2023 ANNUAL REPORT

ARAG SE | SINGLE-ENTITY FINANCIAL STATEMENTS AND MANAGEMENT REPORT

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OVERVIEW OF THE COMPANY

I. Profile of the ARAG Group

Overview

The ARAG Group is the largest family enterprise in the German insurance industry and the leading legal insurer worldwide. When it was founded over 85 years ago, the Company focused purely on legal insurance. Today, ARAG positions itself as an innovative and high-quality insurer that is international and independent. In addition to legal insurance, its portfolio in Germany includes effective, needs-based products and services covering health insurance and casualty and property insurance. The Company aims to generate growth across all insurance segments in Germany and to exploit the potential for expansion in the international legal insurance business.

ARAG SE is responsible for operational Group management and the legal insurance operating business at both domestic and international levels. The ARAG insurance and service companies are responsible for the other lines of business and the related operational management. ARAG Holding SE manages the assets and is the parent company of the Group from a company law perspective.

Legal insurance

In its core legal insurance segment, ARAG is growing rapidly in both Germany and abroad and plays a major role in shaping its markets with innovative products and services. The international legal insurance business is the Group's most significant area of activity. Worldwide, the Group helps its legal insurance customers with over a million cases per year, thereby playing its part in resolving sometimes existential legal problems.

Personal insurance

In the private health insurance market, ARAG Krankenversicherungs-AG (ARAG Health) offers a broad range of products with outstanding customer benefits, emphasizing its appeal as one of the best providers of full-coverage and supplementary health insurance. ARAG Core Sales also offers products from a strategic partner, complementing ARAG's services with a retirement pension offering.

Casualty and property insurance

In a fiercely competitive market, ARAG Allgemeine Versicherungs-AG is demonstrating its strength as a competitive provider of property, liability, and accident insurance policies. This company is also Germany's largest sports insurer, providing cover for more than 20 million recreational sports participants and top-ranking athletes across the country. Its subsidiary Interlloyd specializes in attractive brokering products in the commercial and private customer segments, adding a further dimension to the Group's portfolio.

II. Key Figures

Key figures

(€'000)	2023	2022	2021
Sales revenue			
Gross premiums written	1,232,716	1,169,859	1,092,403
Premiums earned net of reinsurance	1,225,696	1,155,709	1,076,242
Expenses			
Claims incurred net of reinsurance	626,490	574,355	555,394
Insurance business operating expenses net of reinsurance	540,444	512,188	484,434
Net income overview			
Underwriting result net of reinsurance	41,521	55,563	26,535
Gains and losses on investments	52,371	34,560	64,823
Other net income/expense	– 49,643	– 48,710	– 45,373
Profit/loss from ordinary activities	44,248	41,413	45,985
Net income for the year	21,883	21,654	23,491
Technical provisions/net premiums earned	144.0%	145.4%	149.5%
Equity/premiums earned net of reinsurance	41.9%	44.3%	47.4%
Key ratios			
Claims ratio (basis: premiums earned)	51.1%	49.7%	51.6%
Cost ratio (basis: premiums earned)	44.1%	44.3%	45.0%
Net yield	2.2%	1.5%	2.9%
Current average yield	2.2%	2.9%	1.7%

MANAGEMENT REPORT

I. Company Fundamentals

Business model

The ARAG Group is the largest family enterprise in the German insurance industry and the leading legal insurer worldwide. Its Group companies operate in the health, property, liability, and accident insurance segments in Germany. Service companies and brokerage firms round off the ARAG Group's service offering and support the operating insurance companies. Including Germany, the Group currently operates in a total of 19 countries through branches, subsidiaries, and equity investments.

ARAG SE is the leading legal insurer worldwide. The Company focuses on product concepts aimed at both private customers and small businesses.

In the international markets, it also operates travel insurance business in connection with its provision of legal insurance.

ARAG SE also serves as the operating management company of the ARAG Group. In this capacity, it holds a controlling interest in ARAG Krankenversicherungs-AG and ARAG Allgemeine Versicherungs-AG, the companies that operate, respectively, the health insurance business and casualty and property insurance business. ARAG SE Core Sales acts as a broker for their insurance products alongside its own legal insurance policies; the offering is rounded off by insurance products, for example life insurance, provided by non-Group insurance companies.

Territory

The territory covered by ARAG SE includes Germany as well as Austria, Belgium, Spain, Greece, Italy, the Netherlands, Portugal, Slovenia, and the United Kingdom. ARAG SE's business outside Germany is operated by the branches.

Legal insurance is also provided in the United States, in Norway and, through branches of the Norwegian subsidiary, in Sweden and Denmark. In each case, the business is operated through legally independent affiliated companies, under the unified management of ARAG SE in its role as parent company. The subsidiary ARAG Allgemeine Versicherungs-AG operates the legal insurance and legal-insurance-related emergency assistance business in the United Kingdom and the Republic of Ireland. With effect from January 2, 2024, ARAG SE completed its acquisition of DAS UK, which will significantly expand the legal insurance business in the United Kingdom in 2024. Conversely, the UK business operated by the branch of ARAG Allgemeine Versicherungs-AG in the United Kingdom was discontinued at the end of 2023.

In addition, ARAG SE operates in Switzerland via an equity investment in a legal insurance associate. In the United Kingdom, Canada, Australia, and the Republic of Ireland, a Group company acts as a broker for legal insurance business and legal-insurance-related special service package business, passing this business to external primary insurers. Some of this insurance is then ceded to ARAG SE under quota-share reinsurance treaties. An equity investment is also held in a legal insurance company in Luxembourg.

Segments and classes of insurance

The Company's operations cover direct business in the following classes of insurance in the legal insurance segment:

- Legal insurance listed in the General Terms and Conditions for Legal Insurance (including legal insurance for motorists and families)
- Financial loss legal insurance for members of supervisory boards, advisory councils, and management boards, and for senior managers
- Legal insurance covering criminal proceedings for businesses
- Sundry and non-itemized legal insurance

The European branches in particular also offer legal insurance policies in inward reinsurance business that is treated as direct insurance business. In addition, ARAG SE is increasingly operating inward reinsurance business with third parties outside Germany. This includes the after-the-event (ATE) business for legal disputes. In Spain and Italy, ARAG SE's range of legal insurance products is complemented by policies that mitigate the financial consequences if a policyholder loses their driver's license. Business in Spain and Portugal also includes travel insurance.

II. Economic and Sector Conditions

Macroeconomic backdrop

In 2023, business for German insurers was affected by a variety of factors with differing intensities.

The Russian Federation's war of aggression against Ukraine that began at the start of 2022 continued to take a heavy social and economic toll. The war in the Middle East toward the end of the year further exacerbated global tensions. Energy and commodity prices remained stubbornly high, which impacted on consumer spending and on investment by private households and businesses, especially in the eurozone. The political uncertainty led to a loss of purchasing power and to rising prices for consumers. In light of high consumer prices, central banks around the world continued to increase key interest rates in order to keep inflation in check. The European Central Bank (ECB) raised key interest rates to 4.5 percent in progressively smaller steps over the course of 2023. This cycle of rate hikes was ended in the last quarter, however, as it started to take effect and the rate of inflation fell. The German Council of Economic Experts estimates that the German rate of consumer price inflation was slightly lower year on year at around 6.1 percent in 2023 (2022: 6.9 percent).

The situation surrounding the COVID-19 pandemic continued to ease considerably in 2023. Nevertheless, general developments will be continuously monitored to ensure that individual companies can respond quickly and appropriately if need be.

Insurance industry

Based on provisional information from the German Insurance Association (GDV), the volume of business in the insurance industry in Germany is expected to have remained stable in 2023, despite the effects of persistently high inflation, the conflicts in Ukraine and the Middle East, and the lingering effects of the receding pandemic. Across all insurance segments, a premium increase of 1.3 percent overall is anticipated (2022: decrease of 0.5 percent), with casualty and property insurance and private health insurance – business lines in which the ARAG Group operates – particularly contributing to this industry growth. In direct casualty and property insurance business, the overall market is expected to have grown by 6.7 percent (2022: 4.4 percent). A key growth driver is composite residential buildings insurance with anticipated growth of 16.5 percent (2022: 8.9 percent), primarily forged through premium and index adjustments. But legal insurance is also expected to have grown, by 2.5 percent (2022: 3.4 percent), on the back of higher premiums in new business and sustained growth in existing business in 2023. In the private health insurance business, the GDV is forecasting a premium increase of 3.5 percent (2022: 3.7 percent), primarily thanks to adjustments to rate scales in nursing care insurance and full-coverage health insurance.

III. Business Performance

The business performance of ARAG SE, broken down by net assets, financial position, and results of operations, is presented using the following KPIs, which have not been weighted. Premiums written and profit before tax are the most important KPIs.

The presentation has changed compared with the prior year. The change in presentation is intended to improve the clarity of reporting. It also brings the reporting by all insurance companies in the ARAG Group into line, which helps to make the preparation of the management report more efficient and improve comparability.

Due to currency amounts being presented in thousands, the precise mathematical amounts may differ from those presented as a result of rounding differences. Those differences may affect totals and percentages.

Results of operations

Premiums
Income from gross premiums written totaled €1,232,716 thousand in 2023, following €1,169,859 thousand in the prior year. Of this total, 40.5 percent related to direct business in Germany, which saw income from gross premiums written rise by 5.9 percent to €498,959 thousand (2022: €471,068 thousand). This growth in premiums was driven by a consistently high level of portfolio expansion through new business and a low lapse rate of 6.0 percent. Demand for legal insurance policies is rising due to mounting uncertainty triggered by international and domestic crises and due to people's lives becoming increasingly complex as a result of bureaucracy.

Income from gross premiums written in the Company's inward reinsurance business through its German headquarters rose by 11.7 percent in 2023, from €49,310 thousand to €55,100 thousand. This was primarily attributable to additional business from the United Kingdom (up by 21.0 percent), which was transferred from the UK branch of ARAG Allgemeine Versicherungs-AG that closed at the end of 2023 to a non-Group insurer and was then assigned to ARAG SE. Inward reinsurance business from primary insurers in Canada did not perform as well despite price increases, growing by 2.1 percent.

International branch business generated income from gross premiums written of €678,657 thousand in 2023, which was an increase of 4.5 percent. The primary reasons for this were business expansion through new business and index adjustments in all branches. A primary insurance partner in Italy was lost due to market concentration as a result of acquisitions, causing premiums to fall by 2.9 percent year on year.

After taking into account unearned premiums and after deduction of the external reinsurers' shares, the Company's remaining net premiums earned amounted to €1,225,696 thousand (2022: €1,155,709 thousand).

The number of direct insurance policies with a term of at least one year came to 5,151,089 at the end of 2023 (December 31, 2022: 4,753,824). Of this total, 1,900,156 (December 31, 2022: 1,806,980) were attributable to the business in Germany and 3,250,933 (December 31, 2022: 2,946,844) to the international branch business. Besides the aforementioned policies in direct insurance business, the international branches have large portfolios of inward reinsurance business from primary insurance partners. This business is actually treated like direct insurance business as ARAG provides all services to customers itself, or brokers and pays for them. This type of inward reinsurance business acts as a sales channel.

Policyholder benefits

The total expenses for claims incurred came to €626,490 thousand in 2023, compared with €574,355 thousand in 2022.

Overall, the claims ratio net of reinsurance therefore stood at 51.1 percent (2022: 49.7 percent). Given the increase in the number of policies, which often leads to a rise in the frequency of reported claims, and against a backdrop of inflationary increases in salaries and in prices for goods and services, the rise in the claims ratio is moderate.

Direct insurance business in Germany accounted for €300,852 thousand (2022: €282,739 thousand), which means that the claims ratio was 60.4 percent (2022: 60.9 percent). The decline was due to a positive claims trend and the absence of major accumulation events. Inflation is not yet impacting on the settlement of claims as attorney and court fees are regulated by law in Germany.

The claims incurred in the headquarters' inward reinsurance business amounted to €33,103 thousand in 2023 (2022: €32,266 thousand). This gave rise to a claims ratio of 60.1 percent (2022: 65.4 percent). The decline is attributable to an unchanged level of claim payments in the reporting year and the additional strengthening of reserves in the prior year for inward ATE business from Canada.

International branch business accounted for expenses of €292,535 thousand (2022: €259,350 thousand), which means that the claims ratio was 43.4 percent (2022: 40.4 percent). The rise was chiefly due to the impact of inflation on attorney fees outside Germany and on staff costs, which affected both claim payments and the measurement of claims reserves. Furthermore, the claims reserve in the Netherlands was additionally strengthened in order to reduce the risk of run-off losses due to inflationary trends.

Insurance business operating expenses

Insurance business operating expenses rose by 5.5 percent to €540,444 thousand in 2023 (2022: €512,188 thousand). The cost ratio came to 44.1 percent (2022: 44.3 percent).

The headquarters' direct insurance business accounted for €200,265 thousand (2022: €182,999 thousand). The increase was due to the higher volume of business, the related rise in front-end fees, and ongoing investment in companies and processes. Based on the premium income earned in direct insurance business (net of reinsurance), the cost ratio stood at 40.3 percent (2022: 39.4 percent).

Insurance business operating expenses in the headquarters' inward reinsurance business came to €14,997 thousand (2022: €14,974 thousand). They mainly include reinsurance commissions and profit sharing in business from the United Kingdom. The cost ratio for this part of the business was 27.2 percent, compared with 30.4 percent in the prior year.

Costs of €325,182 thousand (December 31, 2022: €314,215 thousand) were attributable to international branch business. The rise was mainly attributable to higher acquisition costs and profit sharing in inward reinsurance business as well as salary adjustments to account for inflation. Unexpected savings were made as a result of some positions remaining unfilled. The cost ratio for this part of the business was 48.3 percent, compared with 49.0 percent in the prior year.

