



2025

Annual Report

Wüstenrot & Württembergische AG



**w&w
gruppe**

This is a translation of the German Annual Report. In case of any divergences, the German original is legally binding.

Wüstenrot & Württembergische AG

Overview of key figures of W&W Group (according to IFRS)

Consolidated balance sheet		31.12.2025	31.12.2024
Total assets	in € billion	72.5	72.3
Capital investments	in € billion	38.8	39.9
Senior debenture and registered bonds	in € billion	3.5	3.8
Senior fixed-income securities	in € billion	18.9	19.2
Building loans	in € billion	30.1	28.4
Liabilities to customers	in € billion	25.9	27.5
Technical provisions	in € billion	31.5	32.3
Equity	in € billion	5.0	4.9
Equity per share (equity without minority interests, number of shares without treasury shares)	in €	52.58	52.20

Consolidated income statement		1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Total net financial result	in € million	258	476
Technical result	in € million	432	-17
Earnings before income taxes from continued operations	in € million	212	26
Consolidated net income	in € million	121	35
Total comprehensive income	in € million	102	22
Earnings per share	in €	1.29	0.35

Other disclosures		31.12.2025	31.12.2024
Average annual number of employees		7,598	7,565

Key sales figures		1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Housing segment			
New business volume (new lending and home loan savings business)	in € million	16,488	15,676
Life and Health insurance segment			
Total premiums in new life insurance business	in € million	3,687	3,242
Gross premiums written health insurance (according to the German Commercial Corde)	in € million	346	327
Gross premiums written life insurance (according to the German Commercial Corde)	in € million	1,782	1,742
of which regular premiums	in € million	1,350	1,374
of which single premiums	in € million	432	368
Property/Casualty insurance segment			
Annual contribution to the portfolio (new and replacement business)	in € million	472	436
Gross premiums written (according to the German Commercial Corde)	in € million	2,921	2,773

W&W AG (according to the German Commercial Corde)

		1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Net income	in € million	146	135
Dividend per share ¹	in €	0.65	0.65
Share price at year-end	in €	14.54	11.64
Market capitalisation at year-end	in € million	1,363	1,090
1 Subject to approval by the Annual General Meeting.			

Financial calendar

Annual General Meeting

Annual General Meeting	Wednesday, 13 May 2026

Financial reports

2025 Annual Report	Friday, 27 March 2026
Interim management statement as at 31 March	Wednesday, 13 May 2026
Interim management report as at 30 June	Friday, 14 August 2026
Interim management statement as at 30 September	Friday, 13 November 2026

Wüstenrot & Württembergische AG

Contents

Letter to shareholders	4
Management Board	6
Supervisory Board	8
Combined management report	12
Group fundamentals	12
Business report	20
Opportunity and risk report	32
Outlook	68
Other disclosures	71
Corporate governance statement	74
Group sustainability report	88
Report on equality and equal remuneration pursuant to the German Transparency in Remuneration Act (EntgTransG)	225
Consolidated financial statements of W&W Group (IFRS)	228
Consolidated balance sheet	228
Consolidated income statement	230
Consolidated statement of comprehensive income	232
Consolidated statement of changes in equity	234
Consolidated cash flow statement	236
Notes to the consolidated financial statements	239
Responsibility statement	410
Independant auditor's report	411
Financial statements of the W&W AG (German Commercial Code)	422
Balance sheet	422
Income statement	426
Notes	428
Other mandatory information	448
Responsibility statement	459
Independant auditor's report	460
Report of the Supervisory Board	468
Glossary	474



Letter to shareholders W&W AG

Jürgen A. Junker, Chairman
of the Executive Board

“At W&W, we develop everything ourselves”

Dear shareholders,

The W&W Group is back on track. After a challenging year in 2024, we achieved a clear improvement in earnings in the past financial year, with new business once again proving successful. We achieved this in an economic environment in Germany that remained weak and was anything but conducive to consumer and corporate spending. In other words, everything we have achieved as the W&W Group has been down to our own efforts.

With consolidated net income after tax of €121 million in accordance with IFRS accounting standards, we have achieved our key objective of significantly increasing net income compared with the previous year's figure of €35 million. In addition to almost consistently good new business with further market share gains, this was based on the normalisation of the claims situation after an unprecedented series of major storm-related claims had significantly impacted our technical result in the previous year.

W&W AG successfully closed the 2025 financial year with net income of €146 million (previous year: €135 million) in accordance with the German Commercial Code (HGB). It should be noted time and again that the individual financial statements in accordance with HGB adequately reflect the solidity of our operational business development and the fundamental strength of our company, whereas the IFRS framework often leads to market-related positive and negative distortions in the consolidated financial statements.

It is particularly pleasing that the positive trend in new business, which has been evident for years, continued in 2025. We achieved significant growth across all segments.

- New business volume in the Housing segment increased by 5.2% year-on-year to €16.49 billion.
- In life and health insurance, we recorded insurance revenue of €1.35 billion, up from €1.30 billion in 2024. This represents an increase of 3.4%. In new life insurance business, we recorded an increase of well over 15% to €535 million in both regular and single premiums.
- In property/casualty insurance, we achieved insurance revenue of €2.9 billion. That is 5.9% more than in the previous year. The annual contribution to the portfolio here amounts to €472 million. That is an increase of over 8% compared with 2024.

The clear focus on our customers was the decisive factor in this operational development; it remains a central component of our Group strategy. The performance of our organisation is the result of the tremendous commitment of our employees, who live and exemplify the W&W philosophy of becoming a little ‘better’ every day. I would like to express my sincere thanks to them for their significant contribution to the success of the business, which is anything but a matter of course given the economic environment and the continuing fierce competition.

Dear shareholders,

We see two key areas of action for the current financial year and beyond. Firstly, we need to secure the upward trend in our business. We are doing this by following the same principles that have enabled our success in recent

years: remaining agile and curious, developing new products, staying one step ahead of the competition, and inspiring customers with the quality of service provided by the W&W Group.

On the other hand, we must address those areas that are not yet meeting our expectations and develop further our business model in a meaningful way. This includes sustainable profitability in the Housing segment across interest rate cycles, continuous improvements in property/casualty insurance underwriting techniques and optimised concepts in life and health insurance.

One of our main tasks is to consistently leverage efficiency and cost potential within our Group. IT remains a key focus area in this regard; the ongoing modernisation projects across the entire W&W Group are complex and will continue to keep us busy in 2026. Bringing our teams together under one roof at the new W&W campus in Kornwestheim provides the ideal conditions for further reducing interfaces, complexity and redundancies in our organisation. The increased focus on cost efficiency also means foregoing insufficiently profitable growth and temporarily prioritising margins and risk minimisation in the acquisition of new customers.

All of this is happening in line with our group-wide fitness programme, 'Bestform 2030'. But one thing is also clear: by 2028 at the latest, we are aiming to return to positive net customer growth.

Four key projects are the focus of attention in 2026: we want to further increase our earnings, grow faster than the market, convince our employees and further improve customer satisfaction. We are well on track with all of these projects. We are delighted to see a high level of satisfaction among our customers and a new high in employee satisfaction. In uncertain times, we are regarded as a reliable partner and also as an attractive and secure employer. As Top Employer, we want to develop the future skills of our employees in a targeted manner and thus further strengthen their loyalty to the W&W Group.

However, the satisfaction and enthusiasm of our customers remain crucial to our long-term success. If we want to be the first point of contact for financial provision issues in all phases of life – and that is our goal – then we must optimally cover the changing investment preferences and insurance needs of the various target groups.

As before, we will use digitalisation in a way that supports the customer experience and does not solely serve internal cost targets. This also applies to the targeted use of artificial intelligence (AI), which can help us, for example, with digital product ranges, to handle standard tasks up to the conclusion of contracts and create additional free space for our advisors to deal with demanding pension and investment issues. The good success of our digital insurer Adam Riese, which had more than 450,000 policyholders under contract at the end of 2025, has demonstrated how we consistently think about digitalisation from the customer's perspective.

Our focus is on organic growth. However, in recent years, the W&W Group has demonstrated that it can improve its market position, for example in the home loan savings business, through targeted acquisitions. We are therefore monitoring the current consolidation process in the German insurance industry very closely, without feeling any pressure to participate in it.

Our 'Bestform 2030' programme forms the basis for bringing the consolidated net income of the W&W Group in accordance with IFRS back into its original, sustainable target range of €200 to €250 million in the medium term. In terms of consolidated net income under the German Commercial Code (HGB), we aim to continue the positive development of recent years, which is a prerequisite for the important continuity in our dividend policy.

The general conditions for the W&W Group are challenging – economically, socially and in terms of competition. The stronger we are, the more likely we are to secure the opportunity to decide our own future. This makes it all the more important to prove every day that our customers can rely on us: with strong products, fair prices, convincing services and an efficient organisation.

Sincerely yours,



Jürgen A. Junker,
Chairman of the Executive Board

Our Management Board



Together to the future

The W&W Group has separated its activities into two divisions: Housing and Insurance. At Group level management and service entities as well as overall digitalization topics are managed. The Executive Board of W&W AG and the heads of the divisions form the Management Board, which serves as the central steering entity of the W&W Group.



Jürgen A. Junker

**CEO of the
W&W Executive Board**
Corporate Legal
Audit
Communication
Strategy
Human Resources
Data, Processes and AI



Bernd Hertweck

Head of
Housing Division,
Chairman of the Executive Board of
Wüstenrot Bausparkasse AG



Matthias Bogk

**CFO/CRO of the
W&W Executive Board**
(from 1 July 2025)
Accounting
Controlling
Risk management
Compliance



Zeliha Hanning

Head of
Insurance Division,
Chairwoman of the Executive Board of
Württembergische Versicherung AG



Alexander Mayer

**CFO/CRO of the
W&W Executive Board**
(until 30 June 2025)
Accounting
Controlling
Risk management
Compliance



Jacques Wasserfall

Head of
Insurance Division,
Chairman of the Executive Board of
Württembergische
Lebensversicherung AG and of the
Executive Board of
Württembergische
Krankenversicherung AG



Jens Wieland

**CIO of the
W&W Executive Board**
IT
Capital Investments
Reinsurance

Our Supervisory Board

Dr. Michael Gutjahr

Chairman

Former Member of the Executive Board
Wüstenrot & Württembergische AG
Wüstenrot Bausparkasse AG
Württembergische Versicherung AG
Württembergische Lebensversicherung AG

Frank Weber¹

Deputy Chairman

Chairman of the Works Council
Württembergische Versicherung AG/Württembergische
Lebensversicherung AG, Karlsruhe site
Chairman of the Group Works Council

Hartmut Bader¹

Chairman of the Works Council
Wüstenrot & Württembergische AG/Württembergische
Lebensversicherung AG, Kornwestheim site
Chairman of the General Works Council
Wüstenrot & Württembergische AG/Württembergische
Lebensversicherung AG

Jutta Eberle¹

Insurance Employee
Württembergische Versicherung AG

Dr. Frank Ellenbürger

Auditor and tax consultant

Prof. Dr. Nadine Gatzert

Chair of Insurance Economics and Risk management at
the Erlangen-Nürnberg Friedrich-Alexander-university

Petra Knodt¹

Chairwoman of the Works Council
Wüstenrot Bausparkasse AG, Bad Vilbel site
Deputy Chairwoman of the Group Works Council
Chairwoman of the General Works Council
Wüstenrot Bausparkasse AG

Bernd Mader¹

Head of Customer service and Operations
Württembergische Versicherung AG

Petra Sadowski¹

Trade union secretary of
Vereinte Dienstleistungsgewerkschaft ver.di
Stuttgart district

Dr. Wolfgang Salzberger

Chief Financial Officer (CFO) and
Member of the Board ATON GmbH

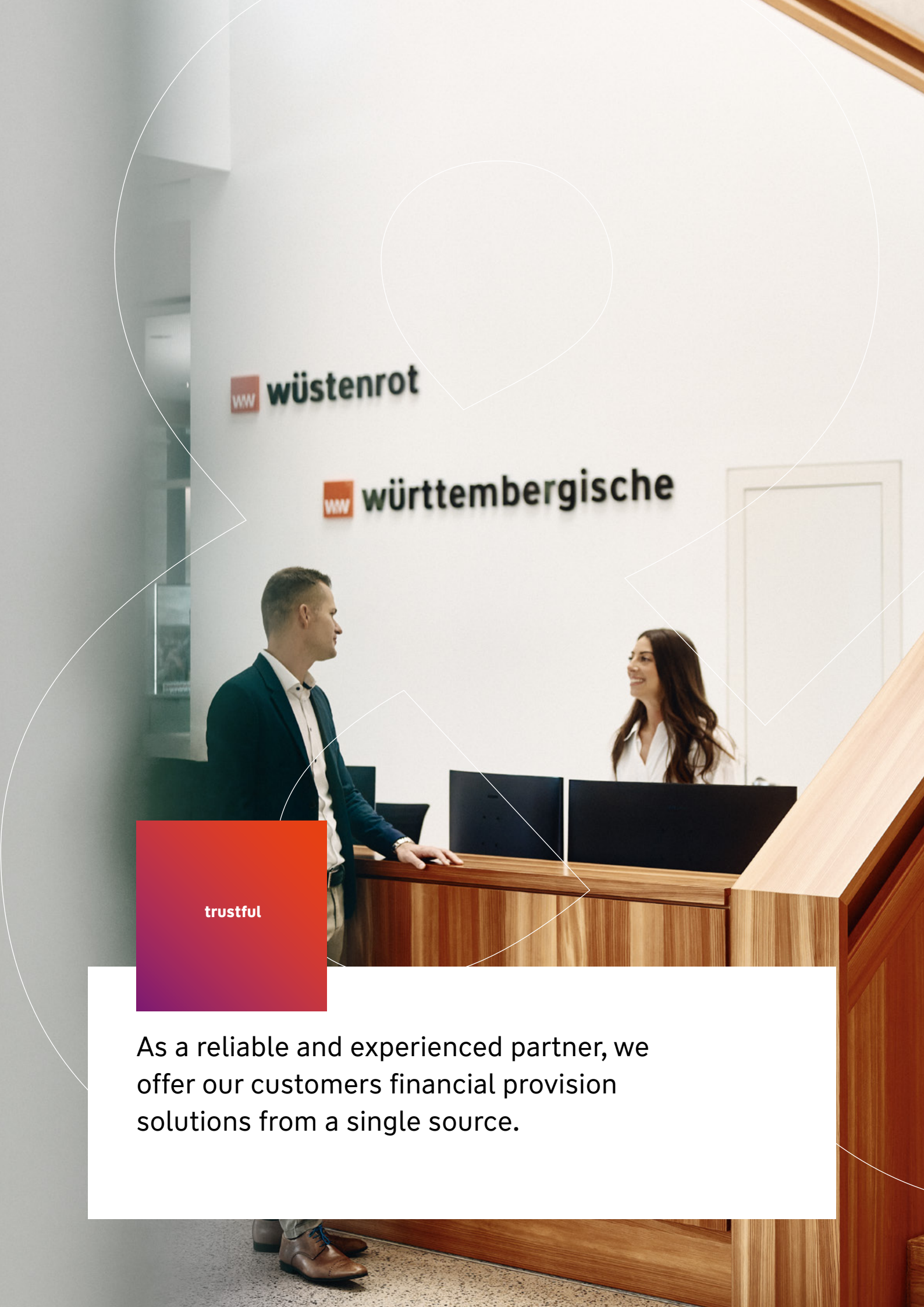
Jutta Stöcker

Former Member of the Executive Board
RheinLand-Versicherungsgruppe

Edith Weymayr

Chairwoman of the Executive Board
Landeskreditbank Baden-Württemberg - Förderbank
(L-Bank)

¹ Employee representatives.

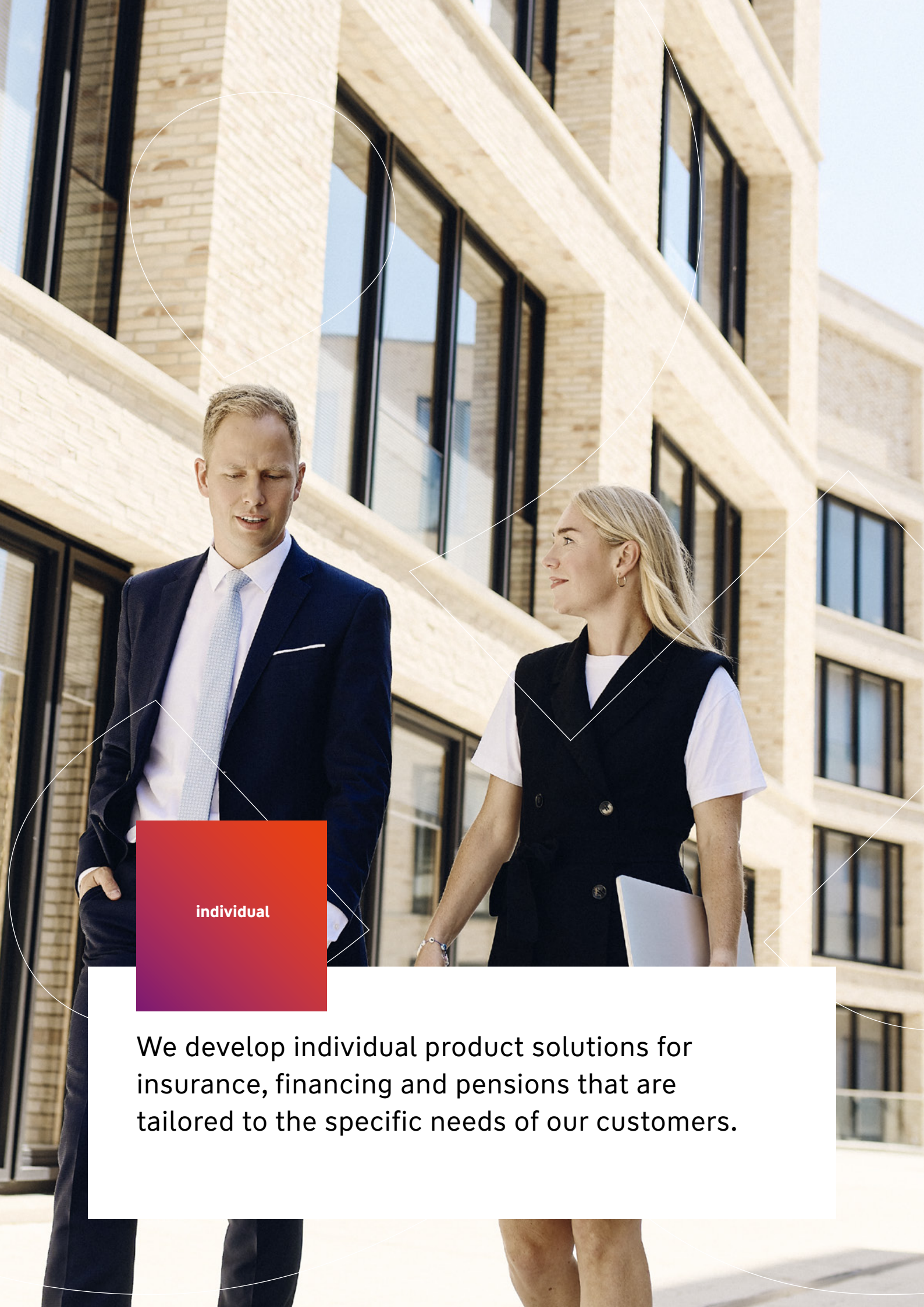


ww wüstenrot

ww württembergische

trustful

As a reliable and experienced partner, we offer our customers financial provision solutions from a single source.

A man and a woman in business attire are walking in front of a modern building with large windows. The man is wearing a dark suit and a light blue tie, and the woman is wearing a black vest over a white shirt. They are both looking down at a red square graphic that contains the word "individual".

individual

We develop individual product solutions for insurance, financing and pensions that are tailored to the specific needs of our customers.

Combined management report

Contents

Group fundamentals	12
Business model	12
Business management system	16
Ratings	18
Stock	18
Business report	20
Business environment	20
Development of business and position of the W&W Group (IFRS)	21
Development of business and position of W&W AG (German Commercial Code)	28
Opportunity and risk report	32
Opportunity report	32
Risk report	37
Features of the internal control and risk management system	66
Outlook	68
Macroeconomic outlook	68
Industry outlook	68
Company outlook	69
Other disclosures	71
Disclosures pursuant to Sections 289a und 315a of the German Commercial Code (HGB)	71
Corporate governance statement	74
Statement of compliance	74
Further information to corporate governance practices	75
Structure of W&W AG	77
Group sustainability report	88
General information	88
Environmental information	126
Social information	175
Governance information	205

Wüstenrot & Württembergische AG

Combined management report

Group fundamentals

Business model

Overview of the Group and Wüstenrot & Württembergische AG (W&W AG)

Formed in 1999 from the merger of the two long-established companies Wüstenrot and Württembergische, the W&W Group now develops and brokers the four building blocks of modern provision: financial security, residential property ownership, risk protection and savings and investment. The W&W Group relies on omnichannel distribution, which ranges from its own sales force, cooperation and partner sales organisations, brokerage activities and digital channels such as Adam Riesereicht. The W&W Group, based in Kornwestheim, operates primarily in Germany.

In the **Housing** division, the focus is on home loan savings business and construction financing through Wüstenrot Bausparkasse AG. In addition, Wüstenrot Haus- und Städtebau GmbH is active in property development activities and Wüstenrot Immobilien GmbH acts as a real estate agent.

In the **Insurance** division, the W&W Group offers its customers a wide range of personal and property/casualty insurance products. The main companies are Württembergische Versicherung AG, Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG.

The listed company **Wüstenrot & Württembergische AG** is the Group's strategic management holding company. It coordinates all activities, sets standards and manages capital. As an individual company, it operates almost exclusively in the reinsurance sector for the Group's insurance companies. In addition it provides services for the entire group.

The Supervisory Board of W&W AG has appointed Matthias Bogk as the new Chief Financial Officer of W&W AG with effect from 1 July 2025, succeeding Alexander Mayer. Also with effect from 1 July 2025, Bogk was appointed to the Executive Boards of Württembergische Versicherung AG and Württembergische Lebensversicherung AG. Here, too, he succeeds Mayer. Bogk joined the W&W Group in 2001 and has been Chief Financial Officer of Wüstenrot Bausparkasse AG since

2019. Frank Wunderlich has been appointed to the Executive Board there as Matthias Bogk's successor with effect from 1 July 2025. Wunderlich previously headed Controlling, risk management, address risk monitoring and post-merger integration at start:bausparkasse. He was already on the Executive Board at start:bausparkasse AG, which was taken over by Wüstenrot.

The **Management Board** is the central steering committee of the W&W Group. Among other things, it is responsible for group management and for defining and developing the business strategy. As at 31 December 2025, its members included the members of the Executive Board of W&W AG as well as the business unit managers Bernd Hertweck (residential property), Zeliha Hanning (property/casualty insurance) and Jacques Wasserfall (life and health insurance). Operational and company-specific issues relating to the individual companies are dealt with at business unit level.

Strategy

The W&W Group's „Bestform 2030“ strategy forms the basis for the company's long-term development. It defines the framework for growth targets in the two core business areas of **insurance** and **residential property**. As part of this strategic orientation, four key objectives have been defined to serve as a guide for decisions and measures:

- Increase earnings and actively manage costs at market level
- Growth above market level
- Increase customer satisfaction
- Inspire employees.

These strategic goals form the basis for the further development of the W&W Group as an innovative and profit-oriented company.

Product mix

Our product range is aimed at private and corporate customers. Customers receive financial provision for all stages of life and risk protection from a single source. Our approximately 6.4 million customers appreciate the quality of service, expertise and customer focus of our employees, both in-house and in the field.

Wüstenrot Bausparkasse AG offers a wide range of home loan and savings bank products (e.g. Klima Flex home loans, Klima Classic home loans and Klima Turbo

home loans) for the purchase or construction of new properties, for modernisation projects, for energy-efficient renovation projects and for follow-up financing.

KfW programmes continue to complement the product range of Wüstenrot Bausparkasse AG, supporting customers in the purchase and modernisation of properties.

Investment products such as call money and fixed-term deposits continued to expand the range in 2025.

In order to offer customers high-quality products tailored to their individual needs, **Württembergische Versicherung AG** offers a broad product portfolio covering almost all areas of property/casualty insurance.

In the 2025 financial year, the motor insurance segment again accounted for a high proportion of premium car insurance premiums, at over 95% (retail customers). Both product lines – Premium and Compact – within the car insurance tariff were further developed in 2025. Premiums were adjusted to market conditions by means of a new risk-based structure.

In the retail customer business segment, new tariffs were introduced in 2025 for property lines household contents and residential buildings, as well as for legal protection.

In the corporate customer business segment, the number of contracts concluded in the commercial and industrial lines by over 2%. In the commercial core product „Firmen-Police“ (company policy).

Württembergische Lebensversicherung AG offers a wide range of products for private and company pension schemes and risk protection.

In 2025, almost all tariffs were adjusted. The reason for this was the increase in the maximum interest rate, which resulted in higher guaranteed benefits being included in the products. Since 2025, the Riester pension has also been added to the product range of Württembergische Lebensversicherung AG.

In addition to comprehensive health insurance, **Württembergische Krankenversicherung AG** offers a

broad product portfolio in supplementary health and long-term care insurance for both private and corporate customers.

In 2025, international travel health insurance was modernised.

Numerous products from the W&W Group received awards from rating agencies and trade journals in the past financial year.

Sales channel mix

Thanks to our extensive network of our own sales force, partner and broker sales organisations, and our online sales, we as a pension group can reach millions of people throughout Germany. In doing so, we rely above all on our expertise and the reliability of personal advice. Our sales force, as the main pillar, consists of the two exclusive sales organisations of Wüstenrot and Württembergische. We also work with a large number of brokers.

In addition, numerous cooperation partners from the banking and insurance sector contribute significantly to our business success.

The traditional sales channels are being expanded through the use of various digitalisation options, such as the Adam Riese digital brand.

Employees

As at 31 December 2025, the W&W Group employed 7,565 (previous year: 7,570) permanent staff, calculated on the basis of the number of employment contracts, excluding trainees and students at the Cooperative State University (DH). A total of 300 (previous year: 276) trainees and DH students were employed at the end of the year.

Intangible resources in the W&W Group

The W&W Group reports on the most important intangible resources without physical substance on which the business model fundamentally depends and which represent sources of value creation for the Group. We base our approach on the categorisation of the Deutschen Rechnungslegungs Standards Committee (DRSC). The most important intangible resources are presented below.

A key intangible resource of the W&W Group is its human capital. The W&W Group's business model is highly complex and therefore heavily dependent on human capital.

The human capital of the W&W Group encompasses the skills, knowledge, experience and motivation of our employees, because well-trained, motivated and committed employees make a significant contribution to increasing the efficiency and productivity of the W&W Group. They develop new ideas and innovations, for example to find answers to the individual pension needs of our customers. The W&W Group also carries out a wide range of activities are carried out in joint teamwork. Sharing knowledge and skills and networking strengthens the knowledge base within the W&W Group. The W&W campus enables a flexible and hybrid working model that promotes networking and a stronger culture of innovation. Investment in the development and promotion of human capital will continue to be a central component of our corporate success.

Our corporate values of community, openness, joy, sustainability, commitment, courage and added value shape our collaboration and strengthen identification with the company, thereby boosting the loyalty, satisfaction and motivation of the workforce.

As part of our relationship capital, our customers represent an essential intangible resource because they are the fundamental basis of the W&W Group's business model. Customer satisfaction and long-term loyalty are essential to our corporate success. A good customer base and a high recommendation rate are material sources of our value creation.

Our various sales networks play a central role in this and are a significant source of value creation. These are described in the section on sales channel mix in the chapter on the business model. The W&W Group's comprehensive range of products and services described in the section on product mix offers further sales opportunities through cross-selling possibilities and also strengthens customer loyalty. The W&W Group's brands are also an important intangible resource as part of our relationship capital. They create trust, credibility and loyalty among our customers. The W&W Group has strong brands – Wüstenrot and Württembergische, both of which have long been known in the German market. In addition, Adam Riese has been part of the W&W Group since 2017 and is our digital brand.

Wüstenrot, with its brand image „Wohnen heißt Wüstenrot“ („Housing means Wüstenrot“), positions itself as the point of contact for all matters relating to housing. Württembergische, with its brand image „Ihr Fels in der Brandung“ („Your pillar of strength“), embodies the values of the company, in particular reliability and personal advice. Both brands support our advisors in ensuring that our customer base feels related, remains loyal and recommends us to others. The digital brand Adam Riese, with its brand image „Only what counts“, embodies the company's concept of simplicity and customer focus. Here, too, the focus is on proximity to customers.

As an accompanying intangible resource of relationship capital, we have established networks with cooperation partners for customers in order to provide them with additional information or services. With these networks, we want to offer added value and strengthen customer loyalty. In addition, these networks open up opportunities for acquiring new customers and for follow-up business.

A stable shareholder structure is an intangible resource in the investor capital category as part of relationship capital, as it creates trust and stability in the company. It can protect a company from unwanted takeovers and enables management to pursue long-term strategies. For the W&W Group, the non-profit Wüstenrot Stiftung foundation, as the owner of Wüstenrot Holding AG and WS Holding AG, represents this stable majority shareholder.

