoring.

The strategic guidelines for the Group-wide uniform governance system are defined in the Risk Strategy. This is formulated in alignment with the Group Strategy. The risk strategy outlines which risks are deliberately assumed in the pursuit of the Group strategy and the superordinate thematic strategies, as well as from the business unit strategies derived therefrom, and how the material risks are to be controlled. It is adopted by the Management Board of VHV a. G.

The Group Risk Management Policy is adopted by the Management Board of VHV a. G. and sets forth the minimum requirements for the risk management system from a Group perspective; these requirements must be implemented and specified in company policies to be approved by management, taking into account local guidelines and specific circumstances. The company policy of the same name is worth mentioning here.

The Group Policy governs the fundamental guidelines and principles for managing risks within the VHV Group. It establishes binding requirements for how the risk culture is to be established within the Group to ensure compliance with regulatory and legal requirements. At the same time, it supports the Group's strategy by ensuring an adequate capital base, fulfilling customer obligations, creating transparency regarding risks, and introducing a comprehensive risk management system that is closely aligned with the VHV Group's business activities. The goal is to secure the long-term viability of the Group and its companies.

The VHV Group's strategies are subject to an annual update cycle. This cycle concludes with resolutions passed by the Management Board and Supervisory Board committees of the VHV Group. In addition, there is a process for updating the written regulations at the beginning of each financial year, during which Group guidelines, company guidelines, rules of procedure, and work guidelines are adopted by the Management Board committees. Furthermore, compliance with the strategies and guidelines in the various areas is ensured through the instruments or processes of the internal audit of the business organization.

The organizational level responsible for Group guidelines is the Management Board of VHV a. G.

The scope of application of the Group guidelines is generally the consolidated group, depending on the business model of the respective company.

GUIDELINES FOR BUSINESS CONDUCT [ESRS G1-1, 10A, MDR-A, 68]

The business conduct of employees influences the quality of products and services and thus plays a decisive role in the success of the VHV Group. The VHV Group's Code of Conduct sets out precise guidelines for proper business conduct, supplemented by Group policies that define the minimum requirements for data protection and anti-money laundering and counter-terrorist financing, which must be implemented in local policies.

Misconduct in business activities is regarded within the VHV Group as a violation of obligations under labor law. In the event of violations, in addition to the Anti-Money Laundering/Combating Economic Crime Unit, there are further points of contact within the Compliance function or the affiliated companies that can also address subject-specific incidents.

In addition, employees are encouraged to report potential and actual violations via the respective whistleblower systems adapted for this purpose.

The whistleblower system is a key tool for identifying and assessing risks related to corporate governance and culture at an early stage.

These whistleblower systems are available to employees and, as a rule, also to external third parties for submitting reports via the internal and external websites of the VHV Group companies.

This enables relevant risks regarding governance and corporate culture to be identified and addressed at an early stage.

[ESRS G1-1, 10c] The scope of the whistleblower system includes, among others, the following cases:

- Fraud, embezzlement, theft, forgery, etc.,
- Bribery, acceptance of bribes, and corruption of public officials,
- Money laundering, terrorist financing, financial sanctions, and embargoes,
- Violations of regulatory provisions (VAG, KWG, WpHG, etc.),
- Violations of competition law and antitrust law, as well as
- Violations of sales regulations.

[ESRS G1-1, 10c] Appropriate measures ensure confidential communication between the adapted reporting channels and the whistleblower. At the whistleblower's request, this may also be done anonymously.

The operation of the whistleblower system and the handling of reports and whistleblowers are governed by operational guidelines. These include, among other things, provisions regarding the confidentiality of reports, the protection of the whistleblower, and the protection of the independence of the reporting offices. Furthermore, they prohibit retaliation against the whistleblower and prohibit any act or attempt to obstruct reports or the communication between the whistleblower and the reporting office following a report.

MEASURES AGAINST CORRUPTION AND BRIBERY [ESRS G1-1, 10E; ESRS G1-3, 16-18]

To combat and prevent corruption and bribery within the VHV Group, the respective companies must establish approval procedures regarding the acceptance and granting of gifts.

The same applies to the granting of benefits by VHV Group employees to third parties. Benefits to public officials are generally prohibited. Furthermore, there are regulations governing conflicts of interest that could arise from handling matters involving individuals within one's own family or circle of acquaintances.

In the event of suspected corruption, employees may contact the department responsible for the affected company either directly or via a suspected fraud reporting procedure or the whistleblower system. If the suspicion is substantiated, these reports are processed further there or forwarded to the appropriate departments, such as the Fraud Investigator, for examination. The role of the Fraud Investigator falls under the purview of Internal Audit. Internal Audit performs its investigative duties independently and objectively. It does not perform any operational functions. The results of the investigations are reported to the divisional Management Boards or managing directors responsible for the area under review, the full Management Board of the relevant insurance company, the full Management Board of VHV a. G., and the Anti-Fraud Manager.

The whistleblower system is generally also available to external third parties for relevant reports via the websites of the VHV Group companies.

Employees are made aware of the issue, as evidenced, among other things, by their inquiries when uncertainties arise.

ANTI-FRAUD MANAGEMENT SYSTEM

An anti-fraud management system is designed to reduce the likelihood of economic crimes (fraud) through preventive measures (prevention and detection) and to limit the damage caused by fraud incidents through effective and efficient measures during the investigation process.

As previously described, the ESG investment approach was further developed in the 2025 reporting year. Going forward, the Corruption Perception Index will be considered as an additional criterion for investments.

The Anti-Fraud Management System is an integral part of the overarching Compliance Management System. With regard to fraud, it covers the areas of consulting, early warning, training, and monitoring. In this respect, it specifies the regulations of the compliance management system.

ANTI-MONEY LAUNDERING SYSTEM

The VHV Group is obligated to protect itself comprehensively against abuse through money laundering and terrorist financing. This includes, in particular, the development and updating of appropriate business- and customer-related control and security systems.

Failure to comply with the regulatory requirements of the respective country of domicile of the Group companies regarding an anti-money laundering system may, in some cases, result in significant monetary and administrative penalties for the VHV Group, its governing bodies, and its employees. In addition, there is a risk of reputational damage.

The scope of the measures to be taken is determined by the requirements of Section 9 of the Money Laundering Act and the applicable local laws.

TRAINING ON COMBATING CORRUPTION AND BRIBERY [ESRS G1-1, 10G; ESRS G1-3, 20, 21 MDR-A, 68]

Compliance with anti-corruption and anti-bribery measures is of great importance to the VHV Group. For this reason, new hires at the insurance companies in Germany, for example, complete anti-fraud management training that also covers corruption-related issues. In addition to a case study designed to raise general awareness, the training addresses reporting requirements for attempted bribery, the process for accepting gifts, the obligation to report transactions with related parties, and the prohibition on self-dealing. The training includes a self-assessment to evaluate the knowledge gained. To ensure that new developments are actively communicated and existing knowledge remains fresh, the training is mandatory for employees of these companies and is repeated every two years, regardless of their role or risk level. Participation in the training is monitored via an automatic escalation process. After defined time periods have elapsed, reminder emails are sent to employees who have not yet fulfilled their training obligation. In a further escalation stage, a notification is also sent to the responsible manager.

The measures reported under ESRS G1 are designed as permanent, ongoing governance and compliance measures and therefore do not have a one-time end date in the sense of a "completed implementation." The timeframe for completion under MDR-A is accordingly specified as ongoing; the measures are implemented as part of regular operations and updated regularly. The mandatory compliance training sessions are conducted on a recurring basis and adapted as needed in response to changes in the regulatory environment or relevant internal policies. The whistleblower system has been implemented and is operated on a permanent basis; it enables the confidential reporting of tips and suspected cases and serves to continuously strengthen transparency and integrity. Neither measure entails significant additional resource expenditures (CapEx/OpEx); implementation and further development are carried out primarily using existing structures and resources during regular operations.

[ESRS G1-3, 21b] The training programs apply to all employees of the companies within the scope of application, so that the percentage of risk-prone functions covered by training programs is 100%.

[ESRS G1-3, 21c] Members of the Management Board and the Supervisory Board ensure their professional competence and reliability through regular fit-and-proper self-assessments. Identified needs are addressed on an ad hoc basis through appropriate continuing education.

[ESRS G1-1, 10h] In principle, there is a potential risk to employees in all key areas (applications, services, procurement, marketing, facility management, investments, human resources, etc.), i.e., all areas in which either service providers are contracted, payments are made, or decisions are made regarding applications.

CASES OF CORRUPTION OR BRIBERY DURING THE REPORTING PERIOD [ESRS G1-4, 24A-C; 25A-D, MDR-T 81b]

During the reporting period in question, there were no known cases of corruption or bribery within the VHV Group. This applies not only to employees but also to business partners. Should such an incident occur despite efforts to ensure proper business conduct, the Fraud Investigator at the VHV Group is responsible for an immediate investigation.

This negative report connects the assumption that the existing mechanisms for preventing corruption and combating bribery at the VHV Group are effective. Against this background, no additional event-driven measures, action plans, or specific goals were adopted during the reporting year.

BENEFICIAL OWNERS

VHV a. G. is the parent company of the VHV Group and thus holds, directly or indirectly, the shares in the subsidiary group companies. Its supervisory authority is the Federal Financial Supervisory Authority (BaFin). EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft was appointed as the auditor for the consolidated financial statements as well as the individual financial statements of the major Group companies for the current financial year. The ownership structure of the companies in the VHV Group does not include any natural persons holding 25% or more of the equity shares or voting rights. Therefore, the members of the respective management teams are listed as fictitious beneficial owners.

DATA PROTECTION

As an insurance group, the protection of personal data (including employee data, customer data, or data from other third parties) is particularly important due to its significance in our daily operations. Careful and secure handling of data is therefore essential for a trusting, long-term collaboration and customer relationship. That is why data protection is a top priority.

A Data Protection Management System (DSMS) has been implemented to protect personal data. Its objective is to ensure that existing activities, systems, processes, and measures for the companies of the VHV Group are carried out in compliance with data protection regulations. In addition to the principles of data protection law that must be observed, the DSMS describes a standard process for identifying, assessing, documenting, and reporting data processing activities relevant to data protection. The measures required by the DSMS are specified in a corporate policy on data protection and data protection management, as well as in work guidelines for the respective departments. The DSMS helps to identify, assess, and appropriately control risks at an early stage within the framework of standard processes.

Responsibility for the establishment, appropriate configuration, effectiveness, and ongoing monitoring of the data protection organization lies with the respective Management Board of the responsible company.

When processing personal data, the principles and requirements of the applicable data protection law must be observed.

INFORMATION SECURITY AND ICT RISK MANAGEMENT

Information security and ICT risk management are an integral part of the business policy and sustainability strategy. The reliability of the IT systems used and the service providers engaged in business processes, as well as adequate availability of information, ensure the performance and competitive position of the VHV Group and, consequently, the trust of customers and business partners as well as its public reputation. The VHV Group ensures that it maintains a level of resilience and security commensurate with its risk profile, which meets legal and regulatory requirements and corresponds to the state of the art. To achieve this goal, the VHV Group operates an Information Security Management System (ISMS). The ISMS follows a continuous process of planning, implementation, performance monitoring, and optimization, and is based on established information security standards.

The objective of the ISMS is to

- achieve the desired level of information security,
- ensure this level continuously, and
- maintain the ability to provide ongoing updates on its status.

Control processes serve to identify, assess, address, communicate, and review ICT risks. Risks identified within the ISMS are supplemented by risks arising from the use of ICT service providers and Business Continuity Management (BCM), and are correlated, assessed, and appropriately controlled. These risks flow into the company's overall risk management.

Senior management is responsible for the ISMS and ICT risk management and creates the necessary framework conditions for this, particularly with regard to the necessary financial and human resources.

PRIVACY IN THE WORKPLACE

The VHV Group operates an information security management system. This system is subject to an ongoing process of planning, implementation, performance monitoring, and optimization. In doing so, the VHV Group adheres to the following principles:

- **Principle 1: Security as an Integral Component**
  Information security is of strategic importance within the VHV Group and is regarded as an indispensable component of the overall corporate policy.

- **Principle 2: Compliance with Legal Requirements and Regulations**
  All legal and regulatory requirements applicable to the VHV Group are continuously reviewed for completeness and up-to-date status. The requirements contained in the Group Information Security Policy (and subordinate regulations) must be observed—any deviations must be documented. Compliance with security requirements is regularly reviewed within the VHV Group and among service providers.

- **Principle 3: Protection of Information**
  The protection objectives of integrity, confidentiality, authenticity, and availability of information are ensured in accordance with the state of the art and the risk profile of the companies.

- **Principle 4: Protection of personal data**
  Appropriate technical and organizational measures are implemented to protect personal data (e.g., of customers, partners, employees, and service providers) from misuse.

- **Principle 5: Ensuring Traceability**
  The traceability of security-related activities is essential: The person responsible for an activity must be clearly identifiable at all times.

- **Principle 6: Uniform Standards**
  Company-wide standards ensure that security risks in business processes can be identified, managed, and assessed as comprehensively as possible.

- **Principle 7: Protection against attacks**
  All processes are protected against failure or disruption caused by attacks on a risk-based basis.

- **Principle 8: Ensuring information security in contractual relationships**
  Contracts between internal/external service providers and the respective business units must transparently outline the agreed-upon services and meet all information security requirements.

- **Principle 9: Ensuring Operations**
  Smooth business operations are ensured—regardless of which parts of the operations are carried out within the VHV Group itself and which are outsourced to an external service provider.

- **Principle 10: Consideration of Cost-Effectiveness**
  Security measures are determined on a risk-based basis and must be in an economically reasonable proportion to the potential damage.

Taxonomy-aligned investment

The weighted average value of all investments of insurance or reinsurance undertakings that are directed at funding, or are associated with taxonomy-aligned economic activities, relative to the value of total assets covered by the KPI, with the following weights for investments in undertakings per below: Turnover-based: 2.7 % CapEx-based: 3.4 %	The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with taxonomy-aligned economic activities, with the following weights for investments in undertakings per below: Turnover-based: EUR 418.2 million CapEx-based: EUR 529.5 million
The percentage of assets covered by the KPI relative to the total investments of insurance or reinsurance undertakings (Total AuM). Excluding investments in sovereign entities. Coverage ratio: 45.7 %	The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage: EUR 7,037.6 million

Additional, supplementary disclosures: Breakdown of the denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI: 0.0 %	The value in monetary amounts of derivatives: EUR 2.6 million
The proportion of **exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**, over total assets covered by the KPI: For non-financial undertakings: 9.3 % For financial undertakings: 18.3 %	The value of **exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:** For non-financial undertakings: EUR 1,436.4 million For financial undertakings: EUR 2,814.8 million
The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**, over to total assets covered by the KPI: For non-financial undertakings: 7.0 % For financial undertakings: 5.9 %	The value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:** For non-financial undertakings: EUR 1,078.2 million For financial undertakings: EUR 907.0 million
The proportion of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**, over total assets covered by the KPI: For non-financial undertakings: 9.2 % For financial undertakings: 33.4 %	The value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:** For non-financial undertakings: EUR 1,415.9 million For financial undertakings: EUR 5,151.6 million

Additional, supplementary disclosures: Breakdown of the denominator of the KPI

The proportion of **exposures to other counterparties and assets** covered by the KPI:	21.4 %	The value of **exposures to other counterparties and assets:**	EUR 3,299.1 million
The proportion of the insurance or reinsurance undertaking's investments, other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders:***	98.2 %	The value of the insurance or reinsurance undertaking's investments, other than investments held in respect of life insurance contracts, **where the investment risk is borne by the policy holders**:	EUR 15,135.1 million

The value of all investments that are funding **economic activities that are not taxonomy-eligible** relative to the value of total assets covered by the KPI:	
Turnover-based:	36.0 %
CapEx-based:	35.5 %
The value of all investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned relative to the value** of total assets reported covered by the KPI:	
Turnover-based:	24.7 %
CapEx-based:	24.8 %
The value of all investments that are funding **economic activities that are not taxonomy-eligible**:	
Turnover-based:	EUR 5,550.3 million
CapEx-based:	EUR 5,468.5 million
The value of all investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned**:	
Turnover-based:	EUR 3,813.5 million
CapEx-based:	EUR 3,830.1 million

*) According to the text of Delegated Regulation 2021/2178, this KPI is intended to apply to investments that are aligned with the financing of taxonomy-compliant economic activities or are linked to such activities. Since this KPI is intended to break down the denominator, we believe this addition is not applicable.