Results of operations by source

Business performance, broken down by German and international business, was as follows:

German insurance business and international insurance business

	Germany		International		Total	
(€'000)	2023	2022	2023	2022	2023	2022
Underwriting income						
Gross premiums written	**554,059**	**520,378**	**678,656**	**649,481**	**1,232,715**	**1,169,859**
Direct insurance business	498,959	471,068	421,637	389,549	920,596	860,617
Inward reinsurance business	55,100	49,310	257,019	259,932	312,119	309,242
Reinsurance premiums ceded	– 607	– 549	– 506	– 402	– 1,113	– 951
Change in net unearned premiums	– 1,276	– 5,503	– 4,631	– 7,696	– 5,907	– 13,199
Premiums earned net of reinsurance	**552,176**	**514,326**	**673,519**	**641,383**	**1,225,695**	**1,155,709**
Miscellaneous underwriting income net of reinsurance	1,150	1,038	473	412	1,623	1,450
Total underwriting income	**553,326**	**515,364**	**673,992**	**641,795**	**1,227,318**	**1,157,159**
Underwriting expenses						
Claims incurred net of reinsurance	333,955	315,005	292,535	259,350	626,490	574,355
Change in sundry net technical provisions	– 21	– 18	36	– 113	15	– 131
Insurance business operating expenses	215,262	197,973	325,182	314,215	540,444	512,188
of which front-end fees	89,919	74,638	57,323	51,723	147,242	126,361
of which administrative expenses	125,343	123,335	267,859	262,492	393,202	385,827
of which reinsurers' share	0	0	0	0	0	0
Miscellaneous underwriting expenses net of reinsurance	0	0	0	0	0	0
Total underwriting expenses	**549,238**	**512,996**	**617,681**	**573,678**	**1,166,919**	**1,086,674**
Subtotal	**4,088**	**2,368**	**56,311**	**68,117**	**60,399**	**70,485**

→

→ German insurance business and international insurance business

	Germany		International		Total	
(€'000)	2023	2022	2023	2022	2023	2022
Change in the equalization provision and similar provisions	– 3,553	– 3,159	– 15,326	– 11,762	– 18,879	– 14,921
Underwriting result net of reinsurance	**535**	**– 791**	**40,985**	**56,355**	**41,520**	**55,564**
Income from investments	70,152	65,546	31,961	12,955	102,113	78,501
Expenses for investments	46,179	36,374	3,563	7,566	49,742	43,940
Gains and losses on investments	**23,973**	**29,172**	**28,398**	**5,389**	**52,371**	**34,561**
Other income	138,294	133,038	4,415	4,427	142,709[1]	137,465
Other expenses	175,965	171,564	16,387	14,612	192,352[1]	186,176
Other net income/expense	**– 37,671**	**– 38,526**	**– 11,972**	**– 10,185**	**– 49,643**	**– 48,711**
Profit/loss from ordinary activities	**– 13,163**	**– 10,145**	**57,411**	**51,559**	**44,248**	**41,414**
Net extraordinary income/expense	**0**	**0**	**0**	**0**	**0**	**0**
Profit/loss before tax	**– 13,163**	**– 10,145**	**57,411**	**51,559**	**44,248**	**41,414**
Tax expense	775	1,979	21,590	17,780	22,365	19,759
Net income for the year	**– 13,938**	**– 12,124**	**35,821**	**33,779**	**21,883**	**21,655**

[1] The headquarters in Germany provides administrative services for the branches outside Germany. These are billed using the full cost method plus a mark-up. Because this gives rise to intragroup sales revenue, both the income from the billing and the related expense have to be eliminated from the income statement. The relevant intercompany balances came to €10,941 thousand for 2023 and to €10,053 thousand for 2022. As a result of the elimination of these balances, the totals shown here differ from those in the income statement.

Reinsurance

The volume of outward reinsurance, measured on the basis of insurance premiums ceded, was up year on year at €1,113 thousand (2022: €951 thousand). There were no material changes to the reinsurance program, which continued to focus on insuring the risk from large claims and accumulation losses through non-proportional reinsurance treaties. In 2023, reinsurance business was marked by a low level of claims subject to reinsurance cover. In total, the reinsurers' underwriting result improved to a profit of €1,126 thousand in 2023 (2022: loss of €183 thousand).

Underwriting result

The net underwriting result before the equalization provision amounted to €60,400 thousand in 2023 (2022: €70,484 thousand) and was therefore down on the prior-year figure. The combined ratio net of reinsurance stood at 95.2 percent (2022: 94.0 percent). In accordance with the calculation requirements specified in the German Regulation on the Accounting of Insurance Undertakings (RechVersV), €18,879 thousand was added to the equalization provision on the basis of the trends in claims and premiums (2022: addition of €14,921 thousand). The underwriting result net of reinsurance after the equalization provision totaled €41,520 thousand (2022: €55,563 thousand).

Gains and losses on investments

Interest rates had already surged in the prior year, triggering massive write-downs on interest-bearing securities. Global uncertainty stemming from acts of war in several parts of the world and the ensuing energy crisis also dragged other securities down. In 2023, however, further interest-rate hikes and the uncertainty that continued to prevail had less of an impact on the valuation of investments and no major write-downs were required. Gains and losses on investments at ARAG SE amounted to a net gain of €52,371 thousand (2022: €34,561 thousand), an increase of €17,810 thousand or 51.5 percent. Income from investments of €102,113 thousand was generated in 2023, compared with €78,501 thousand in the prior year. The main components of income were income from equity investments, interest and dividend income from securities, and gains on disposal. Income from equity investments fell by 56.2 percent year on year due to a conscious policy of profit retention on the part of subsidiaries. The restructuring of institutional funds gave rise to gains on disposal of €31,537 thousand and losses on disposal of €5,449 thousand. The sale of real estate also generated a smaller volume of gains on disposal. Expenses for investments amounted to €49,742 thousand in the reporting year (2022: €43,940 thousand). The prior-year figure had been impacted by the high level of write-downs that had been required on securities. In 2023, the investment structure was adjusted and losses thereby realized in order to have higher coupons available on interest-bearing securities in the future. The net yield on investments was 2.2 percent in the year under review (2022: 1.5 percent); the current average yield was 2.2 percent (2022: 2.9 percent).

Other net income/expense

Besides expenses that are incurred on behalf of the Company as a whole, including pension and other post-employment benefits for persons no longer with the Company or non-active persons, other net income/expense includes the interest expense for the addition to the provision for pensions and other post-employment benefits. These expenses are not matched by income, so they constitute a sizeable negative profit contribution. ARAG SE also provides a large volume of administrative services for the other Group companies. The Group companies are charged for these services, which therefore have almost no impact on other net income/expense. Services for the brokerage of insurance contracts of other Group companies and of third parties are also rendered. This business generates a gross profit. Overall, other net income/expense deteriorated by €933 thousand or 1.9 percent to a net expense of €49,643 thousand in 2023. This decline was largely attributable to unfavorable movements in the euro/pound sterling and euro/Canadian dollar exchange rates.

Profit/loss from ordinary activities

Profit from ordinary activities stood at €44,248 thousand (2022: €41,413 thousand). The modest increase on the good prior-year figure was achieved despite a deterioration in economic conditions.

Net extraordinary income/expense

There was no extraordinary income or expense in either 2023 or 2022.

Tax expense

Income taxes amounted to an expense of €21,264 thousand (2022: €18,825 thousand). Together with miscellaneous taxes, the total tax expense came to €22,364 thousand (2022: €19,759 thousand). The year-on-year increase was mainly attributable to operating activities.

The tax expense included income of €188 thousand (2022: €1,528 thousand) that resulted from deferred taxes.

Net income for the year

Considering the economic conditions and financial key performance indicators, the Company's overall business performance was very positive again in 2023.

After deduction of the tax expense, net income came to €21,883 thousand (2022: €21,654 thousand).

After taking into account the profit brought forward from 2022, the amount to be presented to the Annual General Meeting for a decision on appropriation is €21,923 thousand (2022: €21,740 thousand).

Comparison of business performance with the forecast
The comparison of business performance with the forecasts made in the 2022 outlook and opportunity report shows that the growth in gross premiums written was actually slightly higher than forecast. Gross premiums written exceeded the €1.2 billion mark by €32,715.9 thousand. At 5.4 percent, the rate of increase in premiums was lower than in the prior year (7.1 percent) but that had been anticipated in the forecast in the 2022 annual report.

Claims incurred net of reinsurance were higher than forecast in the prior year as inflation had a bigger impact, particularly on international business, and the claims provisions also had to be strengthened further in some areas of business.

Insurance business operating expenses net of reinsurance were slightly lower than the level forecast in 2022 and the cost ratio was 44.1 percent. A modest increase had been anticipated in the last forecast.

Gains and losses on investments were in line with expectations and fared much better than in the prior year.

As anticipated, profit after tax was higher than in 2022.

Financial position

The objective of the financial management system is to ensure that the Company holds adequate financial resources and manages its liquidity such that it is able to satisfy its obligations arising from the insurance business at all times and to exceed, rather than simply satisfy, the regulatory requirements concerning the capital adequacy of insurance entities.

In addition to current bank balances and cash on hand of €256,500 thousand (December 31, 2022: €116,668 thousand), the Company has investments at its disposal that can be sold on the capital and financial markets at short notice, thus ensuring that the Company is able to satisfy its payment obligations at all times.

Net assets

The breakdown of investments by asset class was as follows:

Investments breakdown

(€'000/%)	Dec. 31, 2023		Dec. 31, 2022	
Land and buildings	44,893	1.9%	47,869	2.0%
Affiliated companies and equity investments	470,844	20.2%	446,183	18.8%
Lending to affiliated companies	5,329	0.2%	2,175	0.1%
Equities and investment fund shares/units	662,355	28.4%	632,894	26.6%
Bearer bonds	790,688	33.9%	833,894	35.1%
Loans secured by mortgages or land charges and fixed-income receivables	0	0.0%	0	0.0%
Registered bonds	94,000	4.0%	94,511	4.0%
Promissory notes, loans	152,898	6.6%	196,851	8.3%
Sundry lending	86	0.0%	118	0.0%
Bank deposits	45,026	1.9%	57,030	2.4%
Other investments	0	0.0%	0	0.0%
Deposits with ceding insurers	65,433	2.8%	65,201	2.7%
Total	**2,331,552**	**100.0%**	**2,376,726**	**100.0%**

Further information on the changes in investments and the fair values as of the balance sheet date can be found in the breakdown of investments shown in the notes to the financial statements. The volume of investments designated for permanent use in the insurance business is shown in the disclosures on accounting policies in the notes to the financial statements.

Equity
Overall, the equity of ARAG SE came to €514,096 thousand as of the reporting date (December 31, 2022: €512,212 thousand).

The Company has subscribed capital of €100,000 thousand, capital reserves of €81,773 thousand, statutory reserves of €10,000 thousand, and other revenue reserves of €300,400 thousand.

The Company's net assets, financial position, and results of operations are strong and stable and are likely to improve further. ARAG SE always generates a high level of earnings, has large liquidity reserves to act as a cushion in any unexpected situations, and for many years has self-financed its increases in equity.

Corporate governance declaration

Targets for the proportion of women in management functions
The ARAG Group firmly believes in the importance of equality and diversity. The development of female managerial staff at all levels is therefore a key priority. ARAG SE endeavors to continually and permanently increase the proportion of women at the first two management levels below the Management Board as well as on the Management Board itself and on the Supervisory Board.

The Supervisory Board had a target of 11 percent in the period to June 30, 2023, which it reached with a proportion of 11.1 percent. The proportion that was achieved matches the new target for the period to June 30, 2025.

The Management Board had a target of 16.7 percent in the period to June 30, 2023, which it reached when Dr. Shiva Meyer was appointed to the Management Board with effect from April 2, 2023. The new proportion of 16.7 percent matches the new target for the period to June 30, 2025.

A target of 34 percent for the proportion of female managers had been set for the first management level below the Management Board in the period to June 30, 2023. This target was narrowly missed. The Management Board set a target of 33 percent for the period to June 30, 2025.

At the second management level below the Management Board, the target of 36 percent for the period to June 30, 2023 was surpassed as the proportion achieved was 38 percent. The Management Board set a target of 39 percent for the proportion of female managers at this level for the period to June 30, 2025.

Non-financial reporting
Alongside the group management report, ARAG Holding SE prepares a separate combined non-financial report (ARAG Sustainability Report) in accordance with German accounting standard (GAS) 20 paragraph 111, which is published outside the group management report pursuant to section 341j (4) in conjunction with section 315b (3) of the German Commercial Code (HGB) and section 315c in conjunction with sections 289c to 289e HGB. This sustainability report is publicly accessible at www.arag.com/sustainability-report.

Pursuant to section 341a (1a) HGB, the Company is required to report on non-financial matters to meet the requirements of the EU CSR Directive (2014/95/EU) and of the German CSR Directive Implementation Act (CSR-RUG), which came into force in April 2017. As the Company is included in the group management report issued by its parent company ARAG Holding SE, Düsseldorf, the Company has elected to exercise the exemption option under section 341a (1a) sentence 3 in conjunction with section 289b (3) HGB.

Thanks to ARAG employees, sales partners, customers, and the Works Council
The Company thanks all its employees and sales partners for their hard work and dedication, and its customers for the trust they have placed in the Company. It also extends its thanks to the employee representatives on the Works Council and its committees for the close and constructive cooperation.

IV. Dependent Company Report and Affiliated Companies

The Management Board prepared a report pursuant to section 312 of the German Stock Corporation Act (AktG) concerning relationships with affiliated companies. For each legal transaction listed in the report on relationships with affiliated companies, the Company received appropriate consideration in accordance with the circumstances known to it at the time the legal transactions were undertaken and it did not suffer any disadvantages. No measures within the meaning of section 311 AktG were taken or omitted in the year under review.

ARAG Holding SE, Düsseldorf, indirectly holds a majority interest in ARAG SE. ARAG SE is therefore a dependent company within the meaning of section 17 (1) AktG in relation to ARAG Holding SE.

V. Outlook, Opportunity and Risk Reports

Outlook and opportunity report

According to the forecast produced by the insurance markets commission of the German Insurance Association (GDV), the German insurance industry remains optimistic despite persistent global economic uncertainty. The anticipated rise in nominal wages and the easing up of inflationary pressure will likely lead to higher premium income. The GDV believes that premium income in Germany could rise by around 3.9 percent across all insurance segments in 2024. As the economic outlook entails a high level of uncertainty, legal insurance can give customers and consumers peace of mind. The GDV anticipates growth of 4.0 percent in premium income in this segment in 2024. For casualty and property insurance, the association is forecasting premium growth of 7.7 percent. And within that segment, composite residential buildings insurance is predicted to increase by 10.0 percent. In private health insurance, experts expect annual salaries and income thresholds for social security contributions to rise, which could lead to premium increases of 4.5 percent.

Digitalization continues to offer substantial opportunities. The integration of technologies such as, in particular, artificial intelligence and machine learning mean that it is possible to set up much more efficient administrative channels and, above all, facilitate and develop customer contact, regardless of the time of day or where the parties are located. The huge volumes of data available to insurance companies allow them to perform even more precise risk assessments and offer personalized policies. Data analysis can also be used to identify emerging trends and improve preventive measures.

The sustainable transformation of the economy and society is one of the defining challenges for the insurance industry, along with digitalization. In terms of regulation, the insurance industry and the banking industry will play a pivotal role.

With its focus on legal insurance and health insurance, the ARAG Group is well positioned for the future in these times of major upheaval and far-reaching global turmoil. The ARAG 5>30 development program, which the Group launched at the end of 2022, specifies five key areas of action that set out the Group's strategic direction in the period up to 2030.

ARAG SE faces challenges stemming from considerable political and economic upheaval around the world. Demographic change in Europe, the development of a more sustainable society, and the integration of artificial intelligence in daily life also contribute to the challenges. The uncertainty caused by these developments is fueling consumer demand for protection, and legal insurance is very well suited to meet that demand. ARAG SE offers a comprehensive portfolio of legal protection solutions, which it continually develops in order to continue meeting the particular needs of private customers and small and medium-sized businesses. According to a publication by Versicherungsforen Leipzig, German insurance customers currently spend an average of over €2,500 per year on insurance. This means that there is potential for growth in premiums – including in legal insurance – given that 11.6 percent of gross domestic product (GDP) is spent on insurance in the United States, 8.5 percent in the Netherlands, 8.0 percent in Italy, and 5.9 percent in Germany. There is therefore room for the market to expand in the years ahead.