In addition, processes are an important intangible resource in the W&W Group as part of knowledge and structural capital. They are designed to ensure efficiency, quality and customer satisfaction. With the creation of the Data, Processes and AI Competence Centre, the focus has also been placed on modern AI technology with the aim of improving processes. In addition to this internal process excellence, our online customer portals enable smooth digital customer interaction.

The W&W campus brings the Group's companies together in one place. The W&W campus is therefore also an intangible resource in the category of location capital as part of knowledge and structural capital. It promotes networking, interaction and knowledge exchange between employees. This strengthens the establishment of a common corporate culture.

Overall, all of the intangible resources listed here are material sources of value creation for achieving the goals of the W&W Group's business model. The better the characteristics of these intangible resources, the more successful the W&W Group is.

Commitment to sustainability

Responsible action and social commitment have a long tradition in the W&W Group and are integral parts of the corporate culture. It is based on an understanding of long-term, stability-oriented corporate management derived from the founding principles of the main shareholder of W&W AG.

To underpin our sustainability positioning, we have a group-wide sustainability strategy with four key areas: customers and sustainable products, sustainable capital investments, sustainable business operations and employees. The Group-wide sustainability strategy is based on ESG criteria (environment, social and governance) and is adjusted and revised annually as part of the strategy process. Goals and measures have been defined for all key areas.

The ESG rating agency ISS has awarded the W&W Group's sustainability activities a Prime rating in its 2025 sustainability rating. The rating result underlines our level of ambition and is external confirmation of the consistent implementation of our sustainability strategy. We have joined initiatives such as the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI). In doing so, we are committing ourselves to increasingly implementing sustainable principles in our business activities and to continuously develop them further. Signing the „Diversity Charter“ complements the measures we are taking as the W&W Group to promote diversity.

At European level, there are various regulatory initiatives with regard to transparency and the disclosure of sustainability-related information. Within the W&W Group, the resulting requirements are anchored in sustainability projects. The W&W Group has been applying the ESRS since the 2024 financial year. These standards are currently being revised at European level. Their implementation for

the W&W Group is being carried out in a group-wide project.

The W&W Group and W&W AG are required by the CSR Directive Implementation Act to publish a non-financial group statement and a non-financial statement. Since the 2024 financial year, these have been included in the group sustainability report in the combined management report.

Regulatory requirements

From a regulatory perspective, the W&W Group has two scopes of consolidation: the financial conglomerate and the Solvency II Group. The W&W Group is therefore subject to a wide range of regulatory requirements and is supervised at national level. Wüstenrot Bausparkasse AG, as a significant institution (SI), is subject to banking supervision by the ECB.

The review of reporting requirements under Solvency II (Solvency II review) will lead to adjustments in the quantitative and qualitative requirements for insurance undertakings and our insurance group. Among other things, this will expand the reporting requirements for sustainability-related aspects. The amendments to the Solvency II Directive were published in the EU Official Journal on 8 January 2025. They are scheduled to come into force on 30 January 2027. In the meantime, they are to be transposed into national law. In parallel, the European Commission published the final version of the amendment to the Delegated Regulation on 29 October 2025. In addition, the European Insurance and Occupational Pensions Authority (EIOPA) is preparing technical implementation standards and guidelines.

In the financial conglomerate and the Solvency II Group, the coverage ratios are expected to be well above 100% on the reporting date. For further details, please refer to the section on regulatory solvency in the appendix.

Reporting segments

The segment information has been prepared in accordance with IFRS 8. We report on the segments Housing, Life and Health Insurance, and Property/Casualty Insurance. All other activities are summarised under All Other Segments. The Segment reporting chapter of the notes to the consolidated financial

statements provides a detailed breakdown of the products and services of the individual segments.

Business management system

The W&W Group's integrated management system is aligned with our business strategy. On this basis, a three-year business plan is drawn up and submitted to the Supervisory Board. The key control parameters are defined as quantitative corporate targets for management from the plan approved by the Supervisory Board for the following financial year. The most material performance indicators are derived on this basis.

We validate the operational planning during the current financial year with several projections. Management during the year is based on a „management cockpit“. This is used to monitor on a monthly basis whether the target figures are being achieved or not. If deviations become apparent, countermeasures are taken as necessary.

The following key performance indicators are defined for the adequate management of the W&W Group:

At Group level, the Group's annual result after tax (IFRS) and Group general administrative expenses (gross, i.e. before allocation to the technical result) continue to be used as most important performance indicators. At segment level, the segment result after tax and general administrative expenses (gross) continue to be used as control variables. General administrative expenses include intra-group settlements with other segments. These key figures can be found in the consolidated financial statements of W&W. In addition, the Group's new customers continue to be used as the most important cross-segment performance indicator. We define new customers, we define natural or legal persons who, in the reporting period, appear for the first time as policyholders, policy holder or insured person for the first time in the reporting period.

As further performance indicators, we report net new business by total home loan savings contracts and new construction financing business (assumptions) in the Housing segment, as well as new business by total premiums in the Life and Health Insurance segment. For the Property/Casualty Insurance segment, we report new and replacement business (by annual contributions to the portfolio).

The risk management system plays an important role within the W&W Group's control system. The

requirements of the risk strategy must be complied with when pursuing the company's objectives. This is discussed separately in the risk reporting section of the opportunity and risk report. In addition, our IT strategy pursues the objective of achieving a sustainable orientation of information technology in order to provide the best possible support for our projects and business processes at a reasonable cost.

As the strategic management holding company, W&W AG manages the W&W Group. Holding the W&W Group. The most significant performance indicator as a basis for calculating dividend payments to our shareholders is the annual result after taxes (HGB). The retained portion of the annual result after taxes (HGB) serves to strengthen the equity base at the level of W&W AG.



prospective

Digitalisation is our key to greater speed,
transparency and service – and even more
satisfied customers.

Ratings

Standard & Poor's (S&P) once again confirmed the ratings with a stable outlook in the reporting year. The core companies within the W&W Group thus continue to have an „A–“ rating, while the holding company W&W AG retains its „BBB+“ rating.

The short-term issuer credit rating of Wüstenrot Bausparkasse AG remain at „A-1“.

Ratings Standard & Poor's

	Financial Strength	Issuer Credit rating
W&W AG	BBB outlook stable	BBB outlook stable
Württembergische Versicherung AG	A– outlook stable	A– outlook stable
Württembergische Lebensversicherung AG	A– outlook stable	A– outlook stable
Wüstenrot Bausparkasse AG		A– outlook stable

The mortgage bonds issued by Wüstenrot Bausparkasse AG continue to enjoy the top rating of „AAA“ rating with a stable outlook.

The subordinated bond issued by Wüstenrot Bausparkasse AG on the stock exchange continues to be rated „BBB“. In May 2025, Wüstenrot Bausparkasse AG also issued a senior preferred bond, which is rated „A–“. In addition, W&W AG issued another subordinated bond in October 2025, which – like the previous subordinated bond issued by W&W AG – is rated „BBB–“.

Stock

Stock price performance

The W&W share, which is listed on the SDAX, moved within a range of around €12 to its annual high of around €15 in mid-May during the first few months of 2025. In the second half of the year, there was a wave movement which initially pushed the W&W share back into the €15 range. In the final quarter, price fluctuations decreased

and W&W shares ultimately ended the year at €14.54. Based on a year-end price of €11.64 in 2024, this represents a price increase of 24.9% in the 2025 calendar year. Taking into account including the dividend distribution of €0.65, this results in a total performance of 30.5% for the reporting period.

Further information and the complete basic data on the W&W AG share can be found on the company's website at ww-ag.com in the Investor Relations section.

Key data relating to W&W stock

		2025	2024	2023
Number of shares	Number	93,749,720	93,749,720	93,749,720
of which treasury shares	Number	0	101,879	34,335
Market capitalisation as at 31.12.	in € million	1,363.1	1,090.1	1,250.2
Dividend per share	in €	0.65 ¹	0.65	0.65
Dividend yield	in %	4.47	5.58	4.87
High/low for the year	in €	15.18/ 11.84	13.90/ 11.50	17.70/ 12.90
Closing price	in €	14.54	11.64	13.34
Average daily trading volume	Number	36,022	38,246	24,448

1 Proposed dividend.

The shareholder structure of W&W AG remained stable during the reporting period. The non-profit Wüstenrot Stiftung foundation, Gemeinschaft der Freunde Deutscher Eigenheimverein e. V., Ludwigsburg, holds an indirect stake in W&W AG of 67.38% via two holding companies. Of this, WS Holding AG, Stuttgart, holds 27.47% and Wüstenrot Holding AG, Ludwigsburg, holds 39.91%. Another major shareholder in W&W AG is FS BW Holding GmbH, Munich, with more than 10% of the shares. As at 31 December 2025, W&W AG did not hold any treasury shares.

6.5% (previous year: 6.9%) of the total shares issued by W&W AG are held by foreign shareholders.

Dividend policy

W&W AG strives to provide its shareholders with a stable and reliable dividend. For the past financial year, the

Executive Board is therefore proposing an unchanged dividend payment of €0.65 per share to the Annual General Meeting. Based on the closing price at the end of 2025, this corresponds to a dividend yield of 4.47% (previous year: 5.58%).

Employee shares

In April 2025, W&W AG once again issued employee shares across the Group employee shares across the Group. Based on the XETRA closing price on 24 March 2025, eligible employees received a €5 discount on a maximum of 40 shares. Our company is thus continuing a long-standing tradition and aims to further strengthen the focus on shareholder value among the workforce and increase employer attractiveness and employee retention. In total, just under a quarter of eligible employees took advantage of the offer. Further information on this can be found in the appendix. In 2026, shares will again be offered to employees will again be offered shares.

addition, the Investor Relations team provides regular updates on current topics in a newsletter.

W&W AG presented its current business figures in the form of conference calls and a press conference on the annual financial statements. The 2025 Annual General Meeting was again held in virtual form.

The upcoming Annual General Meeting will also take place virtually on 13 May 2026 at 10 a.m.

Analyst recommendations

W&W AG is regularly monitored and evaluated. The current analyst recommendations for W&W shares and the price targets assigned to the shares by analysts are available online at website at ww-ag.com. The current average price potential from the price targets for W&W AG shares set by banks and securities firms is €18.00.

Analyst recommendations

	Recommendation/ Target price	
	Date	
Institution		
LBBW	14.11.2025	HOLD/€15.00
Montega	19.11.2025	BUY/€21.00

Investor Relations (IR)

In the reporting year, W&W AG continued its intensive dialogue with institutional investors, private investors and financial analysts. The digital activities established in investor relations as part of the digitalization process were further expanded. Communication with international investors through roadshows and capital market conferences was continued on an ongoing basis, for example through participation in the Eigenkapitalforum in Frankfurt am Main and the Hamburger Investorentage. In

Economic report

Business environment

Macroeconomic environment

The overall economic environment remained challenging in 2025 in view of geopolitical and economic tensions. According to initial estimates, the German economy recorded only a slight increase in economic output of 0.2%. Several factors weighed on the economy: on the one hand, the German industrial sector performed poorly. On the other hand, corporate investment also showed weak development due to high political uncertainty. Foreign trade was also impacted by highly volatile US trade policy and significantly increased tariffs on German exports. Despite real income growth in private households due to lower inflation and higher wages, the expected significant upturn in consumer demand failed to materialise. Overall, inflation rates in Germany normalised in 2025. The overall inflation rate fell to 2.2%, which was only slightly above the European Central Bank's (ECB) target level of 2.0%.

Capital markets

Bond markets

Yields on the German bond market varied depending on maturity, particularly in the first half of 2025. In the short-term maturity segment, yields fell as a result of expected key interest rate cuts by the ECB. In the longer-term maturity segment, the reform of the debt brake and the creation of additional special funds by the new German government at the beginning of March initially led to a jump in yields on ten-year German government bonds of around 40 basis points. However, fears of negative economic effects due to increased US tariffs on European exports, a sustained decline in inflation and further key interest rate cuts by the ECB caused a counter-movement in the first half of the year. In the second half of the year, yields across all maturities showed, driven by the end of the ECB's key interest rate cuts, more optimistic economic expectations and the even larger volume of German government bond issues in the future. Overall, the yield on two-year German government bonds maturing in 2025 rose slightly by four basis points to 2.12%, while the yield on ten-year German government bonds rose more significantly from 2.37% to 2.86%.

Equity markets

European stock markets were heavily influenced by political developments in the first half of 2025 and recorded significant price fluctuations. After a positive start to the year with double-digit percentage gains on indices such as the Euro STOXX 50 and the DAX, the announcement of massive increases in US tariffs at the beginning of April caused prices to plummet. The subsequent temporary suspension of US tariffs quickly led to a sharp rise in prices again. Further ECB interest rate cuts and hopes for higher economic growth in Germany supported this trend. In the second half of the year, the DAX moved sideways between around 23,000 points and its new all-time high of 24,771 points. The Euro STOXX 50 also showed a moderate upward trend in the second half of the year, reaching a new record high of around 5,800 points in November. Overall, 2025 was a very good year for equities in Europe. The Euro STOXX 50 recorded a price increase of 18.3%, while the English benchmark index DAX rose by as much as 23.0%.

Currency markets

The euro appreciated significantly against the US dollar in 2025, gaining 13.4% against the US currency. Starting at a level of 1.035 US dollars per euro at the end of 2024 to just under 1.18 US dollars in the first half of 2025, before moving sideways with limited exchange rate fluctuations.

Industry trends

The overall economic environment and developments on the capital markets were also reflected in the development of the industry. In addition, increasing regulation had an impact on the financial services industry.

Based on figures from the Association of Private Building Societies, net new home loan savings business in the industry fell by 21% to around €62 billion in 2025 (previous year: around €78 billion). Following the boom years of 2022 and 2023 caused by the interest rate turnaround, the normalisation of new home loan savings business continued in the financial year to the level seen before the interest rate turnaround.

New business in private residential mortgage lending developed positively in 2025. According to the Deutsche Bundesbank, lenders paid out around €241 billion (previous year: around €198 billion) in residential construction loans to private households. This corresponds to an increase of 21%. The market recovery was favoured by largely constant construction interest rates, moderately rising property prices, an inflation rate close to the European Central Bank's target and a renewed rise in real incomes.

Wüstenrot Bausparkasse AG ranks second among private home loan and savings banks in terms of gross new business.

Based on preliminary industry figures for 2025 published by the German Insurance Association (GDV), the life insurance industry recorded an increase in current new premiums to €6.8 billion (previous year: €6.6 billion) in 2025. New business with a single premium also increased to €31.8 billion (previous year: €27.2 billion). New premiums for life insurers thus rose to €38.5 billion in 2025 (previous year: €33.8 billion). Measured in terms of total premiums for new business, there was an increase to €192.6 billion (previous year: €182.9 billion).

Gross premiums written by life insurers rose to €96.7 billion (previous year: €91.8 billion) in the reporting period, mainly due to higher single-premium business.

Württembergische Lebensversicherung AG increased its gross premiums written to €1,716 million (previous year: €1,673 million). Measured in terms of premiums written, Württembergische Lebensversicherung AG had a market share of 1.8% (previous year: 1.8%). In its peer group of German life insurers, Württembergische Lebensversicherung AG ranked twelfth in terms of gross premiums written based on the previous year's figures.

According to preliminary calculations by the GDV, premium income in the property/casualty insurance market rose by approximately 7.6% to €99.6 billion (previous year: €92.5 billion). Expenses for claims incurred during the financial year fell by 1.4%, following an increase of 4.2% in the previous year. This led to a significant increase in technical profit to €10.1 billion (previous year: €3.6 billion). Both the claims ratio for the financial year, at around 70% (previous year: 76.2%), and the combined ratio (related claims and cost ratio) of around 90% (previous year: 96.1%) were lower than in the previous year.

Württembergische Versicherung AG increased its gross premiums written to €2,921 million (previous year: €2,773 million). In the current ranking based on the previous year's figures for property and casualty insurers, it ranks ninth in terms of gross premiums written domestic direct business.

Development of business and position of the Group (IFRS)

Development of business

The W&W Group recorded a positive financial year in 2025. In the Property/Casualty Insurance segment, new and replacement business, premium adjustments, portfolio restructuring and the absence of storm damage led to a significant increase in the technical result. Pre-tax profit also increased in the Life and Health Insurance segment, although there was a one-off charge due to the revaluation of deferred taxes. In the Housing segment, higher risk provisions and hedging measures against interest rate risks led to a significantly lower result.

Composition of consolidated net profit

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Housing segment	-117	16
Life and Health Insurance segment	19	42
Property/Casualty Insurance segment	210	-97
All other segments/reconciliation	9	74
Consolidated net income after taxes	121	35

The material portfolio figures increased compared with the previous year. The portfolio of building loans increased from €28.4 billion to €30.1 billion. Insurance revenue (technical income) in accordance with IFRS 17 also increased. In the Life and Health Insurance segment, it rose by 3.4% to €1,345 million (previous year: €1,301 million), and in the Property/Casualty Insurance segment by 5.9% to €2,929 million (previous year: €2,767 million).

New business figures increased in all segments. New business in life insurance, consisting of regular premiums and single premiums, grew by 15.6%.

In the Housing segment, new business volume increased by 5.2%. In the Property/Casualty Insurance segment, the annual contribution to the portfolio from new and replacement business also grew by 8.3%.

Selected Group key figures

	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	Change
	in € million	in € million	In %
Building loan portfolio ¹	30,116	28,401	+6.0
New business volume, residential (new lending volume & gross new home loan savings business)	16,488	15,676	+5.2
Life and Health Insurance segment	1,345	1,301	+3.4
New life insurance business (regular and single premiums)	535	463	+15.6
Insurance revenue in the Property/Casualty Insurance segment	2,929	2,767	+5.9
Annual contribution to the portfolio (new and replacement business; Property/Casualty Insurance)	472	436	+8.3

¹ Figures as at 31 December 2024 and 31 December 2025.

Financial performance

Total comprehensive income

Consolidated income statement

In the 2025 financial year, consolidated net income after taxes rose significantly to €121 million (previous year: €35 million). Earnings per share amounted to €1.29 (previous year: €0.35).

The financial result (gross) amounted to €1,297 million (previous year: €1,803 million). Under the IFRS 17 accounting standard, a material portion of the Group's financial result is attributable to insurance contracts with direct profit participation in life and health insurance. After the corresponding policy holder participation, the financial result fell to €258 million (previous year: €476 million). The following earnings components were responsible for this development (gross):

- The current result was €1,327 million (previous year: €1,396 million). The increase in dividend income was unable to offset the decline in net interest income.

- The result from risk provision fell to -€60 million (previous year: -€27 million), which is materially attributable to the result in the Housing segment.
- The valuation output was €96 million (previous year: €472 million). Equity securities and capital investments for unit-linked life insurance policies generated capital gains. life insurance policies. Alternative investments and investment funds developed in the opposite direction. The rise of the euro against the US dollar also led to a significant decline in currency results, particularly in the Life and Health Insurance segment.
- The result from disposals amounted to -€66 million (previous year: -€38 million).

The technical result improved significantly to €432 million (previous year: -€17 million). In Property/Casualty Insurance, premium adjustments, portfolio restructuring and the absence of storm damage led to a significantly higher technical result. In the Life and Health Insurance segment, too, the technical result was above the previous year's level.

The commission result fell to -€25 million (previous year: -€12 million), due in part to increased new business and a positive valuation effect on home loan provisions in the Housing segment in the previous year.

General administrative expenses (gross), i.e. before allocation to the technical result, amounted to €1,171 million (previous year: €1,163 million). While personnel expenses increased due to wage increases, materials expenses were reduced again through active cost management. Among other things, consulting and advertising expenses declined in 2025. Impairments and amortisation decreased due to lower impairment losses on capitalised software. General administrative expenses (net) amounted to €505 million (previous year: €506 million).

Other operating income amounted to €52 million (previous year: €85 million). In the previous year, income from the recognition of the negative difference (badwill) from the purchase of start:bausparkasse AG.

Tax expense rose to -€91 million (previous year: €9 million). In addition to a higher pre-tax profit, this increase is mainly attributable to the Life and Health Insurance segment. The future reduction in the corporation tax rate resulted in a one-off charge from the revaluation of deferred taxes.

Consolidated statement of comprehensive income

The consolidated total comprehensive income (total comprehensive Income) for the 2025 financial year was €102 million (previous year: €22 million). It comprises the consolidated net income plus other comprehensive income.

The OCI amounted to -€19 million (previous year: -€13 million). The rise in interest rates in 2025 led to falling market values for fixed-income securities and registered securities. Their unrealised result with an impact on the OCI amounted to -€885 million (previous year: -€83 million). Technical liabilities/provisions in accordance with IFRS 17 had an offsetting effect. The unrealised result from this amounted to €837 million (previous year: €65 million). The actuarial result from defined benefit pension plans amounted to €29 million (previous year: €6 million). In the same period of the previous year, interest rates remained largely constant and led to only minor unrealised losses on capital investments and low unrealised gains on provisions.

The OCI serves as a supplement to the consolidated income statement and reflects the gains and losses recognised directly in equity resulting from accounting in accordance with IFRS 9 and IFRS 17, among other standards. It essentially reflects the interest rate sensitivity of our assets and the technical provisions on the liabilities side.

Housing segment

New business

The new business volume for residential purposes such as immediate financing, modernisation and equity accumulation (sum of gross new business and the volume of new lending business including brokered business in the third-party book) rose to €16,488 million (previous year: €15,676 million).

Gross new business based on total home loan savings contracts amounted to €11,072 million (previous year: €10,990 million), slightly above the previous year's level.

As expected, net new business in terms of total home loan savings contracts (new business redeemed) declined to €8,723 million (previous year: €10,333 million) as a result of the low level of gross new business in 2024.

The volume of new lending rose to €5,416 million (previous year: €4,686 million). This further strengthened the market position.

New business key figures

	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	Change
	in € million	in € million	In %
New business volume	16,488	15,676	+5.2
New construction financing business (including brokering for third parties)	5,416	4,686	+15.6
New home loan savings business (gross)	11,072	10,990	+0.7

Financial performance

The segment result after taxes decreased to -€117 million (previous year: €16 million).

The financial result fell to €168 million (previous year: €299 million). This was due to the following factors:

- The current financial result decreased to €214 million (previous year: €281 million). The interest result from interest rate swaps concluded for interest rate management purposes and higher refinancing expenses had a negative impact. Interest income from mortgage lending business.
- The risk provisioning result declined materially as a result of the economic downturn due to higher additions to risk provisions in the mortgage lending business to -€58 million (previous year: -€31 million).
- The valuation output decreased to €7 million (previous year: €12 million). This development is attributable to a decline in result from hedges. This was offset by a positive result from the valuation of home loan provisions.
- The result from disposals decreased to €5 million (previous year: €37 million). Higher income was generated in the previous year as part of asset/liability management.

The commission result declined materially due to the increase in gross new home loan savings business and a positive valuation effect on home loan provisions included in the previous year, to -€18 million (previous year: -€10 million).

General administrative expenses amounted to €341 million (previous year: €338 million). Materials expenses decreased, among other things as a result of lower contributions to deposit protection and lower consulting expenses. Personnel expenses increased mainly due to collectively agreed salary increases.

Other operating income decreased to €35 million (previous year: €62 million). This development is mainly attributable to the recognition of the negative difference from the acquisition of start:bausparkasse AG in the previous year. This was offset by higher income from settlement transactions in connection with home loan deposits.

Life and Health Insurance segment

New business/premium development

The total premiums for new business in life insurance increased to €3,687 million (previous year: €3,242 million).

In company pension schemes (bAV), the total premiums also exceeded the previous year's level, at €1,168 million (previous year: €1,094 million).

The total premiums for unit-linked insurance (including Genius) also developed positively, increased by 32% to €2,378 million (previous year: €1,797 million).

In health insurance, new annual premiums rose to €12.6 million (previous year: €11.6 million).

New business key figures

	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	Change
	in € million	in € million	In %
Total premiums in new life insurance business	3,687	3,242	+13.7
Total premiums in new business (excluding occupational pension schemes)	2,519	2,148	+17.3
Total premiums in new business for occupational pension schemes	1,168	1,094	+6.8
Annual new health insurance premiums	12.6	11.6	+8.6

Financial performance

The segment result after taxes was €19 million (previous year: €42 million).

The financial result (gross) amounted to €1,030 million (previous year: €1,311 million). Under the IFRS 17 accounting standard, a material portion of the financial result is attributable to insurance contracts with direct profit participation in life and health insurance. After the corresponding participation of policy holders, the financial result amounted to -€5 million (previous year: -€2 million). The following earnings components were responsible for

this development (gross) the following earnings components:

- The current financial result decreased to €947 million (previous year: €963 million). The portfolio of fixed-income securities declined slightly, resulting in lower interest income. This was offset by higher dividend income and lower interest expenses for subordinated capital.
- The valuation output decreased to €141 million (previous year: €417 million). Although there were higher capital gains on equities and capital investments for unit-linked life insurance policies, alternative investments and investment funds developed in the opposite direction. Due to the rise of the euro against the US dollar, the currency result included in the valuation output fell significantly by €261 million.
- The result from disposals improved slightly to -€60 million (previous year: -€76 million).

The technical underwriting result increased to €122 million (previous year: €101 million). Insurance revenue (underwriting income) rose to €1,345 million (previous year €1,301 million). Technical expenses amounted to €1,208 million (previous year €1,186 million). In both sets of expenses, life insurance and health insurance, the technical result (net) was higher than in the previous year.

General administrative expenses (gross), i.e. before the corresponding contribution from policy holders, amounted to €265 million (previous year: €254 million). Both materials expenses and personnel expenses increased. After the policy holders' contribution, general administrative expenses (net) amounted to €32 million (previous year: €39 million).

Tax expense rose to €65 million (previous year: €21 million). The future reduction in the corporation tax rate resulted in a one-off charge from the revaluation of deferred taxes.

Property/Casualty Insurance segment

New business/premium development

New business, measured in terms of the annual contribution to the portfolio, rose to €472 million (previous year: €436 million). Growth was achieved in all areas.

New business key figures

	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	Change
	in € million	in € million	in
Annual contribution to the portfolio (new and replacement business)	472	436	+8.3
Motor	290	264	+9.8
Corporate customers	110	106	+3.8
Retail customers	72	66	+9.1

Financial performance

Segment profit after tax rose significantly to €210 million (previous year: -€97 million).

The financial result amounted to €25 million (previous year: €42 million). It comprises the following components:

- The current financial result increased to €110 million (previous year: €87 million). This was primarily due to higher interest and dividend income.
- The valuation output amounted to -€27 million (previous year: €12 million). The result from alternative investments and investment funds declined compared with the previous year. In addition, as in the Life and Health Insurance segment, currency losses were incurred.
- The result from disposals was -€6 million (previous year: €1 million).
- The technical financial result amounted to -€49 million (previous year: -€55 million). This development is due to lower expenses from the discounting of technical provisions.

The net technical result increased to €308 million (previous year: -€118 million). New and replacement business as well as premium adjustments resulted in encouraging growth in the insurance portfolio. Insurance revenue (technical income) therefore rose in all business areas to €2,929 million (previous year: €2,767 million). Gross claims expenditure fell due to portfolio restructuring, active claims management and the absence

of cumulative events. While the previous year was marked by losses from cumulative events, the current financial year saw gains from the reversal of loss components due to lower claims expectations. In addition, the run-off result was significantly better than in the previous year. The reinsurance result was -€96 million (previous year: -€43 million). The combined ratio (gross) according to IFRS 17 improved significantly to 86.2% (previous year: 102.7%). The combined ratio (net) under IFRS 17 was 89.5% (previous year: 104.3%).

General administrative expenses (gross) amounted to €479 million (previous year: €500 million). While personnel expenses rose, mainly due to collectively agreed salary increases, materials expenses decreased. This was due to a lower impairment loss on capitalised software. After allocation to the technical result, general administrative expenses (net) amounted to €46 million (previous year: €58 million).

All other segments

All other segments comprise business areas that cannot be allocated to any other segment. These are primarily W&W AG, including its subsidiaries Wüstenrot Immobilien GmbH, W&W Asset Management GmbH, Wüstenrot Haus- und Städtebau GmbH, W&W brandpool GmbH and the Group's internal service providers.

After taxes, the segment result amounted to €70 million (previous year: €117 million).

The financial result decreased to €104 million (previous year: €159 million). The following earnings components contributed materially to this development:

- The current financial result rose to €108 million (previous year: €103 million) as a result of higher dividend income.
- The valuation output fell to €0 million (previous year: €56 million). This development was due to a decline in the currency result and lower results from alternative investments and equity investments.

The commission result amounted to €36 million (previous year: €40 million).

General administrative expenses rose to €86 million (previous year: €76 million). Higher wages and salaries led to an increase in personnel expenses. Materials expenses were reduced.

Other operating income rose to €16 million (previous year: €5 million).

Net assets

Asset structure

The W&W Group's total assets amounted to €72,5 billion (previous year: €72,3 billion). The asset side consists mainly of building loans and capital investments.

Building loans grew to €30.1 billion (previous year: €28.4 billion). This increase is attributable in particular to the higher volume of loans under building savings contracts and more advance and bridge financing loans.

Capital investments amounted to €38.8 billion (previous year: €39.9 billion). Rising interest rates over the course of the year led to slight declines in the market value of securities held. Capital investments for unit-linked life insurance policies rose slightly due to portfolio growth and valuation effects.

Financial position

Capital structure

Due to the financial services group's business model, the W&W Group's liabilities are dominated by technical liabilities and liabilities to customers.