Additional, supplementary disclosures: Breakdown of the numerator of the KPI

The proportion of **taxonomy-aligned exposures to financial undertakings and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI: **For non-financial undertakings:** Turnover-based: 1.2 % CapEx-based: 1.5 % **For financial undertakings:** Turnover-based: 1.5 % CapEx-based: 1.8 %	The value of **taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:** **For non-financial undertakings:** Turnover-based: EUR 183.8 million CapEx-based: EUR 235.6 million **For financial undertakings:** Turnover-based: EUR 228.2 million CapEx-based: EUR 284.2 million
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, taxonomy-aligned: Turnover-based: 2.8 % CapEx-based: 3.5 %	The value of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, taxonomy-aligned: Turnover-based: EUR 424.0 million CapEx-based: EUR 535.3 million
The proportion of taxonomy-aligned **exposures to other counterparties and assets over total assets**, covered by the KPI: Turnover-based: 0.6 % CapEx-based: 0.6 %	The value of **taxonomy-aligned exposures to other counterparties and assets** over total assets covered by the KPI: Turnover-based: EUR 85.6 CapEx-based: EUR 85.6

Breakdown of the numerator of the KPI by environmental target

Taxonomy-aligned activities — provided that "do-no significant harm" (DNSH) and social safeguards positive assessment:

1	Climate change mitigation	Turnover: Cap:	2.1 % 2.8 %	Transition Activities: A% (Turnover; CapEx) Enabling Activities: B% (Turnover; CapEx)	0.1 % 0.9 %	0.2 % 1.2 %
2	Climate change adaption	Turnover: Cap:	0.1 % 0.1 %	Enabling Activities: B% (Turnover; CapEx)	0.0 %	0.0 %
3	The sustainable use and protection of water and marine resources	Turnover: Cap:	0.0 % 0.0 %	Enabling Activities: B% (Turnover; CapEx)	0.0 %	0.0 %
4	The transition to a circular economy	Turnover: Cap:	0.1 % 0.1 %	Enabling Activities: B% (Turnover; CapEx)	0.0 %	0.1 %
5	Pollution prevention and control	Turnover: Cap:	0.1 % 0.1 %	Enabling Activities: B% (Turnover; CapEx)	0.0 %	0.0 %
6	Protection and restoration of biodiversity and ecosystems	Turnover: Cap:	0.0 % 0.0 %	Enabling Activities: B% (Turnover; CapEx)	0.0 %	0.0 %

TURNOVER-BASED

Reporting template 1 / Activities in the fields of nuclear energy and fossil gas		
Row	**Nuclear energy related activities**	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Reporting template 2 / Taxonomy-aligned economic activities (denominator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	8.2	0.1	8.1	0.1	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	409.8	2.7	318.6	2.1	15.6	0.1
8	**Total applicable KPI**	418.2	2.7	326.9	2.1	15.6	0.1

Reporting template 3 / Taxonomy-aligned economic activities (numerator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	8.2	2.0	8.1	1.9	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	409.8	98.0	318.6	76.2	15.6	3.7
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	418.2	100	326.9	78.2	15.6	3.7

Reporting template 4 / Taxonomy-eligible but not taxonomy-aligned economic activities

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	3.9	0.0	3.9	0.0	0.0	0.0
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1.8	0.0	1.7	0.0	0.0	0.0
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	3,807.7	24.7	1,269.7	8.2	82.8	0.5
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	3,813.5	24.7	1,275.4	8.3	82.8	0.5

Report template 5 / Taxonomy non-eligible economic activities

Row	Economic activities	Amount in Euro million	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.7	0.0
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.8	0.0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.7	0.0
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	5,544.9	36.0
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	5,550.3	36.0

CAPEX-BASED

Reporting template 1 / Activities in the fields nuclear energy and fossil gas		
Row	**Nuclear energy related activities**	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Reporting template 2 / Taxonomy-aligned economic activities (denominator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	1.1	0.0	1.0	0.0	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	6.6	0.0	6.6	0.0	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	2.5	0.0	2.5	0.0	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	1.0	0.0	1.0	0.0	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the denominator of the applicable KPI	0.2	0.0	0.2	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	518.1	3.4	426.7	2.8	11.1	0.1
8	**Total applicable KPI**	529.5	3.4	437.9	2.8	11.1	0.1

Reporting template 3 / Taxonomy-aligned economic activities (numerator)

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	1.1	0.2	1.0	0.2	0.0	0.0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	6.6	1.2	6.6	1.2	0.0	0.0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	2.5	0.5	2.5	0.5	0.0	0.0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	1.0	0.2	1.0	0.2	0.0	0.0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/ 2139 in the numerator of the applicable KPI	0.2	0.0	0.2	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	518.1	97.9	426.7	80.6	11.1	2.1
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	529.5	100.0	437.9	82.7	11.1	2.1

Reporting template 4 / Taxonomy-eligible but not taxonomy-aligned economic activities

Row	Economic Activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
		Amount in EUR million	%	Amount in EUR million	%	Amount in EUR million	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.0	0.0	0.0	0.0	0.0	0.0
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1.9	0.0	1.9	0.0	0.1	0.0
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.5	0.0	0.4	0.0	0.0	0.0
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0.1	0.0	0.1	0.0	0.0	0.0
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	3,827.6	24.8	1,299.5	8.4	31.2	0.2
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	3,830.1	24.8	1,301.9	8.4	31.3	0.2

Report template 5 / Taxonomy non-eligible economic activities

Row	Economic activities	Amount in Euro million	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4.2	0.0
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.0	0.0
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.0
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	5,463.2	35.4
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	5,468.5	35.5

VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A.G.

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2025

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2025

CASH FLOW STATEMENT

STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2025
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G.

Assets	EUR	EUR	EUR	31.12.2025 EUR	31.12.2024 EUR
A. Intangible assets					
I. Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets			76,083,601		136,519,069
II. Goodwill			0		70,034,981
III. Advance payments			16,151,505		16,192,964
				92,235,107	222,747,014
B. Investments					
I. Real properties, rights equivalent to real property and buildings, including buildings on third-party real properties			101,277,676		105,474,595
II. Investments in affiliated and associated companies					
1. Shares in affiliated companies		39,784,273			46,175,022
2. Participating interest in associated companies		62,324,349			62,733,066
4. Other participating interests		65,681,752			66,601,155
5. Loans to associated companies		0			1,530,000
			167,790,375		177,039,243
III. Other investments					
1. Equities, shares or equities in investment assets and other non-fixed interest securities		5,996,863,233			5,640,880,764
2. Bearer bonds and other securities with fixed interest rates		6,099,695,166			5,448,698,642
3. Mortgage, land charge and annuity charge receivables		953,395,251			1,005,108,077
4. Other loans					
a) Registered debentures	1,843,732,609				1,987,907,077
b) Promissory notes and loans	596,532,456				560,106,597
c) Loans and advance payments on insurance policies	5,606,645				6,895,297
d) Miscellaneous loans	7,305,476				7,168,178
		2,453,177,186			2,562,077,148
5. Bank deposits		308,770,559			217,671,193
6. Miscellaneous investments		2,139,952,617			2,040,944,608
			17,951,854,011		16,915,380,433
				18,220,922,062	17,197,894,271
C. Investments for the account and risk of holders of life insurance policies				249,940,305	280,760,563
D. Receivables					
I. Accounts receivables from direct-written insurance transactions with:					
1. Insurance policy holders		219,168,955			187,222,550
2. Insurance agents		12,642,095			14,905,698
			231,811,050		202,128,248
II. Settlement receivables from reinsurance business			83,424,955		124,783,023
III. Other receivables			105,443,253		104,649,574
thereof from affiliated companies: EUR 44.349 (Vorjahr: EUR 78.442)				420,679,258	431,560,845
thereof from associated companies: EUR 3.457 (Vorjahr: EUR 7.526)					
E. Other assets					
I. Tangible fixed assets and inventories			24,896,311		27,115,827
II. Bank balances, checks and cash on hand			345,557,218		451,695,980
III. Miscellaneous assets			5,578,131		29,943,801
				376,031,660	508,755,608
F. Accruals and prepaid expenses					
I. Accrued interest and rent			109,157,531		95,114,546
II. Other prepaid expenses			36,418,899		46,367,149
				145,576,430	141,481,695
G. Deferred tax assets				476,908,631	382,219,893
TOTAL ASSETS				**19,982,293,453**	**19,165,419,889**

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2025
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G.

Liabilities and shareholders' equity	EUR	EUR	31.12.2025 EUR	31.12.2024 EUR
A. Equity				
I. Retained earnings				
1. Loss reserve in accordance with section 193 of the Insurance Supervision Act (VAG)	70,934,869			70,656,847
2. Other retained earnings	2,843,567,529			2,755,851,309
		2,914,502,398		2,826,508,156
II. Difference in equity from currency translation		−3,506,370		−2,398,040
III. Non-controlling interests		450,889,634		9,686,285
			3,361,885,662	2,833,796,401
B. Technical reserves				
I. Unearned premiums				
1. Gross	438,779,742			414,013,699
2. Less: Reinsurance ceded	28,377,463			29,082,929
		410,402,279		384,930,770
II. Actuarial reserve				
1. Gross	7,928,865,211			8,199,283,327
2. Less: Reinsurance ceded	5,612,910			4,808,940
		7,923,252,301		8,194,474,387
III. Reserve for insurance claims not yet processed				
1. Gross	4,657,931,955			4,421,631,816
2. Less: Reinsurance ceded	278,117,977			312,940,261
		4,379,813,978		4,108,691,555
IV. Reserve for performance-related and non-performance-related premium refunds – gross		744,487,749		726,879,377
V. Claim equalization reserve and similar reserves		950,742,953		906,673,591
VI. Other technical reserves				
1. Gross	360,900,436			337,006,719
2. Less: Reinsurance ceded	1,559,655			1,499,740
		359,340,781		335,506,979
			14,768,040,040	14,657,156,660
C. Technical reserves for life insurance policies, to the extent that the investment risk is borne by the policy holder				
I. Actuarial reserve – gross			249,940,305	280,760,563
D. Other reserves				
I. Reserves for pensions and similar liabilities		176,764,800		179,053,840
II. Tax reserves		185,639,315		59,922,896
III. Other reserves		222,128,005		204,365,487
			584,532,120	443,342,224
E. Funds held under reinsurance transactions ceded			14,693,397	16,322,875
F. Other liabilities				
I. Accounts payable from direct-written insurance transactions with:				
1. Insurance policy holders	630,237,142			561,668,710
2. Insurance agents	24,174,241			19,175,756
		654,411,382		580,844,466
II. Accounts receivable from reinsurance transactions		44,777,652		47,027,177
III. Liabilities to banks		51,654,174		54,652,708
IV. Miscellaneous liabilities		250,650,574		245,160,150
thereof due to affiliated companies: EUR 12 (previous year: EUR 3.582)			1,001,493,783	927,684,500
thereof due to associated companies: EUR 457.091 (previous year: EUR 428.352)				
thereof from taxes: EUR (previous year: EUR 21.436.531)				
thereof for social security: EUR 591.695 (previous year: EUR 804.568)				
G. Deferred income			1,708,146	6,356,665
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			**19,982,293,453**	**19,165,419,889**

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2025
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G.

Item	EUR	EUR	2025 EUR	2024 EUR
I. TECHNICAL ACCOUNT FOR PROPERTY-CASUALTY INSURANCE TRANSACTIONS				
1. Net premiums earned for own account				
a) Gross premiums written	3,505,696,267			3,175,997,635
b) Reinsurance premiums ceded	−184,240,437			−182,735,522
		3,321,455,830		2,993,262,113
c) Change in gross unearned premiums	−53,653,691			−43,672,001
d) Change of reinsurers' share in gross unearned premiums	4,927,831			6,473,470
		−48,725,860		−37,198,531
			3,272,729,970	2,956,063,582
2. Technical interest income for own account			960,212	144,392
3. Other technical earnings for own account			3,518,289	3,418,801
4. Expenses for insurance claims for own account				
a) Payments for insurance claims				
aa) Gross	−2,243,023,971			−2,279,974,258
bb) Share for reinsurers	98,372,560			168,185,256
		−2,144,651,411		−2,111,789,001
b) Change in reserve for insurance claims not yet processed				
aa) Gross	−240,708,194			32,141,464
bb) Share for reinsurers	−28,702,543			−93,992,071
		−269,410,736		−61,850,608
			−2,414,062,147	−2,173,639,609
5. Change in other net technical reserves			−665,941	−134,097
6. Expenses for performance-related and non-performance-related premium refund for own account			−9,315,136	−4,268,151
7. Expenses for insurance operations for own account				
a) Gross expenses for underwriting		−770,236,448		−706,664,264
b) Less: commissions and shares of profit received from insurance transactions ceded for reinsurance		43,889,406		29,571,951
			−726,347,042	−677,092,313
8. Other technical expenses for own account			−8,032,198	−6,636,123
9. Subtotal			**118,786,007**	**97,856,481**
10. Change in equalization reserve and similar reserves			−44,787,808	−21,780,044
11. Technical result for own account in Property-Casualty insurance transactions			**73,998,199**	**76,076,437**

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2025
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G.

Item	EUR	EUR	2025 EUR	2024 EUR
II. TECHNICAL ACCOUNT FOR LIFE INSURANCE TRANSACTIONS				
1. Net premiums earned for own account				
a) Gross premiums written	1,023,586,942			1,007,215,132
b) Reinsurance premiums ceded	−8,508,745			−7,858,863
		1,015,078,197		999,356,269
c) Change in gross unearned premiums		6,083,356		7,685,521
			1,021,161,552	1,007,041,790
2. Premiums from the gross reserve for premium redemption			11,588,300	7,300,720
3. Income from investments				
a) Income from miscellaneous investments				
aa) Income from real properties, rights equivalent to real property and buildings, including buildings on third-party real properties	7,253,154			7,253,154
bb) Income from miscellaneous investments	292,748,787			273,579,274
		300,001,941		280,832,428
b) Income from appreciation		1,120,906		659,868
c) Gains from the divestiture of investments		4,025,313		37,470,917
			305,148,160	318,963,213
4. Unrealized gains on investments			17,555,549	25,438,381
5. Other technical earnings for own account			15,890,693	19,590,532
6. Expenses for insurance claims for own account				
a) Payments for insurance claims				
aa) Gross	−1,032,660,180			−1,090,466,562
bb) Share for reinsurers	2,716,275			948,784
		−1,029,943,905		−1,089,517,778
b) Change in reserve for insurance claims not yet processed				
aa) Gross	−15,301,010			−15,943,361
bb) Share for reinsurers	858,047			338,672
		−14,442,963		−15,604,689
			−1,044,386,868	−1,105,122,467
7. Change in other net technical reserves				
a) Actuarial reserve				
aa) Gross		301,238,374		349,529,483
bb) Share for reinsurers		803,970		133,760
			302,042,344	349,663,243
8. Expenses for performance-related premium refunds for own account			−192,852,416	−18,519,987
9. Expenses for insurance operations for own account				
a) Transaction expenses	−91,719,240			−90,932,652
b) Management expenses	−12,544,516			−13,087,159
		−104,263,755		−104,019,812
c) Less: commissions and shares of profit received from insurance transactions ceded for reinsurance		3,033,926		5,285,841
			−101,229,829	−98,733,971
10. Expenses for investments				
a) Expenses for management of investments, interest expense and other expenses for investments		−15,584,963		−15,277,675
b) Depreciation on investments		−25,185,654		−23,399,771
c) Losses from the divestiture of investments		−655,064		−12,833,901
			−41,425,682	−51,511,348
11. Unrealized losses on investments			−667,351	−304,943
12. Other technical expenses for own account			−228,209,130	−224,498,628
13. Technical result for own account in life insurance transactions			**64,615,322**	**58,306,534**

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2025
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G.