Increasing competitive pressure in Germany will see small insurers that are not part of a group forced to relinquish market share. German legal insurance portfolios are growing only marginally. ARAG SE is a strong company and has been pivotal in shaping the legal insurance market since 1935. It is on a robust upward trajectory, and a downsizing of the market offers the opportunity for it to acquire in-force business by transferring cover or acquiring other companies.

ARAG SE is part of the ARAG Group. It works with an outstanding health insurer and two casualty and property insurers in Germany, cooperates with two legal insurers in the United States and Scandinavia, and works with various insurance operating companies in Europe. Sharing knowledge across borders provides important impetus for the Group when it comes to designing products with customers in mind.

To counter the investment challenges posed by volatile capital markets, ARAG SE established a centrally administrated fund structure in 2023 that harnesses the opportunities arising from trends in different types of investments and markets while mitigating any risks that occur by diversifying and spreading investments. This can turn problematic developments, such as sudden sharp changes in interest rates, into investment opportunities.

Under the ARAG 5>30 development program, the ARAG Group's gross premium income is projected to increase to €3 billion by 2030. Accordingly, ARAG SE is anticipating further strong premium growth of well over 10 percent across the business. The ongoing growth process seen in direct business across all units and in inward reinsurance business at the international branches in recent years will continue to play a key role. The German headquarters' inward reinsurance business will also be significantly expanded, with ARAG SE and DAS Legal Expenses Insurance Ltd. (DAS LEI – see the Report on Post-Balance Sheet Events for more information) concluding a quota-share reinsurance treaty at the start of 2024. ARAG SE assumes 90 percent of the risk from DAS LEI's primary insurance business. The latter generated gross premiums written of £179.3 million (under UK Generally Accepted Accounting Practice [UK GAAP]) between January 1 and December 31, 2023.

In absolute terms, expenses for claims incurred will rise sharply year on year in 2024. This will mainly be due to the growth in business volume, inflationary influences on salaries across the business, and attorney fees outside Germany. Despite the strong growth in premiums, these factors will cause the claims ratio to temporarily increase by around 3 to 4 percentage points to roughly 55 percent in 2024.

The cost ratio is expected to remain stable, however. Further increases in commissions – especially as a result of the strong growth – will be able to be offset by economies of scale in administrative expenses, leaving the cost ratio for 2024 on a par with 2023.

The underwriting result is expected to improve considerably in absolute terms year on year, although the combined ratio will rise slightly.

Given the many unresolved crises around the world and the uncertain outcomes of the forthcoming elections for a new European parliament and a new US government, the capital market environment remains volatile. The impact of economic conditions on the performance of investments is almost impossible to predict, despite ARAG SE having implemented measures to reduce risk by diversifying and spreading investments in institutional fund structures in 2023. A slight year-on-year deterioration in gains and losses on investments is expected in 2024.

Other net income/expense will likely improve slightly compared with 2023, with a lower net expense for 2024 as a whole.

Taking into account the discernible opportunities and risks, ARAG SE forecasts that business will prosper in 2024 with a much higher profit before tax than in 2023.

Risk report

Risk management system

Risk strategy The objective of pursuing a conservative risk and solvency policy, as specified in the business strategy, provides the framework for the structure of the risk strategy. The risk strategy sets out the Company's risk profile and the structure of the individual risk exposures associated with the strategic business objectives. It also describes the tools for ensuring compliance with the prescribed risk-bearing capacity based on the risk appetite specified by the Management Board. Risks are therefore managed in the round, ensuring at all times that the overall risk profile is consistent with the risk strategy. Risks are quantified and risk-bearing capacity is measured in line with the statutory requirements of Solvency II.

Limit system The maximum permitted solvency capital requirement for the Company is determined on the basis of the risk appetite and the eligible own funds. Using this maximum requirement, the Management Board sets an overall limit that is then apportioned to the most important risks and sub-risks. The limit system is reviewed annually. The utilization of the limits is calculated during the year so that an assessment can then be made as to whether further risks can be assumed or if risks need to be reduced. A traffic light system is used, for both risk-bearing capacity and the limits at risk category level. The system enables ARAG to monitor changes in the utilization of limits and initiate corrective measures if necessary.

ORSA The own risk and solvency assessment (ORSA) process verifies that the changes in the most significant individual risks over the next four financial years will remain manageable, thereby ensuring that the ARAG Group continues to meet the objective of the conservative risk and solvency policy over the long term. To this end, the ORSA process determines ARAG's overall solvency requirement and own funds for each planning year, providing an indication of the future coverage requirement. The Management Board is responsible for the annual ORSA process and takes a lead role in ensuring it is carried out.

Independent risk control function The independent risk control function is responsible for implementing the risk management system. This function is carried out by the Group Risk Management Central Department. Group Risk Management is separate from the operational departments with profit-and-loss responsibility up to Management Board level. The Chief Risk Officer is a member of the Management Board of ARAG SE and bears responsibility for the implementation of the risk management system in all Group companies. The system is largely implemented in the form of a risk governance model, through which rules for implementing the risk-relevant processes in the Company are defined in groupwide policies and guidelines. By reporting regularly to the Company's Management Board, the independent risk control function also ensures comprehensive transparency with regard to the risk position and any changes to the risk position.

Operating decisions about whether or not to pursue opportunities and/or take on risk are made in the units with relevant responsibility.

Risk management process The risk management process comprises risk identification, risk analysis, risk assessment, risk management, risk monitoring, and risk reporting.

The aim of risk identification is to identify the emergence of new risks or changes in existing risks at an early stage and to assess them using a standard procedure. For example, risks arising in connection with the development of new markets or the launch of new products are identified, analyzed, measured, and submitted to the Management Board for decision using appropriate cross-functional review processes, such as the new-product process.

To ensure risks are assessed appropriately, the influencing factors determining the relevant exposure on the Solvency II balance sheet are analyzed. These influencing factors are validated to check that they are appropriate for the measurement of risk.

All identified risks are regularly measured. The key element in this process is the solvency capital requirement that is calculated for all downside risk. The purpose is to ensure that unexpected losses are covered. This requirement quantifies the loss from the risk exposures occurring within a specific holding period (one year) and with a specified level of probability (99.5 percent). In addition, a qualitative assessment is carried out in the ORSA process.

Operational management of risk is carried out by the managers and process owners in those departments where the risks occur. Risk management consists of implementing measures to reduce, mitigate, transfer, and diversify risks.

A key element of risk monitoring is examining changes in the risk profile over time, focusing on risk-bearing capacity and utilization of the limits. Risk monitoring takes into account the regulatory and internal requirements regarding minimum cover. The results from the risk monitoring process and the associated recommendations for action are reported to the Management Board promptly and on a continual basis. Unexpected or extreme events can also affect a company's risk profile. Ad hoc reports are submitted if this is the case.

Internal control system The internal control system (ICS) refers to all control and monitoring mechanisms as well as other measures that help to support the effectiveness and profitability of business activities and to identify and minimize risk at an early stage. It also ensures compliance with the applicable laws and regulations, all regulatory requirements, and internal rules.

The ARAG Group structures its ICS in accordance with the 'three lines of defense' model, which the Company also uses:

First line of defense: The first line of defense is formed by all employees and managers in operational roles who are responsible for identifying and evaluating the risks in their area as part of the risk control process.

Second line of defense: The monitoring of the business and central units is carried out by various interdisciplinary functions (Group Controlling, Legal/Compliance, Group Risk Management, and the Actuarial function) that specify standards for the design and monitoring of controls and the handling of risk.

Third line of defense: Under its remit as the internal auditor for the Group companies, the Group Audit Central Department conducts internal audits of the functions in the first and second lines of defense within the ARAG Group. The Group Audit Central Department is also the internal auditor for the Group companies that have contractually appointed it to this role. Following the orders issued by the Management Board, Group Audit examines the operational and organizational structure as well as the ICS for all operating and business processes from a risk perspective.

Risk categories

Underwriting risk and market risk are of considerable significance for the Company, whereas counterparty default risk, liquidity risk, and operational risk are of lesser importance.

Underwriting risk

Underwriting risk is the risk of a loss arising from inadequate pricing or inadequate assumptions used in determining underwriting liabilities. These losses result from various risk types, including:

- Premium/reserve risk: fluctuations in the timing, frequency, and severity of insured events and in the duration of claims settlement and the amount involved in relation to the premiums generated in an insurance period.
- Accumulation risk: significant uncertainties regarding pricing and assumptions in respect of the recognition of technical provisions for extreme or exceptional events that affect multiple policyholders at the same time.
- Lapse risk: adverse changes in the level or volatility of the rates of insurance policy lapses and terminations.

These risks are measured using an internal model. A simulation is used to forecast a level of loss that would only be expected every 200 years (a 1 in 200 year event indicates the one-year loss anticipated with a probability of 99.5 percent). Future claims and/or required additions to reserves are calculated for premium and reserve risk on the basis of historical claims. Likewise, catastrophe risk and accumulation risk are assessed by simulating potential accumulation losses in the legal insurance business. Lapse risk is calculated on the basis of past lapse rates. The actual underwriting risk arises from the aggregation of the individual risks, taking diversification effects into account. The methodology used for the internally modelled risks is regularly reviewed using backtesting and validation tests.

The ORSA process identified events that can have a material impact on underwriting risk. Examples include accumulation risk resulting from attorneys driving up the number of legal cases and the negative economic impact of the war in Ukraine.

The effects of these events are managed by making adjustments in product design and underwriting. Important measures implemented to restrict the risks include risk limits and an excess of loss treaty as a form of outward reinsurance.

The consistency of the insurance business and the adequacy of the claims provisions at all times can be seen in the following disclosures on the changes in the claims ratio for the entire direct insurance business over the last ten financial years.

Changes in claims ratio

Financial year		Claims ratio, gross, total	Profit/loss on settlements
(%)	FY ratio	Financial statements	% of initial reserve
2023	55.4	51.8	3.1
2022	55.4	50.3	4.2
2021	55.8	52.2	2.8
2020	59.3	54.3	3.9
2019	57.1	53.0	3.3
2018	54.7	51.6	2.5
2017	57.1	53.4	2.8
2016	57.7	51.2	4.6
2015	61.0	52.5	5.6
2014	61.7	55.8	3.7

Market risk Market risk is the risk of loss due to adverse changes to market prices of assets, liabilities, and financial instruments. The risk arises directly or indirectly from the following sub-risks:

- Interest-rate risk: changes in the term structure or volatility of interest rates. For example, an assumed increase or decrease of 1 percentage point in the general level of interest rates would decrease the fair value of the fixed-income securities by approximately €64,650 thousand.
- Equity risk: changes in the level or volatility of the market prices of equities. For example, an assumed fall in equities markets of 20 percent would cause a loss in fair value of €41,464 thousand.
- Property risk: changes in the level or volatility of the market prices of real estate.
- Currency risk: changes in the level or volatility of exchange rates.
- Spread risk: changes in the level or volatility of credit spreads over the risk-free interest-rate term structure.
- Migration/default risk: rating changes or changes in the extent of projected defaults. The breakdown of interest-bearing investments by rating is as follows:

Rating class (direct investment and funds)

(Proportion [%] by fair value)	Dec. 31, 2023
AAA	21.2%
AA	16.7%
A	32.6%
BBB	24.6%
BB	3.1%
B	1.4%
CCC	0.1%
CC	0.0%
C	0.0%
D	0.1%
Not rated	0.3%

The breakdown of fixed-income securities is as follows (fair values): Of the fixed-income securities – including securities held indirectly through institutional funds – approximately 29.8 percent are accounted for by financial services entities, 30.7 percent by public-sector bonds, and 39.5 percent by corporate bonds.

These risks are measured with an internal model. An economic scenario generator is used to simulate capital market scenarios looking at factors such as interest rates, share prices, real estate prices, credit spreads, credit ratings/defaults, and exchange rates. These risk factors are used to determine the possible fair values of investments in one year's time. The market risk itself results from the 1 in 200 year event considering all risk factors simultaneously, and from concentration risk, taking diversification effects into account. The methodology used for the internally modelled risks is regularly reviewed using back-testing and validation tests.

The ORSA process identified events that can have a material impact on market risk. They include corrections in the financial markets, the impact of climate change on investments, and negative changes in investments due to the escalation of international conflicts.

At strategic level, risk is limited by virtue of the fact that market risk limits are taken into account when determining the strategic asset allocation each year. An annual review of the asset/liability management (ALM) situation also ensures that these risk mitigation measures remain effective over the long term. Operational measures to mitigate risk are set out in the investment guidelines.

Counterparty default risk Counterparty default risk in the insurance business largely arises in connection with receivables from reinsurers and receivables from policyholders and insurance brokers. It is the downside risk arising from the unexpected default or deterioration in the credit standing of counterparties and debtors during the next twelve months.

Counterparty default risk is measured with the partial internal model. The risk of default on receivables from reinsurers is measured on the basis of the information available and proportionality considerations. The counterparties' individual credit ratings are explicitly used. To measure the risk of default on receivables from policyholders and insurance brokers, a constant factor is applied to the fair value of the relevant exposures on the Solvency II balance sheet.

The measures implemented to limit risk include requirements in respect of the selected reinsurers (such as a minimum rating) and an automated procedure for issuing reminders to recover receivables due from policyholders.

The amount of the receivables due from reinsurers, broken down by external ratings, can be found in the notes to the financial statements. As of the balance sheet date, receivables from policyholders more than 90 days past due amounted to €7,055 thousand (December 31, 2022: €6,050 thousand). The average default rate for these receivables over the last three years as of December 31, 2023 was 6.9 percent (December 31, 2022: 7.7 percent).

Liquidity risk Liquidity risk is the risk that insurance companies are unable to realize investments and other assets in order to settle their financial obligations when they fall due. Liquidity risk is therefore a derived risk: It is a type of investment risk (assets are not liquid) and a type of underwriting risk (insurance benefits due for payment may exceed available liquidity).

Liquidity risk is measured by calculating the monthly excess liquidity cover or liquidity shortfall on a rolling basis. Liquidity planning is updated constantly so that ARAG has early warning of whether it will require liquidity in the coming months. ALM is used to determine the liquidity requirement over the medium to long term.

Risk limitation measures include ALM and rolling liquidity planning.

Operational risk Operational risk is the risk arising from inadequate or failed internal processes or systems, employee misconduct, or unexpected external events that disrupt or even prevent business operations. Operational risk also encompasses legal risk and reputational risk but does not include risks arising from strategic decisions.

The Company uses the standard formula to determine the appropriate solvency capital requirement. Measurement for operational purposes is carried out using an expert assessment on the basis of two dimensions: probability of occurrence and impact. The probability of occurrence describes the likelihood that an operational risk will materialize within a defined period. The second dimension describes the potential impact of the occurrence of an operational risk and is measured in quantitative or qualitative terms. The gross and net values are recorded for each dimension.

The gross values are the values before implementation of possible measures to mitigate the risk; the net values are the values after implementation of the chosen measures. Risk limitation measures are specified by the managers concerned on a case-by-case basis. When identifying and evaluating operational risks, the risk managers consider known loss events that are recorded in a loss database. This contains data on all loss events that have occurred and their actual impact. Consequently, the plausibility of subjective estimates can be tested.