Technical liabilities (technical provisions) amounted to €31.5 billion (previous year: €32.3 billion). Of this amount, €27.3 billion (previous year: €28.1 billion) was attributable to life insurance, €2.5 billion (previous year: €2.6 billion) to Property/Casualty Insurance and €1.7 billion (previous year: €1.6 billion) to health insurance.

The liabilities mainly comprised liabilities to customers of €25.9 billion (previous year: €27.5 billion). Of this amount, deposits from home loan savings business and savings deposits amounted to €19.7 billion (previous year: €19.8 billion). Deposits in time deposits and overnight money amounted to €6.2 billion (previous year: €7.7 billion). Liabilities evidenced by certificates amounted to €4,8 billion (previous year: €3,4 billion).

The balance sheet value of subordinated capital amounted to €700 million (previous year: €406 million). This was issued by W&W AG and Wüstenrot Bausparkasse AG. In October 2025, W&W AG issued a further subordinated bond with a volume of €300 million.

Consolidated equity

As at 31 December 2025, the W&W Group's equity amounted to €4,961 million, compared with €4,922 million as at 31 December 2024. The consolidated net income and the income recognized in equity increased equity by €102 million. The dividend distribution reduced equity by €62 million.

Liquidity

The liquidity of the W&W Group was guaranteed at all times during the reporting year. Cash pooling has been implemented as part of liquidity management to optimise cash flows within the W&W Group. Further information on liquidity is provided in the risk report.

The cash flow statement showed a cash inflow of €983 million (previous year: €333 million) from operating activities and a cash outflow of -€1,068 million (previous year: -€66 million) for investing activities, including capital investments. Financing activities resulted in a cash inflow of €201 million (previous year: -€333 million). Overall, cash and cash equivalents changed by €116 million (previous year: -€66 million) in the reporting year. Further information can be found in the cash flow statement.

Investments

The W&W Group made investments in non-current assets primarily in the Life and Health Insurance segment. This related in particular to investment property. In addition, investments were made mainly in hardware and software. Research and development was carried out primarily in the context of software development for the Group's own purposes.

Customer development in the Group

The W&W Group also gained new customers in the 2025 financial year. The number of new customers was 400 thousand (previous year: 500 thousand). The lower increase compared with the previous year is attributable to the Housing division. Here, an anniversary promotion for „Top Tagesgeld“ had a positive effect in the previous year.

The number of customers was 6,356 thousand (previous year: 6,488 thousand).

Overall view

The following comparison of the Group's business performance in the reporting year with the estimates from last year's annual report shows an improvement in the Group's performance despite the high level of uncertainty in the overall economic environment, volatility on the capital markets and geopolitical conflicts.

Comparison of business performance with forecast

Group

Despite the challenges in 2025, we achieved a consolidated net profit after tax (IFRS) of €121 million. Last year's forecast was achieved.

General administrative expenses (gross) in the reporting year were roughly at the same level as in the previous year, in our original forecast, we had assumed a slight increase. This was due in particular to the tariff increases in the insurance industry, which occurred later than expected.

In the reporting year, we acquired 400 thousand new customers. This meant that we were unable to achieve our forecast from last year due to the lack of new business from cooperations and reduced marketing activities in the overnight money market.

Housing segment

As expected, the segment result after taxes for 2025 was -€117 million, in line with our forecast report for the first half of 2025, significantly below the previous year, mainly due to interest rate developments. In particular, the significant decline in short-term interest rates weighed on both the result from hedging transactions and income from the investment of short-term customer liabilities, leading to a noticeable decline in the interest result. Due to valuation differences and the treatment of hedging transactions under IFRS, this can only be controlled to a limited extent.

In the Housing segment, general administrative expenses in the reporting year were, as expected, at the previous year's level.

In the new construction financing business (assumptions), we forecast that we would be significantly above the 2024 level. This expectation was met. In line with our updated forecast for the first half of 2025, we recorded a significant

decline in net new business in total home loan savings contracts compared with the previous year. This development is primarily attributable to the downward trend in the market, which could not be fully offset despite the expansion of our market share.

Life and Health Insurance segment

In the Life and Health Insurance segment, the segment result after taxes was €19 million, in line with our forecast report for the first half of 2025, due to the one-off valuation adjustment of deferred taxes at Württembergische Lebensversicherung AG as a result of the lower corporate tax rate in future.

Gross general administrative expenses in the Life and Health Insurance segment were slightly above the previous year's level in the reporting year and thus better than expected. This was due in particular to tariff increases in the insurance industry that occurred later than expected. In our planning, we had assumed a moderate increase.

As expected, we achieved new business for the 2025 financial year that was significantly above the previous year's level in terms of total premiums.

Property/Casualty Insurance segment

The segment result after taxes for the 2025 financial year was €210 million, which was significantly above the previous year's level, in line with our forecast report for the first half of 2025. The increase is mainly due to the significantly improved claims experience.

Gross general administrative expenses in the reporting year were slightly below the previous year's level, whereas our original forecast had assumed a figure on a par with the previous year. This was due in particular to tariff increases in the insurance industry occurring later than expected.

In new and replacement business (based on the annual contribution to the portfolio), we achieved a value of in 2025, which is moderate above the previous year's level. In the forecast report for the first half of 2025, we assumed a slight increase on the previous year.

Development of business and position of W&W AG (HGB)

Unlike the consolidated financial statements, the annual financial statements of Wüstenrot & Württembergische AG are not prepared in accordance with International Financial Reporting Standards (IFRS), but in accordance with the rules of the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG).

The financial statements of W&W AG in accordance with HGB and the combined management report are published simultaneously in the electronic Federal Gazette.

Development of business

W&W AG successfully closed the 2025 financial year with a net income of €146 million according to HGB (previous year: €135 million), W&W AG successfully closed the 2025 financial year. The annual result was significantly influenced by dividends and profit transfers from subsidiaries.

Financial performance

Net income

W&W AG's net income for the 2025 financial year according to the HGB was €146 million (previous year: €135 million). In order to strengthen equity, the Executive Board and Supervisory Board decided to allocate €72 million (previous year: €56 million) to retained earnings. After a profit carryforward of €1 million from 2024, the net profit amounted to €74 million (previous year: €80 million). This result enables us to propose to the Annual General Meeting a dividend of €0.65 (previous year: €0.65) per share, the allocation of €13 million (previous year: €18 million) to retained earnings and a profit carryforward of €1 million.

Net capital investment income

W&W AG's investment income increased to €246 million in 2025 (previous year: €232 million). The profit transfers from our subsidiaries rose from €78 million to €127 million in the reporting year.

Reinsurance/technical result

W&W AG's insurance business is materially dominated by the contributions of the Group subsidiary Württembergische Versicherung AG.

Prior to additions to the claims equalisation provision, net technical income amounted to €3 million, which was €1 million higher than in the previous year.

Gross premiums written decreased by 10.0% to €541 million (previous year: €601 million) in the past financial year. This is primarily attributable to a change in the reinsurance structure at Württembergische Versicherung AG and the resulting decline in the volume of reinsurance premiums. By contrast, net premiums earned grew by 10.0% to €421 million (previous year: €383 million).

Gross expenses for insurance benefits fell from €379 million to €272 million due to lower claims expenses for claims incurred during the financial year as a result of the change in the reinsurance structure at Württembergische Versicherung AG. Net expenses for insurance benefits rose slightly to €261 million (previous year: €257 million). The net loss ratio decreased to €62.0 million (previous year: €67.1 million). Expenses for the insurance business for own account increased from €121 million in the previous year to €153 million. In accordance with the terms and conditions, €19 million was allocated to the claims equalisation reserve (previous year: withdrawal of €2 million). The claims equalisation reserve amounted to €94 million (previous year: €75 million). This corresponded to 22.4% (previous year: 19.6%) of net earned premiums. After the allocation to the claims equalisation reserve, the technical loss amounted to €16 million (previous year: profit of €4 million).

Lines

In the fire and other property insurance lines, gross premiums fell from €306 million to €235 million. After an allocation to the claims equalisation reserve of €17 million (previous year: withdrawal of €2 million), the technical loss amounted to €5 million (previous year: €14 million).

In the motor lines, gross premiums increased to €182 million (previous year: €168 million). The loss after allocation to the claims equalisation reserve of €3 million (previous year: €1 million) amounted to €17 million (previous year: €8 million).

In the liability segment, gross premiums remained virtually unchanged at €60 million (previous year: €60 million).

million). After the reversal of the claims equalisation reserve of €1 million (previous year: €1 million), a profit of €1 million (previous year: €14 million) was recorded.

In the accident line, gross premiums remained at the previous year's level of €25 million (previous year: €25 million). Profit after the claims equalisation reserve was €5 million (previous year: €6 million).

Premiums in transport and aviation hull insurance remained unchanged at €6 million compared with the previous year (previous year: €6 million). The technical result after the claims equalisation reserve recorded a loss of €0 million (previous year: profit of €1 million).

In other insurance lines (mainly legal expenses insurance), gross premiums fell to €33 million (previous year: €37 million). The technical result after the claims equalisation reserve amounted to a profit of €1 million (previous year: €4 million).

Taxes

Taxes on income and earnings amounted to €17 million (previous year: €39 million). The decrease in tax expense is primarily attributable to higher tax relief effects at the subsidiaries.

Net assets and capital structure

Asset structure

W&W AG's total assets rose (or fell) by €375 million to €4,855 million (previous year: €4,480 million) in the financial year. Capital investments make up the majority of assets. Another major item is receivables.

The liabilities side consists mainly of equity, other provisions, technical provisions and subordinated liabilities (bonds).

Equity

As a holding company, W&W AG manages the equity capital of the W&W Group. In principle, the equity capital of the subsidiary undertakings is based on the specified regulatory requirements.

W&W AG's equity amounted to €2,362 million (previous year: €2,276 million) as at 31 December 2025. On the one hand, equity increased by €146 million due to the net income for the year and by €1 million due to the sale of treasury shares as part of the employee share programme

in 2025. On the other hand, the dividend distribution for the 2024 financial year had a counteracting effect of €61 million. Overall, equity increased by €86 million.

Retained earnings included in equity also increased. By resolution of the Annual General Meeting, €18 million from the net profit for the 2024 financial year and €72 million from the 2025 net income were transferred to retained earnings.

Capital investments

W&W AG pursues a sustainable, security-oriented investment policy focused on high debtor quality. There were no bad debts in the financial year.

The book value of capital investments increased by €340 million to €4,575 million (previous year: €4,235 million). This mainly comprised shares in related companies and investments of €1,608 million (previous year: €1,609 million) as well as shares, units or shares in investment funds and other non-fixed-income securities of €950 million (previous year: €964 million).

Valuation reserves

Valuation reserves arise when the fair value of an asset exceeds the value at which it is reported in the balance sheet (carrying amount). The valuation reserves on W&W AG's investments amounted to €1,922 million (previous year: €1,890 million). These were mainly attributable to shares in affiliated companies (€1,941 million, previous year: €1,897 million), shares or units in investment funds and other non-fixed-income securities (€84 million, previous year: €68 million), bearer bonds and other fixed-income securities (-€90 million, previous year: -€82 million) million to bearer bonds and other fixed-income securities, and -€17 (previous year: €0) million to land, land rights and buildings. The hidden liabilities of the investments reported in accordance with Section 341b (2) of the HGB amounted to -€90 million (previous year: -€82 million). They arose due to interest rates and are not considered permanent.

Pension provisions

At €1,156 million (previous year: €1,173 million), pension provisions represented a large portion of W&W AG's liabilities, alongside technical provisions of €551 million (previous year: €523 million). Not only W&W AG's own pension provisions were reported, but also those of 8 subsidiaries (previous year: 8). W&W AG has declared its joint liability for these subsidiaries' pension commitments

and has assumed responsibility for fulfilling these pension commitments in its internal relationship with these companies.

Financial position

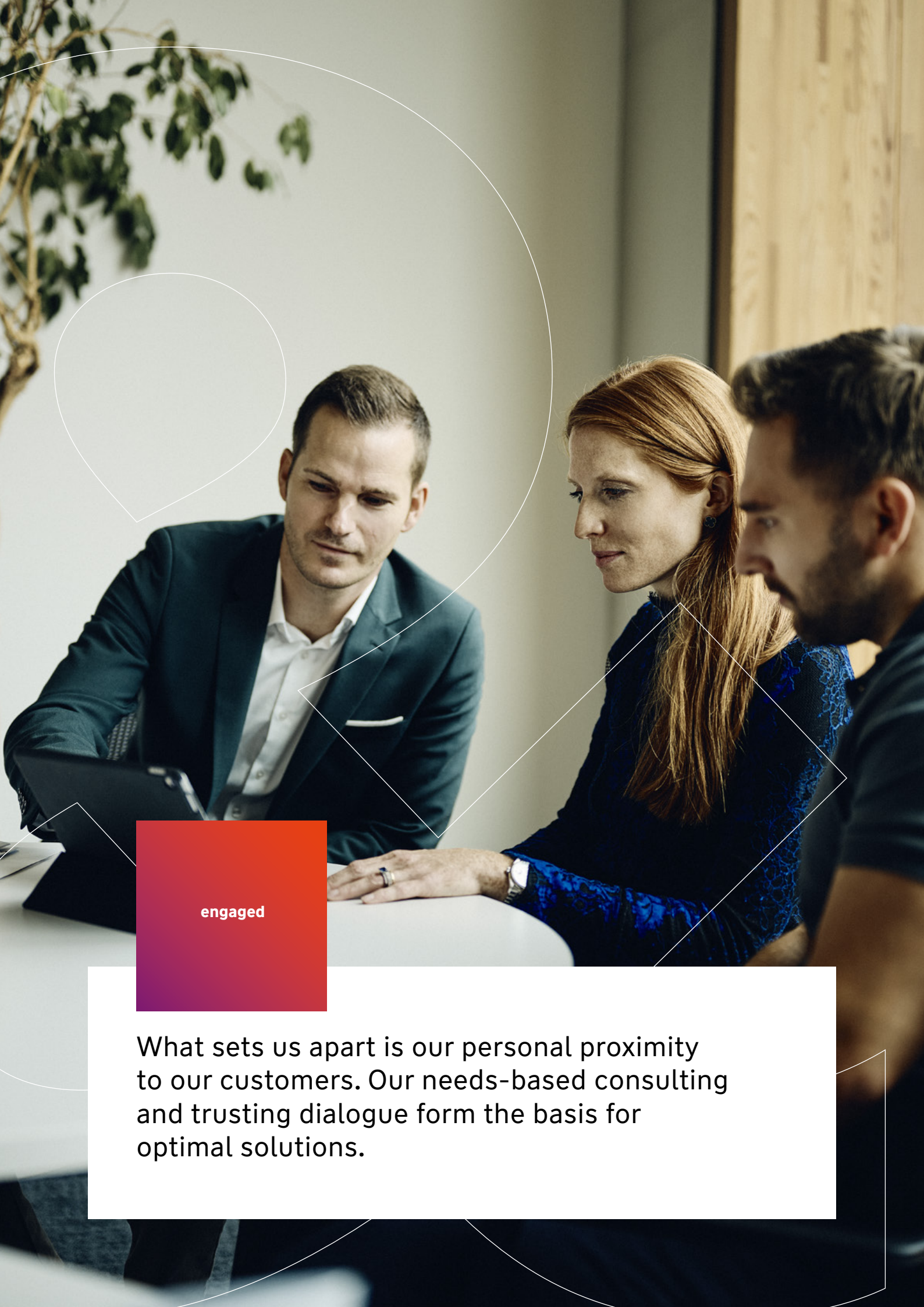
W&W AG's liquidity was guaranteed at all times during the reporting year. The company generates liquidity from its reinsurance business and from financing measures. As part of more intensive liquidity management, cash pooling between W&W AG, Württembergische Versicherung AG and Württembergische Lebensversicherung AG was implemented in the 2023 financial year to optimise cash flows within the W&W Group. In addition, W&W AG, Württembergische Krankenversicherung AG and Allgemeine Rentenversicherung Pensionskasse AG concluded a joint cash pooling agreement in the 2024 financial year. W&W Informatik GmbH and W&W Service GmbH joined the cash pooling agreement in the 2025 financial year. Further information on liquidity management is contained in the risk report.

Overall view

The following comparison of W&W AG's business performance in the reporting year with the estimates from last year's annual report shows that, despite the continuing high level of uncertainty in the overall economic environment, the volatility on the capital markets and the geopolitical conflicts.

Comparison of business performance with forecast (HGB)

Due to its structure as a holding company, W&W AG's annual result after taxes (HGB) is mainly determined by dividends and profit transfers from its subsidiary undertakings. In the 2025 reporting year, we achieved a result of €146 million due to an improved claims experience, which was slightly above the previous year's level. In our original forecast, we had assumed a figure slightly above the previous year's level.

A photograph of three business professionals in a meeting. A man in a dark blue suit and white shirt is on the left, looking down at a laptop. A woman with long red hair, wearing a blue patterned top, is in the center, looking towards the right. A man with dark hair and a beard, wearing a dark blue shirt, is on the right, looking towards the center. The background is a light-colored wall with a wooden panel on the right and a green plant on the left. There are white geometric shapes (circles and lines) overlaid on the image.

engaged

What sets us apart is our personal proximity to our customers. Our needs-based consulting and trusting dialogue form the basis for optimal solutions.

Opportunity and risk report

Opportunity report

Recognizing and exploiting opportunities is a fundamental prerequisite for the successful further development of the W&W Group. Accordingly, we pursue the goal of systematically identifying, analysing and evaluating opportunities and initiating appropriate measures to exploit them.

The starting point for this is our firmly established strategy, planning and control processes. Among other things, we assess market and environmental trends and focus on the orientation of our product portfolio, cost drivers and other critical success factors. This leads to the identification of opportunities, which are discussed in management strategy meetings and incorporated into strategic planning.

We also have standardised management and control structures in place to evaluate and pursue opportunities based on their potential, the required investments and the risk profile.

In the following, we focus on material opportunities. We distinguish between opportunities arising from developments outside the company and opportunities arising from our specific strengths as the W&W Group.

Unless otherwise stated, the opportunities described affect all segments to varying degrees. If they are likely to occur, we have included them in our business plans and forecasts as well as in our medium-term outlook.

External influence factors

Company and customers

Opportunities from changed customer needs and changes in values

The changing needs of private and commercial customers are becoming apparent. Values such as sustainability, digitalisation and security, as well as an awareness of (environmental) risks, continue to be of great importance.

As the W&W Group, we want to make financial provision from a single source. For us, this means offering our customers products with clear price and service structures as well as flexible and individually adaptable options – supplemented by seamless networking across all interaction channels.

To achieve this goal, the W&W Group relies on a comprehensive omnichannel offering that combines personal advice from sales representatives, partner distributors and brokers with digital services. This is complemented by innovative solutions such as the digital insurance brand Adam Riese and AI-supported processes. Traditional Classic contact channels such as telephone and email complete the offering and ensure a consistent customer experience across all channels.

The need for financial security offers enormous business opportunities. Customers expect holistic customer journeys with consistent messages and communication across multiple channels. In this changed pension market with our sustainable and holistic consulting approach, which includes the four building blocks of insurance, home ownership, risk protection and wealth accumulation, as well as our target group concepts and solutions.

Changing working environments, in particular the increased use of home offices and hybrid working models, as well as a growing need for work-life balance – especially among younger generations – have also had a lasting impact on customer behaviour and led to greater awareness of the importance of quality of life. The desire to own a home remains high. Wüstenrot Bausparkasse is responding to this development and is addressing a broad target group with its home savings products.

In addition, the trend towards sustainable living is also becoming more established. This offers opportunities to contribute not only as a reliable partner for all kinds of financing needs, but also in particular through digital online advice or on-site expertise. For example, the Housing division offers financing for energy-efficient renovations and modernisations.

Opportunities from rapid change and demographic shifts

Demographic change and profound social changes – such as increasing urbanisation, individualisation, digitalisation, sustainability awareness, an ageing population and new work, career and mobility models – offer new growth opportunities. The megatrend of connectivity in particular is shaping this change and transforming society, the economy and culture.

Due to its security and stability, life insurance remains a material component of retirement provision. Württembergische Lebensversicherung AG's broadly diversified product range in the area of life and pension insurance offers corresponding opportunities. Our diverse and flexible private health insurance services also support the increased demand for healthcare services and preventive measures due to rising life expectancy.

However, demographic change also offers Wüstenrot Bausparkasse AG growth opportunities due to an observable generational change in existing properties. Modern living concepts such as multi-generational living, building with friends or building groups, and living in shared accommodation are also becoming increasingly popular. For the W&W Group, the Housing division offers corresponding construction financing opportunities and target group concepts for energy-efficient renovation or modernisation projects.

Opportunities relating to climate, energy, environment and sustainability

As a member of the GDV, the W&W Group also supports the sustainability positioning of German insurers. Climate neutrality, sustainability and environmental protection are important decision-making criteria for us as a company and for our current and future customers. By focusing on sustainability, both the Insurance division and the Housing division aim to reach this steadily growing target groups.

The residential property sector plays a central role in achieving the political objectives of reducing CO₂ emissions. In addition to energy-efficient new buildings, the focus is increasingly shifting to the energy-efficient renovation and modernisation of existing buildings. A

significant proportion of properties do not meet current energy efficiency standards and require investment in order to meet climate targets and legal requirements. The W&W Group offers with its „Climate Housing Loan“ and the home savings agreement with climate bonus. In addition, customers and interested parties in the sustainable and climate-friendly construction/renovation and government subsidies.

Opportunities through reputation

Corporate social responsibility (CSR, responsibility in the sense of sustainable business practices) is becoming increasingly important in society's perception. The positioning and communication of a company as an attractive employer are becoming increasingly important. At the same time, a socio-cultural change in the world of work is noticeable. Against this backdrop, it is important for the W&W Group to focus not only on monetary remuneration but also on new factors such as work-life balance, modern, flexible and collaborative forms of work, and the working environment.

The W&W Group also promotes its attractiveness as an employer in its external communications. The campus in Kornwestheim has a modern office landscape that flexible and hybrid working. In addition, the energy efficiency of the buildings meets today's high standards.

The regular awarding of top marks to our products strengthens the brand reputation of the W&W Group and increases its attractiveness to customers.

Economy and market

Opportunities from the capital market including interest rate trends

The development of monetary policy has a significant influence on the dynamics of the residential property market. In view of current property prices and uncertain future financing costs, building up equity for the purchase of residential property remains of great importance. In the Housing division, home loan savings contracts therefore continue to be an important instrument for securing interest rates and enabling the planned accumulation of equity. The young target group is also addressed with special youth tariffs.

Opportunities through investment

Our digital transformation is laying the foundation for a sustainable W&W Group, particularly in the digitalisation of products and processes. Our main focus here is on continuously high investment in the transformation of our IT systems, which will enable us to meet the basic requirements for the automated processing of products, the flexible connection of cooperation partners and the professionalisation of product development. This significantly reduces product development time, enabling us to respond more quickly to changing customer requirements.

Opportunities from inflation and price trends

Even though price increases will have normalised significantly by 2025 and the overall inflation rate has fallen back to 2.2%, the issue of financial security remains highly important to our customers. The ongoing uncertain situation reinforces the need for protection against financial risks.

For the W&W Group, this means that there are particular opportunities in the area of loss prevention and mitigation. As an insurance company, we can cover the risk of inflation and offer our customers financial protection security.

Opportunities from the economy

The economic environment in Germany remains characterised by structural challenges.

The automotive industry in particular, a key sector in our core market of Baden-Württemberg, is under considerable pressure to transform. This is weighing on the regional economy, but at the same time opens up new opportunities.

For the W&W Group, this creates a mixed environment: in addition to risks from subdued industrial demand, technological changes towards electrification, digitalisation and new mobility solutions offer opportunities for specialised insurance products.

The transformation is creating opportunities for Württembergische Versicherung AG due to changing demand for insurance solutions in the corporate customer segment, while retail customers are placing greater emphasis on hedging financial risks.

In addition, the current economic environment, in particular the current interest rate environment, enables Württembergische Lebensversicherung AG to offer attractive products that are in demand.

Politics

Opportunities from increasing regulation and consumer protection

Meeting the increasing regulatory requirements for quality of advice and support can be used to intensify customer dialogue and customer relationships. Increasing consumer protection and data protection regulations strengthen confidence in the entire industry and thus also in us as a provider.

With cyber attacks on the rise, it is more important than ever for financial undertakings to prepare for incidents and introduce appropriate measures to strengthen cyber resilience. With the Digital Operational Resilience Act (DORA), the European Union has created a finance sector-wide regulation for the uniform and comprehensive management of cybersecurity risks and risks posed by information and communication technologies in the financial markets.

Implementing the DORA requirements strengthens our digital resilience and increases the stability of our services. Standardised ICT risk and incident management processes increase the reliability and fail-safety of our digital infrastructure – which in turn promotes trust among our customers.

Opportunities from general political conditions

The federal government, which has been in office since 2025, has initiated comprehensive measures to promote new housing construction. These include, among other things, legal facilitating the creation of building planning law for local authorities and accelerated approval procedures as part of the so-called „Wohnungsbau-Turbo“. The coalition agreement also reform projects aimed at optimising construction processes, modernising technical specifications and promoting climate change mitigation in the building sector. In the medium term, these political initiatives will create improved framework conditions for residential construction and open up new sales potential in the area of new construction financing.

In addition, the adjusted housing subsidy and the increase in the blank loan limit for building savings contracts will also boost sales opportunities for Wüstenrot Bausparkasse AG's home loan and savings bank products.

Customers who value energy efficiency and the use of renewable energies will also benefit from government subsidies for energy-efficient renovations and energy-efficient new buildings and conversions. Wüstenrot Energieberatung provides support in this area with individual advice, tailor-made renovation concepts and comprehensive advice on subsidies.

Despite political discussions about the Building Energy Act, which came into force in January 2024, subsidies for the switch to renewable energies are to be maintained. This strengthens the value retention of properties for our customers and opens up growth opportunities for us in the area of financing.

In the area of operating pension provision, current reform projects such as the Second Occupational Pension Strengthening Act and the Future Care Pact provide tax incentives, legal relief and integration into comprehensive reform packages for care and health. These measures are intended to strengthen the spread and demand for operating pension schemes in the long term. For Württembergische Lebensversicherung AG, this presents an opportunity for increasing demand for funded pension products. Württembergische Krankenversicherung AG is seeing additional opportunities in the area of supplementary care and health insurance.

Technology

Opportunities from digitalisation and technical progress

The spread and use of digital technologies is advancing. IT is one of the material success factors in the digital age and contributes significantly to the transformation and further development of business models. Among other things, technical progress is enabling the increasing automation of processes. The resulting productivity gains and potential cost reductions can be used to increase earnings or invest in future-oriented areas.

Cooperation networks enable us to serve our customers' needs in a more targeted manner and strengthen our market position. Important building blocks in this area, for example in the „living“ theme world, are ImmoScout24 and Bosch Smart Home.

Digital networking can also reduce response times, which can limit or even completely avoid consequential damage in the Insurance division, for example, in the event of a claim. By expanding digital processes in the broker market, our digital brand Adam Riese is becoming more connectable and can offer more efficient and effective processes.

The digitalisation of customer interaction through, for example, smartphone apps, smart assistants or influencing on social media is changing the ways in which customers access our services. In-house platforms such as the W&W customer portal as a smartphone app, which impresses with its high user-friendliness, or the implementation of video consulting via „FinTrust“ provide extraordinary help and relief for customers in many areas when it comes to processing requests and service invoices. This also includes Wüstenrot's „Baufi-Portal“ (Interhyp-Standard), which has already integrated initial AI solutions and is gradually expanding them. These digital tools are intended to enable the W&W Group to become more customer-oriented, increase customer satisfaction and facilitate processes and procedures in day-to-day business.

At Adam Riese GmbH, the W&W Group's digital brand in the insurance sector, digital processes are considered a central component of the business model. The focus is particularly on single-stage processes that can be completed in a single contact, enabling immediate implementation and confirmation.

Opportunities in the data age

Powerful data management is a prerequisite for companies in the financial services industry to remain competitive in the age of digitalisation and to address customers individually. We at the W&W Group are also exploiting our potential and using technologically advanced solutions for customer interaction and data analytics. Through the responsible, targeted use of customer data, increasingly personalised offers can be created, enabling us to approach our customers in a more targeted manner. For example, targeted evaluations and deductions can be used to identify patterns and make predictions. With additional information, risks can be better assessed and damage avoided. In addition, the legally legal use of data can create additional sales potential.

By using digital customer communication solutions such as „FinTrust“ and Flexperto, our customers can take advantage of digital, yet personal, consultations. This saves our employees travel time, which in turn gives them more time to schedule additional appointments.

Opportunities from artificial intelligence

The use of digital services based on artificial intelligence (AI) in the form of chatbots, for example, or data extraction from customer correspondence enables us to intensify customer contact. Immediate responses to enquiries reduce the amount of routine work our employees have to do, giving them more time to focus on customer needs. Internal processes within the W&W Group itself are also being further developed through the use of AI.

With our AI-assisted solution, for example, customer concerns raised by telephone can be identified and forwarded to the right department. Reports are sent directly to the relevant department without having to go through customer service. Even more efficient is the conversion of the call into a self-service solution: the caller then receives a link via text message, e.g. to the digital claims form, and can process the request directly online.