Item	EUR	EUR	EUR	2025 EUR	2024 EUR
III. NON-TECHNICAL ACCOUNT					
1. Technical result for own account					
a) in property-casualty insurance transactions			73,998,199		76,076,437
b) in life insurance transactions			64,615,322		58,306,534
				138,613,521	134,382,971
2. Income from investments, unless listed under II.3.					
a) Income from associated companies		6,657,057			3,796,654
thereof from affiliated companies: EUR 3.103.633 (Vorjahr: EUR 515.972)					
b) Income from participating interests		6,091,691			7,500,128
c) Income from miscellaneous investment					
thereof from affiliated companies: EUR 37.242 (Vorjahr: EUR 0)					
aa) Income from real properties, rights equivalent to real property and buildings, including buildings on third-party real properties	1,118,725				1,113,357
bb) Income from miscellaneous investments	217,719,133				175,173,663
		218,837,858			176,287,020
d) Income from appreciation		1,025,026			590,400
e) Gains from the divestiture of investments		9,726,949			29,208,981
f) Income from profit transfer agreements		153,506			173,745
			242,492,088		217,556,927
3. Expenses for investments, unless listed under II.10.					
a) Expenses in respect of associated companies		−1,916,567			−1,828,305
thereof in respect of affiliated companies: EUR -1.148.191 (Vorjahr: EUR -102.455)					
b) Expenses for management of investments, interest expense and other expenses for investments		−28,964,730			−11,200,977
c) Depreciation on investments		−19,933,589			−20,616,135
d) Losses from divestiture of investments		−43,869			−8,028,613
			−50,858,755		−41,674,031
			191,633,333		175,882,896
4. Technical interest income			−1,259,679		−440,011
				190,373,654	175,442,886
5. Other income			351,740,431		157,448,238
6. Other expenses			−324,548,499		−254,855,251
				27,191,932	−97,407,013
7. Operating result				**356,179,107**	**212,418,844**
8. Taxes on income and earnings			−159,546,765		−72,375,369
including: income from deferred taxes: EUR 87.624.678 (previous year: expense EUR -9.493.829)					
9. Other taxes			−1,871,460		−1,537,399
				−161,418,225	−73,912,768
10. Consolidated net profit				**194,760,882**	**138,506,076**
11. Non-controlling interests				2,728,946	2,665,870
12. Allocations to retained earnings					
a) to the loss reserve in accordance with section 193 of the Insurance Supervision Act (VAG)				−278,022	0
b) to other retained earnings				−197,211,806	−141,171,946
13. CONSOLIDATED NET INCOME				**0**	**0**

CASH FLOW STATEMENT
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G./GROUP

Item	2025 TEUR	2024 TEUR
Consolidated net profit	**194,761**	**138,506**
Change in technical reserves – net	80,063	−179,897
Change in deposit accounts receivable and accounts payable, as well as invoice accounts receivable and accounts payable	37,479	−57,346
Change in other accounts receivable and accounts payable	47,730	53,281
Change in other balance sheet items that are not attributable to investment or financing activities	−987,786	248,849
Other non-cash expenses and income, as well as adjustments to net profit	382,448	7,422
Gain/loss from the divestiture of investments, tangible fixed assets and intangible assets	−143,467	−45,880
Income tax expense	159,547	72,375
Income tax payments	−127,876	−35,433
Cash flow from operating activities	**−357,101**	**201,877**
Receipts from the sale of consolidated companies and other business entities	247,023	4,495
Payments resulting from the acquisition of consolidated companies and other business entities	−30,075	−12,769
Receipts from the sale of capital investments for fund-linked annuity insurance	60,459	168,556
Payments resulting from the acquisition of capital investments for fund-linked annuity insurance	−12,596	−96,299
Other receipts from the divestiture of tangible fixed assets and intangible assets	909	549
Other payments resulting from additions of tangible fixed assets and intangible assets	−11,634	−10,625
Cash flow from investment activities	**254,086**	**53,907**
Receipts and payments from other financing activities	−2,999	−31,583
Cash flow from financing activities	**−2,999**	**−31,583**
Change in cash and cash equivalents	**−106,014**	**224,201**
Change in cash equivalents due to exchange rate movements, changes in the scope of consolidation and measurement	**−125**	**6,525**
Cash at the beginning of the period	451,696	220,971
Cash at the end of the period	345,557	451,696

Cash is equal to the balance sheet item "bank balances, checks and cash on hand".

STATEMENT OF CHANGES IN EQUITY
VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G./GROUP

EQUITY CAPITAL OF PARENT COMPANY					
		Retained earnings		Difference in equity from currency translation	
	Loss reserve in accordance with section 193 VAG	other retained earnings	Total		Total
	TEUR	TEUR	TEUR	TEUR	TEUR
Status on 31.12.2023	**70,657**	**2,635,150**	**2,705,807**	**−26,979**	**2,678,828**
Adjustment as at 01.01.2024*	**–**	**−20,470**	**−20,470**	**21,827**	**1,356**
Status on 01.01.2024	**70,657**	**2,614,679**	**2,685,336**	**−5,152**	**2,680,184**
Currency translation	–	–	–	2,754	2,754
Other changes	–	–	–	–	–
Consolidated net profit	–	141,172	141,172	–	141,172
Status on 31.12.2024	**70,657**	**2,755,851**	**2,826,508**	**−2,398**	**2,824,110**
Allocation in the loss reserve	278	−278	–	–	–
Currency translation	–	–	–	−466	−466
Other changes	–	−109,496	−109,496	–	−109,496
Changes to the consolidation group	–	–	–	−642	−642
Consolidated net profit	–	197,490	197,490	–	197,490
Status on 31.12.2025	**70,935**	**2,843,568**	**2,914,503**	**−3,506**	**2,910,996**

	NON-CONTROLLING INTERESTS				GROUP EQUITY
	Share before difference in equity from currency translation and net profit for the year	Difference in equity from currency translation attributable to non- controlling interests	Gains/losses attributable to non-controlling interests	Total	Total
	TEUR	TEUR	TEUR	TEUR	TEUR
Status on 31.12.2023	**22,855**	**53**	**−9,897**	**13,010**	**2,691,837**
Adjustment as at 01.01.2024*	**−1,587**	**3**	**–**	**−1,583**	**−227**
Status on 01.01.2024	**21,268**	**56**	**−9,897**	**11,427**	**2,691,611**
Contributions to capital reserve	948	–	–	948	948
Currency translation	–	−22	–	−22	2,732
Other changes	–	–	–	–	–
Changes to the consolidation group	–	–	–	–	–
Consolidated net profit	–	–	−2,666	−2,666	138,506
Status on 31.12.2024	**22,216**	**34**	**−12,563**	**9,686**	**2,833,797**
Contributions to capital reserve	1,000	–	–	1,000	1,000
Currency translation	–	35	–	35	−431
Other changes	448,020	–	–	448,020	338,525
Changes to the consolidation group	−13,967	−69	8,913	−5,123	−5,766
Consolidated net profit	–	–	−2,729	−2,729	194,761
Status on 31.12.2025	**457,269**	**–**	**−6,379**	**450,890**	**3,361,886**

* Adjustments in accordance with disclosures in the “Accounting, valuation and calculation methods”

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG a.G.

GENERAL DISCLOSURES

The registered office of VHV Vereinigte Hannoversche Versicherung a.G. is in Hanover. The company is registered under number HRB 3387 in the Commercial Register of the Hanover Local Court.

The consolidated financial statements and the consolidated management report for the 2025 financial year were prepared in accordance with the provisions of the HGB, the AktG, the VAG, and the RechVersV as in effect on the balance sheet closing date. The consolidated financial statements are published in the electronic Bundesanzeiger (Federal Gazette).

The items are published rounded to the nearest whole number. This may result in rounding differences.

The consolidated balance sheet closing date is 31 December 2025.

CONSOLIDATION GROUP

In addition to VHV Vereinigte Hannoversche Versicherung a.G., Hanover, as the ultimate parent company, the consolidated financial statements include 27 further subsidiaries (previous year: 29), including five special-purpose entities. In this context, the classification of the SICAV special-purpose entities was changed from one company in the prior year to four separate entities. The prior-year figure was adjusted accordingly.

In the 2025 financial year, changes resulted from the sale and deconsolidation of Eucon GmbH and the first-time inclusion of Strategic Digital Holding GmbH. Two companies that were fully consolidated in the prior year were no longer included in 2025 due to their immateriality for the presentation of the Group's assets, financial position, and results of operations. The shares of the two companies were valued at the Group's carried amounts based on the companies' proportionate net assets upon the transition from full consolidation as of 1 January 2025.

In December 2025, the VHV Group contributed 49 % of the shares in the sub-fund WAVE Private Equity SICAV-RAIF - PE VHV Allgemeine to a special-purpose entity, WAVE Private Equity FCP-RAIF, Luxembourg, via a contribution in kind in exchange for shares in the FCP. The SICAV shares were transmitted at their carrying amount from the separate financial statements. The FCP is an EU investment fund that is exempt from the full consolidation requirement for special-purpose entities pursuant to Section 290(2)(4).

The consolidation of the special-purpose entities is based on Section 290 (2) No. 4 of the HGB, as, from an economic perspective, the Group bears the majority of the risks and rewards associated with these special-purpose entities.

The shares of four (previous year: five) associated companies are accounted for using the equity method.

9* (previous year: 25) subsidiaries were not fully consolidated in accordance with Section 296 (2) of the HGB. Even when considered as a whole, these companies do not have a material impact on the VHV Group's financial position, results of operations, or cash flows.

One associate was not accounted for using the equity method in accordance with Section 311 (2) of the HGB and is reported under "Other Investments" for reasons of clarity and transparency.

A complete list of equity holdings is reported separately in the notes.

CONSOLIDATION PRINCIPLES

In the consolidated financial statements, capital consolidation is performed according to the revaluation method in accordance with Section 301 (1) of the HGB.

In this process, the carrying amount of the investment is offset against the revalued equity (fair value of assets and liabilities) of the acquired subsidiary as of the acquisition date. Any difference remaining after the offset is to be reported in the consolidated balance sheet as "Goodwill" if it arises on the assets side, and as "Difference from capital consolidation" after equity if it arises on the liabilities side. Goodwill is subject to scheduled amortization in subsequent years.

The difference arising from capital consolidation must be reversed through profit or loss to the extent that the expenses expected at the time of the subsidiary's acquisition have occurred in subsequent years or it is determined as of the balance sheet closing date that a gain has been realized.

Capital consolidations carried out prior to 31 December 2009, using the book value method remain unchanged in accordance with Section 66 (3), sentence 4 of the EGHGB.

Investments in associated companies are accounted for using the equity method. In the consolidated balance sheet, these investments are to be stated at their carrying amount at the date of acquisition, supplemented by changes in equity attributable to the Group after the acquisition. Profit distributions attributable to these investments are to be deducted. The difference between the carrying amount and the proportionate equity of the associated company at the time of acquisition must be allocated to the individual assets and liabilities of the company, if their fair value is higher or lower, and carried forward in subsequent years. Any remaining goodwill must also be amortized on a scheduled basis in subsequent years.

The equity value must be tested for impairment at each consolidated financial statement closing date. If the equity value exceeds fair value, an impairment loss must be recognized. If the reason for the impairment loss no longer exists, the equity value must be reversed.

The equity valuations performed prior to 31 December 2009, under which the difference between the carrying amount and the proportionate equity of the associate was offset against retained earnings upon acquisition, remain unchanged in accordance with Section 66(3) sentence 4 of the EGHGB.

Receivables and liabilities, expenses and income, as well as interim results between consolidated companies, have been eliminated.

In equity (retained earnings), the loss reserve of the ultimate parent company VHV Vereinigte Hannoversche Versicherung a.G. is reported under item 1. Loss reserve in accordance with Section 193 of the Insurance Supervision Act (VAG), together with the loss reserve of the consolidated subsidiary Pensionskasse der VHV-Versicherungen.

The Group's share of the annual results of the subsidiaries arising after initial consolidation was set to other retained earnings following an addition to the loss reserve.

In the consolidated financial statements, the option under Section 300(2) of the HGB to re-exercise balance sheet options was utilized, so that a uniform valuation was applied throughout the Group in accordance with Section 308(1) HGB.

In the event of significant changes to the consolidation group, the comparability of successive consolidated financial statements is ensured in accordance with Section 294(2) of the HGB through verbal explanations and additional disclosures in the notes.

ACCOUNTING AND VALUATION METHODS

The assets and liabilities included in the consolidated financial statements, as well as the expenses and income of the companies included, were generally valued uniformly in accordance with Section 308(1) HGB.

Balance sheet and valuation methods in accordance with special regulations for foreign insurance companies were adopted in accordance with Sections 300(2) and 308(2) HGB. The translation of the financial statements of associated companies denominated in foreign currencies was performed for balance sheet assets and liabilities – with the exception of equity, which was determined at historical exchange rates – using the spot exchange rate on the balance sheet closing date of 31 December 2025. The items in the income statement were translated at average exchange rates in accordance with Section 308a sentence 2 HGB. The ECB's euro reference rate for the 2025 financial year was used as the average exchange rate.

Balance sheet and income statement figures for the Turkish subsidiaries are included in the consolidated financial statements based on hard currency financial statements denominated in EUR.

ASSETS

Intangible assets are generally stated at cost less scheduled straight-line amortization over their expected useful lives and any impairment losses, or at the lower fair value as at the balance sheet closing date. Advance payments made are recorded at their nominal value.

Real property, rights equivalent to real property, and buildings were valued at acquisition or construction costs less scheduled depreciation.

Investments in affiliated companies and associated companies were generally valued at acquisition cost or at the lower fair value attributable to them as at the balance sheet closing date. The investments in

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

two non-consolidated subsidiaries and five associated companies were recognized at the proportionate equity amount without adjustment to the Group's uniform valuation methods, using the book value method or the lower fair value.

Shares in investment assets, bearer bonds, and other fixed-income securities allocated to fixed assets are intended to serve the business on a permanent basis and were reported at amortized cost. In accordance with the provisions applicable to fixed assets under Section 341b (2) HGB in conjunction with Section 253(3), sentence 5, HGB (modified lower-of-cost-or-market principle), securities are written down in the event of an expected permanent impairment. For bearer bonds classified as fixed assets, differences between the acquisition cost and the redemption amount are amortized using the effective interest method in accordance with Section 341c (3) HGB.

In the event of a hidden liability at the balance sheet closing date, securities were assumed to be subject to a permanent impairment if, based on their creditworthiness, a default on the security was expected. For investment fund shares, the assessment of whether an impairment was expected to be permanent was based on the assets held in the fund (look-through approach).

Bearer bonds assigned to current assets were valued at the lower of cost or fair value as at the balance sheet closing date in accordance with the strict lower-of-cost-or-market principle.

Mortgage, land charge, and annuity receivables were valued at cost or at their lower fair values as at the balance sheet closing date.

Registered debentures were recognized in the balance sheet at nominal value. Zero-coupon registered debentures were recognized in the balance sheet at acquisition cost, taking into account accrued interest.

Promissory notes and loans were valued in accordance with Section 341c HGB at acquisition cost plus or minus the accumulated amortization of the difference between the acquisition cost and the repayment amount, using the effective interest method.

Loans and advance payments on insurance policies were recorded in the balance sheet at nominal value less repayments made.

Miscellaneous loans were valued at the lower of acquisition cost or their fair value as at the balance sheet closing date.

Bank deposits were recorded in the balance sheet at nominal value.

Miscellaneous investments were recognized at amortized cost.

The requirement to recognize gains on revaluation pursuant to Section 253(5) of the German Commercial Code (HGB) was observed for all investments.

Investments for the account and risk of life insurance policy holders were recognized at fair value in accordance with Section 341d HGB in conjunction with Section 56 RechVersV.

Accounts receivable from direct-written insurance transactions were recognized at nominal value less value adjustments for latent default risk.

Settlement receivables from reinsurance transactions were calculated in accordance with the reinsurance contracts and recognized at nominal value.

Other receivables were recognized in the balance sheet at nominal value less value adjustments for latent default risk.

Tangible fixed assets were valued at acquisition cost, less scheduled straight-line depreciation in accordance with their normal useful lives. For low-value assets with acquisition costs of more than EUR 250 but not more than EUR 1,000, the acquisition costs were recorded in a collective item, 20 % of which is written off against profit in the year of acquisition and in each of the four subsequent financial years. At VAV, low-value assets were fully written off in the year of acquisition.

Inventories were recognized at acquisition cost less a valuation discount. An inventory count was conducted on 31 December 2025. At VAV, inventories were valued partly using fixed values and partly using cost prices.

Current bank balances, checks, cash on hand, and other assets were valued at nominal value, less any necessary value adjustments.