The ORSA process identified events that can have a material impact on operational risk. They include cyberattacks, power failures, or risks of a legal nature. PEN tests are carried out to prevent cyberattacks. In the event of power failures, technical and organizational measures are taken in order to maintain IT operations and avoid the loss of data. To reduce risks of a legal nature, extensive legislative monitoring has been established in order to identify changes at the earliest opportunity. In addition, internal training is held on an ongoing basis to avoid violations of the law.

Overall risk position

The regulatory minimum capital requirement in accordance with the provisions of the German Insurance Supervision Act (VAG) is met in full. The Solvency II coverage ratio of 331.9 percent (December 31, 2022: 342.1 percent) shows that the eligible own funds are higher than the solvency capital requirement calculated in accordance with VAG.

Over a planning period of three years, the risks were assessed using the scenarios of rising costs and claims, climate change and investments, and stagflation. The outcome showed that the solvency capital requirement will be sufficiently covered for the next three years of the plan.

The overall risk position does not currently point to any trends that could jeopardize the continued existence of the Company as a going concern or cause a significant negative impact on net assets, financial position, or results of operations.

FINANCIAL STATEMENTS

I. Balance Sheet

Balance sheet as of December 31 – assets

(€)	Dec. 31, 2023	Dec. 31, 2022
A. Intangible assets		
I. Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	3,048,415.97	3,035,280.68
II. Goodwill	0.00	0.00
	3,048,415.97	**3,035,280.68**
B. Investments		
I. Land, land rights and buildings, including buildings on third-party land	44,892,733.58	47,869,446.79
II. Investments in affiliated companies and equity investments		
1. Shares in affiliated companies	453,582,828.78	429,130,733.54
2. Lending to affiliated companies	5,328,833.76	2,175,000.00
3. Equity investments	17,260,900.37	17,052,566.37
4. Lending to long-term investees and investors	0.00	0.00
	476,172,562.91	448,358,299.91
III. Miscellaneous investments		
1. Equities, investment fund shares/units, and other variable-yield securities	662,355,247.62	632,894,103.60
2. Bearer bonds and other fixed-income securities	790,688,482.69	833,894,052.76
3. Loans secured by mortgages or land charges and fixed-income receivables	1.00	1.00
4. Miscellaneous lending		
a) Registered bonds	94,000,000.00	94,511,291.88
b) Promissory notes and loans	152,897,623.08	196,850,578.02
c) Sundry lending	86,489.14	118,144.15
	246,984,112.22	291,480,014.05
5. Bank deposits	45,026,154.95	57,029,800.00
6. Other investments	0.00	0.00
	1,745,053,998.48	1,815,297,971.41
IV. Deposits with ceding insurers	65,432,813.00	65,201,045.19
	2,331,552,107.97	**2,376,726,763.30**

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→ Balance sheet as of December 31 – assets

(€)	Dec. 31, 2023	Dec. 31, 2022
C. Receivables		
I. Receivables from direct insurance business		
1. from policyholders	40,237,326.42	35,262,316.17
2. from insurance brokers	22,757,587.23	21,938,255.74
of which from affiliated companies: €69.15 (Dec. 31, 2022: €0.00)		
	62,994,913.65	57,200,571.91
II. Receivables from reinsurance business	48,400,473.94	60,795,233.06
of which from affiliated companies: €0.00 (Dec. 31, 2022: €0.00)		
of which from other long-term investees and investors: €41,747.92 (Dec. 31, 2022: €51,790.97)		
III. Miscellaneous receivables	29,227,999.97	28,544,412.87
of which from affiliated companies: €18,408,487.9 (Dec. 31, 2022: €22,202,240.78)		
of which from other long-term investees and investors: €202,647.68 (Dec. 31, 2022: €156,257.83)		
	140,623,387.56	**146,540,217.84**
D. Miscellaneous assets		
I. Property and equipment and inventories	12,483,622.38	13,776,911.82
II. Current bank balances, checks and cash on hand	211,474,091.83	59,637,878.81
III. Other assets	17,293,533.88	17,236,891.39
	241,251,248.09	**90,651,682.02**
E. Prepaid expenses and accrued income		
I. Accrued interest and rent	7,930,378.41	6,646,214.77
II. Miscellaneous prepaid expenses and accrued income	10,053,019.63	7,703,707.67
	17,983,398.04	**14,349,922.44**
F. Deferred tax assets	**0.00**	**0.00**
G. Excess of plan assets over pension liabilities	**0.00**	**0.00**
Total assets	**2,734,458,557.63**	**2,631,303,866.28**

Balance sheet as of December 31 – equity and liabilities

(€)	Dec. 31, 2023	Dec. 31, 2022
A. Equity		
I. Subscribed capital	100,000,000.00	100,000,000.00
II. Capital reserves	81,772,569.19	81,772,569.19
III. Revenue reserves		
1. Statutory reserves	10,000,000.00	10,000,000.00
2. Other revenue reserves	300,400,000.00	298,700,000.00
	310,400,000.00	308,700,000.00
IV. Profit brought forward	39,657.74	85,943.03
V. Net income for the year	21,883,453.28	21,653,714.71
	514,095,680.21	**512,212,226.93**
B. Subordinated liabilities	**30,000,000.00**	**30,000,000.00**
C. Technical provisions		
I. Unearned premiums		
1. Gross amount	237,054,155.38	232,688,529.63
2. less: portion for outward reinsurance business	0.00	0.00
	237,054,155.38	232,688,529.63
II. Provision for outstanding claims		
1. Gross amount	1,420,028,939.29	1,358,731,610.13
2. less: portion for outward reinsurance business	– 1,147,335.53	– 1,195,262.55
	1,418,881,603.76	1,357,536,347.58
III. Equalization provision and similar provisions	108,228,745.00	89,348,998.01
IV. Miscellaneous technical provisions		
1. Gross amount	1,065,000.00	1,080,000.00
2. less: portion for outward reinsurance business	0.00	0.00
	1,065,000.00	**1,080,000.00**
	1,765,229,504.14	**1,680,653,875.22**
D. Other provisions		
I. Provisions for pensions and other post-employment benefits	227,014,116.53	223,186,402.61
II. Provisions for taxes	11,325,943.34	10,282,089.39
III. Miscellaneous provisions	83,403,513.84	76,751,995.04
	321,743,573.71	**310,220,487.04**
E. Deposits received from reinsurers	**430.22**	**3,941.11**

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→ Balance sheet as of December 31 – equity and liabilities

(€)	Dec. 31, 2023	Dec. 31, 2022
F. Other liabilities		
I. Liabilities from direct insurance business to		
1. policyholders	17,593,829.72	16,210,671.00
2. insurance brokers	29,560,273.55	27,058,340.16
of which to affiliated companies: €238,414.45 (Dec. 31, 2022: €249,348.89)		
of which to other long-term investees and investors: €0.00 (Dec. 31, 2022: €0.00)		
	47,154,103.27	43,269,011.16
II. Liabilities from reinsurance business	2,222,632.42	1,252,739.94
of which to affiliated companies: €0.00 (Dec. 31, 2022: €0.00)		
of which to other long-term investees and investors: €0.00 (Dec. 31, 2022: €0.00)		
III. Miscellaneous liabilities	50,983,854.96	50,549,841.17
of which tax liabilities: €20,626,129.49 (Dec. 31, 2022: €22,440,761.75)		
of which social security liabilities: €1,993,455.80 (Dec. 31, 2022: €1,746,417.29)		
of which to affiliated companies: €13,580,030.90 (Dec. 31, 2022: €11,679,208.73)		
of which to other long-term investees and investors: €0.00 (Dec. 31, 2022: €0.00)		
	100,360,590.65	**95,071,592.27**
G. Deferred income and accrued expenses	**270,860.84**	**196,164.64**
H. Deferred tax liabilities	**2,757,917.86**	**2,945,579.07**
Total equity and liabilities	**2,734,458,557.63**	**2,631,303,866.28**

II. Income Statement

Income statement for the period from January 1 to December 31

(€)	2023	2022
I. Underwriting account		
1. Premiums earned net of reinsurance		
a) Gross premiums written	1,232,715,911.99	1,169,858,909.58
b) Reinsurance premiums ceded	– 1,112,869.84	– 951,097.72
	1,231,603,042.15	1,168,907,811.86
c) Change in gross unearned premiums	– 5,907,168.40	– 13,199,034.62
d) Change in reinsurers' share of gross unearned premiums	0.00	0.00
	– 5,907,168.40	– 13,199,034.62
	1,225,695,873.75	1,155,708,777.24
2. Miscellaneous underwriting income net of reinsurance	**1,623,332.81**	**1,450,044.41**
3. Claims incurred net of reinsurance		
a) Payments for claims		
aa) Gross amount	565,741,158.58	526,456,196.16
bb) Reinsurers' share	– 35,067.37	– 166,102.54
	565,706,091.21	526,290,093.62
b) Change in provision for outstanding claims		
aa) Gross amount	– 60,735,700.80	– 49,032,611.43
bb) Reinsurers' share	– 47,927.02	967,652.50
	– 60,783,627.82	– 48,064,958.93
	626,489,719.03	**574,355,052.55**
4. Change in sundry net technical provisions	**15,000.00**	**– 131,000.00**
5. Insurance business operating expenses net of reinsurance		
a) Gross insurance business operating expenses	540,444,144.13	512,188,311.90
b) less: commissions received and profit sharing received from outward reinsurance business	0.00	0.00
	540,444,144.13	**512,188,311.90**
6. Miscellaneous underwriting expenses net of reinsurance	**0.00**	**0.00**
7. Subtotal	**60,400,343.40**	**70,484,457.20**
8. Change in the equalization provision and similar provisions	– 18,879,746.99	– 14,921,307.01
9. Underwriting result net of reinsurance	**41,520,596.41**	**55,563,150.19**

Income statement for the period from January 1 to December 31

(€)	2023	2022
II. Non-underwriting account		
1. Income from investments		
a) Income from equity investments	21,429,697.83	48,915,913.05
of which from affiliated companies: €13,364,847.30 (2022: €42,386,912.44)		
b) Income from other investments		
of which from affiliated companies: €168,741.33 (2022: €139,800.71)		
aa) Income from land, land rights and buildings, including buildings on third-party land	4,437,342.41	4,505,119.75
bb) Income from other investments	22,588,412.06	17,233,327.29
	27,025,754.47	21,738,447.04
c) Income from reversals of write-downs	8,327,135.67	185,390.02
d) Gains on the disposal of investments	33,171,785.54	2,719,501.18
e) Income from profit-pooling, profit-transfer and partial profit-transfer agreements	12,158,224.61	4,941,126.44
	102,112,598.12	78,500,377.73
2. Expenses for investments		
a) Expenses for the management of investments, interest expense and similar charges and other expenses for investments	8,748,970.62	7,114,887.58
b) Depreciation, amortization and write-downs of investments	12,219,890.72	31,204,150.25
of which write-downs: €11,132,221.23 (2022: €30,062,786.88)		
c) Losses on the disposal of investments	28,773,235.41	5,621,020.60
	49,742,096.75	43,940,058.43
	52,370,501.37	**34,560,319.30**
3. Other income	131,768,573.12	127,412,203.75
4. Other expenses	181,411,773.61	176,122,581.14
	– 49,643,200.49	**– 48,710,377.39**
5. Profit/loss from ordinary activities	**44,247,897.29**	**41,413,092.10**
6. Extraordinary income	0.00	0.00
7. Extraordinary expenses	0.00	0.00
8. Net extraordinary income/expense	**0.00**	**0.00**
9. Income taxes	21,264,249.36	18,824,711.77
of which deferred income taxes: – €187,661.21 (2022: – €1,528,274.51)		
10. Miscellaneous taxes	1,100,194.65	934,665.62
	22,364,444.01	**19,759,377.39**
11. Net income for the year	**21,883,453.28**	**21,653,714.71**

Notes to the Financial Statements

III. General Disclosures

ARAG SE is entered in the commercial register of the Düsseldorf local court under the number HRB 66846. Its registered office is ARAG Platz 1, 40472 Düsseldorf, Germany.

The Company prepared these financial statements for 2023 in accordance with the requirements of the German Commercial Code (HGB) for large corporations. When preparing the financial statements, it also took into account the supplementary provisions applicable to corporations and the additional provisions applicable to insurance companies, the German Insurance Supervision Act (VAG), and the German Regulation on the Accounting of Insurance Undertakings (RechVersV).

The presentation of the notes to the financial statements has changed compared with the prior year. The change in presentation is intended to improve the clarity of reporting. It also brings the reporting by all insurance companies in the ARAG Group into line, which helps to make the preparation of the notes to the financial statements more efficient and improve comparability.

Due to currency amounts being presented in thousands, the precise mathematical amounts may differ from those presented as a result of rounding differences. Those differences may affect totals and percentages.

The financial statements are presented on the basis of financial statement forms 1 and 2 pursuant to section 2 RechVersV. The Company is a large corporation within the meaning of section 267 (3) HGB. Therefore, and pursuant to the obligations under section 341a (1) HGB, the accounting rules for large corporations were applied.

On December 27, 2023, the German Act to Ensure Global Minimum Taxation for Corporate Groups (Minimum Tax Act [MinStG]) was published in the German Federal Tax Gazette. The aim of MinStG is to ensure a minimum effective tax rate of 15 percent for multinationals, irrespective of the country in which the profits were generated. If this level of effective tax is not achieved under applicable national tax law (e.g. the Corporate Income Tax Act [KStG] and the Trade Tax Act [GewStG] in Germany), a top-up tax is levied. MinStG applies for the first time to financial years beginning in 2024.

The Company is subject to the rules on global minimum taxation due to being part of the ARAG Group. The parent company is currently analyzing the situation to ensure it will meet the requirements of the new law. There are no quantitative effects on the single-entity financial statements for 2023. Any potential effects on future financial statements cannot be quantified at present.

IV. Disclosures on Accounting Policies

The single-entity financial statements of the entities included in the consolidated financial statements are nearly all prepared in accordance with the same accounting policies used by the ARAG Group. The following accounting principles and valuation requirements arising from the pertinent legislation were applied.

Accounting policies

Intangible assets
Purchased intangible assets are recognized at cost on the balance sheet and reduced by straight-line amortization according to their estimated useful life.

Land and buildings
Land, land rights and buildings, including buildings on third-party land, are valued at cost less straight-line depreciation and amortization. The useful life of buildings is estimated to be in the range of 40 to 50 years.

Investments in affiliated companies and equity investments
Investments in affiliated companies and equity investments are valued at cost, written down accordingly where permanent impairment has occurred.

Lending to affiliated companies and equity investments is recognized at cost, which is generally the same as the nominal amount. The cost is reduced by scheduled principal repayments over the term of the loan.

Equities, investment fund shares/units, and other variable-yield securities
Securities that have been classified as current assets are valued following the strict principle of lower of cost or market value. If the reasons for a write-down cease to apply, the write-down is reversed to the lower of cost or fair value.

If investments are classified for permanent use in business operations, short-term fluctuations in the market price do not result in changes to the carrying amount due to application of the discretionary principle of lower of cost or market value. Only long-term changes in fair value are recognized.