Opportunities from the growing use of cloud services

Across all industries, there is a growing use of cloud services and software-as-a-service applications. The innovation cycles for such cloud services are becoming shorter and shorter. Particular attention must be paid to issues such as cloud security and cloud compliance. Opportunities for the W&W Group in relation to cloud services are particularly evident in the potential for cost savings, security in the use of the application, the availability of data and the up-to-dateness of the programmes.

Cloud services enable the W&W Group to quickly deploy new applications and functions, significantly reducing development and implementation times. This increases flexibility in product design and supports rapid adaptation to customer needs and regulatory requirements.

Internal influence factors

Opportunities through the Group

W&W AG sees itself as a strategic management holding company that manages the interests of the entire W&W Group. It coordinates all activities, sets standards and manages capital. Through the holding structure, we create synergies, pool expertise and thus enable the individual companies within the group to focus on their market activities with their customers.

Our business model, with its Housing division and Insurance division, offers us the opportunity to operate competitively in the long term thanks to its diversification.

Against the backdrop of demographic change, our comprehensive range of products and services as a pension group provides the basis for strong customer demand. Through the merger of the two traditional Wüstenrot and Württembergische brands, we have considerable customer potential within our Group. This offers us earnings opportunities, among other things through the further expansion of cross-selling.

Our business model, with a broad product range across various business segments, involves natural diversification: our Property/Casualty Insurance, for example, is far less dependent on interest rate developments than home loan and savings banks and life insurance, and also requires less capital. All stakeholders benefit from the diversification effect. The aim is to offer customers lower risk premiums within the framework of product pricing while maintaining the same level of security security. For our shareholders, diversification reduces the portion of equity tied up in risk assumption and stabilises the return and risk profile.

Opportunities through market position

Through our various sales channels with different strengths and our high brand awareness, we can address a large, broad customer potential of millions of people in Germany.

We can market our pension products in a targeted manner through a variety of sales channels. Our strategic focus is on the needs of our customers. We also have opportunities through further optimising our sales channels.

Our digital brand Adam Riese also reaches a wider customer base as an online insurance provider, complementing our business at Württembergische Versicherungen.

Other important factors for customer acquisition are the expansion of our cooperation business and a high level of customer satisfaction.

Opportunities through our employees

For the W&W Group as a service provider, attracting and retaining qualified employees is a key component in securing its future and competitiveness. The comprehensive employer benefits offered by the W&W Group's comprehensive employer benefits. For example, the „Beruf+“ employer benefit includes a wide range of offers and benefits relating to health management, mobility, family, training and agile, networked and flexible working, especially digital and on the W&W campus.

The W&W Group also offers various opportunities for retention and networking specifically for its trainees and Duale Hochschule (DH) students.

In order to be perceived as an attractive employer by our employees an attractive employer, we particularly promote flexible working conditions and ongoing training, and as a signatory to the Diversity Charter, we are committed to greater diversity and appreciation in the workplace.

Risk report

Risk management system in the W&W Group

The W&W Group is a financial conglomerate in accordance with regulatory provisions and is subject to the Financial Conglomerates Supervision Act. The Solvency II Group (insurance group) and the individual insurance companies are also subject to the regulations of Solvency II. This results in special requirements for risk management. The risk management system for the W&W Group and the one for the Solvency II group are identical. Regulatory specifics have been integrated accordingly. The superordinate undertaking of the financial conglomerate and the Solvency II Group is Wüstenrot & Württembergische AG (W&W AG). As the superordinate undertaking, W&W AG is responsible for defining and developing uniform group-wide standards for risk management and for monitoring compliance with these standards.

An integral part of our corporate management is to take on risks in a targeted and controlled manner while achieving the set return targets. Accordingly, our risk management system is an important element of our business organisation.

It encompasses all internal and external regulations that are designed to ensure a structured approach to risk management. The scope and intensity of our risk management activities vary in accordance with the principle of proportionality, depending on the risk content of the business conducted. The individual companies derive their risk management systems consistently from the Group guidelines and are integrated into the W&W Group's risk management system. There were no material changes in the risk management system compared with the previous year.

The adequacy and effectiveness of the risk management system is reviewed internally by W&W. In particular, the Internal Audit department also reviews the adequacy and effectiveness of the internal control system and processes in all areas.

Core functions and strategy

The overarching core functions of risk management are legal, livelihood protection, quality assurance and value creation. These form the basis for the principles and design elements of our risk management system.

The integrated risk strategy defines the requirements for the risk strategy orientation of the W&W Group, the Solvency II Group and W&W AG. It is derived from W&W's business strategy and describes the nature and extent of the material risks of the W&W Group, the Solvency II Group and W&W AG. It defines objectives, risk tolerance, limits, measures and instruments for dealing with existing or future risks. The risk strategy is decided by the Executive Board and discussed by the Supervisory Board at least once a year.

The risk management guideline supplements the integrated risk strategy with the structural and procedural framework conditions of the risk management system as well as the tasks, processes and documentation requirements of the risk management function.

The individual companies of the financial conglomerate are integrated into the group-wide risk management system in accordance with the legal and regulatory provisions in the risk consolidation group. The scope and intensity of risk management activities vary depending on the risk content or the type, scope and complexity of the business conducted. The implementation of a risk classification procedure (risk classes 1–5) enables the risk management system to be designed in a risk-oriented manner in accordance with the principle of proportionality. The following companies form the core of the risk consolidation group and are directly included in the risk management system at group level:

Risk class 1:

- Wüstenrot & Württembergische AG,
- Wüstenrot Bausparkasse AG,
- Württembergische Lebensversicherung AG,
- Württembergische Versicherung AG.

Risk class 2:

- Württembergische Krankenversicherung AG,
- Allgemeine Rentenanstalt Pensionskasse AG,
- W&W Asset Management GmbH,
- W&W Informatik GmbH,
- W&W Service GmbH,
- Wüstenrot Hause- und Städtebau GmbH.

Companies in risk classes 3–5 are taken into account in the W&W Group's risk management system in accordance with the principle of proportionality and are directly monitored by the risk management department of the respective parent company.

Capital management

The individual companies and W&W AG hold risk capital to cover financial losses in the event that risks taken materialise. Risk management controls and monitors the ratio of risk capital to risk capital requirements (risk-bearing capacity). Control is exercised from two perspectives in parallel:

- Regulatory risk-bearing capacity considers the ratio of regulatory capital to regulatory solvency requirements. For the financial conglomerate, the Solvency II Group and W&W AG as an individual company, there are legal and regulatory requirements for capital adequacy, risk-bearing capacity and other regulatory indicators.
- In the context of economic risk-bearing capacity, an economic risk capital requirement is determined on the basis of an economic risk-bearing capacity model and compared with the available economic capital.

Regulatory risk-bearing capacity

The ratios as at 31 December 2024 are presented below, as the ratios as at 31 December 2025 are not usually published until the second quarter of 2026. The regulatory capital requirements for the 2025 financial year are met on the basis of the quarterly calculations.

The regulatory Solvency II coverage ratios as at 31 December 2024 were 388.5% for W&W AG and 180.9% for the solvency II Group. The coverage ratio for the W&W Group's financial conglomerate was 166.5% as at 31 December 2024.

In its risk strategy, the W&W Group has set internal target solvency ratios for the Solvency II Group, the financial conglomerate and W&W AG, among others, which exceed the current legal requirements. The minimum target ratio for the Solvency II Group and the financial conglomerate is $\geq 160\%$, and for W&W AG it is $\geq 365\%$.

Internal calculations based on data for 2025 and on the planning horizon show that the regulatory requirements for the capital adequacy of the financial conglomerate and the Solvency II Group and W&W AG will continue to be met in the future under the assumptions underlying the planning.

Economic risk-bearing capacity

We have developed a group-wide economic risk-bearing capacity model to quantitatively assess the overall risk profile of the W&W Group. Based on the calculations of this risk-bearing capacity model, the available risk capital is allocated and corresponding limits are derived.

The limit process in the W&W Group is based on an iterative bottom-up and top-down process. In this process, W&W AG determines the maximum risk capital requirement at the individual company level and at the risk area level in dialogue with the individual companies. Once the limits have been approved at board level, they are implemented operationally in the risk management cycle. The measured risk capital requirements are compared with the derived limits to ensure that the risk taken does not exceed the capital components earmarked for this purpose.

Responsibility for implementation and limit monitoring lies with the respective decentralised risk management units of the individual companies and, for the Group as a whole, with the Risk Management department of W&W AG. The risk strategy defines an economic risk-bearing capacity ratio of $\geq 145\%$ for the W&W Group and $\geq 125\%$ for W&W AG as the target value.

The risk situation is presented below on the basis of the data used by the management for economic risk management and internal risk reporting. The material risks determined using a uniform approach are aggregated to form a risk capital requirement and compared with the financial resources available to cover the risk. As at the reporting date of 31 December 2025, the total risk capital requirement of the W&W Group after diversification amounted to €3,116 million (previous year: €3,566 million). The total risk capital requirement is covered by risk-covering assets amounting to €8,593 million (previous year: €7,526 million). At 276% (previous year: 211%), the coverage ratio (ratio of risk-covering assets to risk capital requirement) is above the target level.

In accordance with the risk classification, at least the individual companies in risk class 1 are included in the economic risk-bearing capacity model in the form of a sub-model. For the remaining W&W individual companies, risk-bearing capacity is to be monitored using the simplified approaches defined for the respective risk class. If W&W individual companies are not included in the risk-bearing capacity model in the form of a sub-model, the risk approach is carried out within the

participation risk of the respective company at the parent undertaking.

Diversification

The assumption and management of risks is at the core of the W&W Group's business model. The risk profiles of the individual companies differ considerably. Since the risks assumed in these companies do not usually occur simultaneously, the Group's risk capital requirement is smaller than the sum of the risk capital requirements of the individual companies. In terms of In a security-oriented modelling approach, the economic risk-bearing capacity model at group level only takes into account diversification effects that arise within the individual risk areas between the individual companies. The resulting reduction in the economic risk capital requirement at group level amounts to a total of 13.8% (previous year: 16.0%) as at 31 December 2025 and is therefore of strategic importance for our business model at.

Risk governance/risk bodies

Our risk governance is designed to manage our group-wide and individual company-level risks while ensuring that our overall risk profile is consistent with our risk strategy objectives.

For further information on our corporate governance, please refer to the corporate governance statement.

The tasks and responsibilities of all persons and committees involved in risk management issues are clearly defined in our risk strategy and guidelines.

In its function as the supervisory body of the Executive Board, the Supervisory Board of W&W AG also monitors the adequacy and effectiveness of the risk management system, the implementation of the risk strategy, including risk appetite, and, in particular, the promotion of the risk culture risk culture. Certain types of transactions require the approval of the Supervisory Board or its Risk and Audit Committee.

The Risk and Audit Committee of W&W AG and the corresponding committees of Wüstenrot Bausparkasse AG, Württembergische Versicherung AG and Württembergische Lebensversicherung AG are regularly provided with the information required by the rules of procedure, in particular the risk reports describing the current risk situation and the control measures initiated.

The Risk and Audit Committee also regularly verifies whether the organisation of risk management in the respective areas of responsibility is appropriate and effective. It reports on this to the Supervisory Board.

The Executive Board of W&W AG is jointly responsible for the proper business organisation of the W&W Group, the Solvency II Group and W&W AG. It is the highest decision-making body in risk matters at W&W AG and at group level. This also includes ensuring that the group-wide risk management system is implemented, maintained and further developed in an effective and appropriate manner. It also includes the development, promotion and integration of an appropriate risk culture. Within the Executive Board of W&W AG, the Chief Risk Officer (CRO) is responsible for risk management.

The Group Board Risk, as the central committee for group-wide coordination of risk management, supports the Executive Board of W&W AG and the Management Board in risk issues. The committee meets once a month, with ad hoc special meetings convened as required. The Group Board Risk monitors the risk profile of the W&W Group and W&W AG, their appropriate capitalisation and their liquidity position. In addition, it advises on group-wide standards for risk organisation and the use of uniform methods and instruments in risk management, and proposes these to the Group's Executive Boards for decision or decides on them within the scope of its powers.

The Risk Board Insurance monitors the risk profile in the Insurance division. The Risk Board BSW coordinates risk management at the level of Wüstenrot Bausparkasse AG.

Other central committees include the Group Liquidity Committee, the Group Compliance Committee, the Group Credit Committee and the Group ICT Risk & Security Committee.

The Risk Management department carries out operational risk management and, in cooperation with the risk management units of the individual companies, develops risk management standards, methods and processes for risk identification, assessment, control, monitoring and reporting. In addition, the departments prepare qualitative and quantitative risk analyses.

In addition, key functions are implemented within our business organisation, which are structured according to the three lines concept.

- The first line consists of the business units responsible for decentralised operational risk management (e.g. capital investment). The business units decide within the scope of their competencies whether to consciously take or avoid risks. In doing so, they must observe centrally specified standards, risk limits and risk lines as well as the defined risk strategy. Compliance with these powers and standards is monitored by appropriate internal controls.
- The following functions are assigned to the second line: The risk management function (RMF) is primarily responsible for the operational implementation of risk management and reports to the management board on matters including the overall risk profile. The RMF also continuously monitors the adequacy and effectiveness of the risk management system. In this way, the RMF supports the management board in setting up and further developing the risk management system. The Head of Risk Management acts as the key function holder RMF at the level of the W&W Group, the solvency II Group and W&W AG. The RMF is involved in risk-related decisions. In order to fulfil its tasks, it has a complete and unrestricted right to information at all levels of the W&W Group, which is ensured by appropriate information and reporting channels as well as escalation and decision-making processes. The actuarial function (VMF) ensures that technical provisions are calculated correctly and supports the RMF in risk evaluations. The compliance function monitors compliance with internal and external regulations. Accordingly, it supports the RMF in matters relating to compliance risks.
- The internal audit department forms the third line. It independently reviews the adequacy and effectiveness of the internal control system and the effectiveness of business processes, including the first two lines.

Persons or business areas that perform functions of the 2nd and 3rd lines must be able to perform their tasks objectively and independently and are therefore strictly separated from risk-taking units (separation of functions to avoid conflicts of interest). This principle is already

taken into account at board level through stringent rules of procedure and distribution of responsibilities.

Our organisational and operational structure defines the individual areas of responsibility of all the above-mentioned bodies, committees and key functions, as well as their connections and reporting lines to each other. This ensures a regular and timely flow of information both within W&W AG and across all levels of the W&W Group.

Risk management process

Together with the strategy and planning process, the risk management process is a core element of corporate management in the W&W Group and is based on the control cycle described below.

Risk identification

As part of our risk inventory, we regularly record, update and document actual and potential risks. Based on an initial assessment by the responsible business units, we differentiate our risks into significant and insignificant risks using thresholds. In this assessment, we also evaluate the extent to which individual risks can become material through their interaction or accumulation (risk concentrations). The risks we classify as having materiality are actively managed in the following four process steps of the risk management process. Risks classified as insignificant are reviewed at least annually in the individual business units. We record the results of risk identification in our risk inventory.

Emerging risks can arise due to changing conditions, for example of an economic, geopolitical, social, technological or environmental nature. These represent new, novel or developing risks. Their impacts are still subject to a high degree of uncertainty, but they could have a negative effect on the net assets, financial position or results of operations of the W&W Group in the short, medium or long term. Emerging risks are considered in the risk management process with the aim of identifying the strategic risks arising from them in good time (early risk warning) and taking them into account in the company's business strategy. As part of risk identification, emerging risks are assessed on the basis of external information sources and internal expert estimates with regard to their relevance for the W&W Group. In this context, technological trends (digitalisation and technical

progress, the data age, artificial intelligence, cloud services and cybercrime), social developments (changes in customer behaviour and values, as well as climate, energy, the environment and sustainability) and economic developments (investments, inflation and the economy) are particularly relevant for our companies.

Risk assessment

We use various risk measurement methods to assess the material risks. Economic risk-bearing capacity is generally determined using stochastic methods, sensitivity and scenario analyses, and by applying the value-at-risk risk measure and a one-year time horizon. If these methods cannot be applied to certain risk areas, we use analytical calculation methods and qualitative instruments (e.g. expert estimates).

To measure risks from an economic perspective, the respective statutory and regulatory confidence levels are used as a basis at the group level and for individual W&W companies in relation to a one-year risk horizon:

- For W&W's individual companies subject to insurance supervision under the Solvency II Directive, including W&W AG, this corresponds to a confidence level of 99.5%.
- For Wüstenrot Bausparkasse AG, this corresponds to a confidence level of 99.9%.
- In all other individual companies with an economic risk-bearing capacity model, the requirements of the competent supervisory authority regarding the confidence level of internal risk modelling must be taken as a minimum basis.
- For the W&W Group, risks are reported at a confidence level of 99.5%. The target and minimum ratios for economic risk-bearing capacities at group level are derived from the capital requirements resulting from compliance with the above-mentioned confidence levels in the associated individual companies. This results in an overall confidence level exceeding 99.5%.

In addition, we regularly carry out stress scenarios as well as sensitivity and scenario analyses for the material risks. Furthermore, risk assessment is carried out from a regulatory (normative) perspective using regulatory risk indicators.

Risk-taking and risk governance

The business strategy defines, among other things, the targeted business and earnings development. The risk strategy defines how to deal with the resulting risk profile. On this basis, the operating business units decide, within the scope of their responsibility as the first line in the three-line model, whether a risk complies with the specifications and is accepted. We manage the exposures we have taken during the year using the methods defined in the integrated risk strategy and guidelines. These include thresholds, traffic light systems, limit and line systems (risk management). The material control parameters used are regulatory and economic risk-bearing capacities and business area-specific key figures. These perspectives consider our ability to meet our obligations to all stakeholders.

Risk monitoring

Compliance with the risk strategy and risk organisation framework requirements and the effectiveness of risk management are monitored on an ongoing basis. Materiality for monitoring the risk profile and capitalisation is compliance with risk-bearing capacity requirements, including compliance with the limits set.

Risk reporting

We report on the risk situation of the W&W Group, the Solvency II Group and W&W AG promptly and regularly to the Group Board Risk, the Executive Board, the Risk and Audit Committee and the Supervisory Board. In these reports, we present, among other things, the amount of available own funds, the risk capital requirement, compliance with limits and lines, the main types of risk and the risk management measures already taken and still to be taken. In the event of material events, ad hoc risk communication takes place.

Risk landscape and risk profile of the W&W Group

In order to present our risks transparently, we group similar risks together in a uniform manner group-wide into so-called risk areas. These are

- Market price risks,
- Counterparty credit risks,
- Underwriting risks,
- Operational risks,
- Business risks and
- Liquidity risks.

All reportable segments are exposed to the risk areas outlined above, with the sole exception of our home loan and savings bank, which does not have any underwriting risks due to its specific business model.

The risk profile of the quantified risk areas determined using our methods for measuring economic risk-bearing capacity (see section on economic risk-bearing capacity) is distributed as follows as at 31 December 2025:

- Market price risks currently account for the largest share of the total risk capital requirement of €3,116 million (previous year: €3,566 million) at 46.7% (previous year: 48.2%).
- Underwriting risks account for 28.3% (previous year: 26.6%).
- Counterparty credit risks also represent a significant risk area, accounting for 13.7% (previous year: 14.7%) due to exposures in our investment portfolios and our customer lending activities.
- Operational risks 8.2% (previous year: 8.1%) and business risks (including the home loan collective) 3.1% (previous year: 2.4%) are of minor importance.

We take business risks into account in our risk-bearing capacity calculations by applying a discount when determining the risk cover pool. Liquidity risks are only taken into account in economic risk-bearing capacity to the extent that they are material and can be meaningfully controlled using economic risk-bearing capacity methods. Their management is therefore primarily carried out within the framework of liquidity management.

The risks entered into in 2025 were in line with the risk strategy. Risk limits were consistently adhered to at group level. Adjustments were made to the risk limits during the

year by increasing the overall risk limit and the risk limits for market price and counterparty credit risks.

Sustainability risks do not constitute a separate type of risk, but are considered within the relevant risk categories. Sustainability risks can arise from internal and external risk drivers or triggering events in the areas of climate, environment, social issues, politics, corporate governance and compliance, which can have a negative impact on the W&W Group's net assets, financial position or results of operations in the individual risk areas. Physical risks (e.g. as a result of extreme weather events) and transition risks (e.g. in connection with the transition to a low-carbon economy) are taken into account. The impact on the net assets, financial position or results of operations can be direct (e.g. via claims or costs) or indirect (e.g. via the macroeconomic environment).

In accordance with the risk strategy, sustainability risks must be anchored in the organisation and actions of the W&W Group and its individual companies in such a way that threats to its existence are avoided and sustainability risks are dealt with in a forward-looking manner.

In the W&W Group's risk management, sustainability risks are addressed along the established risk management cycle.

Sustainability risks are identified and assessed as part of the risk inventory process. The scope and relevance of such risks for the individual risk areas and risk types are reviewed and assessed in the course of a risk analysis. Of particular importance in this context are those sustainability aspects that affect the risk areas of capital investments (mainly transitory risks) and underwriting risks (mainly physical risks). Violations of our sustainability strategy can also lead to reputational risks.

Sustainability risks are taken into account in the economic risk-bearing capacity model at the level of W&W AG, Württembergische Lebensversicherung AG, Württembergische Krankenversicherung AG, Württembergische Versicherung AG, Wüstenrot Bausparkasse AG and the W&W Group. In line with its business model, Württembergische Versicherung AG in

particular is exposed to physical risks within the technical risks. By contrast, the share of transitional risks in the total risk capital requirement is comparatively low.

The assessment of sustainability risks is supplemented by the consideration of climate change scenarios that reflect the impact of transition risks and physical risks. Various plausible scenarios derived from scientific findings are used as a basis and an appropriately long observation period is selected.

The responsibility of the three lines involved in risk-taking and risk management also extends to the inclusion and consideration of the relevant sustainability aspects. The requirements of the risk strategy must be taken into account, e.g. exclusion criteria as well as the PSI, PRI, the Supply Chain Due Diligence Act and the Diversity Charter.

Sustainability aspects must also be adequately taken into account, particularly in strategic asset allocation (SAA) as a framework for capital investment. This includes, among other things, continuously expanding the capital investment portfolio with sustainable instruments and continuously reducing the portfolio's CO₂-emissions in order to achieve the long-term goal of net zero. In addition, the investment restrictions defined with regard to sustainability must be observed.

In the customer lending business, climate-related risks are managed and limited using various parameters in property valuation and credit assessment. In addition, the expertise in energy-efficient modernisation anchored in the sustainability strategy supports our customers in modernising their properties in a climate-neutral manner.

Physical risks from extreme weather events and natural disasters are limited in the area of underwriting risks by, among other things, underwriting guidelines and reinsurance agreements.

In addition, physical risks within our internal work processes can lead, for example, to failures in infrastructure or system availability, or to an increased workload in operations. The established control instruments for the individual types of operational risk are used to manage the risks arising from sustainability aspects.

In order to limit reputational risks arising from sustainability aspects in particular, the W&W Group's sustainability strategy sets out measures for dealing with sustainability in the individual fields of action.

Risk monitoring is carried out using early warning indicators, which also include sustainability-related. These include, among other things, technical key figures, compliance with sustainability-related investment restrictions and the objectives of the sustainability strategy.

Sustainability risks are taken into account in risk reporting.

The accumulation of similar or different risks can lead to risk concentrations. Due to the business model of the W&W Group and its individual companies, potential risk concentrations may arise in particular from capital investments and the economic and regional structure of customer business (customer lending business, insurance business). Due to regulatory requirements and internal creditworthiness requirements, the W&W Group is typically heavily invested in government bonds and financial services companies in its sector and heavily invested in Europe in its region. As a result, in addition to the credit risk of individual counterparties, the W&W Group is particularly exposed to the systemic risk of the financial sector and its individual counterparties. Further concentrations exist due to positions deliberately taken in individual asset classes (equities, investments, bonds) through strategic asset allocation.

As a financial conglomerate, the W&W Group is fundamentally dependent on various external factors (e.g. interest rate changes, the economy, changes in customer behaviour, digitalisation, regulatory pressure, industry reputation). This concentration is a deliberate risk concentration entered into as part of the business strategy.

Concentrations in operational risk can arise in connection with extensive or multiple similar outsourcing arrangements, process dependencies on IT systems, and an accumulation of projects, particularly large-scale projects.

Intra-risk concentrations are measured implicitly within the individual risk areas through risk quantification and accompanying stress tests. Risk concentrations within market price risk are limited within the framework of

strategic asset allocation by adhering to specific mix ratios across different asset classes. Risk concentrations within counterparty credit risk are limited by a risk line system that caps the investment volume for individual debtor groups.

The risks described below are explained in accordance with our internal risk reporting system. Due to commercial rounding rules, the addition of figures in millions of euros or percentages with one decimal place may result in rounding differences.

Market price risks

We understand market price risks to be potential losses that may arise from uncertainty about future developments in the relevant risk types. Risk types in market price risk are interest rate risk, credit spread risk, equity risk, foreign exchange risk, property risk and participation risk. Within the W&W Group, all types of risk within market price risk are classified as material.

The basis of our investment policy and thus one of the material factors influencing our risk situation in the market price risk area is strategic asset allocation. The companies of the W&W Group attach great importance to an appropriate mix and spread of asset classes as well as broad diversification across sectors, regions and investment styles. We pursue an investment policy for our capital investments that is based on the principles of sufficient profitability, liquidity and security. The respective Executive Boards approve the strategic asset allocation at the level of the individual company. The operational management of the various asset classes is carried out primarily.

The companies included in our economic risk-bearing capacity model at group level assess market price risks economically, i.e. they take into account future discounted cash flows or market values based on a value at risk model. To this end, the assets and liabilities are assessed in the risk-bearing capacity model of the respective individual companies based on simulated capital market scenarios. Specifically, economic values are available for the individual companies in 10,000 capital market scenarios, both for the respective overall portfolio and for the sub-portfolios relevant to interest rate, spread, equity, property and participation risk. These scenarios are used to calculate the value at risk per individual company for market price risk and for interest rate, spread, equity, property and participation risk. Correlations between the

types of risk are implicitly taken into account in the simulated scenarios. Württembergische Lebensversicherung AG, Württembergische Krankenversicherung AG and W&W Asset Management GmbH are included on the basis of scenarios derived from the scenarios of the standard formula under Solvency II. Foreign exchange risks are taken into account in the asset classes in which they arise. the case of bonds/cash flows, exchange rate fluctuations that are closely linked to the development of foreign currency interest rates are considered simultaneously with interest rate fluctuations and allocated entirely to interest rate risk. Exchange rate fluctuations of shares denominated in foreign currencies are taken into account accordingly in the equity risk. We supplement our stochastic modelling with sensitivity analyses that show the changes in the value of the portfolios depending on market fluctuations.

From a group perspective, we regularly consider economic stress scenarios in order to identify credit spread and interest rate sensitivities, among other things, and to simulate developments on the equity and real estate markets under changed assumptions.

As part of asset liability management, investments and liabilities are managed and monitored in such a way that they correspond to the company's risk profile. The individual companies counter interest rate risk with active duration management and an adjusted product and pricing policy, among other things.

In strategic and tactical asset allocation, the companies of the W&W Group used derivative financial instruments in 2025. In particular, equity, interest rate and foreign exchange risks are reduced using appropriate hedging strategies involving derivative financial instruments (e.g. stock options, futures, interest rate swaps and forward exchange transactions). The hedges are explained in Note 38 to the notes to the consolidated financial statements.

We continuously monitor developments on the capital markets so that we can adjust our positioning and hedges in a timely manner. This also applies to inflation and interest rate developments.

Before they are introduced, new types of investment products undergo a new product process to ensure, in particular, that they are properly reflected in the accounting and risk management systems.

The individual companies manage market price risks against the backdrop of the current capital market environment using the following measures:

- Close monitoring of geopolitical uncertainties with regard to their implications for the capital markets, in particular interest rate developments
- Review and, if necessary, use of new investment products and suitable hedging instruments,
- structural reallocations in the securities portfolio (e.g. with regard to maturities, currencies, market segments) and use of interest rate hedging instruments (e.g. swaps or swaptions),
- Active duration management of capital investments,
- Conclusion of hedging instruments, in particular with regard to equity and foreign currency exposures,
- Consideration of margins of conservatism in life insurance,
- Close monitoring and management of credit spread risks, including in the Group Credit Committee,
- Implementation of risk-oriented audit steps in the investment process,
- Adjustment of profit participation,
- Active investment controlling.

Risk situation

The risk profile of the market price risk area, as determined by our economic risk-bearing capacity model, is distributed as follows as at 31 December 2025: Interest rate risk at 23.1% (previous year: 20.1%), credit spread risk credit spread risk at 10.1% (previous year: 9.8%), equity risk at 7.8% (previous year: 10.8%), participation risk at 3.3% (previous year: 4.6%) and property risk at 2.4% (previous year: 2.9%) of the W&W Group's total risk capital requirement. The market price risks incurred in 2025 were in line with the risk strategy. The risk limit for market price risk was consistently adhered to at group level.

Information on interest rate and share price developments is provided in the Capital Markets section of the Economic Report.

Interest rate risk

Interest rate risk comprises the risk of changes in the value of assets and/or liabilities held in interest-bearing securities due to a shift and/or rotation in market interest rate curves. The risk arises from different maturity

structures or interest rate sensitivities on the asset and liability sides (asset-liability mismatches/interest rate guarantee risk). Euro interest rates are particularly relevant for the W&W Group's portfolios. The performance of the portfolios is also influenced by interest rates in other currencies, such as the US dollar.