Accrued interest and rent reported under accruals and prepaid expenses were stated at nominal value. These amounts relate to the year 2025 but were not yet due as of 31 December.

The agios on registered debentures included in other prepaid expenses were deferred and allocated over their term on a straight-line basis. In addition, other expenses incurred prior to the balance sheet closing date were reported as deferred expenses if they represent expenses for a specific period after the balance sheet closing date.

In contrast to the individual financial statements of the companies included in the consolidated financial statements, deferred tax assets were recognized for domestic companies based on temporary differences between the consolidated balance sheet and the tax balance sheets of the companies included in the consolidated financial statements. The option under Section 274 (1) HGB was exercised such that the net amount of deferred tax assets and liabilities was recognized on the balance sheet. In addition, all deferred taxes were aggregated in accordance with the option under Section 306 HGB. The respective individual tax rates were used to determine future tax burdens and tax relief. Tax rates ranging from 23.00 % to 32.82 % were applied for foreign companies and from 25.78 % to 27.35 % for domestic companies.

LIABILITIES

Unearned premiums for direct written insurance transactions in property-casualty insurance were calculated on a pro rata temporis basis in all insurance segments. Unearned premiums in surety insurance were determined based on the average remaining term of the surety bonds or calculated on a pro rata temporis basis for each premium per surety bond. In construction warranty and décennale insurance, unearned premiums were determined based on the product's liability period. The reinsurers' shares corresponded to the ceded reinsurance quotas. 85.0 % of gross premiums and, as a general rule, 92.5 % of commissions from reinsurers' shares were recognized as not eligible for being carried forward. At VAV, 10 % of unearned premiums in motor vehicle liability insurance and 15 % in other insurance segments are recognized as portions of revenue not eligible for being carried forward. The premium carryovers for the insurance business ceded in reinsurance were calculated pro rata temporis, and the reinsurers' shares were recognized in accordance with their contractual share. As a rule, 92.5 % of commissions were recognized as shares not eligible for being carried forward. For VHV Re, 76 % was recognized, and for VHV Sigorta, 44 %.

In the life insurance segment, unearned premiums were calculated individually for each insurance contract, taking into account the exact premium due dates. In determining the transferable premium portions, the letter from the Federal Ministry of Finance dated 30 April 1974 was considered.

The actuarial reserve in life insurance under Liabilities B.II. was calculated on an individual contract basis using the prospective method, with explicit consideration of Zillmer costs and implicit consideration of other future costs. A management expense reserve is included in the actuarial reserve for insurance years that are exempt from premium payments. If the calculated actuarial reserve for a contract was below the contractually or legally guaranteed surrender value, the latter amount was used.

For fund-linked annuity insurance policies (dynamic hybrids), in which the guaranteed survival benefit is partially secured by a guarantee fund, only the portion of the actuarial reserve which was not already secured by the guarantee level of the guarantee fund was included in liability item B.II.

The following probability tables and actuarial rates were used in the calculation of the actuarial reserve (without consideration of the syndicated contracts under third-party management):

Probability tables	Actuarial interest rates *)	Share of actuarial reserve
Capital and risk insurance and supplementary accidental-death, risk and term annuity insurance		
ADSt 1924/26 M	3.00 %	0.0 %
St 1967 M	3.00 %	0.3 %
St 1986 M/F	3.50 %	6.2 %
HL-Tafel 1994 M/F	4.00 %	36.1 %
HL-Tafel 2000 T M/F	3.25 %	5.5 %
DAV 1994 T M/F	2.75 %	0.1 %
DAV 1994 T M/F mod. NR/R	2.75 %	0.0 %
HL-Tafel 2000 T M/F	2.75 %	2.5 %
HL-Tafel 2000 T mod. NR/R M/F	2.75 %	0.2 %
DAV 1994 T M/F	2.25 %	0.0 %
DAV 1994 T M/F mod.	2.25 %	0.0 %
DAV 1994 T M/F mod. NR/R	2.25 %	0.0 %
HL-Tafel 2000 T M/F	2.25 %	0.4 %
HL-Tafel 2000 T mod. NR/R M/F	2.25 %	0.8 %
HL-Tafel 2008 T NR/R (mod., diff.) M/F	2.25 %	1.7 %
HL-Tafel 2011 T M/F	1.75 %	0.1 %
HL-Tafel 2011 T NR/R (mod.) M/F	1.75 %	0.7 %
HL-Tafel 2012 T Unisex	1.75 %	0.1 %
HL-Tafel 2012 T/TP/FT Unisex NR/R (mod.)	1.75 %	1.4 %
DAV 2008 T mod. Unisex	1.25 %	0.0 %
HL-Tafel 2012 T Unisex	1.25 %	0.1 %
HL-Tafel 2012 T/TP/FT Unisex NR/R (mod., diff.)	1.25 %	1.1 %
DAV 2008 T mod. Unisex	0.90 %	0.7 %
HL-Tafel 2016 T Unisex	0.90 %	0.1 %
HL-Tafel 2016 T/TP Unisex N10/N/R (mod., diff.)	0.90 %	2.0 %
HL-Tafel 2018 T Unisex N10/N/R (mod., diff.)	0.90 %	1.8 %
HL-Tafel 2021 T Unisex N10/N/R (mod., diff.)	0.90 %	0.4 %
DAV 2008 T mod. Unisex	0.25 %	0.2 %
HL-Tafel 2022 T Unisex N10/N/R (mod., diff.)	0.25 %	0.9 %
HL-Tafel 2023 T Unisex	0.25 %	0.0 %
HL-Tafel 2022 T Unisex N10/N/R (mod., diff.)	1.00 %	0.1 %
HL-Tafel 2024 T-STG Unisex	1.00 %	0.0 %
HL-Tafel 2025 T Unisex N10/N/R (mod., diff.)	1.00 %	0.0 %
Annuity insurance, fund-linked annuity insurance and private pension plans in accordance with AltZertG		
DAV 2004 R-B20 M/F	3.00 %	0.3 %
DAV 2004 R-B20 M/F	3.50 %	1.0 %
DAV 2004 R-B20 M/F	4.00 %	2.1 %
DAV 2004 R-B20 M/F	3.25 %	1.1 %
DAV 2004 R M/F	2.75 %	1.4 %
DAV 2004 R Unisex	2.75 %	1.0 %
DAV 2004 R-B20 M/F	2.75 %	1.0 %
DAV 2004 R M/F	2.25 %	7.4 %
DAV 2004 R Unisex	2.25 %	1.3 %
DAV 2004 R M/F	1.75 %	1.2 %
DAV 2004 R Unisex	1.75 %	2.9 %
DAV 2004 R Unisex	1.25 %	1.9 %
DAV 2004 R Unisex	0.90 %	3.5 %
DAV 2004 R Unisex	0.50 %	0.7 %
DAV 2004 R-B20 M/F	0.50 %	0.0 %
DAV 2004 R Unisex	0.25 %	1.1 %
DAV 2004 R Unisex	1.00 %	0.9 %
DAV 2004 R-B20 M/F	1.00 %	0.1 %
DAV 2004 R M/F	0.00 %	0.0 %
DAV 2004 R Unisex	0.00 %	0.0 %
DAV 2004 R-B20 M/F	0.00 %	0.0 %
(Supplementary) occupational disability insurance and (supplementary) work incapacity insurance		
St 1967 M, DAV 1997 I M/F mod.	3.00 %	0.0 %
HL-Tafel 1994 M/F, mod. Verbandstafel 1990 M/F	4.00 %	0.2 %
HL-Tafel 2000 T M/F, HL-Tafel 2000 I M/F	3.25 %	0.2 %
DAV 1994 T M/F, DAV 1997 I mod. M/F	2.75 %	0.0 %
DAV 1994 T M/F, DAV 1998 E M/F	2.75 %	0.0 %
HL-Tafel 2000 T M/F, DAV 1997 I mod. M/F	2.75 %	0.1 %
HL-Tafel 2000 T M/F, HL-Tafel 2004 I M/F	2.75 %	0.1 %
DAV 1994 T M/F, DAV 1997 I mod. M/F	2.25 %	0.0 %
HL-Tafel 2000 T M/F, DAV 1997 I mod. M/F	2.25 %	0.8 %
HL-Tafel 2000 T M/F, HL-Tafel 2004 I M/F	2.25 %	0.0 %
DAV 2008 T M/F, DAV 1997 I mod. M/F	1.75 %	0.0 %
DAV 2008 T Unisex, DAV 1997 I mod. Unisex	1.75 %	0.0 %
HL-Tafel 2011 T M/F, DAV 1997 I mod. M/F	1.75 %	0.2 %
HL-Tafel 2011 T M/F, DAV 1998 E M/F	1.75 %	0.0 %
HL-Tafel 2012 T Unisex, HL-Tafel 2012 E Unisex	1.75 %	0.0 %
HL-Tafel 2012 T Unisex, HL-Tafel 2012 I Unisex	1.75 %	0.3 %
DAV 2008 T Unisex, DAV 1997 I mod. Unisex	1.25 %	0.0 %
HL-Tafel 2012 T Unisex, HL-Tafel 2012 E Unisex	1.25 %	0.0 %
HL-Tafel 2012 T Unisex, HL-Tafel 2012 I Unisex	1.25 %	0.1 %
HL-Tafel 2016 T Unisex, HL-Tafel 2012 E Unisex	0.90 %	0.0 %
HL-Tafel 2016 T Unisex, HL-Tafel 2012 I Unisex	0.90 %	0.0 %
HL-Tafel 2016 T Unisex, HL-Tafel 2017 E Unisex	0.90 %	0.0 %
HL-Tafel 2016 T Unisex, HL-Tafel 2017 I Unisex	0.90 %	0.4 %
HL-Tafel 2018 T Unisex, HL-Tafel 2019 I Unisex	0.90 %	0.1 %

HL-Tafel 2016 T Unisex, HL-Tafel 2017 E Unisex	0.25 %	0.0%
HL-Tafel 2016 T Unisex, HL-Tafel 2017 I Unisex	0.25 %	0.0%
HL-Tafel 2018 T Unisex, HL-Tafel 2022 I Unisex	0.25 %	0.0%
HL-Tafel 2018 T Unisex, HL-Tafel 202203 I Unisex	0.25 %	0.2%
HL-Tafel 2018 T Unisex, HL-Tafel 2023 I Unisex	0.25 %	0.1%
HL-Tafel 2016 T Unisex, HL-Tafel 2017 I Unisex	1.00 %	0.0%
HL-Tafel 2018 T Unisex, HL-Tafel 2024 GF Unisex	1.00 %	0.0%
HL-Tafel 2018 T Unisex, HL-Tafel 2025 I Unisex	1.00 %	0.0%
Capitalization transactions		
none	2.00 %	0.0 %
none	1.75 %	0.0 %
none	1.25 %	0.0 %
none	0.50 %	0.2 %
none	0.25 %	1.4 %
none	1.00 %	0.1 %

*) For new contracts with actuarial interest rates of between 1.75 % and 4.00 %, a reference interest rate of 1.57 % was applied as a basis for the next 15 years in accordance with section 341f (2) HGB in conjunction with section 5 (3) and (4) DeckRV. The same approach was applied for contracts in the existing portfolio.

The HL tables are the company's own tables:

- The HL Table 1994 was developed from the St 1986 mortality table, whose mortality probabilities have been adjusted based on the company's internal experience.

- The HL Table 2000 T was developed from the 1986 population table, whose mortality probabilities have been adjusted based on internal company experience. The HL Tables 2008 T and 2011 T were developed from the DAV Table 2008 T, whose mortality probabilities have been reduced based on internal company experience.

- The HL Tables 2012 T, 2012 TP, 2012 FT, 2016 T, 2016 TP, 2018 T, 2021 T, 2022 T, and 2025 T were developed from the DAV Table 2008 T, whose mortality probabilities and gender mix ratios are based on internal company experience, which is done on an occupational group-specific basis for the HL tables starting in 2018.

- The HL Tables 2023 T and 2024 T-STG were developed from the DAV Table 2008 T and individual mortality probabilities.

- The HL tables 2000 I, 2004 I, and 2012 I were developed from the DAV 1997 I table, whose disability probabilities have been reduced based on internal company experience. The HL tables 2017 I, 2019 I, 2022 I, 202203 I, 2023 I, 2024 GF, and 2025 I are based on individual occupational group-specific disability probabilities.

- The HL Table 2012 E was developed from the DAV Table 1998 E; the HL Table 2017 E is based on individual probabilities of disability.

The unisex tables are gender-neutral calculation bases derived from the corresponding gender-specific tables in accordance with the DAV guidelines.

The actuarial reserves are zillmerized as follows:

Tariffs	Zillmerization rate	Reference value
Endowment insurance from 1960 to 1987	0.50 %	Sum insured
Group insurance from 1975 to 1987	0.50 %	Sum insured
Wealth accumulation insurance from 1970 to 1989	0.50 %	Sum insured
Annuity insurance until 1990	5.00 %	Annuity
VHV individual insurance policies to 2014	4.00 %	Total premiums
VHV individual insurance from 2015	2.50 %	Total premiums
VHV Goup insurance policies to 2016	2.00 %	Total premiums
VHV Group insurance from 2017 to 2020	1.50 %	Total premiums
VHF Group insurance for major customers to 2016	1.00 %	Total premiums
Occupational disability insurance as of 07/2020	2.50 %	Total premiums
Risk insurance from 09/2023	2.50 %	Total premiums
Funeral expenses insurance from 03/2024	2.50 %	Total premiums
Functional disability insurance from 01/2025	2.50 %	Total premiums

All other actuarial reserves are not zillmerized. The proportion of zillmerized actuarial reserves in the total actuarial reserves is 4.0 %.

To align with updated calculation principles, additional amounts were added to the actuarial reserves in accordance with the principles announced by BaFin, the DAV, and the legislature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Mortality studies for annuity insurance have shown that the safety margins and trend projections included in the DAV 1994 R mortality table no longer meet actuarial safety requirements. To maintain an appropriate level of safety, the actuarial reserve for each individual annuity insurance policy was calculated in the 2025 financial year so that it corresponds at least to the value based on the DAV 2004 R-B20 mortality table in accordance with the DAV guideline of 9 June 2004 "Surplus allocation and reserves for annuity insurance policies in the portfolio."

For the 2025 financial year, an additional interest rate reserve was established in accordance with Section 341f(2) HGB in conjunction with Section 5 DeckRV. The basis for the new portfolio is a reference interest rate of 1.57 % (previous year: 1.57 %), which is derived from the anticipated income in accordance with Section 5(3) DeckRV. In doing so, company-specific conservative termination probabilities were taken into account in accordance with relevant BaFin publications, and for risk insurance, a conservative reduction in the biometrics calculation basis was applied. In addition, a comparative calculation was performed using the actuarial bases for the interest rate reserve from the year prior to the first application of company-specific lapse probabilities and the reduction in the biometric actuarial basis, based on the current contract portfolio, and the maximum of the results of both calculations was applied. The calculation requirements for the additional interest reserve in the new portfolio pursuant to DeckRV were also applied to the existing portfolio, albeit without a reduction in the biometric calculation basis.

The **actuarial reserves for fund-linked annuity insurance policies** in accordance with Liabilities C.I., where the investment risk is borne by the policy holders, were determined as the fair value of the unit shares available for each individual contract as of the balance sheet closing date.

The **reserve for insurance claims not yet processed** for direct-written transactions in property and casualty insurance was determined individually for each claim with due commercial diligence. A discount was applied to the claims reserve in motor vehicle liability insurance, taking actual claim payments in the past into account. Furthermore, internal calculations and analyses were conducted to examine whether the gross reserves for insurance claims not yet processed in the motor liability insurance segment, established after applying discounts, were adequately measured. Taking into account the commercial due diligence required and the locally determined discount rate, VHV Re applied reductions in general liability insurance, while VHV Sigorta applied reductions across all insurance segments. The reserve for expected late claims was calculated based on the need for subsequently reported late claims. Receivables from recourse claims, proceeds, and settlement agreements were conservatively estimated based on the expected receipt and deducted from the reserve for insurance claims not yet processed. The calculation of the actuarial reserve for annuities was carried out individually for each annuity case in accordance with actuarial principles based on Sections 341f and 341g HGB and the statutory ordinance issued pursuant to Section 88(3) VAG. The calculation was based on the DAV 2006 HUR mortality tables for women and men. The actuarial interest rate for pension obligations arising up to 31 December 2016 was increased to 1.0 % (previous year: 0.9 %). The increase in the actuarial interest rate led to a slight reduction in the pension actuarial reserve (gross). The reinsurers' shares were calculated in accordance with the existing reinsurance contracts.