The long-term fund value is calculated by looking through to the individual components of the fund. Criteria for reviewing long-term changes in the value of fixed-income securities are their credit rating and nominal amount. Comparisons with historical valuation parameters are used for equities. For shares in affiliated companies, in infrastructure investments, and in real estate investments, expert appraisals are obtained from the investment management companies based on the net asset value (NAV) for the quarter prior to the reporting date.

Bearer bonds and other fixed-income securities
Contrary to the principle set forth in section 341b (2) HGB and unless stated otherwise, bearer bonds and other fixed-income securities are treated as fixed assets and therefore the discretionary principle of lower of cost or market value is used. The strict principle of lower of cost or market value is applied to securities without a rating. A write-down to less than the nominal value is considered permanent if there has been a material deterioration in the issuer's credit rating. An indicator of this is if the credit rating has been downgraded by two or more notches since acquisition. If contractually defined payments are in default, permanent impairment can be assumed. The write-down to fair value is determined using the maturity-dependent probability of default in conjunction with the loss given default.

The fair value is used for subsequent measurement until such time as the reason for the write-down no longer applies. If securities are acquired above or below par and held to maturity, the difference between this amount and the nominal value forms a component of cost. It is posted together with the security but treated separately. The difference (a premium or a discount) is amortized over the term of the bearer bond using the effective interest method.

Loans secured by mortgages or land charges and fixed-income receivables, and other investments
Loans secured by mortgages or land charges and fixed-income receivables, and other investments are accounted for at fair value.

Registered bonds
Registered bonds are accounted for at their nominal or redemption amount. Any premiums to be accrued and discounts to be deferred are reclassified to income using the straight-line method over the term to maturity. Any zero-coupon registered bonds are recognized at the lower of amortized cost or fair value.

Promissory notes and loans, and sundry lending
Promissory notes, loans, and sundry lending items are recognized at cost unless permanently impaired. Premiums and discounts are taken into account using the effective interest method.

The structured products held in the portfolio of direct investments in registered bonds and promissory notes are simply structured products pursuant to the pronouncement IDW AcP HFA 22 issued by the Main Technical Committee of the Institute of Public Auditors in Germany (IDW).

Bank deposits
Bank deposits are recognized at their nominal amount.

Deposits with ceding insurers
Deposits with ceding insurers are recognized at the nominal value of the collateral furnished to cedants.

Investments are individually assigned to the business units (headquarters and branches). The assignment is documented by recording the investments in the relevant books of the business unit concerned. Income from investments is allocated to each business unit according to the assignment of the investment in question. Assignments are reviewed annually using the modified capital allocation approach determined by the German tax authorities – which has been approved by the Organisation for Economic Co-operation and Development (OECD) – and adjusted by means of compensatory payments where necessary.

Receivables from direct insurance business
Receivables from direct insurance business are generally recognized at their nominal amount. Where necessary, receivables from policyholders are written down, are reduced by specific allowances on the basis of exceeding a predefined due date, or are reduced by a general allowance.

Receivables from insurance brokers
Receivables from insurance brokers are reduced by specific allowances and, where applicable, a general allowance in the amount of the likely default.

Receivables from reinsurance business
Receivables from reinsurance business are recognized at the amount of the outstanding balances.

Miscellaneous receivables
These receivables are generally recognized at their nominal amount.

Property and equipment and inventories
Property and equipment is recognized at cost and depreciated on a straight-line basis over the standard operating useful life.

Inventories are determined by carrying out physical inventory checks. They are valued at cost and reduced by appropriate write-downs to account for storage risk and impaired marketability.

Current bank balances, checks and cash on hand
Current bank balances, checks, and cash on hand are recognized at cost. This equates to the nominal amount. Balances are documented in the form of bank statements and cash records. Payment orders that have been issued but not executed as of the reporting date are deducted from the balances for the purposes of the carrying amounts reported on the balance sheet.

Bank balances denominated in foreign currency are translated using the middle spot rate as of the reporting date, disregarding both historical cost convention and the realization principle, provided the balances have maturities of no more than one year. Items denominated in foreign currency with longer maturities are valued using the transaction exchange rate or the middle spot rate as of the reporting date where the resulting value is lower than the cost.

Other assets
Other assets are recognized at their nominal amount, which equates to their cost.

Prepaid expenses and accrued income
Prepaid expenses and accrued income are recognized at nominal value and mainly consist of interest receivables that are not yet due from interest-bearing securities and from loans.

Deferred tax assets and liabilities
If differences arise between the carrying amounts in the HGB financial statements and those in the tax base and these differences are expected to reverse in subsequent years, deferred taxes are recognized in respect of these differences using separate entity-specific tax rates applicable in the country in which the registered office of the entity concerned is situated. This also includes differences for which the timing of the reversal is not yet precisely known or depends on action by the entity concerned, and differences that would only reverse in the event of any liquidation. The deferred tax assets and liabilities expected to result from the reversal effects are netted. Only deferred tax assets and liabilities relating to the same tax jurisdiction are netted. They are recognized on the balance sheet only if there is a net liability. Net deferred tax assets are not recognized.

Equity
The Company's share capital is reported as subscribed capital. The capital reserves consist of capital receipts from external sources that are not derived from its earnings. The revenue reserves comprise the statutory reserves and the other revenue reserves. When single-entity financial statements are prepared following appropriation of some of the net income by the Management Board, the net retained profit comprises the balance of net income for the year, profit or loss carried forward from the previous year, and changes in other revenue reserves.

Subordinated liabilities
Subordinated liabilities have been issued by way of a private placement to strengthen the own funds used to determine the solvency ratio. The subordinated liabilities are recognized at their repayment amount (= settlement amount). The registered bonds are not tradable in Germany on a regulated market within the meaning of section 2 (5) of the German Securities Trading Act (WpHG). The subordinated liability will be repaid on July 29, 2024.

Unearned premiums

Gross unearned premiums for direct insurance business are calculated pro rata on the basis of the premiums and lapses/cancellations posted, less the installment surcharges. The non-transferable income components are deducted from the unearned premiums.

The gross unearned premiums for inward reinsurance business are recognized in accordance with the information provided by the primary insurer.

The reinsurers' share of the unearned premiums is determined in accordance with the contractual agreements.

Provision for outstanding claims

The provision for outstanding claims in relation to direct insurance business is recognized separately by event year for claims reported in the financial year concerned and for claims that have occurred up to the balance sheet date but have not yet been reported. The provision for outstanding claims is generally determined individually and measured according to specific requirements.

If there is a high number of open claims with similar risks, group-based valuation approaches are used if individual valuation would be difficult or involve a disproportionate amount of effort.

General provisions are recognized for claims incurred but not reported and reopened claims on the basis of empirical values.

A provision for claim settlement expenses is recognized. This provision is valued in accordance with prudent business practice, taking into account the ongoing need to satisfy the obligations under insurance contracts. Valuation is based on values as of the balance sheet date.

The claims provisions for inward reinsurance business are recognized in accordance with the information provided by the primary insurer. If the information from the primary insurer is clearly insufficient, additional reserves are recognized. They are estimated using actuarial forecasting methods.

The portions relating to outward reinsurance business are calculated in accordance with the stipulations in the reinsurance treaties.

Miscellaneous technical provisions

Miscellaneous technical provisions are recognized in the required settlement amount determined in accordance with prudent business practice. Miscellaneous technical provisions with a maturity of more than one year are discounted using the discount rate published by Deutsche Bundesbank for their term to maturity.

The lapse provision (reported under miscellaneous technical provisions) for discontinuation and reduction of risk in direct insurance business was calculated using a lapse rate based on empirical values in the year under review.

Equalization provision

The equalization provision for the direct insurance and inward reinsurance business is recognized and valued in accordance with section 341h HGB in conjunction with section 29 RechVersV. For the annual adjustment amounts, the calculated equalization provision is allocated between the Company headquarters and the branches according to gross premiums earned in each class of insurance.

The calculation is carried out separately for the direct insurance business and for the inward reinsurance business, in each case broken down by class of insurance.

Provisions for pensions and other post-employment benefits

Provisions for pensions and other post-employment benefits are calculated using actuarial principles in accordance with the projected unit credit (PUC) method on the basis of the Heubeck 2018 G mortality tables.

For organizational units in other countries, local mortality tables are used that accurately reflect life expectancy outside Germany.

In addition to current circumstances, future trends in salaries, pensions, and staff turnover are taken into account. The discount rate used is the average interest rate for the past ten years published by Deutsche Bundesbank in accordance with the Regulation on the Discounting of Provisions (RückAbzinsV) for an assumed residual maturity of 15 years. In 2022 and 2023, a discount rate was applied for the valuation as of December 31 based on the average for the past ten years. This rate as of the reporting date was 1.83 percent (December 31, 2022: 1.79 percent). The interest rate used was forecast at the end of the year using market data as of October 1, 2023 and was determined in accordance with RückAbzinsV.

As of December 31, 2023, the difference between the application of the ten-year average and the seven-year average (1.76 percent; December 31, 2022: 1.45 percent) caused a reduction in the provision for pensions and other post-employment benefits of €2,220 thousand (December 31, 2022: €11,214 thousand).

This amount is not prohibited from being distributed, provided that the distributable reserves that remain after distribution are not less than the difference.

The following actuarial parameters were used to calculate the obligations: pension age: earliest possible age under the German Pension Age Reform Act (RVAGAnpG); annual increase in salaries: 2.50 percent; annual increase in pension benefits: 2.40 percent. The level of staff turnover taken into account reflects the generally observable age-dependent average for the industry and has only a minor impact on the settlement value.

Assets from reinsurance are offset against the defined benefit obligation. The fair value of the assets corresponds to the settlement amount of the offset liabilities.

The option pursuant to section 28 (1) of the Introductory Act to the German Commercial Code (EGHGB), which permits provisions for pensions and other post-employment benefits not to be recognized for legacy entitlements, has not been exercised.

Securities intended to cover defined benefit obligations are offset, at fair value, against the present value of the obligation. As the cost was higher than the fair value, there was no amount that was not allowed to be distributed as a dividend pursuant to section 268 (8) sentence 3 HGB. In any case, this matter does not affect the distributable dividend because sufficient distributable reserves are available.

In Italy, there are obligations to pay medical expenses for employees leaving the Company upon reaching retirement age, obligations for additional pension benefits for long-serving employees, and obligations to convert severance payments into pension entitlements. The obligations were measured on the basis of actuarial principles using the life expectancy taken from gender-specific table A62, staff turnover until the age of 65 of 3.0 percent, and a discount rate of 1.83 percent (2022: 1.45 percent).

Provisions for taxes

Provisions for taxes are recognized in the anticipated settlement amount determined in accordance with prudent business practice.

Miscellaneous provisions

The miscellaneous provisions are generally recognized in the amount that is necessary to settle the obligation according to prudent business practice. Their residual maturity is generally less than one year.

Miscellaneous provisions with a maturity of more than one year are discounted using the discount rate published by Deutsche Bundesbank for their term to maturity.

Specific accounting policies are applied to the following key miscellaneous provisions:

Provisions for early retirement obligations

Provisions for early retirement obligations are recognized for those persons with whom individual contractual agreements have been reached. The provisions were calculated in accordance with actuarial principles on the basis of the Heubeck 2018 G mortality tables, applying a discount rate of 1.76 percent (seven-year average; 2022: 1.45 percent) and future salary increases of 2.5 percent per year.

In 2023, a provision in accordance with the pre-retirement part-time employment agreement for the private insurance industry was recognized – in line with the relevant IDW accounting principle – using a maturity-matched discount rate of 1.76 percent (2022: 1.45 percent). Credit balances on employee working hours account models are protected against insolvency in accordance with the German Pre-Retirement Part-Time Employment Act (AltTZG) by means of a fixed liability guarantee from a German commercial bank.

Long-service provision

A long-service provision was recognized in the year under review for long-service awards to be paid to employees. The provision was calculated using the projected unit credit method taking into account death rates pursuant to the Heubeck 2018 G mortality tables and applying a discount rate of 1.76 percent (seven-year average; 2022: 1.45 percent) in accordance with section 253 (2) HGB. The calculation also included staff turnover at an average rate of 1.50 percent and salary increases at a rate of 2.50 percent. The earliest possible pension age under RVAGAnpG was selected as the final age.

Deposits from reinsurers

Deposits received from reinsurers are accounted for at the nominal value of the collateral received. Their residual maturity is less than one year.

Other liabilities

The liabilities from direct insurance business and the liabilities from reinsurance business are valued at their nominal amount in euros. All non-interest-bearing liabilities are valued at the higher of their nominal amount or settlement value. Miscellaneous liabilities are recognized at their settlement value.

Deferred income and accrued expenses

Deferred income and accrued expenses are recognized at their settlement value.

Currency translation

Receivables and liabilities that are due in less than one year and denominated in foreign currency are recognized using the middle spot rate as of the reporting date, disregarding both the historical cost convention and the realization principle.

Income and expenses are recognized using the transaction exchange rate on the date of the relevant inflow or outflow.

Fair value disclosures pursuant to section 54 RechVersV

Fair values of land, land rights and buildings, including buildings on third-party land
All land and buildings are valued on the basis of the income capitalization approach using the market values calculated as of the reporting date. Valuation reports are prepared internally and by third parties to determine the fair values. These reports satisfy the requirements of section 55 (3) RechVersV. Each year, new valuation reports are prepared or the existing reports are revised internally based on updated underlying data. In line with the recommendation of the German Insurance Association (GDV), the internal adjustment is carried out on the basis of the simplified income capitalization approach using the market values calculated as of the reporting date.

Fair values for investments in affiliated companies and equity investments
The shares and equity investments are generally valued using the income capitalization approach.

If equity investments and shares are acquired close to the reporting date, the carrying amount is used as the fair value.

Fair values for equities, investment fund shares/units, bearer bonds, and other fixed-income securities
The fair value of publicly traded investment fund shares/units is based on the quoted market price as of the reporting date.

For institutional investment fund shares/units, the fair value is determined in a fund look-through. Equities within the funds are recognized at their quoted market price, whereas fixed-income securities within the funds are recognized at their market value. The fair value of publicly traded investment fund shares/units is based on the quoted market price as of the reporting date.

Shares/units in infrastructure funds, real estate funds, and private equity funds are recognized at their reported NAVs.

The fair values of fixed-income securities are determined using their quoted market prices and the valuation method for this balance sheet line item described above.

Fair values of miscellaneous investments
The market values of securities that are not exchange-traded (registered bonds, promissory notes) are calculated on the basis of the swap curve. This involves determining the discount rate on the swap curve corresponding to the maturity of the security being valued. Any spreads resulting from the structure of the individual security (maturity, collateral, credit rating, etc.) are taken into account as appropriate. The remaining investments are recognized at quoted market price or market value.

Fair values broken down by asset class
The fair values broken down by asset class are shown under 'Balance Sheet Disclosures – Assets' in the notes to the financial statements.