Within the W&W Group, Wüstenrot Bausparkasse AG and Württembergische Lebensversicherung AG are particularly exposed to interest rate risk in the form of interest rate change and interest rate guarantee risks.

In the event of a future rise in interest rates, IFRS would result in increased valuation losses in the income statement for financial instruments or a negative impact on other comprehensive income. In the medium to long term, however, this scenario would reduce the asset-liability mismatch, as new investments and reinvestments would again be possible at a higher interest rate. From the perspective of HGB accounting, this would lead to an increase in unrealised losses on the assets side and necessitate impairments. Furthermore, customers could make greater use of their option rights, which could result in the realisation of unrealised losses.

By contrast, a future decline in interest rates would have a positive impact on earnings in the short term due to the fair value measurement of financial instruments measured at fair value in accordance with IFRS, or unrealised losses would be reduced or hidden reserves built up on the assets side under HGB. At the same time, medium to long-term risks would arise from the obligations entered into, as new investments and reinvestments would only be possible at a lower interest rate, which would lead to additional risks from the expansion of the asset-liability mismatch, meaning that reserves might have to be realised in future to meet customer claims.

From an HGB perspective, insurance companies have reclassified investments as fixed assets in previous years in view of rising interest rates, capital investments were reclassified as fixed assets (Section 341b HGB). The affected capital investments are therefore only available to a very limited extent for operational liquidity management.

Wüstenrot Bausparkasse AG's net interest income is highly dependent on future interest rate developments, with potentially negative effects on consolidated net income and capitalisation. This is also reflected in the stress scenario calculations required by supervisory regulations, in which the development of net interest income under stressed conditions is compared with the planned result

(supervisory outlier test on net interest income), which indicates an increased interest rate risk from the perspective of the supervisory authorities.

The exposure and the effects of possible interest rate change scenarios on the Group's earnings and equity are presented and explained in Note 47 in the notes to the consolidated financial statements.

Credit spread risk

Credit spread risk comprises the risk of changes in the value of receivables due to changes in the applicable credit spread for the respective issuer or counterparty, despite unchanged creditworthiness over time. The credit spread refers to the risk premium in the form of a higher interest rate for a credit-risk-bearing security in relation to a comparable risk-free security. Consequently, only those credit spread changes that do not result from a change (migration including default) in the rating are considered.

From a German Commercial Code (HGB) accounting perspective, widening credit spreads can lead to unrealised losses and necessitate impairments. Under IFRS, financial instruments would increasingly result in valuation losses in the income statement or have a negative impact on other comprehensive income.

As at 30 December 2025, credit spreads measured against the Itraxx Senior Financials 5Y fell to 54.2 basis points (previous year: 63.8). Various market distortions led to temporary spread increases in the course of 2025 (in particular US economic policy and the government crisis in France) before risk premiums narrowed again later in the year. volatile environment is to be expected. Due to the structure of our investment portfolio – predominantly invested in fixed-income securities – credit spread risk continues to be of great importance within market price risks.

In conjunction with risk management methods for counterparty credit risk (e.g. risk lines), credit spread risks are managed stringently, including through intensive coordination of investment projects in the emerging markets and high-yield sectors, as well as new investment and reinvestment restrictions for individual counterparties.

Participation risk

Participation risk comprises the risk of changes in the value of assets held in affiliated companies and investments. Within the W&W Group, W&W AG, Württembergische The Württembergische Lebensversicherung AG and Württembergische Versicherung AG hold significant investments as individual companies.

If participation risks arise, valuation losses may result in impairments on investments affecting net income, dividend shortfalls or income subsidies to be paid.

We influence the business and risk policies of our investments, depending on their size and importance, through our representation on supervisory boards, among other things. The investments are subject to controlling. This includes, among other things, annual dividend planning, medium-term economic planning, projections during the year and monthly target/actual comparisons of the material investments. This enables us to react early to emerging participation risks.

Equity risk

Equity risk comprises the risk of changes in the value of assets held in equities, equity funds and equity-like securities (including equity securities within alternative investments). Of the companies in the W&W Group, the insurance companies and W&W AG hold significant equity and alternative investment portfolios.

Sudden and sharp declines in stock market prices can impair the risk-bearing capacity of these Group companies in the form of HGB impairments affecting net income or IFRS valuation losses. The equity exposure and the effects of possible price change scenarios on the Group's earnings and equity are presented and explained in Note 47 in the notes to the consolidated financial statements.

As part of strategic asset allocation, investments are made in alternative investments in the areas of private equity, private debt and infrastructure, among others. Our alternative investment exposure at market values decreased to €3,482 million (previous year: €3,702 million). Alternative investments are reported in the economic risk-bearing capacity model according to their

risk profile in terms of interest rate, credit spread and equity risk. Geopolitical uncertainties and the economic downturn mean that there are risks of valuation declines, lower income distributions and potential losses.

Foreign currency risk

Foreign exchange risk comprises the risk of changes in the value of assets or liabilities held in foreign currencies (non-euro currencies).

Foreign exchange risks may arise from currency positions in globally oriented investment funds and from foreign currency bonds or equity securities held by our insurance undertakings (primarily Württembergische Lebensversicherung AG and Württembergische Versicherung AG). Our foreign currency exposure is mainly focused on Danish kroner and US dollars. We have invested a small proportion of our assets in other currencies as part of individual fund mandates. We also hold foreign currency assets to cover technical equity and liabilities in matching currencies.

In order to limit foreign exchange risks, we invest primarily in investment products within the eurozone. Currency risks are mitigated by hedging instruments (e.g. forward exchange transactions), but increased volatilities due to the environment nevertheless result in higher risks. During the course of 2025, holdings denominated in US dollars were reduced. This risk has already been partially realised in the form of exchange rate losses due to the weakness of the US dollar, in addition to hedging costs.

The currency exposure and the effects of possible exchange rate scenarios on the Group's earnings and equity are presented and explained in Note 47 to the notes to the consolidated financial statements.

Real estate risk

Property risk comprises the risk of changes in the value of assets held in properties and real estate funds.

The W&W Group holds real estate portfolios with a market value of €3,515 million (previous year: €3,491 million). Our diversified real estate portfolios are an integral part of our investment portfolio. One focus of our real estate investments is on direct investments in Germany, Austria and Switzerland, as well as on real estate funds. In particular, persistently high interest rates, subdued economic development and possible further adjustments

in the interest rate environment may have a negative impact on the profitability and performance of the real estate portfolio. Increasing requirements sustainability aspects may also have a negative impact on real estate values in the future.

The valuation losses/gains on investment property measured at fair value amounted to -€36 million (-€65 million) in the financial year. The situation on the real estate market, particularly for commercial/office properties, remains tense. Further write-downs, particularly of commercial and office properties, cannot be ruled out in this environment.

Against the backdrop of increased construction and financing costs and the general economic situation, the real estate projects developed by the W&W Group are subject to cost and earnings risks, particularly if sales fail to materialise or can only be made at a discount.

Counterparty credit risks

We understand counterparty credit risks to be potential losses that may arise from the default or deterioration in the creditworthiness of borrowers, capital investments or other debtors (e.g. reinsurers, intermediaries). The types of counterparty credit risk are counterparty credit risk in capital investments, counterparty credit risk in the customer lending business and other counterparty credit risk. All three types of risk are classified as having materiality.

We limit counterparty credit risks in capital investments through careful selection of issuers and reinsurance partners and through broadly diversified investments. In doing so, we take into account the capital investment regulations applicable to the respective lines of business. The majority of our contractual partners and securities have good investment-grade credit ratings (see table Interest-bearing investments – Rating (Moody's scale)). In the customer lending business, we focus primarily on construction loans secured by real estate for retail customers. Our strategic focus on residential construction loans excludes individual loans that could jeopardise our portfolio. Counterparty credit risks are managed strategically and structurally by the risk committees of the business segments on the basis of the guidelines adopted in the risk strategy.

The operational management of our investment activities is the responsibility of the first line in the Treasury department of the Housing division and the Financial Management department of the Insurance division. The

responsible risk management areas act as independent monitoring units.

At our home loan and savings banks and insurance companies, we monitor counterparty credit risks from investment activities not only at the individual level, but also assess them at the portfolio level using our credit portfolio model. This is based on a credit value at risk approach that is standard in the industry. The risk capital requirement is calculated as value at risk based on one-year default and migration probabilities. The loss distribution is generated using Monte Carlo simulations. The stochastic model is based on market data and takes into account default probabilities as well as transition probabilities (migrations) between different credit rating classes. As a management tool, our continuously developed credit portfolio model enables us to dynamically adjust credit lines to rating changes.

The customer loan portfolios of Wüstenrot Bausparkasse AG are valued using a credit value at risk model that is standard in the industry. This also takes into account default, migration and realisation risk. The present values of losses are generated using Monte Carlo simulations. The stochastic model is based on market data and takes into account both default probabilities and transition probabilities (migrations) between different credit rating classes.

In the area of counterparty credit risks, we regularly consider stress scenarios at group level, which we use to analyse the effects of changed parameter assumptions and simulated defaults of material counterparties and reinsurance partners.

Imminent defaults from customer transactions, capital investments or reinsurance business are taken into account through appropriate value adjustments. The methodology for creating risk provisions and value adjustments, as well as their development in 2025, are presented in Note 48 Counterparty credit risks in the notes to the consolidated financial statements.

Risk situation

The risk profile of the counterparty credit risk area, determined in accordance with our economic risk-bearing capacity model, is distributed as follows as at 31 December 2025: risks from capital investments at 9.4% (previous year: 11.0%), counterparty credit risks from the customer lending business at 3.5% (previous year: 3.0%), other counterparty credit risks at 0.8% (previous year: 0.7%) of the W&W Group's total risk capital requirement. Counterparty credit risks in 2025 were in line with the risk

strategy. Risk limits were consistently adhered to at group level.

Counterparty credit risk associated with capital investments

Württembergische Lebensversicherung AG, Württembergische Krankenversicherung AG, Württembergische Versicherung AG, W&W AG and Wüstenrot Bausparkasse AG are particularly exposed to counterparty credit risks from capital investments.

In line with our strategic orientation, the credit rating structure of our interest-bearing investments is conservative, with 91.4% (previous year: 90.2%) of investments in the investment grade range, in line with our strategic orientation, and remained largely unchanged overall in the financial year. The recent decline in inflation, which is now close to the ECB's target of 2%, has contributed to a certain stabilisation of the macroeconomic environment. Following sharp rises in previous years, market interest rates have stabilised at a higher level. In conjunction with the existing geopolitical and fiscal risks and subdued economic development, this could have a negative impact on the creditworthiness and refinancing capacity of individual issuers, resulting in rating downgrades and credit defaults.

Due to its business model, the W&W Group's investment portfolio has a strong focus on government bonds, financials (especially bank securities) and corporate bonds. Counterparty credit risks arising from the associated portfolio concentrations are mitigated by a

targeted selection of counterparties and a risk line system, but cannot, of course, be completely ruled out. The structure of interest-bearing investments is shown in the following tables:

Interest-bearing investments – rating (Moody's scale)

	2025		2024	
	Portfolio book value	Share	Portfolio book value	Share
	in € million	in %	in € million	in %
Aaa	8,957	33.7	9,714	35.5
Aa1	2,575	9.7	3,758	13.7
Aa2	1,773	6.7	1,250	4.6
Aa3	1,749	6.6	3,167	11.6
A1	2,689	10.2	966	3.5
A2	1,233	4.6	875	3.2
A3	2,285	8.6	1,758	6.4
Baa1	1,039	3.9	1,108	4.0
Baa2	1,162	4.4	1,266	4.6
Baa3	808	3.0	856	3.1
Non-investment grade	2,082	7.8	2,369	8.7
Non-rated	209	0.8	299	1.1
Total	26,561	100.0	27,387	100.0

Our address exposures are presented on the basis of the scope of consolidation, which comprises interest-bearing investments in the direct portfolio and within fully consolidated funds.

The collateral structure of interest-bearing investments in the W&W Group at segment level can be seen in the following table:

Interest-bearing investments – collateralisation structure 2025

Portfolio Book values					
	Public	German covered bond	Deposit guarantee or state liability	Uncovered	Total
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Housing	2,578	1,276	-570	2,549	5,833
Life and Health Insurance	6,949	3,429	1,706	4,710	16,794
Property/Casualty Insurance	612	839	276	924	2,651
All other segments	391	518	66	308	1,283
Total	10,530	6,062	1,478	8,491	26,561
Share in %	39.6	22.8	5.6	32.0	100.0

Our address exposures are presented on the basis of the scope of consolidation, which comprises interest-bearing investments in the direct portfolio and within fully consolidated funds. The negative value of deposit protection in the Housing segment is attributable to the negative market values of a swap used for hedging of customer funds and the building society collective. The negative market value is offset by the positive values of customer funds.

Interest-bearing investments – collateralisation structure 2024

Portfolio Book values					
	Public	German covered bond	Deposit guarantee or state liability	Uncovered	Total
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Housing	2,207	845	-526	3,238	5,764
Life and Health Insurance	8,194	3,646	1,801	4,830	18,471
Property/Casualty Insurance	674	563	247	496	1,980
All other segments	395	493	87	197	1,172
Total	11,470	5,547	1,609	8,761	27,387
Share in %	41.9	20.3	5.9	32.0	100.0

Our address exposures are presented on the basis of the scope of consolidation, which comprises interest-bearing investments in the direct portfolio and within fully consolidated funds. The negative value of deposit protection in the Housing segment is attributable to the negative market values of a swap used for hedging of customer funds and the building society collective. The negative market value is offset by the positive values of customer funds.

In addition to traditional government bonds, the public bonds shown above also include bonds from countries/regional governments, municipalities/municipal associations and other public sector entities. Regionally, we differentiate our investments in public bonds according to global economic zones. With a total of 60.8% (previous year: 56.9%), Europe excluding Germany has the largest share, followed by Germany with 21.2% (previous year: 22.4%) and North America with 8.6% (previous year: 8.9%).

In the area of emerging markets, negative effects from country-specific or global economic developments cannot be ruled out. The exposure of interest-bearing investments in emerging markets at market values amounted to €1,510 million (previous year: €2,049 million) at the end of the financial year.

In order to assess address-related risks from capital investments and to set limits and lines, we use, among other things, the assessments of international rating agencies, which are validated and supplemented by our own creditworthiness analyses. The lines are subject to regular review. Risk limitation serves to limit risks to a maximum permissible level that represents the risk appetite. This is achieved by allocating the risk coverage amount to risk areas. In order to avoid risk concentrations in relation to individual investment addresses, a limitation is applied at the level of issuer groups. A group-wide risk line system is used for this purpose.

The utilisation of limits and lines is monitored by the decentralised risk management units and, at an overarching level, by the Risk Management department.

There are still increased credit-related default risks on the financial markets for unsecured and subordinated exposures, meaning that interest rate defaults and haircuts cannot be ruled out. Our subordinated exposures (profit participation rights, silent partnerships and other subordinated receivables) account for €1,637 million (previous year: €1,510 million) represent a relatively small proportion of the total volume of our investment portfolio.

Counterparty credit risk in customer lending business

The most significant counterparty credit risks from customer loans for the W&W Group exist at Wüstenrot Bausparkasse AG with a book value under the German Commercial Code (HGB) of €26,492 million (previous year: €24,765 million). Of lesser significance are the mortgage portfolios of Württembergische Lebensversicherung AG with a book value under HGB of €629 million (previous year: €727 million) and Württembergische Versicherung AG with a book value under HGB of €35 million (previous year: €49 million).

The credit risk provision ratio in accordance with HGB (net credit risk provision in relation to the loan portfolio) was 0.20% (previous year: 0.11%) at the end of the year, while the credit default ratio in accordance with HGB (credit default in relation to the loan portfolio) was -0.01% (previous year: -0.01%). The expected probability of default for the loan portfolio was 0.99% (previous year: 0.86%) as at the reporting date. The average expected loss in the event of default is 7.96% (previous year: 7.53%).

Wüstenrot Bausparkasse AG's receivables portfolio in the customer lending business consists of diversified loans (mainly small-scale volume business throughout Germany and Luxembourg), 86.6% (previous year: 87.1%) of which are secured by mortgages on residential properties in Germany or Luxembourg. Broken down by customer group, the portfolio shows a predominance of salaried employees at 89.7% (previous year: 89.3%) compared with 10.3% (previous year: 10.7%) self-employed persons. In addition, developments in the property market and property prices play an important role. Due to their significance for the value of the properties and the creditworthiness of our customers, we monitor these factors closely and take current developments into account in our valuation.

In the customer lending business, risk limitation and operational risk management are carried out by the lending departments and the back-office units of our subsidiaries. Through credit assessment and scoring procedures, loan restrictions per borrower, payment stops, diversification (broad customer base, all regions, diverse product range, multiple sales channels), clear acceptance guidelines, predominantly collateralised loans, monitoring and limiting various risk indicators, and a system that automatically determines, controls and manages value adjustments.

Against the backdrop of economic uncertainty, there is a risk of increased risks in customer lending business, which could also have a negative impact on earnings due to the necessary adjustments to risk provision parameters, among other things.

For a supplementary analysis of counterparty credit risks from customer business in accordance with IFRS accounting, please refer to Note 48 in the notes to the consolidated financial statements.

Default status of customer loans (Wüstenrot Bausparkasse AG)

	Portfolio	Share	Portfolio	Share
		2025		2024
	in € million	in %	in € million	in %
Not in default	25,893	97.7	24,335	98.3
In default	599	2.3	430	1.7
Total	26,492	100.0	24,765	100.0

Other counterparty credit risk

Default risks vis-à-vis other contractual partners may arise in particular in relation to receivables from policy holders/insurance intermediaries and in the reinsurance business of W&W AG and Württembergische Versicherung AG.

Outstanding receivables from policy holders and insurance intermediaries whose due date was more than 90 days ago on the reporting date, total €65 million (previous year: €34 million). The average default rate (HGB) for the past three years is 1.6% (previous year: 2.6%).

To manage reinsurance default risk, reinsurance partners are selected on the basis of their creditworthiness. The reinsurance default risk is also diversified by spreading it across different reinsurers with good credit ratings. As at the reporting date, W&W AG and Württembergische Versicherung AG had reported receivables from reinsurance business amounting to €231 million (previous year: €344 million), 97.3% (previous year: 97.3%) of which were mainly from companies with an „A“ rating or better. The unrated portion amounted to 2.7% (previous year: 2.6%). Overall, the change in receivables from reinsurance business compared with the previous year is attributable to the claims experience.

The default risks in reinsurance business determined on the basis of the economic risk-bearing capacity model therefore remain at a low level.

Underwriting risks

Underwriting risks are potential losses that may arise – with premiums calculated in advance – from uncertainty about the future development of benefits and costs from insurance contracts that have been concluded. The types of underwriting risk are underwriting risk for life and health insurance, underwriting risk for property/casualty insurance and underwriting risk for composite insurance. All three types of risk are classified as having materiality.

In accordance with internal regulations, the companies of the W&W Group only enter into insurance transactions whose risks do not threaten their existence. Underwriting

risks are limited by suitable and appropriate hedging instruments (e.g. reinsurance).

The W&W Group conducts primary insurance business in personal and property/casualty insurance for private and commercial customers in its core strategic market of Germany, also relying on digital sales channels (e.g. the Adam Riese digital brand).

To a limited and precisely defined extent, industrial risks are also underwritten, which are also extensively reinsured, so that we do not jeopardise our portfolio with large individual risks. Due to the expansion of its corporate customer business through integrated insurance programmes for policy holders with headquarters or main risk in Germany, Württembergische Versicherung AG also underwrites a small amount of optional indirect business and foreign insurance market pools. Württembergische Versicherung AG no longer conducts any other active reinsurance business.

With the exception of German market pools, W&W AG continues to underwrite no reinsurance business outside the Group.

The risk management of life and property/casualty insurance, which is also responsible for measuring underwriting risks, is closely integrated with risk management at group level and incorporated into the W&W Group's risk management system through cross-company committees.

To measure underwriting risks, we use an economic model based on the value at risk approach with a confidence level of 99.5%. For Württembergische Versicherung AG, underwriting risk is quantified using a stochastic approach. In property and casualty insurance In accident insurance, the calculation is performed using Monte Carlo simulations. To estimate catastrophic events, the W&W Group draws on simulation results from specialist reinsurance undertakings and brokers, among other sources. The technical risk of W&W AG is largely calculated on the basis of the business assumed by Württembergische Versicherung AG and retained by W&W AG. For Württembergische Lebensversicherung AG, the technical risk is quantified on the basis of the stress scenarios provided for under Solvency II. In addition to biometric scenarios, an immediate permanent increase and decrease in cancellation rates as well as a mass cancellation scenario are also considered.

The potential loss from underwriting risks is limited by specified risk limits. The limit utilisation is monitored on an ongoing basis. In principle, the technical development is continuously analysed and monitored through the controlling of premiums, costs, claims and benefits.

The principles and objectives of the underwriting policy, as well as the definition of permissible transactions and the associated responsibilities, are documented in strategies and underwriting guidelines and reviewed at least once a year. Our pricing and underwriting policy is risk- and yield-oriented. It is supported by appropriate incentive systems for the sales force. Risks are underwritten in accordance with established guidelines and in compliance with maximum amounts defined for each line of business. Natural hazard risk, for example, is countered by adjusting tariffs in line with current risk assessments, adapting contract terms for critical natural hazard zones and excluding certain risks.

In addition to risk equalisation through our line of business and product mix, efficient claims management and a cautious claims reserve policy limit the technical underwriting risk.

Adequate reinsurance cover for individual risks and for cross-sector accumulation risks reduces the underwriting risks in property/casualty insurance. The reinsurance programme is adjusted annually, taking into account risk-bearing capacity. Depending on further developments in the reinsurance market, higher reinsurance premiums and retentions could result in the future. This could lead to a tendency towards higher result volatility.

W&W insurers make appropriate provisions for claims incurred in the form of individual and lump-sum provisions. The technical liabilities technical provisions and the structure of our liabilities for remaining coverage are explained in Note 18. Further details on underwriting risks (property/casualty and life insurance business) can be found in Note 49 to the notes to the consolidated financial statements.

Risk situation

The risk profile of the risk area technical risks, determined in accordance with our economic risk-bearing capacity model, accounted for 28.3% (previous year: 26.6%) of the W&W Group's total risk capital requirement as at 31 December 2025. The main risk carrier is Württembergische Versicherung AG, followed by Württembergische Lebensversicherung AG and W&W AG. In 2025, the underwriting risks were in line with the risk strategy. The risk limit was consistently adhered to at group level.

The technical risk arises primarily from property/casualty insurance, in particular from natural catastrophe risk. In the 2025 financial year, the net loss ratio was 62.9% (previous year: 68.4%). Natural catastrophe claims expenses fell by €58 million gross (previous year: €282 million) and net €58 million (previous year: €250 million) in the financial year. The underwriting risk in life insurance is closely related to the interest rate guarantee risk described in the section on market price risks. For a description of the risks arising from our insurance portfolio, please also refer to the disclosures in the notes to the consolidated financial statements in Note 49 Underwriting risks.

Underwriting risk for property/casualty insurance

The technical underwriting risk for property/casualty insurance is divided into premium risk and reserve risk. Falling premiums or premiums that are not calculated in line with demand can lead to insufficient premiums if costs and claims remain stable or increase (premium risk). A material portion of the premium risk results from major and natural hazards, which can also occur in the form of accumulation or catastrophe events. Accumulation losses in the area of natural hazards are primarily caused by storms, hail or flooding, and in rare cases also by earthquakes. The premium risk is associated with considerable earnings volatility.

The long-term development of the HGB net loss ratios (ratio of net expenses for insurance claims to net earned premiums) and the HGB net settlement ratios (ratio of net settlement results from provisions for outstanding insurance claims to initial loss provisions) of Württembergische Versicherung AG is as follows:

Claims and loss ratios for own account

in %	Loss ratios	Settlement ratios
2015	65.8	6.8
2016	63.8	6.7
2017	63.6	6.6
2018	61.8	7.1
2019	63.3	6.3
2020	64.1	2.8
2021	62.6	7.8
2022	61.1	7.8
2023	76.3	3.9
2024	68.4	9.3
2025	62.9	2.1

W&W AG primarily acts as an internal reinsurer for the Group. We present the loss and settlement ratios in the section entitled Risk profile and materiality Risks of W&W AG section of this report.

Reserve risk refers to the risk of inadequate loss reserves. The settlement of claims can vary in terms of time and amount, meaning that the reserves set aside for claims may not be sufficient. The development of loss reserves can be traced using the loss settlement triangles shown in Note 49 of the notes to the consolidated financial statements. This overview shows that adequate loss reserves have always been set aside to date. The settlement ratios can be found in the table above.

In recent years, high inflation rates at Württembergische Versicherung AG, among other factors, have led to higher claims expenses. Württembergische Versicherung AG continues to maintain its cautious premium calculation and

defensive reserve policy. Nevertheless, a further rise in inflation could continue to weigh on the technical result.

Underwriting risk life and health insurance

The underwriting risk for life insurance reflects the biometric, cancellation and cost risks of the life insurance portfolio. The underwriting risk for health insurance reflects the biometric, cancellation and cost risks of the occupational disability and independent basic disability insurance portfolios.

Biometric risks include risks whose occurrence is directly related to the biometrics of an insured person (including mortality, longevity and disability). We manage these risks through careful risk assessment when accepting contracts, the use of current mortality and disability tables, and the targeted use of reinsurance solutions to limit peak risks.

The cancellation risk is that a change in customer cancellation behaviour could lead to higher liquidity outflows than originally expected. The cost risk describes the risk that the actual administrative costs and acquisition expenses exceed the cost rates taken into account in the calculation of insurance premiums.

Inflation-related cost increases are actively managed through continued stringent cost management. Both persistently high inflation and an overall tense economic situation could additionally affect policy holders' cancellation behaviour. Württembergische Lebensversicherung AG continuously monitors its portfolios with regard to such possible developments. However, no material changes in customer behaviour have been observed to date. The cancellation rate of Württembergische Lebensversicherung AG measured in terms of current annual premiums remains unchanged at 4.9% (previous year: 4.9%).

Operational risks

We understand operational risks to be potential losses that may arise from the inadequacy or failure of internal procedures, people and systems, or as a result of externally driven events. Operational risks include legal risk, compliance risk, personnel risk, process risk, information risk, model risk and service provider risk. All types of risk are classified as having materiality.

Operational risks are unavoidable in the general business activities of companies.

In order to identify operational risks, experts regularly assess them as part of the risk inventory. Operational risks are limited by specified risk limits. Limit utilisation is monitored on an ongoing basis. The systematic recording of operational losses helps to identify new or changing risks in the area of operational risk.

Risk situation

The risk profile of the operational risk area, determined in accordance with our economic risk-bearing capacity model, accounted for 8.2% (previous year: 8.1%) of the W&W Group's total risk capital requirement as at 31 December 2025. Operational risks in 2025 were in line with the risk strategy. The risk limit was consistently adhered to at group level.

Legal risk

Legal risk comprises the risk of loss due to legally unenforceable claims (active and passive litigation). This includes the risk of incurring losses on transactions concluded in the past due to a change in the legal situation (changed case law or legislative amendment).

From a legislative and regulatory perspective, we are seeing an increasing density of regulation, including in supervisory law, creditor and consumer rights, and disclosure requirements. Pending legal proceedings in the financial sector may also lead to subsequent financial claims.

New legal frameworks and new or amended legal interpretations by authorities and courts can have a significant adverse effect on the financial, asset and risk situation, including the earnings situation.

Particularly relevant here is the assessment by the tax authorities of the extent to which the tax treatment of the home loan and savings bank's interest bonus provisions will result in additional tax expenses. In addition, the interpretation of the new CRR could have an impact according to the preliminary results of the asset quality review to be carried out by Wüstenrot Bausparkasse AG, the ECB expects a slight to moderate impact on capital ratios. This is due in particular to the requirement by the banking supervisory authority for earlier capital backing of

home loan savings contracts. Changes in interpretation could also arise in the future with regard to the continued existence of VAT groups with home loan and savings banks.

In the area of life insurance, a possible change in the tax authorities' view of the tax treatment of refunds from funds in unit-linked life insurance is particularly relevant.

Legal risks are countered by ongoing legal monitoring and by observing and analysing case law. Various departments monitor specific topics departments work closely with the associations to monitor relevant legislative proposals and developments in case law.

Compliance risk

Compliance risk may arise as a result of inadequate compliance with or implementation of laws, legal provisions, regulatory requirements or ethical/moral standards, as well as internal rules and regulations. In the regulatory environment, we continue to observe a high level of regulation, including in the areas of sustainability and information security risks. Implementation ties up considerable resources and entails implementation risks.

Compliance risks are categorised using a systematic risk identification process (taking into account various risk factors, such as the legal inventory, standards currently being implemented and special circumstances). By defining specific measures and assessing their appropriateness and effectiveness, as well as additional monitoring activities where necessary, the basis is created for a continuous process to prevent and mitigate damage and risks.

The Compliance Committee, in conjunction with risk management and other specialist departments, regularly discusses issues relating to fraud, data protection, information security, compliance and money laundering. To prevent fraud and data protection violations, technical security systems, documented controls (ICS) and awareness-raising measures for employees have also been implemented. In addition to exchange and reporting, the focus is also on defining measures for individual cases. Fraud risks are counteracted by process controls.