The **reserve for insurance claims not yet processed** in the life insurance segment includes the expected benefits for claims reported as at the balance sheet closing date but not yet paid out. The benefits were determined individually for each insurance contract. For expected late claims, a reserve was created based on the estimated requirement for subsequently reported late claims.

The reserve for insurance claims not yet processed under reinsurance business was established based on the information provided by the primary insurers, taking into account appropriate surcharges.

The reinsurers' shares were calculated in accordance with the existing reinsurance contracts. In property and casualty insurance, the reserve for claims settlement expenses was determined using actuarial methods. These accurately reflected the line-of-business-specific settlement patterns. At VAV, the calculation was based on Section 12(7) of the FMA Regulation on the Accounting of Insurance and Reinsurance Companies, Federal Law Gazette II No. 316/2015 of 21 October 2015, as amended on 5 August 2021, BGBl. II No. 353/2021.

In the life insurance segment, the reserve for claims settlement expenses was determined in accordance with the letter from the Federal Ministry of Finance dated 2 February 1973.

The **reserve for premium refunds** in life insurance was created in accordance with the provisions set forth in the articles of association and the business plan. The final surplus fund from the existing portfolio includes final payments that are 100 % funded, as well as accrued final profit entitlements calculated using the prospective method without discounting. The final surplus fund for the new portfolio contains final bonus entitlements calculated on an individual contract basis from the achievable final bonus rate and the credit balance from annual profit shares accrued as at the balance sheet closing date, without discounting. For the declared base participation in the valuation reserves, a provision was established within the final surplus fund in the same manner as for the final surplus shares.

Amounts were added to and withdrawn from the **reserve for premium refunds** in the company's direct-written property and casualty insurance business in accordance with the contractual agreements.

The **equalization reserve** was created in accordance with the annex to Section 29 of the RechVersV. For the surety insurance segment, the loss ratios for previous years were taken from the tables published in the annual reports of BaFin or the former Federal Insurance Supervisory Office. For the motor vehicle insurance segment, in the reinsurance business accepted for previous years, the company did not use its own loss ratios but, with the approval of BaFin, used other appropriate loss ratios, which resulted in a significantly lower allocation to the equalization reserve. At VAV, the equalization reserve was generally calculated in accordance with the FMA Regulation on the Formation of an Equalization Reserve in Property and Casualty Insurance by Insurance and Reinsurance Companies (SWRV 2016), BGBl. II No. 315/2015 of 21 October 2015, as amended on 16 November 2016, BGBl. II No. 324/2016. Notwithstanding the provisions of the SWRV 2016, the FMA arranged by decision dated 21 July 2020 that the calculation of the fluctuation reserve should be performed without including quota-share reinsurance contracts for the period from 2004 to 2019. This covered the lines of business accident, liability, motor liability, motor comprehensive, storm, water damage, household, construction, and transport. At VHV Re and VHV Sigorta, the equalization reserve was formed in accordance with the guidelines from the "Technical Reserves Regulation" of 10 November 2021. The equalization reserve was calculated at 12 % of the net premiums for earthquake and loan insurance for the respective year. At VHV Assicurazioni, the equalization reserve for natural catastrophe risks was established in accordance with Ministerial Decree No. 705 of 19 November 1996.

The cancellation reserve for cessation and reduction of risk, included under **other technical reserves**, was calculated primarily using the cancellation rates determined on the basis of a representative survey in the individual insurance lines, relative to premium income. The reserve for aid in traffic accidents was established following the dissolution of the association "Verkehrsopferhilfe e. V." The reserve for unused premiums from dormant motor insurance policies was established individually. At VAV, a reserve for terrorism risks was established based on its share in the terrorism pool. The reinsurers' share was calculated in accordance with the existing reinsurance contracts. In accordance with the contractual agreement in the natural perils reinsurance contract, a provision was established for replenishment premiums still to be paid.

The **reserve for potential losses** on reinsured insurance business was established based on information provided by the primary insurers.

The **latent reserves for premium refunds** for the life insurance business, which are recognized under other technical reserves, result from valuation differences between the balance sheet values under German commercial law at the Group level and the balance sheet values under German commercial law from the individual financial statements, as well as from the inclusion of a special-purpose entity attributable to the life insurance segment. Valuation is performed using a RfB ratio (after taxes) of 93.9 % (previous year: 93.8 %) on all valuation differences.

Pension reserves were generally calculated in accordance with actuarial principles using the projected unit credit method in conjunction with Section 253 (1) Sentence 2 HGB. Discounting was performed using the average interest rate of the last ten years with an assumed remaining term of 15 years in accordance with Section 253 (2) sentence 2 HGB at 2.06 % (previous year: 1.90 %).

For the remaining actuarial parameters (tables, salary and pension trends), country-specific values for Germany and Austria were used in the valuation.

In Germany, pension obligations were calculated based on the 2018G mortality tables by Prof. Dr. Klaus Heubeck. The influencing factors of salary growth of 3.00 % (previous year: 3.00 %) and pension growth of 2.50 % (previous year: 2.50 %) were taken into account.

In Austria, pension obligations were measured based on the AVÖ 2018-P employee mortality tables, incorporating salary adjustments of 3.25 % for employees (previous year: 3.25 %) and 2.75 % for members of the Management Board (previous year: 2.75 %) and adjustments to current pension entitlements of 2.25 % (previous year: 2.25 %). No fluctuation discounts were deducted in the calculation of pension obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Where pension benefits were reinsured by insurance policies cover-ing pension liabilities, the reinsured portion of the pension reserve was measured at the amortised cost of the corresponding claim against insurance policies covering pension liabilities in accordance with the IDW Accounting Practice Statement concerning the mea-surement under commercial law of reserves for post-employment benefit obligations arising from reinsured direct pension commitments (IDW RH FAB 1.021).

Assets eligible for offsetting that meet the requirements of Section 246 (2) sentence 2 HGB (asset values from reinsurance policies) were offset against the corresponding pension obligations.

The reserves for severance pay of VAV included in the item "Reserves for pensions and similar liabilities" were also calculated using the projected unit credit method, applying the AVÖ 2018-P employee generation tables with an average interest rate of 1.90 % over the last 10 years and an assumed remaining term of 15 years (previous year: 1.90 %) and salary adjustments of 3.25 % for employees (previous year: 3.25 %) and 2.75 % for members of the Management Board (previous year: 2.75 %). No fluctuation discounts were deducted in the calculation of the provisions for severance pay.

Tax reserves and other reserves were recognized at the amount necessary to settle the obligations, as determined in accordance with reasonable business judgment. For reserves with a remaining term of more than one year, future price and cost increases were taken into account, and the amounts were discounted to the balance sheet closing date. Discounting was performed using the average interest rates for the past seven years published by the Bundesbank as of 30 November 2025. Reserves for anniversary benefits were calculated using the projected unit credit method, based on the 2018G tables by Prof. Dr. Klaus Heubeck, with an interest rate of 2.21 % (previous year: 1.97 %), a salary growth rate of 3.00 % (previous year: 3.00 %), and an employee turnover rate of 4.50 % (previous year: 3.75 %). Discounting was performed based on the average interest rate of the last seven years, extrapolated as at 31 December 2025, assuming a flat remaining term of 15 years for the obligations. The partial retirement obligations were calculated using the projected unit credit method based on the 2018 G tables by Prof. Dr. Klaus Heubeck. These reserves were discounted individually for each obligation using the average interest rates for the past seven years published by the Bundesbank as of 30 September 2025.

Deposit liabilities arising from the insurance business ceded for reinsurance were determined in property and casualty insurance in accordance with the calculation principles of the reinsurance contracts.

For life insurance policies, the deposit liabilities arising from reinsured business correspond, in the case of disability and loss-of-earning insurance policies where benefits are being paid, to the proportionate disability reserve deposited by the reinsurer; for policies of the former VHV Leben, they additionally correspond to the claims reserve deposited by the reinsurer. For other insurance policies, there are no deposit liabilities, as the reinsured insurance business is settled on a risk basis.

The other liabilities were reported at their settlement amount.

The discounts on registered debentures included in deferred income were deferred and allocated over their term. In addition, other income prior to the balance sheet closing date was recognized as deferred income if it represents income for a specific period after the closing date.

DELAYED DISCLOSURE

In the reporting year, premiums totaling TEUR 4,817 (previous year: TEUR 1,917) from direct-written property and casualty insurance transactions were recorded on a delayed basis due to late submission. In the property and casualty insurance transactions assumed in reinsurance, for which the information from the primary insurer was available through 30 September 2025, no premiums (previous year: TEUR 1,241) were recognized on a delayed basis during the reporting year.

CURRENCY TRANSLATION

Items denominated in foreign currencies were converted using the exchange rate in effect at the time of their acquisition, in accordance with the lower-of-cost-or-market principle as at the balance sheet closing date.

Income and expenses were translated using the exchange rate in effect at the time they were incurred.

FAIR VALUE DETERMINATION

The fair values of the real estate properties in the portfolio were determined using the income approach as at 31 December 2025.

For shares in affiliated companies and investments, fair values were calculated using the income approach, or their respective carrying amounts or proportionate equity were recognized as fair value. For PE investments, the net asset value was recognized as the fair value.

Loans to affiliated companies in the form of a convertible loan were valued using a system-based yield curve valuation method. In this process, risk-adjusted yield curves with market-based risk premiums were assigned to the security. The allocation and differentiation of yield curves were based on security categories, credit ratings, and the distinction between senior and subordinated securities. Any existing termination rights were explicitly valued here.

The fair values of listed fixed-income and non-fixed-income securities were aligned with market prices as at the balance sheet closing date. The fair values of investment funds are derived from the redemption prices as at the balance sheet closing date.

Mortgage, land charge, and annuity receivables were valued using a system-based yield curve valuation method, taking into account the termination rights under the German Civil Code (BGB) and the rights to make special repayments.

Registered debentures and promissory note loans were valued using a system-based yield curve valuation method. In this process, risk-adjusted yield curves with market-based risk premiums were assigned to the securities. The assignment and differentiation of yield curves were based on security categories, credit ratings, and the distinction between senior and subordinated securities. Any existing termination rights were explicitly valued here. Fixed-income securities for which no market price could be determined as at the balance sheet closing date were valued using the same method.

The fair value of deposits with banks is recognized at nominal value.

The remaining loans were valued based on the issuer notifications.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

ASSETS

RE A., B.I. AND B.II. INTANGIBLE ASSETS AND INVESTMENTS

The development of these asset items is shown in the table below. The figures in the "Changes in the consolidation group" column are entirely attributable to the deconsolidation of Eucon GmbH:

RE A., B.I. AND B.II. DEVELOPMENT OF ASSET ITEMS

DEVELOPMENT IN FINANCIAL YEAR 2025		
	Carrying amounts	Changes to the scope of consolidation
	TEUR	TEUR
A. INTANGIBLE ASSETS		
I. Purchased concessions, industrial and similar rights and assets and licenses in such rights and assets	136,519	–24,161
II. Goodwill	70,035	–35,100
III. Advance payments	16,193	–
Total A.	222,747	–59,261
B. INVESTMENTS		
I. Real properties, rights equivalent to real property and buildings, including buildings on third-party real properties	105,475	–
II. Investments in affiliated and associated companies		
1. Shares in affiliated companies	46,175	–35,659
2. Loans to affiliated companies	–	–
3. Participating interests in associated companies	62,733	–
4. Other participating interests	66,601	–
5. Loans to associated companies	1,530	–30
Total B.II.	177,039	–35,689
Total	505,261	–94,950

Additions	Reclassifications	Disposals	Appreciation	Write-downs	Currency translation differences	Carrying amounts for Financial year
TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
8,655	–80	–64	–	–44,786	–	76,084
–	–	–	–	–34,935	–	–
–	–	–41	–	–	–	16,152
8,655	**–80**	**–105**	**–**	**–79,721**	**–**	**92,236**
917	–	–302	–	–4,812	–	101,278
30,700	–	–3,708	3,104	–1,179	351	39,784
499	1,500	–1,214	–	–785	–	–
–	–	–	1,141	–768	–782	62,324
1,500		–919	–	–1,500	–	65,682
–	–1,500	–	–	–	–	–
32,699	**–**	**–5,841**	**4,245**	**–4,232**	**–431**	**167,790**
42,271	**–80**	**–6,248**	**4,245**	**–88,765**	**–431**	**361,304**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

RE A.I. CONCESSIONS ACQUIRED FOR CONSIDERATION, INDUSTRIAL PROPERTY RIGHTS AND SIMILAR RIGHTS AND ASSETS, AS WELL AS LICENSES TO SUCH RIGHTS AND ASSETS

During the financial year, intangible assets amounting to EUR 29.4 million were written off on an extraordinary basis.

RE A.II. GOODWILL

In the previous year, this item included the goodwill of the consolidated companies of the Eucon Group, VHV Assicurazioni, and the InterEurope Group. In total, goodwill was amortized in the financial year as scheduled by EUR 14.9 million and on an unscheduled basis by EUR 20.0 million.

The goodwill of the Eucon Group was amortized as scheduled by EUR 5.0 million (previous year: EUR 6.7 million) up to the date of deconsolidation.

RE B.I. REAL PROPERTIES, RIGHTS EQUIVALENT TO REAL PROPERTIES, AND BUILDINGS, INCLUDING BUILDINGS ON THIRD-PARTY REAL PROPERTIES

The balance sheet value of the real properties and buildings primarily used by the Group companies for their own operations amounted to EUR 92.5 million (previous year: EUR 96.4 million).

RE B.II.1. SHARES IN AFFILIATED COMPANIES

This item relates to nine companies that were not included in the consolidation group due to their subordinate significance (Section 296(2) HGB) of which two companies were accounted for using the equity method. In the previous year, this item also included four non-fully consolidated companies of the Eucon Group with combined book values of EUR 35.9 million.

RE B.II.3. PARTICIPATING INTERESTS IN ASSOCIATED COMPANIES

The equity method was applied to four associated companies in accordance with Section 312(1) HGB. The difference between the carrying amount and the proportionate equity of these associated companies amounted to EUR 0.3 million. For one company, this difference included goodwill of EUR 0.3 million.

RE B.II.4. OTHER PARTICIPATING INTERESTS

For the sake of clarity and transparency, an investment that was not accounted for using the equity method has been reported under "Other particpations."

RE B.III.1. EQUITYIES, SHARES, OR EQUITIES IN INVESTMENT ASSETS AND OTHER NON-FIXED INTEREST SECURITIES

	31.12.2025 EUR million	31.12.2024 EUR million
Investment assets		
of which non-current assets	5,910.5	5,554.9
of which current assets	86.4	85.9
Total	**5,996.9**	**5,640.9**

The application of the moderate lower of cost or market value principle resulted in the avoidance of write-downs of EUR 73.7 million.

RE B.III.2. BEARER BONDS AND OTHER SECURITIES WITH FIXED INTEREST RATES

	31.12.2025 EUR million	31.12.2024 EUR million
Bearer bonds		
of which non-current assets	6,061.9	5,407.0
of which current assets	37.8	41.7
Total	**6,099.7**	**5,448.7**

The application of the moderate lower value principle resulted in the avoidance of write-downs totaling EUR 800.7 million.

RE B.III.6. OTHER INVESTMENTS

This item consists exclusively of investments in private equity and infrastructure equity.

RE C. INVESTMENTS FOR THE ACCOUNT AND RISK OF LIFE INSURANCE POLICY HOLDERS

The total of investments for the account and risk of policy holders amounted to EUR 249.9 million (previous year: EUR 280.8 million).

RE F.II. OTHER PREPAID EXPENSES

Prepaid expenses primarily included premiums on registered debentures amounting to EUR 8.8 million (previous year: EUR 11.3 million) and advance payments for maintenance contracts of EUR 21.7 million (previous year: EUR 20.0 million).

RE: G. DEFERRED TAX ASSETS

Future tax benefits (deferred tax assets) resulted primarily from differences between the financial statements and the tax balance sheet regarding investments, actuarial reserves, and pension reserves.