V. Balance Sheet Disclosures – Assets

Changes in asset items A., B., I. to III. in the financial year

(€'000)	Carrying amount Dec. 31, 2022	Currency translation differences	Additions	Disposals	Reclassifications	Reversals of write-downs	Write-downs	Carrying amount Dec. 31, 2023	Fair value pursuant to sec. 54 RechVersV	Hidden reserve/ undisclosed liability Dec. 31, 2023
A. Intangible assets										
1. Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	3,035	0	2,322	1	0	0	2,308	3,048	3,048	0
2. Goodwill	0	0	0	0	0	0	0	0	0	0
Total for A.	**3,035**	**0**	**2,322**	**1**	**0**	**0**	**2,308**	**3,048**	**3,048**	**0**
B. I. Land, land rights and buildings, including buildings on third-party land	**47,869**	**0**	**1,198**	**2,707**	**0**	**115**	**1,583**	**44,893**	**63,975**	**19,082**
II. Investments in affiliated companies and equity investments										
1. Shares in affiliated companies	429,131	0	25,674	1,447	0	4,230	4,005	453,583	1,082,519	628,936
2. Lending to affiliated companies	2,175	0	3,454	300	0	0	0	5,329	5,782	453
3. Equity investments	17,053	0	208	0	0	0	0	17,261	51,681	34,420
4. Lending to long-term investees and investors	0	0	0	0	0	0	0	0	0	0
Total for B. II.	**448,358**	**0**	**29,336**	**1,747**	**0**	**4,230**	**4,005**	**476,173**	**1,139,982**	**663,809**
III. Miscellaneous investments										
1. Equities, investment fund shares/units, and other variable-yield securities	632,894	0	276,017	246,279	0	0	277	662,355	673,018	10,663
2. Bearer bonds and other fixed-income securities	833,894	– 9	255,970	296,754	0	3,941	6,354	790,688	767,601	– 23,087
3. Loans secured by mortgages or land charges and fixed-income receivables	0	0	0	0	0	0	0	0	0	0
4. Miscellaneous lending										
a) Registered bonds	94,511	0	0	511	0	0	0	94,000	91,445	– 2,555
b) Promissory notes and loans	196,851	0	17	44,011	0	41	0	152,898	147,412	– 5,485
c) Loans and prepayments for certificates of insurance	0	0	0	0	0	0	0	0	0	0
d) Sundry lending	118	0	19	51	0	0	0	86	86	0
5. Bank deposits	57,030	– 369	20,365	32,000	0	0	0	45,026	45,026	0
6. Other investments	0	0	0	0	0	0	0	0	0	0
Total for B. III.	**1,815,298**	**– 378**	**552,389**	**619,606**	**0**	**3,982**	**6,631**	**1,745,054**	**1,724,590**	**– 20,464**
Total for B.	**2,311,526**	**– 378**	**582,923**	**624,059**	**0**	**8,327**	**12,220**	**2,266,119**	**2,928,547**	**662,427**
Total	**2,314,561**	**– 378**	**585,246**	**624,060**	**0**	**8,327**	**14,528**	**2,269,168**	**2,931,596**	**662,427**

Land and buildings

Write-downs of €496 thousand (2022: €245 thousand) were recognized on land in the year under review owing to anticipated permanent asset impairment.

Reversals of write-downs of €115 thousand were recognized in the reporting year (2022: €185 thousand) due to the reason for the lower carrying amount no longer applying.

Land and buildings with a carrying amount of €28,163 thousand (December 31, 2022: €28,785 thousand) were used for the Company's own business operations.

Investments in affiliated companies and equity investments

Write-downs of €4,005 thousand were recognized in the reporting year (2022: €8,100 thousand). Reversals of write-downs of €4,230 thousand were recognized in the reporting year (2022: €0 thousand) due to the reason for the original write-downs no longer applying.

Shares in affiliated companies and equity investments with a shareholding of at least 20.0 percent that are intended to serve the Company's own operations by establishing a lasting relationship were as follows:

List of shareholdings

Name and registered office of company	Shareholding	Equity	Net income/loss for the year
	(%)	(€'000)	(€'000)
Shares in affiliated companies			
Agencia de Seguros ARAG S.A., Barcelona (figures from the last available financial statements [for the year ended Dec. 31, 2022])	100.00	232	61
ALIN 1 GmbH & Co. KG, Düsseldorf	100.00	111,615	4,553
ALIN 1 Verwaltungs-GmbH, Düsseldorf	100.00	35	2
ARAG 2000 Grundstücksgesellschaft eGbR, Düsseldorf	50.90	67,925	3,734
ARAG Allgemeine Versicherungs-AG, Düsseldorf	100.00	55,323	12,158
ARAG International Holding GmbH, Düsseldorf	100.00	107,678	39,269
ARAG IT GmbH, Düsseldorf	100.00	8,184	– 55
ARAG Krankenversicherungs-AG, Munich	94.00	102,253	12,500
ARAG Legal Services B.V., Leusden	100.00	282	– 30
ARAG Legal Solutions Inc., Toronto	100.00	6,344	– 237
ARAG Liegenschaftsverwaltungs- und Beratungsgesellschaft mbH, Düsseldorf	100.00	372	12
ARAG Liegenschaftsverwaltungs- und Beratungs-GmbH & Co. Immobilien KG, Düsseldorf	50.00	6,077	1,917
ARAG plc (ARAG UK), Bristol	100.00	13,682	724
ARAG Scandinavia AS, Oslo	100.00	26,056	– 20
ARAG Service Center GmbH, Düsseldorf	80.00	399	73
ARAG Services Australia Pty Ltd., Sydney	100.00	1,269	– 1,050
ARAG Services Spain & Portugal S. L., Barcelona (figures from the last available financial statements [for the year ended Dec. 31, 2022])	100.00	616	– 2,767
ARAG-France Assistance et Règlement de Sinistres Automobiles et Généraux S.A.R.L. (ARAG F), Versailles	100.00	19	0
Cura Versicherungsvermittlung GmbH, Düsseldorf	100.00	3,353	716
Justix GmbH, Düsseldorf (operations discontinued)	100.00	862	3
SolFin GmbH, Düsseldorf	75.10	484	151
Associates			
AXA-ARAG Rechtsschutz AG, Zurich	29.17	57,946	27,616
Miscellaneous equity investments			
Jusperta GmbH, Düsseldorf	33.33	343	– 283

Equities, investment fund shares/units, and other variable-yield securities

In the reporting year, write-downs of €1 thousand had to be recognized in line with the strict principle of lower of cost or market value (2022: €0 thousand).

Applying the discretionary principle of lower of cost or market value, write-downs amounting to €277 thousand (2022: €12,283 thousand) were recognized. No reversals of write-downs due to the reasons for the recognition of the original write-down no longer applying were recognized in 2023 or in 2022.

As of the reporting date, there were no undisclosed liabilities that had not been netted as a result of the application of the discretionary principle of lower of cost or market value (December 31, 2022: €22,535 thousand).

The portfolio of investments contains the following investment funds of which more than 10.0 percent is held by the Company:

Disclosures pursuant to section 285 no. 26 HGB

Fund	Type of fund	Investment objective	Carrying amount Dec. 31, 2023	Market value Dec. 31, 2023	Difference	Dividend in 2023
			(€'000)	(€'000)	(€'000)	(€'000)
ARRE	Fixed-income fund	Increased income	649,120	659,573	10,453	1,403
Total			**649,120**	**659,573**	**10,453**	**1,403**

Bearer bonds and other fixed-income securities

Bearer bonds with a carrying amount of €580,653 thousand (December 31, 2022: €652,940 thousand) were classified as permanent investments and treated as fixed assets at ARAG SE.

In 2023, bearer bonds of €50,689 thousand were reclassified from fixed assets to current assets as they were sold in order to adjust the investment structure and be able to generate higher coupons in the future.

In the reporting year, write-downs of €6,332 thousand had to be recognized in line with the strict principle of lower of cost or market value (2022: €8,417 thousand).

Applying the discretionary principle of lower of cost or market value, write-downs amounting to €22 thousand (2022: €877 thousand) were recognized. Reversals of write-downs were recognized in an amount of €3,941 thousand (2022: €1 thousand) because there was a recovery in value.

As of the reporting date, application of the discretionary principle of lower of cost or market value resulted in undisclosed liabilities (netted) of €24,653 thousand (December 31, 2022: €92,053 thousand).

Loans secured by mortgages or land charges and fixed-income receivables, and other investments

No write-downs to a lower fair value were necessary in the year under review or the previous year.

Registered bonds

No write-downs to a lower fair value were necessary in the reporting year or the previous year.

Measured on the basis of the theoretical market value relative to the swap curve, the registered bonds recognized at their nominal amounts less any amounts redeemed temporarily gave rise to an undisclosed liability (netted) of €2,555 thousand as of December 31, 2023.

Promissory notes and loans, and sundry lending

No write-downs to a lower fair value needed to be recognized in the reporting year (2022: €142 thousand).

Measured on the basis of the theoretical market value relative to the swap curve, the promissory notes and loans temporarily gave rise to an undisclosed liability of €5,485 thousand as of December 31, 2023.

Receivables from reinsurance business

The balance of €48,400 thousand (December 31, 2022: €60,795 thousand) generally arose from current business. The amounts recognized are the outstanding balances.

Rating class

(€'000)	Dec. 31, 2023
A+	3,434
A–	23,042
BBB	1,404
Not rated	20,521

Miscellaneous receivables

All items under miscellaneous receivables are due within one year.

Miscellaneous receivables mainly comprise balances from intragroup clearing transactions, from claims settlement assistance for primary insurance partners, and from pending purchase transactions.

Prepaid expenses and accrued income

Prepaid expenses and accrued income mainly consist of accrued rights to interest in the income period before the balance sheet date.

This item comprises cash payments made before the balance sheet date that are treated as an expense in the subsequent year.

VI. Balance Sheet Disclosures – Equity and Liabilities

Equity

Equity

(€'000)	Dec. 31, 2023	Dec. 31, 2022
Total equity	**514,096**	**512,213**
of which		
1. Subscribed capital		
Share capital	100,000	100,000
2. Capital reserves pursuant to section 272 (2) no. 4 HGB		
Capital reserves as of Jan. 1	81,773	81,773
Withdrawals from capital reserves	0	0
Appropriation to capital reserves	0	0
Capital reserves as of Dec. 31	81,773	81,773
3. Revenue reserves		
a) Statutory reserves		
Brought forward as of Jan. 1	10,000	10,000
Withdrawals	0	0
Appropriation to revenue reserves	0	0
Appropriation from profit	0	0
Balance as of Dec. 31	10,000	10,000
b) Other revenue reserves		
Brought forward as of Jan. 1	298,700	295,200
Withdrawals from revenue reserves	0	0
Appropriation to revenue reserves	0	0
Additions approved by the Annual General Meeting	1,700	3,500
Appropriation from current net retained profit	0	0
Balance as of Dec. 31	300,400	298,700
	310,400	308,700
4. Net retained profit		
Net retained profit as of Jan. 1	21,740	23,586
Appropriation of profits: dividend	– 20,000	– 20,000
Appropriation of profits: appropriation to revenue reserves	– 1,700	– 3,500
Profit brought forward	40	86
Net income for the year	21,883	21,654
Appropriation to statutory reserves (section 150 (2) AktG)	0	0
Appropriation to other revenue reserves	0	0
Net retained profit as of Dec. 31	**21,923**	**21,740**

The subscribed capital has been fully paid up by the shareholders.

The capital reserves consist exclusively of amounts that shareholders have contributed to the equity of the Company in accordance with section 272 (2) no. 4 HGB.

The full amount of the statutory reserves has been recognized pursuant to section 150 (2) of the German Stock Corporation Act (AktG).

Technical provisions

Provision for outstanding claims

The provision for outstanding claims in relation to direct insurance business, including the portion of the provision for settlement expenses, amounted to €1,056,384 thousand as of January 1, 2023. The reversal of unused claims provisions for outstanding claims gave rise to a profit of €32,611 thousand in 2023 (2022: €43,427 thousand). The profit/loss on settlements from reversals of unused claims provisions for inward reinsurance business amounted to a loss of €12,582 thousand (2022: profit of €6,935 thousand). However, these are mainly not out-of-period income and expenses as inward reinsurance business includes UK and Canadian after-the-event (ATE) policies, under which premiums and claim payments normally occur retrospectively.

Equalization provision

In accordance with the calculation requirements specified in RechVersV, there was an addition to the equalization provision in a total amount of €18,880 thousand on the basis of the trends in claims and premiums (2022: €14,921 thousand). As a result, the equalization provision amounted to €108,229 thousand as of the balance sheet date (December 31, 2022: €89,349 thousand).

Other provisions

Provisions for pensions and other post-employment benefits

Since 2010, this item has also included the offsetting of pension benefit entitlements under reinsurance in accordance with section 246 (2) sentence 2 HGB. The breakdown of this item as of December 31, 2023 was therefore as follows:

Defined benefit obligations

(€'000)	Dec. 31, 2023	Dec. 31, 2022
Amount required to settle the vested entitlements	228,765	224,952
of which offsetable against pension insurance assets	786	841
of which offsetable against securities	965	925
Remaining amount	**227,014**	**223,186**

The settlement value includes a shortfall in pension funds used to cover pension commitments to employees. The shortfall was caused by the previous long period of low interest rates and amounted to €96 thousand as of December 31, 2023 (December 31, 2022: €120 thousand). This shortfall has been determined in accordance with actuarial principles and reported as a pension obligation.

Provisions for taxes

In 2023, provisions for taxes of €1,523 thousand (December 31, 2022: €1,158 thousand) had to be recognized for income tax payments whose amount or timing is not yet known.

A provision of €9,803 thousand (December 31, 2022: €9,124 thousand) was recognized for miscellaneous taxes and for tax amounts identified by tax audits that have not yet been pursued.

Miscellaneous provisions

The Company had the following miscellaneous provisions as of the reporting date:

Miscellaneous provisions

(€'000)	Dec. 31, 2023	Dec. 31, 2022
Outstanding employee remuneration	26,195	24,138
Outstanding commission payments	22,941	18,823
Purchase invoices not yet received	6,285	7,280
Early retirement and pre-retirement part-time employment obligations	7,428	6,287
Long-service obligations	3,900	4,039
Severance payments (Austria, Slovenia, Greece)	2,522	3,110
Interest on taxes and additional tax-related charges	51	655
Compensation claims for agents leaving the Company	1,465	1,355
Performance-related and business-plan remuneration for agents	1,765	1,708
Costs for financial statements and tax audit	1,590	1,841
Severance payments	733	786
Sales competition awards	2,733	1,194
Supervisory Board and Advisory Council remuneration	840	688
Redundancy scheme and restructuring obligations	19	21
Current litigation costs	329	260
Sundry other provisions	4,606	4,566
Total	**83,404**	**76,752**

Deferred income and accrued expenses

Deferred income and accrued expenses contained discounts on registered bonds pursuant to section 341c (2) sentence 1 HGB of €0 thousand (December 31, 2022: €2 thousand).