Personnel risk

Personnel risk comprises the risk of loss due to insufficient quantitative (number) and qualitative (qualification) staffing – caused by sudden absence (complete/partial) or by inadequate personnel management/development with an impact on the motivation, health and loyalty of employees.

Personnel risks are countered with forward-looking personnel planning and selection as well as needs-based and targeted training and further education for employees. Through personnel development measures, we support our employees in fulfilling their responsibilities and tasks. In order to manage the risk of staff turnover, we regularly analyse staff turnover within the W&W Group and offer our employees a wide range of additional employer benefits. Against the backdrop of the shortage of skilled workers associated with demographic change, we are constantly working to maintain a balanced employee structure with the necessary skills. Further information can be found in the chapter „Group Fundamentals“, section „Employees“.

Process risk

Process risk comprises the risk of loss resulting from the partial or complete failure or inadequacy of internal procedures or processes (e.g. process errors). This also includes human error (e.g. processing errors) and risks arising from departmental and IT projects. Process risks can also arise in particular at the interfaces with external partners (sales partners, etc.). These are to be countered by means of regular audit processes, among other things.

In order to minimise process risks and ensure proper and efficient workflows, work instructions, codes of conduct, corporate guidelines and company regulations are in place. Uniform methods and standards are applied as overarching instruments with the W&W process management procedure, including process-immanent controls (ICS), emergency/crisis management and the project management procedure.

Process flows and control mechanisms that are material to business operations are systematically documented, regularly reviewed and updated in accordance with

uniform standards in the W&W Group's internal control system. Process and control documentation is technically supported by a software application. Process-related risks are managed by linking processes and risks in a manner and identifying key controls.

Numerous specialist, technical and infrastructural projects have been set up within the W&W Group, which are associated with corresponding project risks. We counter risks from projects, especially infrastructure projects (e.g. realignment of the composite portfolio and claims system and renewal of the home loan system), with high investment budgets, dependencies and complex project content through appropriate project management. Nevertheless, the aforementioned circumstances may also give rise to risks in the form of cost risks and impairments on investments. Project delays with the necessary continued operation of the previous systems can lead to increased costs and disadvantages, e.g. due to limited flexibility in product development/pricing and processing.

Information risk

Information risks arise from threats to the integrity, confidentiality and/or availability of data. They are mainly derived from IT systems, information carriers, technical equipment or buildings that are relevant for the storage and processing of data.

Information security risk management and information and communication technology (ICT) risk management play a central role in the management of operational risks and, in particular, form the basis for the effective management of information risks with regard to the protection objectives of availability, confidentiality and integrity.

As a financial services group, the W&W Group is highly dependent on IT systems, which also entails information security risks related to the protection goals of availability of applications, confidentiality and integrity of data, particularly against the backdrop of cyber threats. In addition, the W&W Group is pursuing numerous measures as part of the further expansion of digitalisation (e.g. digital business models and sales channels, internal process optimisation, increased use of cloud services and the application of artificial intelligence), which may give rise to further information security risks.

There is still a high risk of cyber attacks in Germany, which the W&W Group cannot escape. Against this backdrop, the measures introduced in previous years to strengthen information security were continued. The Cyber Resilience Centre, which constantly adapts to the cyber threat situation, is an important factor in this context in ensuring a balanced combination of preventive and reactive measures for detecting and defending against cyber attacks. Based on the ECB cyber resilience stress tests, the findings were analysed and further measures to strengthen the operational resilience of the W&W Group were derived and implemented. The measures established to implement the DORA Regulation are intended to further improve digital operational resilience and support the management of outsourcing risks.

In order to secure and continue our business operations in the event of process and system failures, critical processes are identified in a group-wide impact analysis. The functional reliability and adequacy of the control and security systems in place are regularly tested through emergency tests and crisis team exercises.

Model risk

Model risk is the potential loss that a company may incur as a result of decisions made on the basis of model results that are flawed in their development and application (input and use risk) or result from the use of incorrect parameter estimates and inadequate model specification (estimation and specification risk).

The individual components of model risk are subject to an annual review. Any weaknesses identified are promptly eliminated or backed by risk capital.

We mitigate model risk through careful model governance that applies to all types of risk. As part of the model change policy, model development is subject to standardised and traceable documentation. The policy regulates the processes for changes to the economic risk-bearing capacity model at the W&W Group level, including the procedures, models and data used for its calibration in the individual companies. The incorporation of material model changes into the economic risk-bearing capacity model requires the approval of the Group Board Risk.

Service provider risk

Service provider risk primarily targets risks arising from contractual relationships with third parties. This covers, in particular, service provider and service risks with regard to loss of quality, control, monitoring or loss of know-how. The service provider risk primarily concerns risks arising from contractual relationships with third parties.

The requirements for managing third-party risks are binding. The companies of the W&W Group have both internal and external outsourcing arrangements, the performance of which must be appropriately managed and monitored. Appropriate measures are implemented in the event of service disruptions.

W&W Informatik GmbH provides services for the companies of the W&W Group. It uses other service providers, known as sub-service providers, to deliver its services. As the number and importance of sub-service providers increases, so do the risks associated with external service providers, in particular ICT third-party risks. At the same time, regulatory requirements for service provider management, IT governance and ICT risk management are also increasing.

Business risks

Business risks are potential losses that arise from the strategic orientation and can lead to insufficient or delayed achievement of objectives. Types of risk in business risk are strategic risk, environmental risk and reputational risk. Strategic risk and environmental risk are classified as material.

Business risks are unavoidable in general business activities and changes in the industry environment. All companies in the W&W Group are exposed to business risks.

A rolling strategy process has been implemented in the W&W Group. The Group's business strategies form the framework for the sub-strategies of the business areas and the sustainability strategies as well as cross-cutting strategies such as the risk and IT strategies. In accordance with the Group's intra-group risk governance regulations, the material W&W individual companies have their own documented risk strategy tailored to their respective business models and risk profiles.

The business strategy process includes defining the vision and guiding principles, a strategic business model analysis (external environment analysis, internal company analysis), deriving strategic goals and measures, and establishing the Group's principles. The business strategy thus provides the framework for managing business risks. We try to achieve our strategic goals by proactively assessing the internal and external factors that are critical to our business model. We strive to identify business risks at an early stage so that we can develop and implement appropriate risk management measures.

The principles and objectives of the business policy and the sales and revenue targets derived from it are contained in the business strategy and sales plans. The respective full board of directors is responsible for defining the business policy and the associated management of business risks. Depending on the scope of a decision, consultation with the Supervisory Board may be necessary.

In the economic risk-bearing capacity model, business risks arising from possible changes in customer behaviour in the home loan savings business (collective risks) are taken into account on the basis of simulations of the home loan savings collective. Other existing business risks are assessed using event-related scenario calculations and expert estimates and backed up with risk coverage potential.

Business risks are systematically managed at an aggregate level in a software application. Based on the findings from the risk controlling and management procedures, the risks are classified in terms of their probability of occurrence and potential damage. In addition, risk indicators and early warning indicators are used to manage business risks and are analysed on a regular basis.

We also use sensitivity analyses to assess medium to long-term risks and our options for action. As part of our planning, various scenarios are developed to quantify the W&W Group's capitalisation risks and initiate appropriate measures.

Risk situation

Business risks account for 3.1% of the W&W Group's total risk capital requirement (previous year: 2.4%) of the W&W Group's total risk capital requirement. Other business risks are deducted from the risk cover pool. In 2025, business risks were in line with the risk strategy. The risk limit was consistently adhered to at group level.

Strategic risk

Strategic risk comprises the risk of loss arising from incorrect or inadequate strategic orientation of the company, failure to achieve strategic goals or inadequate implementation of strategic objectives. This also includes falling short of the planned annual result.

Income risks from potential negative deviations from planned income may arise in particular from the technical result of property/casualty insurance, the investment result of life insurance and other insurance companies, and the interest result of the home loan and savings bank. Increased costs in the area of motor insurance as well as increased costs in general can also contribute significantly to earnings risks. Failure to achieve self-imposed targets in sales, planned growth or the generation of earnings in the new digital subsidiaries would also have a negative impact.

The future earnings performance of the W&W Group depends largely on the profitability of the individual companies within the W&W Group. With a view to the coming years, measures are planned to secure and improve the profitability of individual companies. Earnings risks could arise if the measures do not have the desired effect or only have a partial effect.

Against this backdrop, achieving the set return targets places high demands on our strategic asset allocation, the management of underwriting risks and the various front office units.

The consistent implementation of projects, initiatives and programmes that are underway to achieve the objectives of the business and IT strategy is of great importance in connection with strategic risks. Delays in these projects, initiatives and programmes can lead to increased

expenses, for example if the desired benefits are not achieved or if renewals of the IT infrastructure (e.g. realignment of the portfolio and claims system for composite insurance and the home loan system) can only be carried out after a delay.

The underpinning of strategically planned growth places high demands on the capitalisation of the individual companies and the W&W Group, also against the backdrop of increasing regulatory requirements and new or amended legal interpretations.

The strategic goals of the W&W Group are operationalised, driven forward and managed across the board within the framework of projects involving strategic measures. Strategic risks are countered, among other things, by forward-looking earnings management and new business, cost and equity planning.

Environmental risk

Environmental risk is the risk of loss due to possible changes in external conditions (e.g. political/legal, economic, technological).

This also includes risks arising from changes in the behaviour of the home loan collective, which may arise in the home loan savings business through the utilisation of existing product options and choices, regardless of market interest rate developments. These may manifest themselves, for example, in the form of special payments or the termination of savings, cancellations during the savings phase or changes in the total home loan savings contracts.

Significant risk potential (slower economic growth, very high uncertainty regarding the forecast for further economic and capital market developments) can arise in particular from the political and social environment (geopolitics, global developments, e.g. arising from military conflicts, trade disputes, terrorism, social unrest, migration/refugee movements). Negative growth effects can arise, for example, from higher energy and raw material prices, economic sanctions, new or higher customs duties, resulting disruptions to global supply chains and a deterioration in sentiment among economic actors. Other effects, such as an increase in cyber risks, may also arise due to the environment. Due to ongoing geopolitical conflicts and low economic growth in Germany, there is still a high degree of uncertainty regarding future economic and capital market developments. Concerns regarding future economic and

income development, growing unemployment and high property prices also harbour the risk that broad sections of the population will not be able to access the property market.

Inflation in the European Monetary Union and in Germany is now close to the ECB's target of 2%. A renewed significant rise in inflation rates could lead to a deterioration in our growth opportunities due to less new business or higher contract cancellations as a result of private purchasing power losses or reduced consumption. In addition, this could lead to a deterioration in our cost position due to rising operating costs, rising costs for insurance benefits and potential additional reserves in pension provisions.

Accordingly, the developments described above could also lead to a decline in earnings and have a negative impact on our financial position, net assets and risk profile.

In the regulatory environment, we are observing increasing requirements for governance, capitalisation, liquidity and comprehensive reporting and control obligations. The W&W Group is complying with the expanded legal and regulatory requirements for banks and insurance companies. Regulatory and political issues with potentially material implications for the risk management of the W&W Group companies are:

- Changes to the Solvency II regime as a result of the Solvency II review
- New rules on preventive recovery plans and resolution planning for insurers (IRRDP)
- Regulations from the Supervisory Review and Evaluation Process and supervision by the European Central Bank
- Requirements for risk management and disclosure of sustainability risks (Solvency II review, Transparency and Taxonomy Regulation, Corporate Sustainability Due Diligence Directive)
- Potentially further increasing requirements from regulation in the area of digitalisation (EU Regulation on Artificial Intelligence) and digital resilience.

Liquidity risks

Liquidity risks manifest themselves in the danger of only being able to raise funds at the required time at increased refinancing costs (refinancing risk) or only being able to do so by accepting discounts (market liquidity risk) or balance sheet effects in order to meet obligations to pay when they fall due (avoidance of insolvency risk). Types of liquidity risk include insolvency risk, refinancing risk and market liquidity risk. With the exception of insolvency risk, all types of risk are classified as material.

Our liquidity management is geared towards being able to meet our financial obligations at all times and on a permanent basis. One of the main focuses of our investment policy is to ensure liquidity at all times. Existing legal, regulatory and internal provisions must be complied with at all times and on a permanent basis. The systems in place are designed to identify liquidity stresses at an early stage through forward-looking planning and operational cash management and to counter foreseeable liquidity stresses with appropriate (emergency) measures.

As a financial conglomerate, we benefit from the diversification of our refinancing sources, especially in tense markets. In addition to reducing our refinancing risk, we also benefit from lower refinancing costs as a result of diversifying our funding potential. A defined proportion of securities eligible for central bank and repo transactions gives our home loan and savings bank flexibility in its refinancing. We use savings and time deposits primarily to substitute short-term, unsecured refinancing. Aspects of maturity diversification are incorporated into our investment policy. The maturity structure of our financial instruments is presented in the notes to the consolidated financial statements in our annual report under Note 50 Liquidity risks.

Current cash holdings are primarily managed under the responsibility of the individual companies. The Risk Management department (Liquidity division) monitors and consolidates the liquidity plans from a Group perspective. The Group Liquidity Committee is responsible for group-wide liquidity risk controlling. The liquidity situation is discussed regularly at Group Board Risk meetings. Control measures are initiated as necessary. Known or foreseeable liquidity risks are reported to management immediately as part of ad hoc risk reporting.

The W&W Group has a cash pool to optimise the allocation of liquidity and enable free cash and cash equivalents to be invested for improved profitability. The main aim is to optimise cash flows and short-term liquidity within the W&W Group.

Other risk management methods include:

- We assess liquidity risks by regularly calculating potential liquidity gaps and comparing them with the net liquidity available to us. In order to determine potential liquidity requirements, we also compare our funding potential with the refinancing funds required.
- The risk situation at Wüstenrot Bausparkasse AG is managed with particular consideration given to the regulatory key figures liquidity coverage ratio and net stable funding ratio.
- To monitor the liquidity of our capital investments, they are grouped into liquidity classes in order to manage concentrations in illiquid asset classes.
- In the liquidity risks risk area, we regularly consider stress scenarios from a group perspective, on the basis of which we analyse, among other things, the effects of changes in cash inflows and outflows, simulated discounts on our funding potential, changes in refinancing costs and our emergency liquidity.
- Liquidity planning at group level is based on the liquidity data provided by the individual companies, which are essentially material in terms of the balances of inflows and outflows from current business operations as well as additional available funding potential (e.g. own emissions, borrowing via central banks).
- Contingency plans and the monitoring of liquidity buffers are designed to ensure that even exceptional situations can be managed. If a company is unable to overcome existing liquidity stresses on its own, intra-group refinancing options are available in accordance with contingency planning.

Risk situation

The risk situation for the types of risk within liquidity risk is as follows:

Illiquidity risk

As financial services companies, some W&W companies are subject to specific legal and regulatory requirements designed to ensure that they can meet current or future obligations to pay at all times.

Liquidity is secured at the W&W Group level. Sufficient liquidity is available to ensure solvency. Even under unfavourable scenarios, the W&W Group and the individual companies have sufficient cash and cash equivalents or can obtain them at short notice, so that acute liquidity stresses are not to be expected from today's perspective.

Refinancing risk

Wüstenrot Bausparkasse AG in particular requires careful liquidity management due to its business model. In order to meet credit demand and grant loans, ongoing refinancing is required. Its refinancing volume is secured by diversified funding potential. Material items in the funding potential are free bidding volume for open market transactions/repos, issuance potential for German covered bonds, free money market and credit lines, emissions from debenture bonds and unsecured securities, as well as funding from home loan deposits and non-collective customer deposits.

Based on a cut of 22.5% (previous year: 22.5%) on the funding potential, refinancing costs would amount to €106 million (previous year: €94 million). The valuation assumes refinancing costs of 5.5% (previous year: 5.5%) (maximum Euribor interest rate during the financial market crisis) on the maximum liquidity gap arising from the sensitivity analysis.

The life and Property/Casualty Insurance segment reported a positive liquidity balance at the end of the financial year. This is due to the nature of the business model, which is characterised by a continuous flow of premium income and returns on capital investments. The high proportion of liquid capital investments offers the possibility of covering additional liquidity requirements. In this regard, close management is carried out, taking into account potentially negative effects on earnings in the current interest rate environment.

Due to the diversified sources of refinancing and the current situation on the capital markets, no material refinancing risks for the W&W Group can be identified at present.

Market liquidity risk

Market liquidity risks arise mainly due to insufficient market depth or market disruptions in crisis situations. If these occur, capital investments can either not be sold at all or only in small volumes or at a discount.

The current situation on the capital markets does not indicate any acute material market liquidity risks for the W&W Group's capital investments. Based on a haircut of 22.5% (previous year: 22.5%) on emergency liquidity, the sensitivity analysis would result in a loss in value of €113 million (previous year: €113 million).

Further information on the liquidity and refinancing structure can be found in the section on the course of business – Financial position: Refinancing/liquidity and in the presentation of liquidity risks in the notes to the consolidated financial statements in note 50.

Risk landscape and significant risks of W&W AG

W&W AG, as the superordinate undertaking of the financial conglomerate and the Solvency II Group, is responsible for defining and further developing standards in risk management and to monitor compliance with these standards. Accordingly, their risk management systems are closely interlinked. The following descriptions refer to the specifics of W&W AG as an individual company. The same risk areas apply to W&W AG as to the W&W Group.

As at the reporting date of 31 December 2025, the total risk capital requirement of W&W AG determined using our economic risk-bearing capacity model amounted to €2,048 million (previous year: €2,029 million). The risk profile of the quantified risk areas determined on this basis is distributed as follows as at 31 December 2025 is distributed as follows

- 81.5% (previous year: 81.6%) to market price risks,
- 9.2% (previous year: 9.7%) to underwriting risks,
- 7.7% (previous year: 6.8%) to counterparty credit risks and
- 1.6% (previous year: 1.9%) to operational risks.

We take business risks into account in our risk-bearing capacity calculation by applying a flat-rate discount when determining the risk cover pool. Liquidity risks are only taken into account in economic risk-bearing capacities to the extent that they are material and can be meaningfully controlled using economic risk-bearing capacity methods. Their management is therefore primarily carried out within the framework of liquidity management.

The following sections describe the individual material risk areas and, where relevant to the overall assessment, the individual types of risk.

Market price risks

At W&W AG, all types of market price risk are classified as material.

The risk profile of the market price risk area, as determined by our economic risk-bearing capacity model, is distributed as follows as at 31 December 2025: participation risk at 57.4% (previous year: 56.4%), interest rate risk at 8.3% (previous year: 9.3%), credit spread risk at 7.8% (previous year: 7.7%), equity risk at 4.5% (previous year: 4.8%) and property risk at 3.5% (previous year: 3.4%) of W&W AG's total risk capital requirement. Market price risks were consistently in line with the risk strategy in 2025. W&W AG's risk limit was consistently adhered to.

W&W AG is subject to interest rate and interest rate guarantee risks due to interest obligations to employees (pension provisions), capital investments in interest-bearing assets and subordinated bonds.

For interest-bearing securities (direct and fund holdings, including interest-related derivatives) with a market value of €2,230 million (previous year: €1,899 million), the following changes in market value would result as at 31 December 2025 in the event of a parallel shift in the swap yield curve:

Interest rate change

in € million	Market value change	
	31.12.2025	31.12.2024
Increase by 100 basis points	-103	-89
Decrease by 100 basis points	114	97

Credit spread risks arise from the bond portfolio of W&W AG, which includes not only external bonds but also, in particular, internal bonds.

Sudden and sharp declines in stock market prices can impair the value of the share portfolios held by W&W AG in the form of impairments affecting net income. For our holdings as at 31 December 2025 with a market value of €38 million (previous year: €33 million), the following changes in market value would result from an index fluctuation of the Euro STOXX 50:

Index change

in € million	Market value change	
	31.12.2025	31.12.2024
Increase by 10%	2	3
Decrease of 10%	-2	-3

Changes in the value of investments, the loss of investment income or income subsidies to be paid lead to participation risks. For W&W AG, the strategic investment portfolio represents the material risk, as W&W AG is highly dependent on the earnings situation of its subsidiary undertakings. Accordingly, write-down risks may arise if measures planned in the subsidiary undertakings to ensure and improve profitability do not have the desired effect, or only partially so.

As at 31 December 2025, capital investments in related companies and equity interests as well as in shares, investment fund units and other non-fixed-income securities had a book value under the German Commercial Code (HGB) of €3,190 million (previous year: €3,137 million). This also includes alternative investments (private equity, private debt and infrastructure investments). Shares in affiliated companies account for €1,601 million (previous year: €1,595 million). If participation risks arise, valuation losses may result in impairments on investments affecting net income, losses of investment income or income subsidies to be paid.

A material component of W&W AG's real estate portfolio, with a market value of €420 million (previous year: €450 million), is the W&W campus in Kornwestheim.

In 2025, market price risks were consistently in line with the risk strategy and strategic asset allocation. W&W AG's risk limit for market price risk was consistently adhered to.

Counterparty credit risks

At W&W AG, the risk types counterparty credit risk for capital investments and other counterparty credit risk are classified as having materiality.

W&W AG is exposed to counterparty credit risks from capital investments (proprietary business) and counterparty credit risks from contractual partners in reinsurance. The risk profile of the counterparty credit risk area, determined in accordance with our economic risk-bearing capacity model, is distributed as follows as at 31 December 2025: Counterparty Counterparty credit risks from capital investments accounted for 6.5% (previous year: 5.6%) and other counterparty credit risks for 1.2% (previous year: 1.2%) of W&W AG's total risk capital requirement. Counterparty credit risks were consistently in line with the risk strategy in 2025. W&W AG's risk limit was adhered to throughout.

The credit rating structure of our interest-bearing investments measured according to HGB book values is conservative in line with our strategic orientation, with over 96.5% (previous year: 94.9%) of investments in the investment grade range.

Interest-bearing investments – Rating (Moody's scale)

	2025		2024	
	Portfolio book value	Share	Portfolio book value	Share
	in € million	in %	in € million	in %
Aaa	540	24.0	586	30.3
Aa1	61	2.7	68	3.5
Aa2	79	3.5	61	3.1
Aa3	200	8.9	145	7.5
A1	109	4.8	34	1.7
A2	78	3.5	64	3.3
A3	333	14.8	172	8.9
Baa1	632	28.1	591	30.6
Baa2	106	4.7	88	4.5
Baa3	34	1.5	28	1.5
Non-investment grade	79	3.5	97	5.0
Non-rated	1	0.0	1	0.1
Total	2,252	100.0	1,934	100.0

Our interest-bearing investments have a good collateral structure, as shown in the table below, with a large proportion of capital investments with financial institutions secured by government guarantees or liens.

Interest-bearing investments – collateral structure

	2025		2024	
	Portfolio book value	Share	Portfolio book value	Share
	in € million	in %	in € million	in %
Public	454	20.2	486	25.1
Pfandbrief	473	21.0	453	23.4
Deposit protection or government guarantee	82	3.6	101	5.2
Uncovered	1,243	55.2	894	46.2
Total	2,252	100.0	1,934	100.0

Our subordinated commitments (profit participation rights, silent partnerships and other subordinated receivables) amount to €430 million (previous year: €346 million).

Counterparty credit risks in the reinsurance business remain low, accounting for 1.2% (previous year: 1.2%) of total risk capital requirements. No material risks are currently foreseeable. Our retrocessionaires also have very good credit ratings. At the end of the reporting period, reported receivables from reinsurance business amounted to 170 million (previous year: 283 million), 96.0% (previous year: 96.7%) of which were with companies rated „A“ or better. The portion without a rating amounts to 3.7% (previous year: 3.2%).

Of the reported receivables from reinsurers, €5 million (previous year: €41 million) were outstanding for more than 90 days as at the reporting date.

Underwriting risks

At W&W AG, the underwriting risk is classified as material.

Underwriting risks account for 9.2% (previous year: 9.7%) of W&W AG's total risk capital requirement. In 2025, underwriting risks were consistently in line with the risk strategy. W&W AG's risk limit was adhered to throughout. Of particular significance here is the technical underwriting risk from the property/casualty insurance business reinsured by Württembergische Versicherung AG. The long-term development of net loss ratios and net settlement ratios for W&W AG is as follows:

Loss and settlement ratios for own account

in %	Loss ratios	Settlement ratios
2015	65.5	2.8
2016	63.9	4.2
2017	61.5	5.6
2018	60.0	6.3
2019	64.2	4.1
2020	63.2	1.6
2021	62.5	6.9
2022	60.7	7.7
2023	74.5	4.4
2024	67.1	8.8
2025	62.0	1.7

Operational risks

At W&W AG, process risk, information risk and model risk are classified as material types of risk.

The risk capital requirement for operational risks is determined by simulation on the basis of the operational risks recorded in the risk inventory and their potential losses and probabilities of occurrence. Overall, operational risks at W&W AG contribute 1.6% (previous year: 1.9%) to the total risk capital requirement. The operational risks incurred in 2025 were consistently in line with the risk strategy. W&W AG's risk limit was consistently adhered to.

Business risks

At W&W AG, strategic risk is classified as a material risk type.

As the superordinate undertaking of the financial conglomerate and the Solvency II Group, W&W AG is subject to the same risks as those described in the section on business risks for the W&W Group.

Liquidity risks

At W&W AG, liquidity risk is classified as a material risk area.

W&W AG benefits from the diversification of its refinancing sources. Please refer to the explanations in the section on liquidity risks for the W&W Group.

Assessment of the overall risk profile of the W&W Group and W&W AG

In 2025, the W&W Group and W&W AG had sufficient financial resources to cover the risks they had taken on with a high degree of certainty, ensuring that they always had sufficient economic and regulatory risk-bearing capacities.

The current economic and geopolitical environment is characterised by a high degree of uncertainty. This applies in particular to interest rate, equity, credit spread, currency and inflation risks, as well as counterparty credit risks in capital investments and customer business. Against this backdrop, there are risks of loss for the entire financial sector, and thus also for the W&W Group, which could lead to significant risks of loss in our scenario calculations and, in extreme scenarios, could even threaten the Group's existence.

On 28 February 2026, the attack by the USA and Israel on Iran led to an escalation in the Middle East conflict, which had an impact on the energy, commodity and capital markets. The war in Iran had no impact on the IFRS consolidated financial statements as at 31 December 2025, as the war broke out at the end of February 2026 and was therefore value-determining in nature.

The W&W Group does not hold any investment portfolios in Iran. There are capital investments in neighbouring countries of Iran, Israel and countries on the Arabian Peninsula, but these play only a minor role in the overall investment exposure. Given the current situation, no significant immediate impact of the Iran war is expected with regard to existing exposures, including in sectors exposed to the war (e.g. tourism, raw materials and logistics). However, further indirect effects on capital investments, e.g. due to global economic implications, cannot be ruled out. The further course of the Iran war is being closely monitored as part of established processes.

The W&W Group operates primary insurance business in life and health and composite insurance for private and commercial customers in its core strategic market of Germany. Our portfolio of insurance contracts also includes transport insurance policies that provide risk coverage in global goods traffic. Naturally, such contractual relationships can also be affected by armed conflicts, such as those in Iran. However, these insurance contracts represent a relatively small portfolio, accounting for less than 2% of Württembergische Versicherung AG's revenue in accordance with IFRS. Based on current information, there are therefore no significant direct effects of the war in Iran on insurance technology. Depending on the duration and development of the war in Iran, however, possible negative effects on the W&W Group cannot be ruled out at this stage.

Within the underwriting risk, natural hazard risks that may be influenced by climate change are of particular relevance. Major or frequent natural hazard events can lead to higher claims expenses in the underwriting risk, but these can be mitigated by reinsurance or adjustments to insurance rates. Climate change will have a long-term impact on the frequency and severity of claims from

natural events, increase natural hazard risks and could lead to higher earnings volatility. Württembergische Versicherung AG will maintain its cautious premium calculation and defensive reserve policy.

To strengthen information security, measures to proactively manage potentially increasing threats from cyber attacks and the expansion of digitalisation were continued and improved. Nevertheless, the W&W Group cannot completely escape potential cyber risks.

New regulatory requirements continue to be implemented in our risk management system through company-wide and Group-wide projects. The Requirements for increased regulation tie up considerable financial, technical and human resources and change the legal environment, which can result in significant cost and income risks.

In view of the existing uncertainties, particularly regarding future geopolitical and economic developments, adverse effects on the financial, asset and risk situation cannot be ruled out.

Overall, however, the W&W Group has a fundamentally robust economic position. This is reflected in its risk-bearing capacity, particularly on the basis of our economic risk-bearing capacity model. Strengthening the robustness of the W&W Group remains the focus of our ongoing risk management activities.

The W&W Group has a risk management system in place that enables it to identify, assess, manage, and communicate existing and foreseeable future risks in a timely manner within the limits considered.

At the time of reporting, no risks are apparent that could jeopardise the continued existence of the W&W Group or W&W AG, given the defined risk horizon and the chosen confidence level.

Further developments and outlook

Through the continuous development and improvement of our systems, procedures and processes, we take into account changing internal and external conditions and their impact on the risk situation of the Group and the individual companies.

The systematic further development of the existing group-wide uniform risk management system is intended to ensure the stable and sustainable development of the W&W Group in the future. We intend to continuously and consistently expand the standards achieved in our risk management in the 2026 financial year. To this end, we have defined a series of measures and projects along our risk management process. We focus in particular on the following topics:

- Risk-bearing capacity: Continuation of measures to sustainably secure risk-bearing capacity in the current capital market environment.
- Regulatory requirements: Adapting the risk management system to new and changing regulatory requirements (including Solvency II review),
- Risk management system: Continuous validation and further development of risk-bearing capacity concepts and models in a dynamic environment,
- Risk identification: Further development of the risk inventory and early risk detection process in terms of expertise and technology.
- Process and data optimisation: ongoing optimisation of processes and data processing in risk management.