In accordance with the option under Section 274 (1) HGB in conjunction with Section 306 HGB, future tax charges and tax benefits were offset against each other in the deferred tax assets item, with a net asset balance reported.

DISCLOSURE PURSUANT TO SECTION 314 (1) NO. 10 HGB

	Carrying amount EUR million	Fair value EUR million
Equities, shares or equities in investment assets and other non-fixed interest securities	2,267.0	2,193.3
Bearer bonds and other securities with fixed interest rates	5,414.0	4,613.3
Mortgage, land charge and annuity charge receivables	933.7	762.8
Other loans	426.5	319.5
Miscellaneous investments	266.7	240.5
Total	**9,307.9**	**8,129.4**

Due to the creditworthiness of the issuers or the degree of collat-eralisation, the losses in value in securities were not considered permanent.

DISCLOSURE PURSUANT TO SECTION 314(1)(12) OF THE GERMAN COMMERCIAL CODE (HGB)

Investments held for the account and at the risk of life insurance policy holders (unit-linked and fund-linked insurance policies) were valued at EUR 249.9 million (previous year: EUR 280.8 million) at fair value (redemption value).

DISCLOSURE PURSUANT TO SECTION 314(1)(18) HGB

The table below provides detailed information on the investment funds in which the VHV Group holds more than 10 % of the issued shares.

Type of fund / Investment objective	Fair value (EUR million)	Hidden reserves (EUR million)	Hidden liabilities (EUR million)	Distribution in 2025 (EUR million)
Property funds	1,768.1	375.9	–	32.3
Mixed funds	4,935.2	443.0	−73.7	65.8

The return of shares in the real property fund may be deferred if exceptional circumstances exist that make a deferral appear necessary, taking into account the interests of the investors. In the event of exceptional circumstances or insufficient liquidity, redemption may also be deferred for the other funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

LIABILITIES

RE: A.I. RETENED EARNINGS
The change in retained earnings consists of setting EUR 0.3 million to the loss reserve and a change in other retained earnings of EUR 197.2 million. In addition, other retained earnings decreased by EUR 109.5 million as at 31 December 2025 in favor of the other shareholder, FCP, in the item “Non-controlling interests.”

RE: A.III. NON-CONTROLLING INTERESTS
This item reports the shares of equity in the subsidiaries included in the consolidated financial statements that are attributable to other shareholders. As at the balance sheet closing date, minority interests in the subsidiaries SICAV VHV Allgemeine amounted to EUR 448.0 million, Strategic Digital Holding to EUR 5.0 million, VHV Italia of EUR 3.2 million (previous year: EUR 3.3 million), indirectly in Eucon Digital of EUR -5.0 million (previous year: EUR -3.6 million), in InterEurope Beteiligung, and indirectly in InterEurope AG totaling EUR -0.3 million (previous year: EUR 0.4 million). In the previous year, a share of EUR 9.6 million from Eucon GmbH was included in the consolidated balance sheet. With the departure of Eucon GmbH from the Group, a share of EUR 5.1 million was deconsolidated. The share in SICAV VHV Allgemeine belongs to the FCP, which is excluded from full consolidation in the VHV consolidated financial statements pursuant to Section 290 (2) No. 4.

D.I. RESERVES FOR PENSIONS AND SIMILAR LIABILITIES
In accordance with Section 246 (2) Sentence 2 HGB, the asset values of pledged reinsurance policies amounting to EUR 82.5 million (previous year: EUR 85.5 million) (fair value) were offset against the settlement amount of the associated pension reserves before netting of EUR 259.3 million (previous year: EUR 264.5 million). The fair value of the reinsurance policies subject to this offset also corresponds to their acquisition costs. Income from reinsurance policies was offset in the income statement against interest expense from pension liabilities. The offset amount was EUR 2.6 million (previous year: EUR 2.5 million). The fair value of the reinsurance policies is determined based on the actuarial reserve, including surplus credits.

The difference between the valuation of the reserve for pensions using the ten-year average interest rate and the seven-year average interest rate in accordance with Section 253(6), sentence 1 HGB amounts to EUR -4.2 million (previous year: EUR -2.2 million).

F. OTHER LIABILITIES
As at the balance sheet closing date, other liabilities with a remaining term of more than five years amounted to EUR 134.3 million (previous year: EUR 149.1 million).

RE: F. III. LIABILITIES TO BANKS
Liabilities to banks amounting to EUR 39.0 million (previous year: EUR 41.5 million) are secured by the pledge of shares and the assignment of receivables as collateral (collateral assignment).

RE: G. DEFERRED INCOME
This balance sheet item primarily included discounts on registered debentures in the amount of EUR 1.5 million (previous year: EUR 1.8 million). In the previous year, this item also included advance payments received of EUR 1.4 million and deferred income for service contracts of EUR 3.4 million from Eucon GmbH.

CONSOLIDATED INCOME STATEMENT

RE I.1.A) AND II.1.A) BOOKED GROSS PREMIUMS

	Property-casualty insurance transactions/ EUR million	Life insurance transactions EUR million	Total EUR million
Direct-written insurance transactions	3,353.7	1,023.6	4,377.3
Insurance transactions assumed in reinsurance coverage	152.0	–	152.0
Total	**3,505.7**	**1,023.6**	**4,529.3**

Of the gross premiums written for direct-written insurance transactions, EUR 4,140.9 million (previous year: EUR 3,631.3 million) was attributable to domestic business and EUR 409.7 million (previous year: EUR 395.2 million) to foreign business (primarily EU member states).

RE I.2. TECHNICAL INTEREST INCOME FOR OWN ACCOUNT

Technical interest income was calculated uniformly using an actuarial interest rate of 0.9 % for pension obligations arising up to 2021 and 0.25 % for pension obligations arising from 2022 onward. In addition, the effects of an increase in the technical interest rate to 1.0 % were added for pension obligations arising up to 31 December 2016. Overall, this resulted in negative technical interest income. The reinsurers' share has been deducted.

RE I.4.A) EXPENSES FOR INSURANCE CLAIMS ON OWN ACCOUNT

In the financial year, a settlement gain of 4.4 % (previous year: 10.1 %) of net premiums earned was achieved. This profit resulted primarily from direct insurance business in the liability and motor insurance lines.

RE I.7. AND II. 9. EXPENSES FOR INSURANCE OPERATIONS FOR OWN ACCOUNT

This item includes underwriting expenses of EUR 648.4 million (previous year: EUR 588.4 million) and administrative expenses of EUR 226.1 million (previous year: EUR 222.3 million).

RE II.10.B) DEPRECIATION ON FIXED INVESTMENTS

Depreciation on investments classified as non-current assets included extraordinary depreciation pursuant to Section 253 (3) Sentence 5 HGB (moderate lower-of-cost-or-market principle) in the amount of EUR 20.9 million (previous year: EUR 19.1 million). Of this amount, EUR 20.9 million (previous year: EUR 18.6 million) related to private equity and infrastructure investments. Amortization on shares in affiliated companies and investments totaled less than EUR 50 thousand (previous year: EUR 0.5 million).

RE III.3.C) DEPRECIATION ON INVESTMENTS

Depreciation on investments in non-current assets included extraordinary depreciation pursuant to Section 277(3) HGB in conjunction with Section 253(3) sentence 5 HGB (moderate lower-of-cost-or-market principle) in the amount of EUR 19.3 million (previous year: EUR 19.9 million). Of this amount, EUR 17.0 million was attributable to private equity and infrastructure investments (previous year: EUR 15.1 million), loans to an affiliated company of EUR 0.8 million (previous year: loans to associated companies of EUR 1.5 million), and equity investments of EUR 1.5 million (previous year: EUR 0.2 million). Impairment losses on shares in affiliated companies amounted to less than EUR 50 thousand (previous year: EUR 0.1 million). In the previous year, real estate was subject to an extraordinary write-down of EUR 3.0 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

REFERENCE III.5. OTHER INCOME

This item was primarily influenced in the financial year by the sale of a subsidiary and the resulting deconsolidation gain. The deconsolidated company's share of other income amounted to EUR 12.6 million as of 30 September (previous year: EUR 18.0 million). Other income also includes income from currency conversion in the amount of EUR 20.5 million (previous year: EUR 12.5 million).

RE: III.6. OTHER EXPENSES

Other expenses include scheduled amortization of goodwill of EUR 14.9 million and unscheduled write-downs of EUR 20.0 million. Furthermore, the item includes the interest portion of EUR 4.7 million (previous year: EUR 5.6 million) and expenses from interest additions to other long-term provisions in the amount of EUR 0.5 million (prior year: EUR 0.2 million). Interest and similar expenses are reduced by interest to be offset from assets eligible for netting in the amount of EUR 2.6 million (previous year: EUR 2.5 million). Currency conversion includes expenses of EUR 20.6 million (previous year: EUR 6.0 million). Eucon GmbH's share of other expenses through 30 September amounts to EUR 24.5 million (previous year: EUR 32.8 million).

ADDITIONAL INFORMATION

SUPERVISORY BOARD

Dr. Achim Kann
Honorary Chairman
Chairman of the Management Board (retired)
GLOBALE Rückversicherungs AG, Cologne;
Chairman of the Management Board (retired)
Frankona Rückversicherungs-AG, Munich

Dr. Peter Lütke-Bornefeld
Honorary Chairman
Chairman of the Management Board (retired)
of General Reinsurance AG, Cologne

MEMBERS ELECTED BY THE MEMBERS' MEETING:

Uwe H. Reuter
Chairman
Chairman of the Management Board (retired)
VHV Vereinigte Hannoversche Versicherung a.G. and VHV Holding AG, Hanover (since 2024 VHV Holding SE, Hanover);
Chairman of the Management Board of PATRIZIA SE, Augsburg (until 4 June 2025)
Chairman of the Advisory Board of Solutio AG, Grünwald

Fritz-Klaus Lange, lawyer
Deputy Chairman
Chairman of the Management Board (retired)
Gegenbauer Holding SE & Co. KG, Berlin;
Chairman of the Management Board (retired)
RGM Facility Management GmbH, Berlin / Dortmund

Dr. Josef Adersberger
Managing Director of QAware GmbH, Munich;
Advisory Board of TWIP Venture Studio GmbH & Co. KG, Munich

Dr. Thomas Birtel
Chairman of the Management Board (retired)
STRABAG SE, Vienna / Austria;
Member of the Supervisory Board of Wienerberger AG, Vienna / Austria

SUPERVISORY BOARD

Thomas Bürkle
Chairman of the Management Board (retired)
NORD/LB Norddeutsche Landesbank Girozentrale, Hanover;
Senior Advisor Boston Consulting Group, Boston/USA
Vice Chairman of the Supervisory Board of Modulat Leasing AG, Hanover

Sarah Rössler
Former member of the Management Board of the HUK-COBURG Versicherungsgruppe, Coburg;
Chairwoman of the Supervisory Board of MLP SE, Wiesloch;
Chairwoman of the Supervisory Board of MLP Banking AG, Wiesloch

Management Board

Thomas Voigt
Chairman, Hanover

Arndt Bickhoff
IT, Hamburg

Frank Hilbert
Life Insurance, Hanover

Dr. Sebastian Reddemann
Property-Casualty Insurance, Hanover

Ulrich Schneider
Investments, Hanover

Sebastian Stark
Finance and Risk Management, Hanover

GENERAL MANAGER

Boris Sonntag (as at 1 January 2026)
Investments, Hanover

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

LIST OF SHARE OWNERSHIP AS AT 31 DECEMBER 2025

Companies included in the consolidated financial statements			
Name of the company	**Domicile of the company**		**Equity interest**
Group parent			
VHV Vereinigte Hannoversche Versicherung a.G.	Hanover	Germany	
Subsidiaries			
digital broking GmbH	Hanover	Germany	100.00 %
Eucon Digital GmbH	Münster	Germany	100.00 %
Hannoversche Direktvertriebs-GmbH	Hanover	Germany	100.00 %
Hannoversche Lebensversicherung AG	Hanover	Germany	100.00 %
Hannoversche-Consult GmbH	Hanover	Germany	100.00 %
InterEurope AG European Law Service	Düsseldorf	Germany	100.00 %
InterEurope Beteiligung GmbH	Hanover	Germany	96.50 %
Pensionskasse der VHV-Versicherungen	Hanover	Germany	-
Securess Versicherungsmakler GmbH	Bochum	Germany	100.00 %
Strategic Digital Holding GmbH	Münster	Germany	90.00 %
VAV Versicherungs-Aktiengesellschaft	Vienna	Austria	100.00 %
VHV Allgemeine Sigorta A.Ş.	Istanbul	Turkey	100.00 %
VHV Allgemeine Versicherung AG	Hanover	Germany	100.00 %
VHV Dienstleistungen GmbH	Hanover	Germany	100.00 %
VHV digital development GmbH	Hanover	Germany	100.00 %
VHV digital services AG	Hanover	Germany	100.00 %
VHV Holding SE	Hanover	Germany	100.00 %
VHV International SE	Hanover	Germany	100.00 %
VHV Italia Assicurazioni S.p.A.	Belluno	Italy	91.13 %
VHV Reasürans A.Ş.	Istanbul	Turkey	100.00 %
VHV solutions GmbH	Hanover	Germany	100.00 %
VVH Versicherungsvermittlung Hannover GmbH	Hanover	Germany	100.00 %
WAVE Management AG	Hanover	Germany	100.00 %
WAVE Private Equity SICAV-RAIF - PE Hannoversche Leben	Luxembourg	Luxembourg	100.00 %
WAVE Private Equity SICAV-RAIF - PE VAV	Luxembourg	Luxembourg	100.00 %
WAVE Private Equity SICAV-RAIF - PE VHV Allgemeine	Luxembourg	Luxembourg	51.00 %
WAVE Private Equity SICAV-RAIF - PE VHV Pensionskasse	Luxembourg	Luxembourg	100.00 %

The VHV Insurance Pension Fund and WAVE Private Equity SICAV-RAIF are fully consolidated as special-purpose entities in accordance with Section 290(2)(4) HGB.

Subsidiaries not included in the consolidated financial statements due to immateriality or undue delays

Name of the company	Domicile of the company		Equity interest
Adveq Opportunity II Zweite GmbH i.L.	Frankfurt am Main	Germany	51.72 %
CraftCare GmbH (vorm. Hand schafft Wert GmbH)	Everswinkel	Germany	60.00 %
Eilenriede 2. V V GmbH	Hanover	Germany	100.00 %
Eilenriede V V GmbH	Hanover	Germany	100.00 %
Ernst Stibl GesmbH	Lunz am See	Austria	80.00 %
Lignum Verwaltungs- und Verwertungs GmbH	Graz	Austria	100.00 %
Lignum Verwaltungs- und Verwertungs GmbH & Co KG	Graz	Austria	100.00 %
Securess Mehrfachagentur GmbH	Bochum	Germany	100.00 %
VHV Informatyka Sp. z o.o.	Warsaw	Poland	100.00 %

Joint ventures and associated companies for at equity

Name of the company	Domicile of the company		Equity interest
Deutsche Rückversicherung Schweiz AG	Zurich	Switzerland	23.75 %
Neue Rechtsschutz-Versicherungsgesellschaft AG	Mannheim	Germany	34.02 %
Olimpia Cauzioni e Rischi Tecnologici S.r.L.	Rome	Italy	50.00 %
Trustlog GmbH	Hamburg	Germany	50.00 %

Other associated companies

Name of the company	Domicile of the company		Equity interest
Adveq Europe IV B Erste GmbH	Frankfurt am Main	Germany	37.88 %

Other participations

Name of the company	Domicile of the company		Equity interest	Equity in TEUR	Net profit for the year in TEUR
BCA AG	Oberursel (Taunus)	Germany	9.99 %	10,630	–708
Deutsche Makler Akademie (DMA) GmbH	Bayreuth	Germany	2.86 %	660	6
ESB GmbH	Coburg	Germany	18.32 %	344,248	41,229
EXTREMUS Versicherungs-Aktiengesellschaft	Cologne	Germany	1.00 %	64,303	1,543
GDV Dienstleistungs-GmbH	Hamburg	Germany	1.91 %	36,679	3,339
Hannover Marketing und Tourismus GmbH	Hanover	Germany	1.53 %	581	21
HsW Holding GmbH	Everswinkel	Germany	10.00 %	188	–25
KTI Kraftfahrzeugtechnisches Institut und Karosseriewerkstätte GmbH & Co. KG	Lohfelden	Germany	7.08 %	1,040	302
Protektor Lebensversicherungs-AG	Berlin	Germany	1.74 %	8,202	251
Roland Partner Beteiligungsverwaltung GmbH	Cologne	Germany	12.57 %	1,029	191
Telebelluno S.r.l.	Belluno	Italy	0.10 %	1,515	–497
TopReport Schadenbesichtigungs GmbH	Vienna	Austria	12.50 %	283	0
Ufficio Centrale Italiano di Assistenza Assicurativa Automobilsti in Circolazione Internazionale U.C.I. Soc.Cons.A R.L.	Milan	Italy	0.04 %	4,265	389
VDG - Versicherungswirtschaftlicher Datendienst GmbH	Dortmund	Germany	8.55 %	1,175	98
VST Gesellschaft für Versicherungsstatistik mbH i.L.	Hanover	Germany	9.09 %	537	–

The figures relate to the most recent financial year for which annual financial statements are available.
Financial statements in foreign currency were translated to euro using the middle spot exchange rate on the reporting date.

CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Outstanding guarantee commitments in credit and surety insurance amounted to EUR 14,719.2 million as at 31 December 2025 (previous year: EUR 14,109.7 million).

Pursuant to Sections 221 et seq. of the Insurance Supervision Act (VAG), HL is a member of the Guarantee Fund for Life Insurers. The Guarantee Fund levies annual contributions of up to 0.2‰ of the total net technical reserves on the basis of the Guarantee Fund Financing Regulation (Life), until a guarantee fund of 1.0‰ of the total net technical reserves has been built up. As in previous years, HL no longer has any future obligations arising from this, as the target amount has been reached.

The Guarantee Fund may also levy special contributions amounting to an additional 1.0‰ of the total net technical reserves; this corresponds to an obligation of EUR 7.6 million (previous year: EUR 7.4 million).

In addition, HL has committed to providing financial resources to the Security Fund or, alternatively, to Protektor Lebensversicherungs-AG, should the Security Fund's resources prove insufficient in the event of a restructuring. The obligation amounts to 1.0 % of the total net technical reserves, taking into account the contributions already made to the Security Fund as of that date. Including the aforementioned payment obligations arising from contributions to the Security Fund, the total obligation as at 31 December 2025, amounts to EUR 68.6 million (previous year: EUR 66.3 million).

VHV Allgemeine has issued a letter of comfort in favor of the affiliated company VHV Re. According to this, it ensures that VHV Re is able to meet its contractual obligations. Based on current information, it is extremely unlikely that the letter of comfort will be called upon, given VHV Re's equity base and business performance.

The company is a member of the association "Verkehrsopferhilfe e. V." By virtue of this membership, VHV Allgemeine is obligated to provide the association with the funds necessary to fulfill its purpose, in proportion to its share of the premium income that the member companies generated from their own motor vehicle liability insurance business in the penultimate calendar year.

With regard to pension commitments, reinsurance policies taken out for the purpose of insolvency protection were pledged in favor of the beneficiaries in the amount of EUR 86.6 million (previous year: EUR 85.5 million).

Payment obligations arising from committed mortgage, land charge, and annuity debt claims amounted to EUR 6.1 million (previous year: EUR 26.1 million).

Datelligence Equity Partners GmbH, Olsberg, holds a put option against VHV Holding for the sale of 10 % of the shares in SDH. The put option may be exercised (i) within two months from the date of approval of SDH's annual financial statements for the 2025 financial year, but no later than 1 June of the year following the relevant financial year, and then again within the same period after every fifth subsequent financial year, or (ii) within two months for reasons of dissent.

LBL GmbH, Munich, holds a put option to sell 3.5 % of the shares in InterEurope Beteiligung to VHV Holding. The put option may be exercised (i) at any time following the occurrence of a good-leaver event or (ii) within two months from the date of approval of InterEurope Beteiligung's annual financial statements for the 2026 financial year, but no later than 1 June of the year following the relevant financial year, and thereafter again during the same period following each subsequent financial year.

The total amount of the Group's other financial obligations amounted to a maximum of EUR 1,317.5 million (previous year: EUR 1,223.5 million) and is presented below:

Commitments to make additional payments arising from investments in the PE/IE segment and equity investments amounted to EUR 1,043.9 million (previous year: EUR 1,078.3 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

In the real estate segment, there were payment obligations totaling EUR 204.5 million (previous year: EUR 74.8 million).

Future payment obligations arising from lease, license, maintenance, and rental agreements—some of which are long-term—amounted to EUR 69.0 million (previous year: EUR 70.4 million).

There are no other contingent liabilities not disclosed in the balance sheet or the notes. There are no further guarantees or promissory note obligations.

ANNUAL AVERAGE NUMBER OF EMPLOYEES

The average number of employees at the companies included in the consolidated financial statements for the 2025 financial year was 4,588 (previous year: 4,387), of whom 4,158 (previous year: 4,015) were based in Germany and 430 (previous year: 372) abroad. In addition, there were 68 (previous year: 69) apprenticeship contracts in Germany on average for the year.

The Group's personnel expenses amounted to EUR 443.5 million in 2025 (previous year: EUR 414.0 million). Of this amount, wages and salaries accounted for

EUR 363.8 million (previous year: EUR 327.4 million), social security costs for EUR 57.3 million (previous year: EUR 55.3 million), and pension costs for EUR 12.0 million (previous year: EUR 15.1 million).

TOTAL REMUNERATION OF THE SUPERVISORY BOARD AND MANAGEMENT BOARD

The total compensation for members of the Supervisory Board amounted to EUR 2.2 million (previous year: EUR 2.1 million), that for members of the Management Board to EUR 7.5 million (previous year: EUR 7.7 million), and that for former members of the Management Board and their surviving dependents to EUR 3.0 million (previous year: EUR 2.9 million).

The pension provision established for former members of the Management Board and their surviving dependents amounted to EUR 55.5 million as at the balance sheet closing date (previous year: EUR 56.5 million).

AUDITORS' FEES

The expenses attributable to 2025 for the Group auditors were broken down as follows:

Expenses for the audit of the annual financial statements: EUR 1.4 million (previous year: EUR 1.4 million), other assurance services: EUR 0.2 million (previous year: EUR 0.2 million), and other services, as in the previous year, of less than EUR 0.1 million.

DISCLOSURE PURSUANT TO SECTION 314(1)(22A) HGB

As a multinational corporate group, the VHV Group reports consolidated revenue of more than EUR 750 million and is therefore subject to the global minimum taxation regulations implemented in Germany by the Minimum Tax Act (MinStG). The ultimate parent company and group entity within the meaning of the MinStG is VHV a.G.

Currently, business units in 19 countries have been identified, of which 15 countries have implemented global minimum tax regulations (see the list below; as of the current status, all national supplementary taxes are to be assessed as qualified national supplementary taxes – QDMTT).

Lfd. Nr.	Country	First-time application of Pillar 2
1	Germany	01.01.2024 (DMTT / IIR) / from 2025 UTPR
2	Italy	01.01.2024 (DMTT / IIR) / from 2025 UTPR
3	France	01.01.2024 (DMTT / IIR) / from 2025 UTPR
4	Austria	01.01.2024 (DMTT / IIR) / from 2025 UTPR
5	Turkey	01.01.2024 (DMTT / IIR) / from 2025 UTPR
6	Luxembourg	01.01.2024 (DMTT / IIR) / from 2025 UTPR
7	Poland	from 2025 (DMTT/IIR/UTPR), with the option to apply the provisions from 2024
8	Belgium	01.01.2024 (DMTT / IIR) / from 2025 UTPR
9	Portugal	01.01.2024 (DMTT / IIR) / from 2025 UTPR
10	Spain	01.01.2024 (DMTT / IIR) / from 2025 UTPR
11	Great Britain	01.01.2024 (DMTT / IIR) / from 2025 UTPR
12	Netherlands	01.01.2024 (DMTT / IIR) / from 2025 UTPR
13	China	N.A.
14	Canada	1 January 2024 (DMTT/IIR); Draft legislation for the introduction of UPTR from 2025
15	USA	N.A. (CAM-T)
16	Russia	N.A.
17	Mexico	Intention to implement IIR/UTPR
18	Argentina	N.A.
19	Brazil	DMTT from 2025

Pursuant to Section 274(3) HGB, differences arising from the application of the Global Minimum Tax Act (MinStG) and comparable foreign laws are not to be taken into account when calculating deferred taxes.

For the 2025 financial year, the current tax expense resulting from the global minimum tax amounts to EUR 0.

Current analyses indicate that the VHV Group can initially significantly reduce both the compliance costs and the potential tax burden in Germany by making extensive use of simplification provisions (so-called “safe harbors” pursuant to Sections 79 through 81 and 84 through 87 and 89 of the MinStG) and, where applicable, by exercising specific election rights. In particular, the VHV Group applies the so-called CbCR safe harbor pursuant to Sections 84 et seq. of the MinStG. For foreign entities, it is currently assumed that the effective tax rates determined within the framework of the effective tax rate test under the German regulations regarding the CbCR safe harbor can be used as the basis for determining a potential national supplementary tax abroad. All countries in which VHV operates and which have implemented the Pillar 2 regulations at the national level also provide for a national CbCR safe harbor, which the VHV Group could apply in each case.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

REPORT ON EVENTS AFTER THE BALANCE SHEET CLOSING DATE

At this time, it is not yet possible to reliably assess the impact of the outbreak of the Middle East war on the overall economic development of Germany and the EU. There are no significant exposures in the insurance and investment portfolios, and therefore no current adverse effects on the VHV Group. The longer the war in the Middle East continues, the greater the macroeconomic consequences could be. The effects of the war in the Middle East on the VHV Group's future net assets, financial position, and results of operations cannot therefore be conclusively assessed at this time, meaning that forecasts regarding the net assets, financial position, and results of operations are currently subject to a high degree of uncertainty.

Hanover, 16 March 2026

THE MANAGEMENT BOARD

Voigt	Bickhoff
Hilbert	Dr. Reddemann
Schneider	Stark

INDEPENDENT AUDITOR'S REPORT

To VHV Vereinigte Hannoversche Versicherung a.G.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Opinions

We have audited the consolidated financial statements of VHV Vereinigte Hannoversche Versicherung a.G., Hanover, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, and the consolidated income statement, consolidated cash flow statement and consolidated statement of changes in equity for the financial year from 1 January 2025 to 31 December 2025, and notes to the consolidated financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the group management report of VHV Vereinigte Hannoversche Versicherung a.G. for the financial year from 1 January 2025 to 31 December 2025.

In accordance with the German legal requirements, we have not audited the content of the group non-financial statement contained in the "Non-financial statement" section of the group management report.

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

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law applicable to insurance companies and give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2025 and of its financial performance for the financial year from 1 January 2025 to 31 December 2025 in compliance with German legally required accounting principles, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the content of the group non-financial statement referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB ["Handelsgesetzbuch": German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

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

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

DETERMINATION OF THE EXPECTED PERMANENT IMPAIRMENT OF OTHER INVESTMENTS CLASSIFIED AS NON-CURRENT ASSETS

Reasons why the matter was determined to be a key audit matter:

Investments classified as non-current assets are written down to the lower net realisable value if their impairment is expected to be permanent. The Board of Directors must exercise judgement to determine if and to what extent these investments are considered to be permanently impaired.

Significant unrealized losses exist, in particular, with regard to investment fund units, bearer bonds and other loans presented under other investments. In light of this, there is a risk for the consolidated financial statements that the expected permanent impairment of the aforementioned investments is not identified or that judgement is not exercised appropriately and that the required write-downs to the lower realisable value are not made or not made in the right amount. We therefore consider the determination of expected permanent impairment of the investments classified as non-current assets to be a key audit matter.

Auditor's response:
Taking the aforementioned risks into account, we audited the determination of expected permanent impairment of investments classified as non-current assets as follows:

- We examined the processes implemented to determine any expected permanent impairment and the amount thereof. In this respect, we assessed whether the implemented processes were designed appropriately to identify, in compliance with the IDW's professional standards, any expected permanent impairment and the amount thereof and whether they were applied systematically.
- For investment fund units with unrealized losses, in particular special annuity funds, we examined a judgemental sample to satisfy ourselves that the required analysis at the level of the individual securities and the assessment of the permanent nature and amount of any potential impairment were appropriately performed and that any required impairment losses were recognised in the amount of the expected permanent impairment.
- For fixed-income investments with unrealized losses, in particular bearer bonds, registered bonds and promissory note loans, we performed substantive audit procedures and evaluated, on the basis of evaluations and analyses prepared by the executive directors, whether their assessment that any impairment was not permanent was appropriate.
- In this respect, we examined whether any bad debts or significant deteriorations of credit ratings of issuers had arisen with regard to these investments. For this purpose, we assessed the appropriateness of the default risk estimates provided to us.
- In addition, we obtained further estimates from persons responsible for this matter regarding the credit ratings of issuers of these investments.

Our audit procedures did not lead to any reservations regarding the determination of the expected permanent impairment of investments classified as non-current assets.

Reference to related disclosures:
The disclosures on the determination of the expected permanent impairment of investments classified as non-current assets are included in the "Accounting, valuation and calculation methods" section of the notes to the consolidated financial statements.

VALUATION OF THE GROSS ACTUARIAL RESERVE

Reasons why the matter was determined to be a key audit matter:
The gross actuarial reserve is predominantly calculated using the prospective method in accordance with Sec. 341f HGB and Sec. 25 RechVersV ["Versicherungsunternehmens-Rechnungslegungsverordnung": German Regulation on the Accounting of Insurance Companies] (present value of future benefits less present value of future premiums). The gross actuarial reserve is calculated by reference to the tariffs.

For the calculation of the gross actuarial reserve, requirements of German supervisory and commercial law as well as assumptions specific to the entity are to be taken into account. These primarily include assumptions on biometrics (e.g., mortality/longevity, occupational disability), the exercise of policy holder options (cancellation and lump-sum payment), costs and the interest rate applied to insurance obligations. These are based on the bases used to calculate the premiums for the various tariffs and on current calculation bases. The latter can arise from legal provisions, such as the reference interest rate in accordance with the DeckRV ["Verordnung über Rechnungsgrundlagen für die Deckungsrückstellungen": German Regulation on the Principles Underlying the Calculation of the Premium Reserves] or from publications by the DAV "Deutsche Aktuarvereinigung": German Association of Actuaries], such as a more recent mortality table for longevity risk. Entity-specific assumptions are also used, such as the probability of cancellation and lump-sum payment options being exercised or biometric assumptions that deviate from the tables published by the DAV.

In particular, when recognising the gross actuarial reserve insurance companies also have to consider interest rate obligations to policy holders if the current or expected income from the entity's assets is not sufficient to

INDEPENDENT AUDITOR'S REPORT

meet these obligations ("supplementary change-in-discount-rate reserve" and "discount rate reserve"). These are reported as part of the gross actuarial reserve.

When calculating the supplementary change-in-discount-rate reserve and the discount rate reserve, the executive directors exercise some of the options afforded by the BaFin ["Bundesanstalt für Finanzdienstleistungsaufsicht": German Federal Financial Supervisory Authority] circular "Guidance on calculation of the supplementary change-in-discount-rate reserve for new policies and the allocation to the discount rate reserve for existing policies" dated 5 October 2016 (VA 26-FR 3208 2015/0001). In this context, the Board of Directors uses probabilities of cancellation and lump-sum payment, the determination of which involves judgement and estimation. In addition, biometric calculation bases with reduced safety margins are used that are based on developments in the Group's portfolio observable over several years and that also involve judgement.

Some of the sub-portfolios were migrated to a new portfolio management system in the reporting year. This entails a risk that insurance policies and the related portfolio data are transferred incompletely or incorrectly.

We consider the valuation of the gross actuarial reserve to be a key audit matter because it accounts for a significant share of total liabilities and shareholders' equity and because of the judgement and estimates used to calculate the probabilities of cancellation and lump-sum payment for the supplementary change-in-discount rate reserve and the discount rate reserve and in the more recent biometric calculation bases.