VII. Income Statement Disclosures

Insurance business

	Direct insurance business					Inward reinsurance business					Outward reinsurance business		Total insurance business	
(€'000)	Legal insurance	Emergency assistance insurance	Other (misc. financial losses)	Total 2023	Total 2022	Legal insurance	Emergency assistance insurance	Other (misc. financial losses)	Total 2023	Total 2022	Total 2023	Total 2022	Total 2023	Total 2022
Gross premiums written	850,866	62,223	7,508	920,597	860,616	299,710	12,110	299	312,119	309,242	0	0	1,232,716	1,169,859
Gross premiums earned	843,840	61,143	7,549	912,531	851,893	300,394	13,557	327	314,277	304,767	0	0	1,226,809	1,156,660
Net premiums earned	0	0	0	0	0	0	0	0	0	0	1,113	951	1,225,696	1,155,709
Claims incurred	439,165	32,937	1,028	473,129	428,114	140,299	12,979	70	153,348	147,374	13	– 1,134	626,490	574,355
of which payments for claims	405,146	33,012	937	439,094	402,783	113,255	13,330	62	126,647	123,673	35	166	565,706	526,290
Insurance business operating expenses	355,068	29,679	4,190	388,936	360,526	150,908	360	240	151,508	151,662	0	0	540,444	512,188
of which front-end fees	120,575	25,328	193	146,096	125,396	819	300	27	1,146	965	0	0	0	0
of which administrative expenses	234,492	4,351	3,996	242,840	235,130	150,089	60	213	150,362	150,697	0	0	0	0
Change in the equalization provision	0	– 2,799	– 285	– 3,084	1,865	– 13,888	– 1,908	0	– 15,796	– 16,786	0	0	– 18,880	– 14,921
Miscellaneous underwriting income and expenses	1,638	0	0	1,638	1,319	0	0	0	0	0	0	0	1,638	1,319
Underwriting result	51,246	– 4,272	2,047	49,021	66,437	– 4,701	– 1,690	17	– 6,374	– 11,056	– 1,126	183	41,521	55,563
Technical provisions:														
Unearned premiums	176,532	4,875	3,704	185,111	177,045	48,752	3,140	52	51,943	55,644	0	0	237,054	232,689
Provision for outstanding claims	1,074,289	15,122	1,008	1,090,419	1,056,384	327,519	2,026	64	329,610	302,347	0	0	1,418,882	1,357,536
Equalization provision and similar provisions	0	8,934	1,375	10,308	7,225	87,444	10,426	51	97,921	82,124	0	0	108,229	89,349
Miscellaneous technical provisions	1,065	0	0	1,065	1,080	0	0	0	0	0	0	0	1,065	1,080

A significant proportion of the business undertaken by the international branches (37.9 percent; 2022: 40.0 percent) is inward reinsurance business. The policies held and the risks assumed in this business are not included in the above figures.

Gross premiums written in the direct insurance business in Germany amounted to €498,959 thousand in 2023 (2022: €471,068 thousand). Premiums of €418,852 thousand (2022: €389,549 thousand) were written in other member states of the European Community and in other countries that have signed up to the Agreement on the European Economic Area (EEA). Business in non-EEA countries (United Kingdom) came to €2,785 thousand (2022: €0 thousand). Casualty and property insurance accounted for the entirety of gross premiums written in the inward reinsurance business.

The breakdown of the direct insurance portfolio (number of policies) as of the end of the reporting year was as follows:

Insurance portfolio

(No.)	Dec. 31, 2023	Dec. 31, 2022
Germany	1,900,156	1,806,980
International	3,250,933	2,946,844
Total	**5,151,089**	**4,753,824**

Number of insurance policies with a term of at least one year

Direct insurance business	Dec. 31, 2023	Dec. 31, 2022
(No.)		
Germany	1,900,156	1,806,980
International	3,250,933	2,946,844
Total	**5,151,089**	**4,753,824**

Source of insurance business by premiums written

Direct insurance business	2023	2022
(€'000)		
Germany	498,959	471,068
International	421,637	389,549
Total	**920,596**	**860,617**

Interest from discounting

Interest income of €86 thousand (2022: €16 thousand) and interest expenses of €147 thousand (2022: €107 thousand) arose from the discounting of provisions with a maturity of more than one year.

Profit/loss on settlements

The net profit on settlements from the 2022 claims reserve (total) came to €20,030 thousand in 2023 (2022: €50,362 thousand), which was 3.1 percent (2022: 4.2 percent) relative to the corresponding initial reserve in direct business.

Miscellaneous underwriting income

Miscellaneous underwriting income comprises income from pre-court and court proceedings to collect past due receivables in the insurance business.

Reinsurance balance

From the reinsurers' perspective, the balance of premiums ceded to reinsurers, the reinsurers' share of gross expenses for claims incurred, and reinsurance commissions came to €1,126 thousand (2022: minus €183 thousand).

Net extraordinary income/expense

No extraordinary income or expenses arose in the reporting year.

Income taxes
The income taxes reported in the income statement included the following: expense of €21,395 thousand (2022: expense of €19,725 thousand) related to the year under review and expense of €57 thousand (2022: expense of €628 thousand) related to prior years.

This item also included income of €188 thousand (2022: €1,528 thousand) that resulted from a change in net deferred taxes.

VIII. Other Disclosures

Miscellaneous financial commitments and contingent liabilities pursuant to sections 251 and 285 no. 3a HGB

As of the reporting date, ARAG SE had financial commitments that had to be reported in accordance with section 285 no. 3a HGB. Their breakdown was as follows as of December 31, 2023:

Other disclosures – unpaid contributions

(€'000)	Dec. 31, 2023
ARAG IT GmbH	1,495
ARAG Legal Services B.V., Leusden, Netherlands	6,977
Foyer-ARAG S.A., Leudelange, Luxembourg	25
Private-equity and infrastructure funds (investment funds)	3,096
Total obligation to pay in capital	**11,593**

There were no known miscellaneous financial commitments arising outside the insurance business that were significant to the assessment of the Company's financial position.

ARAG SE is a partner in ARAG 2000 Grundstücksgesellschaft eGbR and is jointly and severally liable for the obligations of this partnership without limitation on the basis of its entire assets. The probability of ARAG SE being held liable for such obligations is extremely remote, because the company had an equity ratio of 87.4 percent as of December 31, 2023 (€67,925 thousand), had financial resources of €4,325 thousand, and generated net income for the year of €3,734 thousand. The subsidiary ARAG plc was granted a loan of £10.0 million in order to fund appraisals in after-the-event business. A total of £3.0 million had been disbursed under this loan as of the reporting date. The remaining £7.0 million will be drawn down in the near term.

Collateral was pledged to secure the obligations arising from two quota share reinsurance treaties with two Canadian primary insurers. Securities with a fair value of €69,440 thousand (C$ 101.5 million; December 31, 2022: C$ 89.2 million) and two bank accounts with a total credit balance equivalent to €2,845 thousand (December 31, 2022: €8,711 thousand) were pledged to the two primary insurers and are not available to cover any underwriting risk other than the underwriting risk for which they are designated as collateral.

None of the unpaid contributions have been called up. The unpaid contributions for affiliated companies and equity investments will not be called up in the short or medium term.

Investment agreements have been concluded with various private equity and infrastructure funds through the affiliated company ALIN 1 GmbH & Co. KG. The capital contributions will be called up on a schedule set by the target fund. The required liquidity must be made available to the subsidiary a little in advance of the call-ups. This is done by making timely contributions to the capital reserves of ALIN 1 GmbH & Co. KG. As of December 31, 2023, there were outstanding investment obligations of €64,750 thousand and US$ 20,812 thousand in total.

Commissions and other remuneration for insurance agents, staff costs

Commissions and other remuneration for insurance agents, staff costs

(€'000)	2023	2022
Commissions of all types for insurance agents within the meaning of section 92 HGB for direct insurance business	236,330	202,611
Other remuneration for insurance agents within the meaning of section 92 HGB	21,610	15,568
Wages and salaries	199,144	188,495
Social security and other employee benefit expenses	36,347	33,652
Pension and other post-employment benefit expenses	27,295	37,097
Total expenses	**520,726**	**477,423**

An additional sum of €134,200 thousand was incurred for commissions in the inward reinsurance business (2022: €133,852 thousand).

Employees

The average number of employees in 2023 was 3,107 (2022: 2,967). Of the total number of employees, 1,279 were from the headquarters in Düsseldorf (December 31, 2022: 1,135) and 1,829 from the international branches (December 31, 2022: 1,672).

Supervisory Board and Management Board remuneration

In the year under review, the Company's Supervisory Board received remuneration of €750 thousand (2022: €600 thousand). The remuneration for members of the Management Board came to €6,122 thousand in 2023 (2022: €5,816 thousand). Remuneration for former members of the Management Board and their surviving dependants amounted to €3,126 thousand in 2023 (2022: €3,167 thousand). A provision of €53,733 thousand was recognized for current pensions and vested pension entitlements of former members of the Management Board and their surviving dependants (December 31, 2022: €52,621 thousand).

Part of the Management Board remuneration was charged on to other Group companies that are under the same management. The expense for Advisory Council remuneration amounted to €90 thousand in 2023 (2022: €88 thousand).

Auditor's fees

A total net fee (excluding VAT) of €687 thousand (2022: €687 thousand) was agreed with the auditor for the audit of the 2023 single-entity financial statements. This amount was expensed in 2023. Other auditor's fees of €55 thousand were incurred for business advisory services. As the Company is not entitled to offset input VAT, the VAT is also recognized as an expense.

Group affiliation

ARAG Holding SE indirectly holds a majority interest in ARAG SE. ARAG SE is therefore a dependent company within the meaning of section 17 (1) AktG in relation to ARAG Holding SE.

The Company is included in the consolidated financial statements of ARAG Holding SE, Düsseldorf. The consolidated financial statements of ARAG Holding SE are published in the electronic Federal Gazette and in the Company Register of the German Federal Ministry of Justice. The Company does not prepare its own consolidated financial statements, as the consolidated financial statements of ARAG Holding SE have an exempting effect pursuant to section 291 HGB.

Governing bodies of the Company

The members of the Company’s governing bodies are as follows:

Supervisory Board
The employees have a right of codetermination pursuant to section 1 (1) of the German One-Third Participation Act (DrittelbG), under which a third of the members of the Supervisory Board must be employee representatives.

Shareholder representatives:

Dr. Dr. h. c. Paul-Otto Faßbender	Chairman; CEO of ARAG Holding SE, attorney, Düsseldorf
Gerd Peskes	Deputy Chairman; Wirtschaftsprüfer (German Public Auditor), Essen
Professor Dr. Tobias Bürgers	Attorney, Munich
Dr. Michael Pielorz	Attorney, Düsseldorf
Professor Dr. Fred Wagner	University professor, Leipzig
Dr. Sven Wolf	Member of the Management Board of ARAG Holding SE, Krefeld

Employee representatives:

Kirsten Rose	Deputy Chairwoman; Chairwoman of the Works Council of ARAG SE, Düsseldorf
Marco Hoogendam	Staff attorney at ARAG SE, Amersfoort, Netherlands
Wolfgang Platen	Chairman of the Works Council of ARAG Allgemeine Versicherungs-AG and Interlloyd Versicherungs-AG, Mönchengladbach

Advisory Council

Christoph Buchbender	Chairman; Member of the Management Board of Rheinland Holding AG, Neuss
Rainer Gebhart	Deputy Chairman; Deputy Chief Executive Officer of WWK Lebensversicherung a. G., Rosenheim
Professor Emeritus Dr. Walter Ackermann	University professor, St. Gallen, Switzerland
Dr. Cathrin Müller-Brosch	Chancellor of Robert-Schumann-Hochschule Düsseldorf, Neuss (since April 26, 2023)
Professor Dr. Dres. h. c. Rolf Dubs	University professor, Arbon, Switzerland
Professor Dr. rer. publ. Christoph Frei	Titular professor for History of Political Ideas and International Relations at the University of St. Gallen, St. Gallen, Switzerland (since June 16, 2023)

Werner Gremmelmaier	Member of the Management Board of uniVersa Lebensversicherung a. G., Nuremberg
Volker Streck	Chief Executive Officer of Helvetia Versicherungen/ Directorate for Germany, Frankfurt/Main
Hans Schwarz	Former Chief Executive Officer of Stadtsparkasse Düsseldorf (ret.), Düsseldorf
Carl-Ludwig Thiele	Attorney, former member of the Executive Board of Deutsche Bundesbank (ret.), Osnabrück
André Wüstner	Federal Chairman of the German Army Association (DBwV), Berlin
Professor Dr. Christian Zwirner	Wirtschaftsprüfer (German Public Auditor) and tax consultant, Managing Director of Dr. Kleeberg & Partner GmbH, Munich

Management Board

Dr. Renko Dirksen	Speaker of the Management Board; Responsibilities: Central Group Functions
Dr. Matthias Maslaton	Responsibilities: Group Sales, Products and Innovation
Wolfgang Mathmann	Responsibilities: Group Finance
Dr. Shiva Meyer	Responsibilities: Group Human Resources/ Group Internal Audit (since April 2, 2023)
Hanno Petersen	Responsibilities: Group IT and Operations
Dr. Joerg Schwarze	Responsibilities: Group Risk Management and Group Controlling
Dr. Werenfried Wendler	Responsibilities: Group Human Resources/ Group Internal Audit (until April 2, 2023)

IX. Report on Post-Balance Sheet Events

With the exception of the share purchase reported below, there were no events of particular significance after December 31, 2023. So far in 2024, business performance has been in line with expectations.

Under the share purchase and transfer agreement dated July 14, 2023, ARAG SE, Düsseldorf, acquired all the shares in DAS UK Holdings Limited (DAS Holding), which is headquartered in Bedwas, Caerphilly, Wales. The purpose of the company is to hold and manage equity investments. It holds all the shares in the following companies:

- DAS Legal Expenses Insurance Company Limited (DAS LEI), headquartered in Bedwas, Caerphilly, Wales, whose company purpose is non-life insurance business
- DAS Legal Law Limited (DAS Law), headquartered in Bedwas, Caerphilly, Wales, whose company purpose is to provide legal services in connection with claims arising at DAS LEI
- DAS Services Limited (DAS Services), headquartered in Bedwas, Caerphilly, Wales, whose company purpose is to provide administrative services for the group

The transaction was completed after the balance sheet date on January 2, 2024.

As a result, it did not have a material impact on the Company's net assets, financial position, and results of operations in 2023. A strong increase in revenue is anticipated from 2024.

X. Appropriation of Profit

The breakdown of net retained profit – prior to the resolution on the appropriation of profit – was as follows:

Net retained profit

(€'000)	2023
Net income for the year	21,883
Dividend	0
Appropriation to other revenue reserves	0
Profit brought forward from 2022	40
Net retained profit	21,923

It is proposed that this net retained profit be used to pay a dividend of €20,000 thousand to the shareholders. An amount of €1,900 thousand is to be appropriated to other revenue reserves. The remaining sum of €23 thousand is to be carried forward to the next period.

Düsseldorf, March 19, 2024

ARAG SE

The Management Board

Dr. Renko Dirksen (Speaker)

Dr. Matthias Maslaton

Wolfgang Mathmann

Dr. Shiva Meyer

Hanno Petersen

Dr. Joerg Schwarze

FURTHER INFORMATION

I. Independent Auditor's Report[1]

To ARAG SE, Düsseldorf

Report on the audit of the annual financial statements and of the management report

Opinions

We have audited the annual financial statements of ARAG SE, Düsseldorf, which comprise the balance sheet as of December 31, 2023, the income statement for the financial year from January 1 to December 31, 2023, and the notes to the financial statements, including a summary of the accounting policies. In addition, we have audited the management report of ARAG SE for the financial year from January 1 to December 31, 2023.