Overall, the W&W Group and W&W AG are well equipped to continue to successfully implement internal and external risk management requirements.

Features of the internal control and risk management system in relation to the (Group) accounting process (report pursuant to Sections 289 (4) and 315 (4) of the German Commercial Code (HGB))

The internal control and risk management system with regard to the (consolidated) accounting process comprises the principles, procedures and measures for

- ensure the effectiveness and efficiency of business activities (this also includes the protection assets, including the prevention and detection of damage to assets),
- the regularity and reliability of internal and external accounting (IFRS and HGB) and
- compliance with the legal regulations applicable to the W&W Group and W&W AG.

The Executive Board bears overall responsibility for the internal control and risk management system with regard to the (Group) accounting process, both for the

preparation of the consolidated financial statements and the combined management report, and for the preparation of the financial statements of W&W AG.

The Executive Board has entrusted the Customer Data Protection and Operational Security department with responsibility for the process-integrated control procedure system within the W&W Group. This department is responsible in particular for designing the procedure and reporting deviations to the Group Board Risk, the internal audit department and the compliance function of W&W AG.

The companies of the W&W Group are involved in the financial statement preparation process via a clearly defined management and reporting organisation. The IFRS consolidated financial statements and parts of the combined management report are prepared in particular by the Group Accounting department. The annual financial statements of W&W AG and parts of the combined management report are prepared by the Accounting Department of Württembergische Versicherung AG in particular on the basis of a business agency agreement.

The Group Audit department conducts risk-oriented and process-independent audits of the effectiveness and appropriateness of the risk management system and the internal control system.

The Supervisory Board and, above all, the Audit Committee monitor the (Group) accounting process and the (Group) audit, as well as the effectiveness of the internal control system, the risk management system and the internal audit function within the W&W Group and W&W AG.

Organisational measures have been taken and procedures implemented in the W&W Group and W&W AG to ensure the monitoring and control of risks with regard to the (Group) accounting process and the regularity of accounting. Those components of the internal control and risk management system that could influence the regulatory compliance of the consolidated and annual financial statements and the combined management report are considered material.

The material components are:

- IT application for mapping and documenting internal controls, monitoring measures and effectiveness tests relating to the (Group) accounting process,
- IT application to ensure the (consolidated) financial statement preparation process,
- organisational manuals, guidelines for internal and external accounting, and accounting instructions,
- Appropriate quantitative and qualitative staffing levels in relation to the (group) accounting process,
- Functions and tasks in all areas of the (group) accounting process are clearly assigned, and areas of responsibility and incompatible activities are clearly separated,
- Dual control principle for material (group) accounting-related processes, an access authorisation system for (group) accounting-related systems, and internal programme and manual plausibility checks throughout the entire (group) accounting process.

Business transactions and other matters are recorded and documented for the purposes of the consolidated and financial statements using various systems, which are posted to accounts in a centralised system solution via automated interfaces, taking into account (group) accounting guidelines. The material upstream systems are the SimCorpDimension securities management system, the inventory management systems for insurance contracts and the home loan and savings bank, the commission accounting systems and the customer current accounts.

To prepare the consolidated financial statements, the information on business transactions and other matters contained in the local accounting systems of the companies and investment funds is aggregated into consolidated reporting data. The accounting representation of capital investments in an administration system for the purposes of the consolidated and annual financial statements and their transformation into consolidated reporting data is carried out centrally by Wüstenrot Bausparkasse AG within the framework of a service agreement.

The consolidated reporting data is supplemented with additional information on standardised reporting packages at the level of the respective fully consolidated company and then checked for plausibility manually and automatically.

The respective companies are responsible for the completeness and accuracy of the standardised reporting packages. The standardised reporting packages are then transferred centrally by the Group Accounting department to consolidation software and subjected to validation.

In this consolidation software, all consolidation steps for preparing the consolidated financial statements are carried out and documented by the Group Accounting department. The individual consolidation steps include system-immanent plausibility checks and validations.

All quantitative information relating to the individual components of the consolidated financial statements, including the quantitative disclosures in the notes, is generated primarily from this system solution.

Outlook

The overall economic developments and relevant framework conditions are based on the company's assessments, which are based on relevant analyses and publications by various renowned economic research institutes, the German government, the Bundesbank, the Bloomberg consensus and industry and trade associations.

Macroeconomic outlook

In 2026, the German economy is expected to grow more strongly than in 2025. The most important reason for this assumption is a significantly more expansionary fiscal policy in view of the reform of the debt brake and the creation of new special funds. Accelerated depreciation options („investment boosters“), the ECB's renewed reduction in key interest rates and the more favourable growth outlook also point to a revival in corporate investment activity. In the construction sector too, fiscal and monetary policy stimuli and the current gradual rise in property prices point to a recovery. Private consumer demand is also likely to benefit from real wage growth. However, these more confident prospects remain subject to the proviso that there are no unfavourable geopolitical developments. In particular, a resurgence of the trade dispute with the US government would mean significant losses in export business and corresponding burdens on the economy from the EU's perspective. Renewed escalations of military conflicts in global trouble spots could also lead to burdens in 2026.

After inflation in the EMU and Germany had already largely approached the ECB's target of 2% in the previous year, the current year is likely to see a stable development in price inflation rates from a macroeconomic perspective. The economic stimulus provided by accelerating economic growth will be largely offset by price-reducing effects in the energy sector and continued moderate wage growth.

The development of short-term interest rates is closely linked to the development of key interest rates. After the ECB lowered its deposit rate to 2% in 2025, according to statements by the European Central Bank, a largely passive interest rate policy is to be expected. In the longer term, a continuation of the gradual upward trend in yields

over the course of the year seems most likely. This is supported by somewhat brighter economic prospects, the end of the ECB's key interest rate cuts and, in particular, a higher supply of German government bonds due to a noticeable increase in government debt. The decline in inflation and lower key interest rates should limit the extent of the rise in yields. Persistent political uncertainties could have a similar effect, keeping investor interest in high-quality bonds high.

Following the price gains on European stock markets in previous years, the outlook for the stock market in 2026 is more subdued. High valuations and tendency of investors to realise profits through sales could lead to price corrections. The political environment could also weigh on European stock markets in view of new crisis hotspots or renewed trade disputes between the major economic powers. On the other hand, the ECB's lowered key interest rate and expected further cuts by the US Federal Reserve point to a favourable monetary environment for the stock markets. The price targets set by the world's leading US stock exchanges could also be positive if the Trump administration's business-friendly economic policy leads to rising share prices. In addition, large European companies have already proven in previous years that they were able to increase their profits even in a subdued economic environment, which provided fundamental support for the upward trend in share prices. Limited price gains on the stock market appear to be the most likely scenario for this year. However, in the event of unfavourable economic or geopolitical developments, significant price losses cannot be ruled out. Surprisingly significant price gains, on the other hand, would be conceivable, for example, if the war in Ukraine were to end.

Industry outlook

The initial situation for residential construction, individual construction projects, the transaction market for existing properties and the market for (energy-efficient) residential building renovation is mixed. On the one hand, construction cost inflation, which continues to exceed general price trends, is hampering new residential construction in particular. On the other hand, measures taken by the federal government, such as the temporary resumption of KfW 55 new construction subsidies, are benefiting new construction activity. Moderate property prices compared to the peak in 2022 and improved government subsidies for

home ownership may further support the transaction market. However, uncertainty among those wishing to modernise their homes is being caused by a forthcoming amendment to the Building Energy Act (GEG) and the associated subsidy framework in connection with the change of government. In addition, unclear employment and income prospects for many households are weighing on the further development of the construction financing market. Demand for home loan savings contracts is likely to pick up again, as the need for interest rate hedging increases in view of higher interest rates. In addition, the age structure of existing properties is ensuring a further growing need for modernisation.

The German Insurance Association (GDV) expects a slight decline in regular premiums for life insurance policies in 2026 and a slight increase in single-premium business.

In property/casualty insurance, the GDV expects growth in premium income to slow to 5.4% in 2026, following high inflation-driven growth rates in recent years. The forecast remains subject to considerable uncertainty in the current environment.

Company outlook

Our forecasts are based on the assessments set out in the chapter on macroeconomic forecasts and on our group-wide planning process (see section on management system). We anticipate stronger overall economic growth and largely constant inflation compared with 2025.

Future business performance of the W&W Group (IFRS)

On this basis, we expect **consolidated net income after taxes (IFRS)** of between €120 million and €150 million in the 2026 financial year. The main drivers for this are the elimination of the special effect from the revaluation of deferred taxes and an increase in net interest income. In contrast, we expect a normalisation and thereby deterioration in the claims experience compared with the previous year.

In the 2026 financial year, we expect gross general **administrative expenses** within the Group to remain at the level of the reporting year. We anticipate that the

increase in personnel expenses will be largely offset by the targeted increase in productivity.

Our goal for 2026 is to acquire at least 400 thousand **new customers**.

Housing segment

For the 2026 financial year, we expect the **segment result after taxes** in the Housing segment to be materially higher than in the reporting year, mainly due to the expected interest rate development and a decline in project-related costs and targeted cost-saving measures.

We expect general **administrative expenses** for the 2026 financial year to be materially below the level of the reporting year.

For **new construction financing business** (assumptions), we expect a moderate increase in 2026 compared with the previous year. This development is based on the expectation that market growth in the construction financing sector will continue. We expect **net new business in home loan savings** to increase significantly in the 2026 financial year compared with the previous year. This is supported by the continuing high level of interest in interest rate hedging products, which is reflected in growing customer demand for long-term savings and financing solutions. The prevailing conditions on the construction financing market, such as increasing pressure to renovate, declining affordability of home ownership, a more attractive subsidy landscape and the continuing high demand for home ownership, are also boosting demand.

Life and Health Insurance segment

For fiscal year 2026, we expect the **segment result after taxes** in the Life and Health Insurance segment to be significantly higher than in the reporting year. This is mainly due to the elimination of the one-off valuation adjustment of deferred taxes at Württembergische Lebensversicherung AG as a result of the lower corporate tax rate in future.

We expect general **administrative expenses** (gross) to be moderately above the level of the reporting year in 2026, mainly due to rising personnel costs.

For **new business based on total premiums**, we anticipate a slight increase in the 2026 financial year compared with 2025, partly due to the promotion of company pension schemes and expansion in the brokerage segment.

Property/Casualty Insurance segment

In the 2026 financial year, we expect the **segment result after tax** in the Property/Casualty Insurance segment to be significantly below the high level of the reporting year due to a normalisation caused by rising natural hazards.

Due to the targeted portfolio growth, we expect **administrative expenses** (gross) to rise slightly in 2026 despite expected efficiency gains.

We continue to strive for profitability-oriented growth and therefore expect **new and replacement business** (based on the annual contribution to the portfolio) in the 2026 financial year to be significantly below the above-target level of the previous year.

Future business performance of W&W AG (HGB)

Due to its structure as a holding company, W&W AG's net income for the year according to HGB is determined by the dividends and profit transfers from its subsidiary undertakings and investments.

In the 2026 financial year, we expect **net income after taxes (HGB)** to be slightly higher than in the previous year, mainly due to higher earnings contributions from operating investments.

Forward-looking statements

This management report, and in particular the forecast report, contains forward-looking statements and information.

These forward-looking statements represent estimates based on information available at the present time and considered to be of materiality. They may be related to known and unknown risks, uncertainties and insecurity, but also to opportunities. The multitude of factors influencing our business activities may cause actual results to differ from those currently expected.

The risks facing the W&W Group are explained in detail in the „Risk Report“ section of our annual report. In particular, the development of claims, mainly from natural events, represents a risk factor for earnings, alongside macroeconomic, geopolitical, (tax) legal and capital market developments. Possible negative effects due to the war in Iran cannot be ruled out at this point in time. In addition, there is a risk of potentially volatile earnings due to valuation effects from fair value measurement in accordance with IFRS 9 and 17.

We cannot therefore guarantee the accuracy of forward-looking statements.

Other disclosures

Disclosures pursuant to Sections 289a and 315a HGB

In accordance with Sections 289a and 315a HGB, the following statements must be made as at 31 December 2025, insofar as they are relevant to Wüstenrot & Württembergische AG:

Composition of subscribed capital

The share capital of W&W AG in the amount of €490,311,035.60 is divided into 93,749,720 fully paid-up registered shares.

A total of 842 shares are excluded from voting rights within the meaning of Section 136 (1) of the German Stock Corporation Act (AktG), as these shares are held by members of the Supervisory Board and members of the Executive Board. W&W AG has no rights to treasury shares pursuant to Section 71b of the German Stock Corporation Act (AktG). W&W AG does not hold any treasury shares as at 31 December 2025. A total of 239,258 employee shares are subject to a restriction on sale. The restriction applies to 85,195 employee shares until April/May 2026, to 82,456 employee shares until April/May 2027 and to 71,607 employee shares until April/May 2028. The restriction on sale begins on the day the acquired employee shares are booked into the employees' securities account. There are no further restrictions relating to voting rights or the transfer of registered shares. Each share grants one vote at the Annual General Meeting. The shareholders' shares in the company's profits is determined by their share in the share capital (Section 60 AktG). In the event of an increase in the share capital, the profit participation of new shares may be determined in deviation from Section 60 (2) AktG.

Shareholders' entitlement to securitisation of their shares is excluded in accordance with Section 5 (3) of the Articles of Association.

The shareholder structure of W&W AG, Kornwestheim, remained stable during the reporting year. The non-profit Wüstenrot Stiftung foundation, Gemeinschaft der Freunde Deutscher Eigenheimverein e. V., Ludwigsburg, holds an indirect stake in W&W AG totalling 67.38% via two holding companies. Of this, WS Holding AG, Stuttgart, holds 27.47% and Wüstenrot Holding AG, Ludwigsburg, holds 39.91%. Another major shareholder of W&W AG is FS BW Holding

GmbH, Munich, with more than 10% of the shares. 0.00% of the issued shares are non-voting treasury shares.

There are no shares with special rights that confer control powers. There are no voting rights mechanisms for employee shareholdings.

Provisions concerning the appointment and removal of Executive Board members and the amendment to the Articles of Association

The appointment and dismissal of members of the Executive Board is governed by Section 6 (1) of the Articles of Association, Sections 84 and 85 of the AktG in conjunction with Section 31 of the German Co-Determination Act (MitbestG) and Sections 24 and 47 of the German Insurance Supervision Act (VAG). Amendments to the Articles of Association are generally made in accordance with Sections 124 (2) sentence 3, 133 (1), 179 et seq. of the AktG. However, in accordance with Section 18 (2) of the Articles of Association in conjunction with Section 179 (2) sentence 2 AktG, however, resolutions to amend the Articles of Association are passed by the Annual General Meeting with a simple majority of the share capital represented at the time the resolution is passed, unless the law – e.g. for an amendment to the company's purpose – mandatorily prescribes otherwise. Pursuant to Section 179 (1) sentence 2 AktG in conjunction with Section 10 (10) of the Articles of Association, the Supervisory Board is authorised to resolve amendments to the Articles of Association that only concern the wording. The Executive Board has no powers beyond the general statutory duties and authorisations of an Executive Board under German company law.

Powers of the Executive Board to issue shares

Authorised Capital 2024

Pursuant to Section 5 (5) of the Articles of Association, the Executive Board is authorised, with the approval of the Supervisory Board, to increase the Company's share capital by 13 May 2029 by issuing new registered no-par value shares against cash and/or non-cash contributions, either once or several times, but by a maximum total of €100,000,000.00 (Authorised Capital 2024).

Shareholders are entitled to a statutory subscription right. Shareholders may also be granted statutory subscription rights in such a way that the new shares are taken over by one or more credit institutions or companies equivalent to these in accordance with Section 186 (5) of the AktG with

the obligation to offer them to shareholders for subscription (indirect subscription rights).

However, the Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' statutory subscription rights in the following cases:

- for fractional amounts; or
- in the case of capital increases against contributions in kind, in order to be able to offer the new shares in the context of business combinations or the (direct or indirect) acquisition of companies, parts of companies or interests in companies, or for the (direct or indirect) acquisition of other assets (including receivables, even if they are directed against the company or Group companies); or
- if the new shares are issued in accordance with Section 186 (3) sentence 4 of the AktG against cash contributions at an issue price that is not materially lower than the stock market price of the shares already listed on the stock exchange and the proportionate amount of the new shares in the share capital does not exceed 20% of the share capital at the time of entry of this authorisation in the commercial register or – if lower – at the respective time of exercise of the authorisation. Any other shares that may be newly issued by the company during the term of this authorisation, excluding subscription rights in accordance with Section 186 (3) sentence 4 AktG, as part of a cash capital increase, or sold after repurchase, shall be counted towards the 20% limit. Shares relating to debt securities or profit participation rights with conversion or option rights or obligations or share delivery rights of the company that have been issued by the company or its subordinate group companies during the maturity of this authorisation in accordance with Section 221 (4) sentence 2 in conjunction with Section 186 (3) sentence 4 AktG by the company or its subordinate Group companies, an option or conversion right, a conversion or option obligation or a share delivery right in favour of the company exists; or
- to the extent necessary to grant holders or creditors of option rights or convertible bonds or profit participation rights issued or to be issued by the company or its subordinate Group companies to grant them subscription rights to new shares to the extent to which they would be entitled after exercising the option or conversion rights or after exercising share delivery rights or fulfilling conversion or option obligations.

The Executive Board is authorised, with the approval of the Supervisory Board, to determine the profit participation of the new shares in deviation from Section 60 (2) of the AktG and to determine the further details of capital increases from Authorised Capital 2024 and their implementation, in particular the issue price and the contribution to be made for the new no-par value shares. The Supervisory Board is authorised to amend the wording of the Articles of Association after each increase in share capital from Authorised Capital 2024 in accordance with the respective increase in share capital and after expiry of the authorisation period.

Contingent Capital 2024/Authorisation to issue warrant bonds, convertible bonds, profit participation certificates, profit participation bonds or a combination of these instruments

By resolution of the Annual General Meeting on 14 May 2024, the Executive Board was authorised until 13 May 2029 to issue options, convertible bonds, profit participation rights, profit bonds or a combination of these instruments. Section 5 (6) of the Articles of Association stipulates accordingly that the share capital is conditionally increased by up to €240,000,003.46, divided into up to 45,889,102 registered no-par value shares (conditional capital 2024). The conditional capital increase will only be carried out if:

- the holders or creditors of option or conversion rights or the persons entitled to exercise options or convertible debt securities or profit participation rights issued by the company or a subordinate Group company of the company on the basis of the authorisation of the Executive Board by resolution of the Annual General Meeting on 14 May 2024 until 13 May 2029 or guaranteed by the company exercise their options or conversion rights; or
- the holders or creditors of debt securities or profit participation rights issued by the Company or a subordinate Group company of the Company on the basis of the authorisation of the Executive Board by resolution of the Annual General Meeting from 14 May 2024 to 13 May 2029 or guaranteed by the Company are obliged to exercise options or convert and fulfil this obligation; or

- the company exercises a right of election, to the holders or creditors of debt securities or profit participation rights issued by the company or a subordinate Group company of the company on the basis of the authorisation of the Executive Board by resolution of the Annual General Meeting of 14 May 2024 until 13 May 2029 or guaranteed by the company, to deliver shares in the company in whole or in part in lieu of the monetary amount due, unless cash compensation is granted or shares from authorised capital, treasury shares or shares in another listed company are used for servicing. The new shares shall be issued at the option or conversion price to be determined in accordance with the above-mentioned authorisation resolution of 14 May 2024. The new shares shall take effect from the beginning of the financial year in which they are issued. The Executive Board is to the extent permitted by law, authorised, in the event that no resolution has been passed on the appropriation of profits for the financial year immediately preceding the year of issue at the time of issue of the new shares, to determine, with the approval of the Supervisory Board, to determine that the new shares shall participate in profits from the beginning of the financial year immediately preceding the year of issue. The Executive Board is also authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The authorisation granted by the resolution of the Annual General Meeting on 14 May 2024 to issue debt securities or profit participation rights may only be exercised if the debt securities or profit participation rights are structured in such a way that the capital paid in for them meets the regulatory requirements applicable at the time the authorisation is exercised for recognition as own funds at company level and/or group level and/or at the level of a financial conglomerate and does not exceed any regulatory limits on borrowing. Furthermore, the authorisation granted by the resolution of the Annual General Meeting on 14 May 2024 may only be exercised by issuing debt securities and profit participation rights by subordinate Group companies and guaranteeing them by the company if this is permissible under the relevant regulatory provisions.

Authorisation to purchase and use own shares

By resolution of the Annual General Meeting on 14 May 2024, the Executive Board was authorised in accordance with Section 71 (1) No. 8 of the AktG until 13 May 2029, with the approval of the Supervisory Board, to acquire treasury shares amounting to up to a total of 10% of the share capital existing at the time of the resolution or – if this value is lower – the share capital existing at the time the authorisation is exercised, and to use them for all legally permissible purposes. Together with other treasury shares held by the company or attributable to it pursuant to Sections 71a et seq. of the AktG, these may not at any time exceed 10% of the share capital. The shares acquired in accordance with this authorisation may be used for all legally permissible purposes, in particular those specified in the authorisation, excluding shareholders' subscription rights.

Change-of-control agreements

There are no material agreements of W&W AG or W&W AG as the parent undertaking that are subject to the condition of a change of control as a result of a takeover bid.

Change of control remuneration agreements

There are also no compensation agreements that were made with members of the Management Board or employees in the event of a takeover bid.

Corporate governance statement

Wüstenrot & Württembergische AG (W&W AG) hereby provides insight into its corporate governance practices within the framework of the corporate governance statement pursuant to Section 289f of the HGB and, for the W&W Group, pursuant to Section 315d HGB in conjunction with Section 289f HGB. Throughout the W&W Group, corporate governance stands for responsible management and control of the companies, geared towards long-term value creation. We want to confirm and continuously strengthen the trust placed in us by our customers, investors, financial markets, business partners, employees and the public. Good relations with shareholders, transparent and timely reporting, and effective and constructive cooperation between the Executive Board and the Supervisory Board are material factors in this regard.

We are guided by our corporate values in this regard. We have set out our principles of conduct in our Code of Conduct, which can be viewed at www.ww-ag.com/en/about-us/compliance. In addition to complying with binding legal requirements, corporate governance for us also includes ethically impeccable conduct. Our basic idea of correct conduct is based, as is the German Corporate Governance Code (GCGC), on the model of the honourable businessman.

W&W AG was designated as the parent financial conglomerate. With the spin-off of WS Holding AG from Wüstenrot Holding AG in 1 August 2016, the financial conglomerate now consists of W&W AG and W&W AG's affiliated companies.

The W&W AG insurance group falls within the scope of Solvency II and is therefore also subject and is therefore also subject to supervision by BaFin. W&W AG is the ultimate parent undertaking of the W&W AG Solvency II Group.

Statement of compliance by Wüstenrot & Württembergische AG with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG) of December 2025

The German Corporate Governance Code contains principles, recommendations and suggestions for the management and supervision of a company in its own interests. We support this approach and particularly welcome the fact that the GCGC is based not only on legal standards, but also on ethical and moral standards in particular. We are convinced that compliance with these parameters is also crucial to the success of a company. The existing deviations of our Group from the recommendations of the GCGC should therefore not be understood as a rejection of the related objectives, but are solely attributable to the specific characteristics of our Group. As a generally applicable code, the GCGC cannot reflect these specific characteristics, which is why the preamble to the GCGC already points out that deviations from the recommendations of the code may be in the interests of good corporate governance. The Executive Board and Supervisory Board of W&W AG are convinced that this is the case in every instance of deviation from the recommendations. The respective significant reasons for any deviation are set out in the following statement of compliance in accordance with Section 161 of the AktG. With this in mind, the Executive Board and Supervisory Board of W&W AG declare the following:

Since submitting its last statement of compliance in December 2024, or, insofar as the statement of compliance was updated in April 2025, W&W AG has complied with the recommendations of the Government Commission on the German Corporate Governance Code in the version dated April 28, 2022, as published by the Federal Ministry of Justice in the official section of the Federal Gazette, and will continue to comply with them in the future, with the following exceptions:

At the end of March 2025, the Supervisory Board appointed Mr Matthias Bogk to the Executive Board of the company for a term of five years. As this was a first-time appointment, the term of appointment deviated from recommendation B.3 of the Code. According to this recommendation, the initial appointment of members of the Executive Board should be for a maximum of three years. The deviation was based on the fact that Mr Bogk had already been a member of the Executive Board of another company in the W&W Group since 2019.

This meant that the uncertainty inherent in the initial appointment of a member of the Executive Board as to whether the candidate was suitable for the position did not apply. A reduction in the risk that the company would be tied to a potentially unsuitable candidate for a long period of time was therefore not necessary.

Contrary to Recommendation G.10, sentence 1 of the Code, the variable remuneration amounts granted to the Executive Board are not predominantly invested by the Executive Board in shares of the company, taking into account the respective tax burden, or granted on a share-based basis. The remuneration system for members of the Executive Board of Wüstenrot & Württembergische AG provides a variety of incentives for members of the Executive Board to focus their actions on sustainable and long-term corporate development. Additional investment of variable remuneration amounts in shares of the company or share-based granting of variable remuneration amounts therefore does not appear necessary.

Contrary to Recommendation G.15 of the Code, any remuneration received by members of the Executive Board for serving on internal Supervisory Board mandates has not been credited to their remuneration as members of the Executive Board. At its meeting on 23 September 2024, the Supervisory Board resolved that, in future, remuneration received by members of the Executive Board for holding internal Supervisory Board mandates within the Group shall be offset against their Executive Board remuneration in the event of new appointments or reappointments. The remuneration system was adjusted accordingly by the Supervisory Board in March 2025 and approved by the Annual General Meeting in May 2025. Accordingly, recommendation G.15 of the Code will be complied with in future when concluding new and extending existing Management Board contracts.

Further information on corporate governance practices

Beyond the requirements of the GCGC and legal requirements, W&W AG uses a variety of additional instruments to ensure the best possible corporate governance and organisation.

A group-wide compliance management system ensures compliance with national and European legal and regulatory provisions as well as internal company regulations. This includes all measures and processes established within the W&W Group to monitor compliance with regulations. A material component of the W&W

compliance management system and the W&W compliance organisation is the compliance function, which is embedded in the W&W governance system and part of the W&W Group's internal control system.

In addition to the compliance function and the compliance officer, individual subsidiary undertakings have their own compliance officers and contact persons in some cases, who are in close contact with the W&W Group's compliance officer. To continuously optimise integrity in the W&W Group's exclusive sales organisations, the compliance function is supported by sales compliance officers from the two Housing divisions and the Insurance division. These officers take into account the specific sales-related and are available as separate contact persons and coordinators specifically for sales issues.

A compliance control loop has been established within the W&W Group in order to take account of the relevant regulatory requirements on the one hand and to prevent unlawful conduct on the other. The compliance function is responsible for monitoring compliance with identified relevant and material legal obligations and for ensuring that these are complied with. It coordinates the operational implementation of the compliance control loop and the management of rule violations. The entire process is managed and implemented in a uniform manner, in particular by means of a software-based workflow procedure involving various internal and external information sources.

A Group Compliance Committee has been established as a basis for regular information exchange and to increase efficiency. This committee meets regularly at the invitation of the compliance function and consists of representatives from all compliance-relevant areas (including group law, risk management/controlling, internal auditing, group accounting, taxes, sales compliance, fraud and money laundering prevention, securities compliance, data protection/information security, outsourcing management). In addition, important findings and issues relating to compliance are reported to the Management Board and Supervisory Board. Furthermore, training courses on compliance topics are held regularly and as required for employees at all hierarchical levels of the W&W Group.

In order to provide W&W Group employees with binding guidance on the implementation of external and internal legal requirements in their daily work, including with regard to ethically sound conduct, a code of conduct has been established and is continuously updated. This code sets out the minimum standard that governs the conduct of all employees of the W&W Group in their dealings with each other and in their interactions with customers, competitors, business partners, authorities and shareholders. It is made available to new employees upon joining the W&W Group and is a central element of the compliance culture. A supplementary handbook explains the provisions of the code using specific examples and describes potential conflict situations and how to deal with them correctly. There are also special codes of conduct for the sales organizations in the two Housing divisions: the Residential Real Estate division and the Insurance division. In order to create a uniform understanding of the Code of Conduct throughout the W&W Group, comparable regulations have been implemented at the Irish subsidiary.

W&W AG, together with its subsidiary undertakings that conduct primary insurance business, has acceded to the „Code of Conduct for the Distribution of Insurance Products“ of the German Insurance Association (GDV). Since the amendment of the GDV Code on 25 September 2018, checks are carried out every three years to ensure that its regulations are incorporated into the company's own (internal) regulations and are being practised. The review by independent bodies provided for in the Code of Conduct was last carried out between January and March 2023. The Code and the audit reports can be viewed at www.gdv.de.

Employees of the W&W Group and third parties have access to a central whistleblower system located within the compliance function, in addition to other contact points. This serves to identify and combat abuses caused by violations of legal or internal company regulations. Corresponding reports can be submitted to the compliance function with confidentiality guaranteed. Anonymous reports are also possible, in particular through an additional reporting channel to the compliance function in the form of an online reporting system.