Auditor's response:
Taking the aforementioned risks into account, we audited the gross actuarial reserve as follows:

- We performed a walkthrough of the processes for calculating the gross actuarial reserve and assessed the design and operating effectiveness of the material controls in these processes. The tested controls ensure that the insurance portfolio and is recorded completely and correctly and that it is properly measured.
- By reconciling the portfolio management systems with the general ledger, we tested whether the procedures ensure that the portfolio is complete and correct.
- We then analysed the gross actuarial reserve by way of a projection based on the breakdowns of the sources of profit from the past years and the current portfolio development and compared this analysis with the values in the balance sheet. In addition, we examined the development of the gross actuarial reserve via metric and time series analyses.
- Moreover, we recalculated the gross actuarial reserve calculated on the basis of tariffs and the supplementary change-in-discount-rate reserve/discount rate reserve for a judgemental sample of sub-portfolios or policies and compared the results to the calculations of the executive directors. To assess the traceability of the probabilities of cancellation and lump-sum payment as well as the more recent entity-specific biometric assumptions (relief) for the calculation of the supplementary change-in-discount rate reserve and the discount rate reserve, we evaluated the derivation on the basis of historical and current portfolio development, sources of profit and the Board of Directors' expectations of policy holders' future behaviour. When assessing the appropriateness of the calculation assumptions used, we referred in particular to the recommendations and publications of the DAV and BaFin. In this context, we carried out a detailed review of the explanatory report and the adequacy report of the assigned actuary and the results of the annual forecast calculation in accordance with BaFin requirements to determine whether all risks were accounted for in the measurement of the gross actuarial reserve with regard to the appropriateness of the calculation bases and the ability to fulfil insurance policies at all times.

- We satisfied ourselves that the control and reconciliation procedures for data migration are appropriate and suitable for ensuring the complete and correct migration of the portfolio data.

We deployed in-house specialists with actuarial knowledge in our audit. Our audit procedures did not lead to any reservations regarding the measurement of the gross actuarial reserve.

Reference to related disclosures:
The disclosures on the principles for the measurement of the gross actuarial reserve and the probabilities of cancellation and lump-sum payment and biometric assumptions contained therein are included in the "Accounting, valuation and calculation methods" section of the notes to the consolidated financial statements.

MEASUREMENT OF THE GROSS OUTSTANDING CLAIMS RESERVE FOR DIRECT BUSINESS

Reasons why the matter was determined to be a key audit matter:
The gross outstanding claims reserve for direct business reported in the consolidated financial statements ("gross reserve for partial losses for insurance claims not yet processed in direct-written insurance transactions") is primarily divided into gross reserves for known claims and incurred but not reported (IBNR) claims, the measurement of which is guided by the provisions of Sec. 341g HGB.

The gross outstanding claims reserve for known claims is measured separately for each claim at the amount of the expected loss incurred and is based on the knowledge and information as of the reporting date and the Company's experience with similar claims.

The gross outstanding claims reserve for IBNR claims is predominantly determined using actuarial procedures on the basis of historical data (claim numbers and claim averages), the current portfolio development and observations of claim reports in the financial year.

The expected claim-related expenses for both outstanding claims reserves are estimated in accordance with the principle of prudence under Sec. 341e (1) Sentence 1 HGB.

Due to the required estimates and assumptions, there are uncertainties in the measurement of the two gross outstanding claims reserves which entail the exercise of judgement. This particularly relates to the gross outstanding claims reserve for known claims in the liability lines due to the relatively long adjustment period and the gross outstanding claims reserve for IBNR claims. Consequently, there is a risk that the gross outstanding claims reserve on aggregate and in the various classes of the insurance business (especially in the liability lines) is not sufficient. In addition, the gross outstanding claims reserve accounts for a relatively large proportion of total liabilities and shareholders' equity. This is therefore a key audit matter.

Due to the low degree of judgement, the key audit matter does not relate to the annuity reserves included in the gross outstanding claims reserves and loss adjustment reserves.

Auditor's response:
Taking the aforementioned risks into account, we audited the gross outstanding claims reserve as follows:

- We examined the procedures for handling claims and calculating the gross outstanding claims reserve by walking through the handling of certain claims from the time they are reported to the time they are recognised in the consolidated financial statements. In this regard, we tested and assessed the design and operating effectiveness of the material internal controls implemented within these processes to ensure their proper measurement.
- In addition, we assessed the underlying procedures and methods used to measure the gross outstanding claims reserves for known and IBNR claims to determine whether they are suitable for ensuring that the reserves are recognised in a sufficient amount. We also examined whether the inputs underlying the estimate were transparently derived and whether the resulting gross outstanding claims reserve was transparently calculated.
- Furthermore, for a judgemental sample of known claims for various classes of business (especially the liability lines) and types of insurance, we inspected the claim files to examine whether the reserves recognised for such claims were sufficient on the basis of the information and knowledge available as of the reporting date.
- With regard to whether the gross outstanding claims reserve is sufficient on aggregate, we carried out our own loss projections for the three largest classes of business and types of insurance using mathematical-statistical methods. We compared our best estimate with the recognised gross outstanding claims reserve.
- Furthermore, we assessed whether, in hindsight, the gross outstanding claims reserves in previous years were sufficient to cover the actual claims incurred on aggregate and thus to obtain an indications of the appropriateness of past estimates (target/actual comparison).
- Our audit of the calculation of the gross outstanding claims reserve for IBNR claims focused on the transparent derivation of the inputs used by the executive directors to estimate the late claims reserve in the financial year (especially the number of claims and claim averages).

INDEPENDENT AUDITOR'S REPORT

We deployed in-house specialists with actuarial knowledge in our audit.

Our audit procedures did not lead to any reservations regarding the measurement of the gross outstanding claims reserve.

Reference to related disclosures:
The disclosures on the measurement of the gross outstanding claims reserve for are included in the "Accounting, valuation and calculation methods" section of the notes to the consolidated financial statements.

Other information
The Supervisory Board is responsible for the report of the Supervisory Board. In all other respects, the executive directors are responsible for the other information. The other information comprises the abovementioned group non-financial statement and additional parts to be included in the annual report, of which we obtained a copy prior to issuing this auditor's report, in particular:

- The preface to the Board of Directors' report on business performance,
- The group structure presented before the preface to the annual report,
- The key performance indicators, list of abbreviations and glossary, and
- The report of the Supervisory Board,

but not the consolidated financial statements, not the management report disclosures whose content is audited and not our auditor's report thereon.

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

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

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the Supervisory Board for the consolidated financial statements and the group management report
The executive directors are responsible for the preparation of consolidated financial statements that comply, in all material respects, with the requirements of German law commercial applicable to insurance companies, and that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

IIn preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

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

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

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

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

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control and of such arrangements and measures;
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures;
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the applicable German legal requirements;
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the work performed for the group audit. We remain solely responsible for our audit opinions;
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides;
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of

INDEPENDENT AUDITOR'S REPORT

the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

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

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

OTHER LEGAL AND REGULATORY REQUIREMENTS

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as group auditor by the members' meeting on 18 June 2025. We were engaged by the Supervisory Board on 18 June 2025. We have been the group auditor of VHV Vereinigte Hannoversche Versicherung a.G. without interruption since financial year 2018.

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

In addition to the financial statement audit, we have provided to group entities the following services that are not disclosed in the consolidated financial statements or in the group management report:

- Voluntary financial statement audits,
- Review of the group non-financial statement,
- Fiduciary services and
- Audit-related services relating to legally prescribed reports to third parties.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Matthias Zeitler.

Hanover, 26 March 2026

EY GMBH & CO. KG
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

Zeitler Wirtschaftsprüfer	Offizier Wirtschaftsprüfer

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE GROUP SUSTAINABILITY STATEMENT

To VHV Vereinigte Hannoversche Versicherung a. G., Hannover

THE ASSURANCE ENGAGEMENT PERFORMED BY EY RELATES EXCLUSIVELY TO THE GERMAN VERSION OF THE GROUP SUSTAINABILITY STATEMENT 2025 OF VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A.G., HANNOVER. THE FOLLOWING TEXT IS A TRANSLATION OF THE ORIGINAL GERMAN INDEPENDENT ASSURANCE REPORT

Assurance conclusion

We have performed a limited assurance engagement on the non-financial statement (group sustainability statement) of VHV Vereinigte Hannoversche Versicherung a.G., Hannover for the fiscal year from 1 January 2025 to 31 December 2025 included in the management report. The group sustainability statement was prepared to comply with the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Art. 8 of Regulation (EU) 2020/852 as well as Secs. 315b and 315c HGB ["Handelsgesetzbuch": German Commercial Code] for group non-financial statements.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying group sustainability statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Art. 8 of Regulation (EU) 2020/852 as well as Secs. 315b and 315c HGB for group non-financial statements and the elaborative criteria presented by the Company's executive directors. This assurance conclusion also means that nothing has come to our attention that causes us to believe,

- that the accompanying group sustainability statement does not comply, in all material respects, with European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify information to be reported in the group sustainability statement (materiality assessment) is not consistent, in all material respects, with the description provided in the group sustainability statement, and

- that the disclosures identified by 2020/852/EU Taxonomy Regulation in the group sustainability statement do not comply, in all material respects, with Art. 8 of Regulation (EU) 2020/852.

Basis for the conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "Responsibilities of the auditor for the assurance work on the group sustainability statement" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our firm applies IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the executive directors and the supervisory board for the group sustainability statement

The executive directors are responsible for the preparation of the group sustainability statement in accordance with the requirements of the CSRD and the relevant German legal and other European requirements and with the elaborative criteria presented by the Company's executive directors, and for designing, implementing and maintaining such internal control as the executive directors consider necessary to enable the preparation of a group sustainability statement, in accordance with these requirements, that is free from material misstatement, whether due to fraud (i.e., fraudulent group sustainability statement) or error.

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE GROUP SUSTAINABILITY STATEMENT

These responsibilities of the executive directors include the implementation and maintenance of the materiality assessment process, the selection and application of appropriate methods to prepare the group sustainability statement as well as making assumptions and estimates about and determining forward-looking information on individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the group sustainability statement.

Inherent limitations in preparing the group sustainability statement
The CSRD and the relevant German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no comprehensive authoritative interpretations have been published to date. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of any measurement or evaluation of sustainability matters made on the basis of these interpretations is uncertain. As further set forth in section "Disclosures related to specific circumstances" of the group sustainability statement, the determination of gross Scope-3-GHG emissions along the upstream and downstream value chain is also subject to inherent uncertainties due to limited data.

These inherent limitations also apply to the assurance work on the group sustainability statement.

Responsibilities of the auditor for the assurance work on the group sustainability statement
Our objectives are to express a limited assurance conclusion, based on our assurance engagement, about whether any matters have come to our attention that cause us to believe that the group sustainability statement is not prepared, in all material respects, in accordance with the CSRD, the relevant German legal and other European requirements and the elaborative criteria presented by the Company's executive directors, and to issue an assurance report that includes our conclusion on the group sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- Obtain an understanding of the process to prepare the group sustainability statement, including the materiality assessment process carried out by the Company to identify the information to be reported in the group sustainability statement;

- IdIdentify disclosures that are likely to be materially misstated due to fraud or error, design and perform procedures to address such disclosures and obtain limited assurance to support our conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Furthermore, the risk of not detecting a material misstatement in information from the value chain originating from sources outside of the Company's control (information from the value chain) is usually higher than the risk of not detecting a material misstatement in information originating from sources within the Company's control, as both the Company's executive directors and we as auditors usually have limited direct access to the sources of information from the value chain.

- Evaluate the forward-looking information, including the reasonableness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the work performed by the auditor

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability information. The nature, timing and extent of the procedures selected depend on our professional judgment.

In conducting our limited assurance engagement, we:

- Evaluated the overall suitability of the criteria presented by the executive directors in the group sustainability statement.

- Made inquiries of the executive directors and relevant employees involved in the preparation of the group sustainability statement about the preparation process, including the materiality assessment process carried out by the Company to identify the information to be reported in the group sustainability statement, and about the internal controls over this process.

- Evaluated the methods used by the executive directors to prepare the group sustainability statement.
- Evaluated the reasonableness of the estimates made by the executive directors and related explanations. If the executive directors estimate the value chain information to be reported in accordance with ESRS when they are unable to obtain such information from the value chain after making reasonable efforts to do so, our assurance engagement is limited to evaluating whether the executive directors made such estimates in accordance with ESRS and evaluating the reasonableness of such estimates and does not extend to determining value chain information that the executive directors were unable to obtain.
- Performed analytical procedures and inquiries regarding selected items of information in the group sustainability statement.
- Assessed the presentation of the information in the group sustainability statement.
- the CO_2 offset certificates were assessed with respect to their existence, but not with regard to their effectiveness.
- Assessed the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the related disclosures in the group sustainability statement

RESTRICTION OF USE

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the assurance report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the assurance report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE GROUP SUSTAINABILITY STATEMENT

GENERAL ENGAGEMENT TERMS AND LIABILITY

The "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2024, which are attached to this report, are applicable to this engagement and also govern our relations with third parties in the context of this engagement (ey-idw-aab-en-2024.pdf).

In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Hanover, 26 March 2026

EY GMBH & CO. KG
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

Zeitler	Offizier
Wirtschaftsprüfer	Wirtschaftsprüfer

REPORT OF THE SUPERVISORY BOARD VHV VEREINIGTE HANNOVERSCHE VERSICHERUNG A. G. / GROUP

In the 2025 financial year, the Supervisory Board performed the tasks incumbent upon it in accordance with the law and the articles of association and monitored and advised the management on an ongoing basis.

The Management Board reported to the Supervisory Board on a regular basis, promptly and comprehensively regarding performance, the position of the affiliates and of the participating interests, basic is-sues of company governance, corporate planning, the risk situation, and regarding the Group's intended business policy. The Chairman of the Supervisory Board was in constant contact with the Chairman of the Management Board, and was reported to continuously and immediately regarding all transactions of particular importance in the Group. He engaged in regular work discussions with the Chairman of the Management Board in the interests of a constant exchange of information and opinions between the Supervisory Board and the Management Board.

The Supervisory Board met four times in the past financial year. Key policy issues, individual issues, the strategies of the affiliates, the economic situation including the risk situation and risk management and the development of the project to modernize the IT application systems in the property-casualty, life and finance segments were the subject matter of these meetings.

MAJOR FOCAL ISSUES

Development of the Group

At the meetings, the Management Board reported on an ongoing basis on the performance of investments and the technical performance of the insurance companies and the performance of the other affiliated companies of VHV a. G. The developments in the major segments of property-casualty insurance transactions and in life insurance in Germany and abroad were explained by the Management Board, as was the development of the internal productivity and quality parameters. The meetings also discussed the considerations of the Management Board regarding merger, partnership and acquisition efforts.

Given the ongoing consequences of the geopolitical, demographic, technological and economic shifts which are having a major impact on the insurance industry, discussion were carried out on the possible effects on the VHV Group's business segments as a result.

Other key issues

- Call for bids for the audit of the consolidated and annual financial statements for the 2027 financial year
- Hannoversche Leben as a multi-channel biometrics insurer: A projection for the next 10 years
- Relevant digitalization trends and their implementation within the VHV Group
- Methodology for setting the consolidated earnings target
- Accounting for WAVE PE SICAV
- Status of IT and digitalization projects
- Qualitative and quantitative key points of the 2026 corporate planning
- Strategic focus area: International and VHV International
- Strategic focus area: Insurance-related services and VHV digital services

WORK OF THE COMMITTEES

Of the committees formed by the members of the Supervisory Board, the IT/Digitalization Committee and the Audit Committee met on three occasions, while the Human Resources and Nomination Committee and the Risk Committee each met twice. The Supervisory Board was informed about the results of the meetings.

CHANGES TO THE SUPERVISORY BOARD

Mr. Boris Sonntag has been appointed General Representative of the company, effective 1 January 2026. We wish Mr. Sonntag great success in his new role and look forward to a productive collaboration.

AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements and consolidated man-agement report for the financial year 1 January to 31 December 2025, including the accounts, were audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft and were issued with an unrestricted audit opinion. The Audit Committee of the Supervisory Board of VHV a. G. discussed and reviewed the consolidated financial statements and consolidated management report for 2025 including the non-financial statement, together with the Management Board and the auditor. No reservations were raised. The Commit-tee reported the results to the Supervisory Board. The consolidated financial statements prepared by the Management Board for the year ended 31 December 2025 have been approved by the Supervisory Board.

Hanover, 28 April 2025

THE SUPERVISORY BOARD

Reuter Chairman	Lange Deputy Chairman	Dr. Adersberger
Dr. Birtel	Bürkle	Rössler

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