In accordance with German legal requirements, we have not audited the content of those parts of the management report specified in the 'Other information' section of our auditor's report.

In our opinion, based on the findings of our audit:

- The accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to insurance companies and, in compliance with German accepted accounting principles, give a true and fair view of the net assets and financial position of the Company as of December 31, 2023 and of its results of operations for the financial year from January 1 to December 31, 2023, and
- The accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of those parts of the management report specified in the 'Other information' section.

Pursuant to section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the propriety of the annual financial statements and management report.

Basis for the opinions

We conducted our audit of the annual financial statements and management report in accordance with section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as 'EU Audit Regulation') and in compliance with the German generally accepted standards for the auditing of financial statements promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibility under these requirements and principles is described in more detail in the 'Responsibility of the auditor for the audit of the annual financial statements and management report' section of our auditor's report. We are independent of the Company pursuant to the requirements of European law and German commercial law and the rules governing our profession and we have fulfilled our other German professional obligations in accordance with these requirements. In addition, in accordance with article 10 (2)f of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under article 5 (1) of the EU Audit Regulation. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and management report.

[1] Note: This is a translation of the German original. Solely the original text in German is authoritative.

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

Valuation of the partial provisions for reported claims and for claims incurred but not reported included in the gross provision for outstanding claims in direct insurance business
In respect of accounting and valuation policies applied, please refer to the disclosures in section IV of the notes to the financial statements. Statements on risk are included in section V of the management report.

THE FINANCIAL STATEMENT RISK

The gross provision for outstanding claims in direct insurance business amounts to €1,090.4 million. This equates to 39.9 percent of total assets and has a material effect on the financial position of the Company.

The gross provision for outstanding claims comprises various partial provisions for claims. The largest part of this provision is attributable to the provisions for reported claims and for claims incurred but not reported in direct insurance business.

The valuation of the partial provisions for reported claims and for claims incurred but not reported is subject to uncertainties in respect of the anticipated amount of the claims and is thus subject to a considerable degree of judgment, particularly with regard to the claims incurred but not reported. In accordance with commercial-law principles, the estimate should not be carried out on a risk-neutral basis in terms of equal weighting of opportunities and risks. Instead, it must follow the prudence principle pursuant to the German Commercial Code (section 341e (1) sentence 1 HGB).

Valuation of the provision for reported claims is dependent on the relevant business model in Germany or abroad and is carried out using a group-based valuation approach, using generally accepted actuarial methods and, in individual cases, separately according to the individual years in which the claims occurred. Provisions are recognized for claims incurred but not reported. These provisions were predominantly calculated on the basis of empirical data using generally accepted actuarial methods.

The risk for the financial statements with regard to claims already reported as of the reporting date is that insufficient provisions are recognized for the anticipated claim payments. In the case of claims incurred but not reported, there is an additional risk that these claims have been underestimated.

OUR AUDIT APPROACH

In auditing the provisions for reported claims and for claims incurred but not reported, we used our own actuaries (as part of the audit team) and carried out the following key audit procedures from a risk perspective:

- We obtained an understanding of the process for calculating the provisions, identified key process risks and the controls that pertain to them, and tested these controls for appropriateness and effectiveness. In particular, we satisfied ourselves that the controls designed to ensure an accurate valuation have been established properly and are carried out effectively.
- For selected specific items, we satisfied ourselves of the correctness of the record keeping in accordance with the rules laid down by the Company and verified the amount of individual provisions for reported claims on the basis of the files.
- We evaluated the appropriateness of the modified group-based valuation approach for reported claims and claims incurred but not reported (actuarial estimation). In particular, we assessed the process for determining the estimated number of claims and their amount on the basis of historical experience and current trends.

- We analyzed the actual change in the provisions for outstanding claims recognized in the previous year on the basis of the profit/loss on settlements.
- Using a time series comparison, in particular of the number of claims, frequency of claims, average claim amounts, and reporting-year and overall claims ratios, we analyzed the change in the claims provision for the legal insurance business in Germany and abroad.
- We conducted our own actuarial reserve calculations for selected segments in Germany and abroad that we selected on the basis of risk considerations. This involved determining a point estimate of the total claim expense for each segment using statistical probabilities and comparing this with the Company's calculations.

OUR OBSERVATIONS

The methods used for the valuation of the partial provisions for reported claims and for claims incurred but not reported included in the gross provision for outstanding claims in direct insurance business are appropriate and consistent with the applicable accounting policies. The underlying assumptions were derived appropriately.

Other information

The Management Board and Supervisory Board are responsible for the other information. The other information comprises the following management report components whose content has not been audited:

- The separate non-financial report, which is referenced in the management report and is due to be made available to us after the date of this auditor's report, and
- The corporate governance declaration pursuant to section 289f (4) HGB (disclosure on the proportion of women in managerial positions), included in section III 'Business Performance' of the management report

The other information also includes the remaining parts of the annual report. The other information does not include the annual financial statements, the disclosures in the management report whose content has been audited, or our related auditor's report.

Our opinions on the annual financial statements and management report do not cover the other information. We do not therefore express an opinion or any other form of assurance conclusion on this information.

In connection with our audit, our responsibility is to read the aforementioned other information and to consider whether the other information:

- Is materially inconsistent with the annual financial statements, the disclosures in the management report whose content has been audited, or the knowledge that we obtained during the audit, or
- Otherwise appears to be materially misstated.

If, based on the work we have performed in relation to the other information obtained prior to the date of this auditor's report, we reach the conclusion that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibility of the Management Board and Supervisory Board for the consolidated financial statements and group management report

The Management Board is responsible for preparing annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to insurance companies and that, in compliance with German accepted accounting principles, give a true and fair view of the net assets, financial position, and results of operations of the Company. In addition, the Management Board is responsible for the internal controls that it, in compliance with German accepted accounting principles, considers necessary for the preparation of annual financial statements that are free from material misstatements, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

When preparing the annual financial statements, the Management Board is responsible for assessing the Company's ability to continue as a going concern. It is also responsible for disclosing matters relating to the Company's continuation as a going concern, where pertinent. In addition, it is responsible for financial reporting based on the going concern basis of accounting, unless there are actual or legal circumstances that preclude this.

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

The Supervisory Board is responsible for overseeing the financial reporting process used by the Company to prepare the annual financial statements and management report.

Responsibility of the auditor for the audit of the consolidated financial statements and group management report

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

Reasonable assurance is a high level of assurance, but not a guarantee, that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with the German generally accepted standards for the auditing of financial statements promulgated by the IDW will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these annual financial statements and this management report.

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

- Identify and assess the risks of material misstatements, whether due to fraud or error, in the annual financial statements and management report, design and perform audit procedures in response 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the overriding of internal controls.
- Obtain an understanding of the internal control system that is relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these Company systems.
- Evaluate the appropriateness of the accounting policies used by the Management Board and the reasonableness of the estimates made by the Management Board and related disclosures.

- Draw conclusions about the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether there is material uncertainty surrounding events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that there is material uncertainty, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and management report or, if such disclosures are not appropriate, to modify our opinion. We draw our conclusions based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may lead to a situation in which the Company is no longer able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that, in compliance with German accepted accounting principles, gives a true and fair view of the net assets, financial position, and results of operations of the Company.
- Assess the consistency of the management report with the annual financial statements, its conformity with the law, and the view that it provides of the Company's position.
- Conduct audit procedures in respect of forward-looking statements made by the Management Board in the management report. On the basis of sufficient appropriate audit evidence, we examine, in particular, the significant assumptions underlying the Management Board's forward-looking statements and assess whether these statements have been correctly derived from these assumptions. We do not express a specific opinion on the forward-looking statements or on the underlying assumptions. There is a substantial unavoidable risk of material discrepancies between future events and the forward-looking statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit as well as significant audit findings, including any significant deficiencies in the internal control system 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 discuss with them all relationships and other matters that may reasonably be thought to have a bearing on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

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

Other legal and regulatory requirements

Further information pursuant to article 10 of the EU Audit Regulation
We were elected as auditor by the Annual General Meeting on April 26, 2023. We were engaged by the Supervisory Board on September 28, 2023. We have been the auditor of ARAG SE every year since the 2020 financial year.

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

In addition to the financial statements audit, we have provided to the audited Company or the entities controlled by it the following services that are not disclosed in the annual financial statements or in the management report of the audited Company:

For the audited Company, we performed the audit of the Solvency II balance sheet and the dependency report as of December 31, 2023. In addition, two agreed-upon procedures were performed in relation to notifications of premiums to the terrorism pool and to the insurance association by the Dutch branch. An additional related service was also performed (opinions on accounting-related matters in the ARAG Group). For entities controlled by the Company, we performed audits of Solvency II balance sheets, audits and reviews of annual financial statements, and the audit of a dependency report, in each case for the period ended December 31, 2023.

German public auditor responsible for the engagement

The German public auditor responsible for the engagement is Thorsten Klitsch.

Cologne, March 25, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

Klitsch Wirtschaftsprüfer (German Public Auditor)	Bramkamp Wirtschaftsprüfer (German Public Auditor)

II. Report of the Supervisory Board

In the year under review, the Supervisory Board carried out the tasks required of it by law, the articles of incorporation, and rules of procedure. It continually monitored and advised the Management Board with regard to its running of the Company and was directly involved in all decisions of fundamental importance to the Company. The Management Board provided the Supervisory Board with regular, timely, and comprehensive written and oral reports on the economic situation and the performance of the Company and its subsidiaries, business policy going forward, corporate planning, the risk situation, risk management, and significant individual transactions. The Management Board explained variances between the actual course of business and plans and targets individually, and these were noted and scrutinized by the Supervisory Board. Where management action required the approval of the Supervisory Board by law or other regulations, the Supervisory Board received the necessary information on the matter from the Management Board in the form of reports. The Supervisory Board discussed these reports extensively at its meetings, deliberated on them with the Management Board, and made the necessary decisions.

The Supervisory Board held four ordinary meetings and one extraordinary meeting last year, at which it was able to satisfy itself that the Management Board was running the Company properly and appropriately. The Supervisory Board also convened once, immediately following the Annual General Meeting, for the constitutive meeting of the Supervisory Board and its committees. The meetings were held in person. The Chairman of the Supervisory Board received reports on the business performance of the Group and its individual companies in regular meetings with the Speaker of the Management Board. The Chairman of the Supervisory Board was updated daily on key developments. The Supervisory Board was provided with regular written controlling reports detailing premiums written, external claim payments, and commissions.

In 2023, the Supervisory Board's work was dominated by the geopolitical situation and by inflation and its impact on business and the Company's business operations. The Management Board provided the Supervisory Board with ongoing reports about the impact of inflation and its direct effect on investments and about the Company's health and safety initiatives.

At the Supervisory Board meetings held in 2023, reports on the status of preparations for the implementation of global minimum taxation and the German Supply Chain Due Diligence Act (LkSG) were examined. The Supervisory Board also discussed changes in the real estate markets, the planned acquisition of DAS UK, and a presentation of the branch in Spain. It was updated on the outcome of Group Audit's review of the sanctions lists, the risks from stagflation and capital market shocks, and the current and planned use of artificial intelligence and the related compliance and monitoring systems. The Supervisory Board reappointed Hanno Petersen and Wolfgang Mathmann as members of the Company's Management Board and proposed a motion for the Annual General Meeting for the election of Advisory Council members. Other key focuses of the Supervisory Board meetings in 2023 were regular reports on the business performance of the Company, including that of its international branches and equity investments, and on the performance of the capital markets.

The quarterly results under the German Commercial Code (HGB) and the year-end forecasts were also presented. The Supervisory Board approved the strategic plan for 2024 to 2026 and approved an update to the general investment policy. It also signed off the development plan for the Supervisory Board in 2024 and discussed the appropriateness of Management Board remuneration, the structure of the remuneration systems, and management statistics.

At the ordinary meetings of the Supervisory Board, the Chairman of the Supervisory Board provided information on the work of the committees that have been formed to deal with human resources, finance, and accounting and audit matters.

The single-entity financial statements, which were prepared by the Management Board in accordance with the commercial-law accounting regulations for insurance companies, and the management report were, together with the bookkeeping system, audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Cologne, which issued an unqualified opinion. The auditor had been elected by the Annual General Meeting on April 26, 2023 and engaged to carry out the audit.

All the members of the Supervisory Board received the aforementioned documents, the annual report, the proposal for the appropriation of profit, and the auditor's report in good time before the Supervisory Board meeting on April 25, 2024. At the meeting, the Management Board also provided additional oral explanations of the documents. The auditors who had signed the auditor's report participated in the discussion of the documents by the Supervisory Board and the Accounting and Audit Committee, reported on the key findings of the audit, and were available to provide additional information.

The Accounting and Audit Committee had discussed these documents in detail prior to the meeting of the Supervisory Board and had recommended to the Supervisory Board that the financial statements and the management report be approved. KPMG presented its audit planning in detail to the Supervisory Board.

The Supervisory Board reviewed the financial statements, management report, and proposal for the appropriation of profit. There were no objections to be raised on the basis of the concluding findings of its review. Having carried out its own review and having taken into account the report of the Accounting and Audit Committee, the Supervisory Board agreed with the findings of the audit of the financial statements and management report by the auditor. The Supervisory Board approved the single-entity financial statements and management report and thereby adopted them. It also agreed with the Management Board's proposed appropriation of profit. The Supervisory Board proposes to the Annual General Meeting that it formally approve the acts of the Management Board members.

The report submitted by the Management Board pursuant to section 312 of the German Stock Corporation Act (AktG) concerning relationships with affiliated companies was also reviewed. The review encompassed the completeness and accuracy of the details in the report on the basis of the right to inspect the books and papers of the Company and on the basis of the reports and information submitted by the Management Board. The review did not give rise to any objections.

The independent auditor also audited the report submitted by the Management Board pursuant to section 312 AktG and issued the following audit opinion:

"Following our audit and evaluation exercising all due care and diligence, we confirm that

1. the factual disclosures in the report are accurate;
2. the consideration paid by the Company for the transactions listed in the report was not inappropriately high or disadvantages were compensated;
3. there are no circumstances in respect of the measures specified in the report that would justify an opinion materially different from the opinion of the Management Board."

The Supervisory Board agrees with this opinion. Following the concluding findings of its review, the Supervisory Board has not expressed any reservations regarding the concluding statement by the Management Board in the report on relationships with affiliated companies.

The Supervisory Board would like to express its thanks and appreciation for the work of the Management Board and all employees in 2023.

Düsseldorf, April 25, 2024

ARAG SE

The Supervisory Board

Dr. Dr. h. c. Paul-Otto Faßbender
(Chairman)

Gerd Peskes
(Deputy Chairman)

Kirsten Rose
(Deputy Chairwoman)

Professor Dr. Tobias Bürgers

Marco Hoogendam

Dr. Michael Pielorz

Wolfgang Platen

Professor Dr. Fred Wagner

Dr. Sven Wolf

III. Credits

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Thanks
We would like to thank our colleagues and partners for their invaluable support in preparing this report.

Note
Figures in this report are rounded, which may give rise to differences of ± one unit (currency, percent) in some computations.

You can find the latest information about the Group and our products on our website **www.ARAG.com**.

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