The W&W Group places its business activities in the context of sustainable action. As a specialist in provision

for the future in the areas of insurance, home ownership, risk protection and wealth creation, it generates value and sustainable growth. This understanding is not only part of W&W's business strategy, but is also explicitly and bindingly incorporated into W&W AG's sustainability strategy. This strategy covers specific key areas in which goals and measures are defined that serve to implement the W&W Group's sustainability ambitions. The goals and measures of the sustainability strategy are updated annually and adjusted as necessary. In addition, the W&W Group has established a Code of Conduct for Sustainability, which defines specific sustainability standards and forms the basis for the W&W Group's cooperation with suppliers, service providers and business partners. The Code of Conduct for Sustainability and an overview of our sustainability activities can be viewed at www.ww-ag.com/en/about-us/sustainability.

Overarching sustainability management is anchored in the Group Development department in order to further intensify the W&W Group's sustainability activities and meet increasing requirements. As part of this process, a Sustainability Board was established, comprising the Sustainability Officer (Chair of the Sustainability Board), members of the Executive Board of W&W AG, the sustainability coordinators of the business areas and managers from various areas of the Group. The Sustainability Board analyses social developments and trends relating to sustainability on a quarterly basis, assesses the strategic orientation against the backdrop of current and expected standards and regulations, and initiates and supports the resulting sustainability activities.

By signing the Principles for Sustainable Insurance and the Principles for Responsible Investment, the W&W Group is underlining its sustainability activities. By joining these initiatives, the W&W Group is not only strengthening environmental, social and corporate governance (ESG) aspects in its Insurance business, but also underlining the sustainable orientation of its investment business.

In addition, by signing the „Diversity Charter“, the W&W Group is committing itself to promoting diversity within the company. In doing so, the W&W Group aims to be even more active in creating an appreciative working environment for all employees – regardless of age, ethnic

origin and nationality, gender and gender identity, physical and mental abilities, religion and worldview, sexual orientation and social background.

Further information on the W&W Group's voluntary commitments can be found at www.ww-ag.com/en/about-us/sustainability.

Structure of W&W AG

As a German stock corporation, W&W AG has a general meeting, an Executive Board and a Supervisory Board. Their tasks and powers are derived from the law, the articles of association, the rules of procedure, co-determination rights and internal company regulations.

In addition, special supervisory rules of the insurance and banking supervisory authorities apply, which supplement and modify the general requirements for business organisation, qualifications of members of the Executive Board, members of the Supervisory Board and other persons.

Annual General Meeting

The Annual General Meeting decides in particular on the discharge of the members of the Executive Board and the Supervisory Board, the appropriation of net retained profits, the election of the auditor, the election of shareholder representatives to the Supervisory Board, the remuneration system for members of the Executive Board, amendments to the Articles of Association and capital measures.

The Annual General Meeting on 22 May 2025 was held as a virtual Annual General Meeting, i.e. without the physical presence of shareholders or their proxies (with the exception of the proxies appointed by the company).

All persons who are registered as shareholders in the share register and who have registered for the Annual General Meeting are entitled to participate in the Annual General Meeting of W&W AG and to exercise their voting rights. Each share grants one vote at the Annual General Meeting. Shareholders were able to exercise their voting rights by postal vote or by giving instructions to the company's proxies. Registered shareholders were able to follow the Annual General Meeting in its entirety via the company's online service. The Annual General Meeting approved all resolutions and election proposals put forward by the Executive Board and the Supervisory Board. The voting results are published on the company's

website at www.ww-ag.com/de/investor-relations/aktie/hauptversammlung-ww-ag.

Executive Board

The Executive Board manages W&W AG on its own responsibility with the aim of creating sustainable value in the interests of the W&W Group. It represents the company in transactions with third parties.

The Executive Board of W&W AG consists of three members.

Members of the Executive Board

Jürgen A. Junker (Chairman)

Matthias Bogk (from 1 July 2025)

Alexander Mayer (until 30 June 2025)

Jens Wieland

Tasks and working methods of the Executive Board

The material tasks of the Executive Board are the strategic orientation and management of the W&W Group, including compliance with and monitoring of an efficient risk management system. The Executive Board ensures that there is an appropriate and effective internal audit and control system. It defines the strategies, ensures that the company has a suitable and transparent organisational and operational structure, and defines the company's policy. The detailed organisation of the Executive Board's activities is regulated in the rules of procedure.

The central management bodies of the W&W Group are: the Management Board, the BSW Executive Committee, the Insurance Division Board and the Group Boards. The Executive Board of W&W AG, together with the heads of the Housing division and the Insurance division, forms the Management Board. The Management Board is the central steering committee of the W&W Group, which is responsible, among other things, for group management and for defining and developing the business strategy for the W&W Group. In addition, the Management Board serves as a forum for professional exchange between the Executive Board and the heads of the business segments in integration of the business segments into the Group strategy. The Management Board meets regularly, at least once a month. These meetings also serve as Executive Board meetings of W&W AG.

The BSW Executive Board meeting and the Division Board coordinate and decide on business area-specific issues. They meet at least once a month and also serve as Executive Board meetings of the individual companies. The Group Boards coordinate cross-business area initiatives in the areas of sales, risk and human resources.

Due to its small size, the Executive Board of W&W AG does not have any committees.

The Chairman of the Executive Board is responsible for coordinating the cooperation between the Executive Board and the Supervisory Board. He maintains regular contact with the Chairman of the Supervisory Board and consults with him on the company's strategy, business development, risk situation, risk management and compliance. He informs the Chairman of the Supervisory Board immediately of any important events that are of materiality for the assessment of the situation and development as well as for the management of the company. The Executive Board coordinates the strategic orientation of W&W AG and the W&W Group with the Supervisory Board. In addition, the Executive Board reports to the Supervisory Board regularly, promptly and comprehensively on all issues relevant to W&W AG and the W&W Group in terms of strategy, planning, business development, risk situation, risk management and compliance. Further details are set out in the rules of procedure for the Executive Board.

In view of the special features of the Housing division and the Insurance division, as well as the joint group perspective, the members of the Executive Board of W&W AG are required to have proven experience, specialist knowledge and expertise in the insurance, banking and home loan sectors, as well as several years of management experience. All members of the Executive Board meet these criteria. Compliance with comprehensive regulatory requirements regarding the professional suitability and reliability of the members of the Executive Board is ensured.

Diversity concept and information on gender-specific targets, minimum quotas and their achievement

As part of the diversity concept established by the Supervisory Board for the Executive Board, the Executive Board aims to achieve sufficient diversity in terms of gender, age and different professional backgrounds, expertise and experience. In accordance with stock corporation law, the Supervisory Board of W&W AG has set the target proportion of women on the Executive Board at at least one woman. This proportion of women is to be achieved by 30 June 2029. In addition, the age limit of 65 years stipulated as a target provision in Section 1 (4) of the Rules of Procedure for the Executive Board must be observed and may not be exceeded by any member of the Executive Board. The members of the Executive Board should complement each other in terms of their background, professional experience and expertise so that proper corporate governance is ensured. This is reviewed and determined once a year by the Personnel Committee and the Supervisory Board.

The Supervisory Board works with the Executive Board to ensure long-term succession planning. If the Executive Board identifies potential candidates for management positions as part of its management development programme, it nominates them to the Chairman of the Supervisory Board. The Personnel Committee includes these candidates in its regular discussions on long-term succession planning for the Executive Board, where appropriate. In doing so, it takes into account the company's management planning.

The Executive Board has set a quota of 30% for women in the first and second management levels below the Executive Board, with a target date of 30 June 2027.



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Supervisory Board

In accordance with the legal requirements of the German Co-Determination Act, the Supervisory Board of W&W AG consists of a total of twelve members, six of whom are representatives of the shareholders and six of whom are representatives of the employee.

Members of the Supervisory Board: Overview of qualifications

	Periods of affiliation	Personal suitability			Diversity	
	Entry date (month/year)	Regulatory requirements	Independence	No Overboarding ¹	Gender	Year of birth
Shareholder representatives						
Dr Michael Gutjahr (Chairman)	9/2022	✓	✓	✓	Male	1957
Dr Frank Ellenbürger	5/2021	✓	✓	✓	Male	1960
Prof. Dr. Nadine Gatzert	6/2018	✓	✓	✓	Female	1979
Dr Wolfgang Salzberger	9/2022	✓	✓	✓	Male	1963
Jutta Stöcker	6/2016	✓	✓	✓	Female	1954
Edith Weymayr	9/2022	✓	✓	✓	Female	1964
Employee representatives						
Frank Weber (Deputy Chair)	6/2006	✓	–	✓	Male	1966
Hartmut Bader	5/2024	✓	–	✓	Male	1967
Jutta Eberle	5/2021	✓	–	✓	Female	1973
Petra Knodt	4/2025	✓	–	✓	Female	1963
Bernd Mader	6/2016	✓	–	✓	Male	1968
Petra Sadowski	5/2024	✓	–	✓	Female	1963

¹ In accordance with the German Corporate Governance Code

✓ Criterion fulfilled. The criteria for professional suitability are based on an annual self-assessment by the Supervisory Board. A tick means at least „good knowledge“ and thus the ability to understand the relevant issues well and make informed decisions on the basis of existing qualifications and the training measures regularly undertaken by all members of the Supervisory Board. On a scale of A-E, this corresponds to a rating of at least B.

The overview also serves to fulfil the disclosure requirement in accordance with ESRS 2.21 c) in disclosure requirement GOV-1 – The role of the administrative, management and supervisory bodies with regard to the relevant experience of the members of the Supervisory Board.

The Supervisory Board strives for a composition that ensures qualified supervision and advice for the Executive Board of W&W AG. Supervisory Board members are therefore subject to special requirements in terms of their qualifications, reliability and independence. These objectives take into account the legal requirements for the composition of the Supervisory Board and the relevant recommendations of the German Corporate Governance Code. In addition to these personal requirements for each individual Supervisory Board member, there is a competence profile and a diversity concept for the entire board.

With regard to the Housing division and the Insurance division, as well as the joint group perspective, the candidates proposed by the Supervisory Board for election to the board are assessed in terms of their expertise, experience and specialist knowledge, particularly in the insurance, banking and home loan sectors, as well as individual skills. Further criteria for the Supervisory Board's nominations to the Annual General Meeting are the independence and availability of the candidates.

In the opinion of the shareholder representatives on the Supervisory Board, all shareholder representatives on the Supervisory Board are independent.

Tasks and working methods of the Supervisory Board

The detailed organisation of the Supervisory Board's activities is regulated in rules of procedure. The Supervisory Board meets at least twice per calendar half-year. In addition, the Supervisory Board meets as required. Four regular meetings were held in the 2025 financial year.

The Supervisory Board regularly reviews the efficiency of its activities. The next efficiency review will be carried out in the 2026 financial year. The review of the Supervisory Board's activities is carried out using an internally prepared questionnaire. The focus is on the topics of information provided to the Supervisory Board and its committees, the conduct of Supervisory Board and committee meetings, the structure and composition of the Supervisory Board and its committees, and conflicts of interest/other matters.

Conflicts of interest, in particular those arising from consulting or executive functions for customers, suppliers, lenders or other third parties, are disclosed to the

Supervisory Board (Chairman) and included in the Supervisory Board report.

Committees of the Supervisory Board

In the 2025 financial year, the Supervisory Board of W&W AG established four standing committees, namely the Risk and Audit Committee, the Nomination Committee, the Personnel Committee and the Mediation Committee.

Risk and Audit Committee

The committee meets twice a year to prepare for the Supervisory Board's balance sheet and planning meetings. The committee also discusses the interim reports with the Executive Board in a separate meeting. In addition, the committee meets as required. Three meetings of the Risk and Audit Committee were held in the 2025 financial year.

The Risk and Audit Committee is responsible for reviewing the financial statements and monitoring the accounting process. It prepares the Supervisory Board's decisions on the adoption of the annual financial statements, the approval of the consolidated financial statements and the results of the audit of the management report and the group management report or a combined management report, the proposal for the appropriation of profits and the issuance of the corporate governance statement, including the remuneration report, as well as the audit of the separate non-financial group report. To this end, it is responsible for preliminary examination and, where necessary, preparation of the relevant documents. The auditor participates in these committee meetings and discusses the assessment of the audit risk, the audit strategy, the audit planning and the audit results with the Risk and Audit Committee.

The Risk and Audit Committee's responsibilities also include monitoring the effectiveness of the internal control system, the risk management system and the internal audit system, as well as dealing with issues relating to the audit of the annual financial statements and compliance. Furthermore, the Risk and Audit Committee deals with issues relating to current and future overall risk appetite as well as business and risk strategies at company and group level and supports the monitoring of their implementation. The Executive Board also reports to the Risk and Audit Committee on the risk situation of the company and the W&W Group. In addition, the Risk and Audit Committee is informed about the work of the internal audit and compliance departments, in particular about the audit plan, particularly serious findings and their resolution. Each member of the Risk and Audit

Committee may obtain information directly from the heads of those central divisions within the company that are responsible for the tasks relating to the Risk and Audit Committee pursuant to Section 107 (3) sentence 2 AktG via the committee chair; the Executive Board must be informed of this immediately. The committee chair shall communicate the information obtained to all members of the Risk and Audit Committee.

The Supervisory Board's proposal to the Annual General Meeting for the election of the auditor shall be based on the recommendation of the Risk and Audit Committee.

The Risk and Audit Committee shall decide on the agreement with the auditor (in particular the audit engagement, the determination of audit priorities and the fee agreement) as well as on the termination and continuation of the audit engagement. It shall take appropriate measures to determine and monitor the independence of the The Risk and Audit Committee may submit recommendations or proposals to ensure the integrity of the accounting process. In addition, the Risk and Audit Committee regularly assesses the quality of the audit. The Supervisory Board supports the Executive Board in monitoring the performance of the audits.

Furthermore, the Risk and Audit Committee supports the Supervisory Board in monitoring the Executive Board's prompt rectification of any deficiencies identified by the auditor.

The Risk and Audit Committee consults regularly with the auditor, even in the absence of the Executive Board. The Chairman of the Risk and Audit Committee regularly exchanges information with the auditor on the progress of the audit and reports to the Committee on this.

The Risk and Audit Committee consists of six members, three of whom are shareholder representatives and three of whom are employee representatives. The members of the Risk and Audit Committee are collectively familiar with the sector in which the company operates. Under the German Stock Corporation Act, at least one member of the Supervisory Board and the Audit Committee must have expertise in the field of accounting, and at least one other member of the Supervisory Board and the Audit

Committee must have expertise in the field of auditing. According to the German Corporate Governance Code, expertise in the field of accounting should consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and expertise in the field of auditing should consist of special knowledge and experience in auditing. Accounting and auditing also include sustainability reporting and its auditing.

The Supervisory Board and its Risk and Audit Committee each have a member with expertise in the field of accounting in Dr Wolfgang Salzberger and, in the Chairman of the Risk and Audit Committee, Dr Frank Ellenbürger, another member with expertise in the field of auditing.

Dr Wolfgang Salzberger has worked for many years as Chief Financial Officer for a German investment company and therefore has special knowledge and experience in the application of accounting principles and internal control and risk management systems, including sustainability reporting. His role as Chief Financial Officer of an investment company involves dealing with non-financial aspects and reporting on them. He has presented his special knowledge and experience in the application of internal control and risk management systems in numerous publications, among other things. In addition, Dr Wolfgang Salzberger was a contract professor of accounting at the Free University of Bozen-Bolzano and of general business administration at the University of Essen for many years.

Dr Wolfgang Salzberger follows and monitors current developments in the field of sustainability reporting and actively contributes this expertise to the Supervisory Board and the Risk and Audit Committee of W&W AG.

Dr Frank Ellenbürger has special knowledge and experience in the field of auditing thanks to his many years of work for a large auditing firm – KPMG AG – and his work as an independent auditor. As acting chairman of the Risk and Audit Committee of W&W AG and thanks to his many years of work at KPMG, Dr Frank Ellenbürger also has knowledge of sustainability reporting.

Dr Frank Ellenbürger monitors and supports current developments in the field of sustainability reporting and auditing. He actively contributes this expertise to the Supervisory Board and the Risk and Audit Committee of W&W AG.

The Chairman of the Risk and Audit Committee should not be the Chairman of the Supervisory Board or a former member of the company's Executive Board whose appointment ended less than two years ago. He should have special knowledge and experience in the application of accounting principles and internal control procedures, be familiar with the audit of financial statements and be independent of the company, the Executive Board and the controlling shareholder. Executive Board and the controlling shareholder. The Chairman of the Risk and Audit Committee, Dr Frank Ellenbürger, fulfils these requirements.

Members of the Risk and Audit Committee

- Dr Frank Ellenbürger (Chairman)
- Hartmut Bader
- Jutta Eberle
- Prof. Dr. Nadine Gatzert (until 21 May 2025)
- Bernd Mader
- Dr Wolfgang Salzberger
- Jutta Stöcker (from 21 May 2025)

Nomination Committee

The Nomination Committee meets as required. No meetings of the Nomination Committee were held in the 2025 financial year.

The Nomination Committee supports the Supervisory Board in preparing nominations for the Annual General Meeting for the election of Supervisory Board members.

The Nomination Committee comprises the Chairman of the Supervisory Board ex officio and two other shareholder representatives. The Chairman of the Supervisory Board is the committee chair.

Members of the Nomination Committee

- Dr Michael Gutjahr (Chairman)
- Prof. Dr. Nadine Gatzert (from 21 May 2025)
- Dr Wolfgang Salzberger
- Jutta Stöcker (until 21 May 2025)

Personnel Committee

The Personnel Committee holds at least one meeting per calendar year and also meets as required. Two meetings of the Personnel Committee were held in the 2025 financial year.

The Personnel Committee prepares the Supervisory Board's personnel decisions, in particular the appointment and dismissal of members of the Executive Board and the appointment of the Chairman of the Executive Board. It ensures diversity in the composition of the Executive Board. In addition, the Personnel Committee prepares, among other things, the Supervisory Board's resolution on the determination of the remuneration of the members of the Executive Board, the setting of targets and the achievement of targets for variable remuneration, the review of the appropriateness of the Executive Board's remuneration and the annual remuneration report.

In addition, the Personnel Committee supports the Supervisory Board in setting targets for the underrepresented gender on the Executive Board and Supervisory Board, as well as deadlines for achieving these targets, and in conducting the annual review in accordance with the internal „fit & proper“ guideline for executives and members of the supervisory bodies in its currently valid version.

The Personnel Committee regularly discusses long-term succession planning for the Executive Board. In doing so, it takes into account the company's management planning.

The Personnel Committee decides on behalf of the Supervisory Board, in particular, on the conclusion, amendment and termination of the employment and pension contracts of the members of the Executive Board, insofar as this is required by law.

The Personnel Committee comprises the Chairman of the Supervisory Board and his deputy by virtue of their office, as well as one additional shareholder representative and one additional employee representative. The Chairman of the Supervisory Board is the Chairman of the Committee.

Members of the Personnel Committee

Dr Michael Gutjahr (Chairman)

Dr Frank Ellenbürger

Petra Knodt (from 21 May 2025)

Andreas Rothbauer (until 31 March 2025)

Frank Weber

Conciliation Committee

In addition, the Supervisory Board has a Mediation Committee, which is to be formed in accordance with the German Co-Determination Act (MitbestG). The Mediation Committee submits personnel proposals to the Supervisory Board if the majority required for the appointment and dismissal of members of the Executive Board has not been reached. No meetings of the Mediation Committee were held in the 2025 financial year.

The Mediation Committee comprises the Chairman of the Supervisory Board and his deputy by virtue of their office, as well as one additional member elected by the Supervisory Board members representing the shareholders and one elected by those representing the employees. The Chairman of the Supervisory Board is the committee chair.

Members of the Conciliation Committee

Dr Michael Gutjahr (Chairman)

Petra Sadowski

Frank Weber

Edith Weymayr

Remuneration

The remuneration systems for the members of the Executive Board and Supervisory Board, which were approved by the Annual General Meeting on 22 May 2025, are published on the website at www.ww-ag.com/go/verguetung.

The 2025 remuneration report pursuant to Section 162 of the AktG will be published at www.ww-ag.com/go/media/verguetungsbericht-2025 after approval by the Annual General Meeting on 13 May 2026.

Information on the total remuneration of the Supervisory Board in accordance with Section 285 (9) HGB and Section 314 (1) (6) HGB is contained in the remuneration report in the notes.

Diversity concept and gender-specific minimum quotas and their achievement

In accordance with the German Stock Corporation Act (AktG), at least 30% of the Supervisory Board must be women and at least 30% must be men. The Supervisory Board currently consists of six men and six women, three of whom represent the shareholders and three of whom represent the employees. Both the shareholder side and the employee side achieve full gender parity at 50%.

As part of its diversity concept, the Supervisory Board strives to achieve sufficient diversity in terms of gender, age and different professional backgrounds, expertise and experience in the interests of complementary interaction within the board.

With regard to the Housing division and the Insurance division and the joint group perspective, the candidates proposed by the Supervisory Board for election to the board are selected on the basis of their expertise, experience and specialist knowledge, particularly in the insurance, banking and home loan sectors, as well as their individual skills. Further criteria for the Supervisory Board's nominations to the Annual General Meeting are the independence and availability of the candidates.

The shareholder representatives on the Supervisory Board consider a minimum of four independent Supervisory Board members to be appropriate.

Due to the company-specific situation, the Supervisory Board does not consider it necessary to aim for a certain minimum number of Supervisory Board members who represent the characteristic of „internationality“ in particular, as the material focus of the W&W Group's business activities lies in the national insurance and home loan sector. However, beyond the characteristic of „internationality“, the inclusion and cooperation of Supervisory Board members with different backgrounds and ways of thinking enriches the board as a whole and promotes a culture of discussion. This ultimately leads to

more efficient and effective control and advisory activities.

The Supervisory Board does not consider it necessary to set a rule limiting the length of membership on the Supervisory Board. Recruiting qualified Supervisory Board members who meet the regulatory requirements, in particular with regard to professional qualifications and the maximum number of mandates, is related to considerable hurdles.

In accordance with the rules of procedure for the Supervisory Board, Supervisory Board members should not be older than 70 at the time of their election.

According to the competence profile for the Supervisory Board, the entire board must have adequate representation of knowledge and experience in the following areas: technical insurance mathematics, banking/home loan business, supervisory law/regulation/auditing, strategy/corporate management/controlling, accounting, risk management, capital investments, sustainability, IT/digital transformation, human resources and auditing.

Once a year or whenever a new appointment is made, the members of the Supervisory Board assess their strengths in areas such as capital investments, insurance technology, accounting and auditing by means of a self-assessment. This forms the basis of a development plan to be drawn up by the Supervisory Board on an annual basis, in which the Supervisory Board defines areas in which the entire board or individual Supervisory Board members wish to develop further. The self-assessment and the development plan are forwarded to the supervisory authority.

Group Sustainability Report

Contents

General information	92
Basis for preparation	92
Legal basis for preparation in accordance with HGB and GAS	92
Disclosure Requirement BP-1 – General basis for preparation of the sustainability statement	92
Non-financial reporting of Wüstenrot & Württembergische AG on an individual basis	93
Application of the European Sustainability Reporting Standards as framework	93
Disclosure Requirement BP-2 – Disclosures in relation to specific circumstances	94
Governance	96
Disclosure Requirement GOV-1 – The role of the management and supervisory bodies	96
Disclosure Requirement GOV-2 – Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies	97
Disclosure Requirement GOV-3 – Integration of sustainability-related performance in incentive schemes	98
Disclosure Requirement GOV-4 – Statement on due diligence	100
Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability reporting	101
Strategy	102
Disclosure Requirement SBM-1 – Strategy, business model and value chain	102
Disclosure Requirement SBM-2 – Interests and views of stakeholders	107
Statement on material impacts, risks and opportunities	108
Significant differences	112
Management of impacts, risks and opportunities	112
Disclosure Requirement IRO-1 – Description of the process used to identify and assess the material impacts, risks and opportunities	112
Disclosure Requirement IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	120
Metrics	127
Minimum Disclosure Requirement – Metrics MDR-M – Metrics in relation to material sustainability matters	127
Environmental information	130
Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)	130
Taxonomy-aligned economic activities	130
Applied legal provisions and reporting templates	130
Type and objectives of taxonomy-aligned economic activities	130
Compliance with the EU Taxonomy Regulation in the business strategy and the importance of the financing of Taxonomy-aligned economic activities in the overall activity	131
Nuclear energy and fossil gas related activities	132
Template for the underwriting KPI	132
Template for the Investment KPI	133
Voluntary additional information on the Investment KPI	137

Climate change (ESRS E1)	138
Strategy	138
Disclosure Requirement E1-1 – Transition plan for climate change mitigation	138
Disclosure Requirement SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 and ESRS E1)	139
Management of impacts, risks and opportunities	144
Disclosure Requirement E1-2 – Policies related to climate change mitigation and adaptation	144
Disclosure Requirement E1-3 – Actions and resources in relation to climate change policies	150
Metrics and targets	155
Disclosure Requirement E1-4 – Targets related to climate change mitigation and adaptation	155
Disclosure requirement E1-5 – Energy consumption and mix	160
Disclosure Requirement E1-6 – Gross Scopes 1, 2,3 and Total GHG emissions	163
Disclosure Requirement E1-7 – GHG mitigations projects financed through carbon credits	172
Disclosure Requirement E1-8 – Internal carbon pricing	174
Resource use and circular economy (ESRS E5)	174
Strategy	174
Disclosure Requirement SBM-3 – Material impacts and their interaction with strategy and business model (ESRS 2)	174
Management of impacts, risks and opportunities	175
Disclosure Requirement E5-1 – Policies related to resource use and circular economy	175
Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy	177
Metrics and targets	179
Disclosure Requirement E5-3 – Targets related to resource use and circular economy	179
Disclosure Requirement E5-4 – Resource inflows	180
Social information	181
Own workforce (ESRS S1)	181
Strategy	181
Disclosure Requirement SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 and ESRS S1)	181

Management of impacts, risks and opportunities	183
Disclosure Requirement S1-1 – Policies related to own workforce	183
Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	189
Disclosure Requirement S1-3 – Channels for own workforce to raise concerns	189
Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	190
Metrics and targets	193
Disclosure Requirement S1-5 – Targets related to advancing positive impacts, and managing material risks and opportunities	193
Disclosure Requirement S1-6 – Characteristics of the undertaking's employees	195
Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue	197
Disclosure Requirement S1-9 – Diversity metrics	198
Disclosure Requirement S1-10 – Adequate wages	198
Disclosure Requirement S1-11 – Social protection	199
Disclosure Requirement S1-13 – Training and skills development metrics	199
Disclosure Requirement S1-14 – Health and safety metrics	200
Disclosure Requirement S1-15 – Work-life balance metrics	201
Disclosure Requirement S1-16 – Remuneration metrics (pay gap and total remuneration)	201
Disclosure Requirement S1-17 – Incidents, complaints and severe human rights impacts	202
Consumers and end-users (ESRS S4)	202
Strategy	202
Disclosure Requirement SBM-3 – Material impacts and their interaction with strategy and business model (ESRS 2 and ESRS S4)	202
Management of impacts, risks and opportunities	204
Disclosure Requirement S4-1 – Policies related to consumers and end-users	204
Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts	208
Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	209
Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and effectiveness of those actions	209
Metrics and targets	211
Disclosure Requirement S4-5 – Targets related to advancing positive impacts	211

Governance information	213
Business conduct (ESRS G1)	213
Strategy	213
Disclosure Requirement SBM-3 – Material impacts and their interaction with strategy and business model (ESRS 2)	213
Management of impacts, risks and opportunities	213
Disclosure Requirement G1-1 – Business conduct policies and corporate culture	213
Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery	216
Metrics and targets	217
Disclosure Requirement G1-4 – Incidents of corruption or bribery	217
Disclosure Requirement G1-5 – Political influence and lobbying activities	217
Assurance report of the auditor	220

Group sustainability report

General information

Basis for preparation

Legal basis for preparation in accordance with HGB and GAS

Wüstenrot & Württembergische AG (W&W AG) is obliged to prepare a non-financial statement and a non-financial group statement in accordance with Section 341a (1a) in conjunction with Section 267 (3) HGB, Section 289b (1) HGB and Section 315b (1) HGB.

This group sustainability report contains the non-financial statement of the parent undertaking Wüstenrot & Württembergische AG and the non-financial Group statement of the W&W Group. The report was prepared in accordance with the provisions of Sections 289c et seq. and 315c HGB and, as a set of principles for proper group management reporting, meets the requirements of *German Accounting Standard No. 20 (GAS 20) Group Management Report* with regard to the regulations on non-financial group statements. Use is made of the option to combine the non-financial statement and the non-financial group statement in accordance with Section 315b (3) HGB in conjunction with Section 298 (2) HGB. The non-financial group statement of the W&W Group also complies with the requirements of Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD).

In accordance with Section 315c (3) HGB in conjunction with with Section 289d HGB, the European framework used for the reporting of the W&W Group is the delegated acts adopted in accordance with Article 29b of Directive 2013/34/EU, as amended on 31 December 2025. These delegated acts set standards for sustainability reporting, which are referred to in Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 as European Sustainability Reporting Standards (ESRS). The W&W Group's non-financial group statement fully complies with the requirements of the ESRS in accordance with Delegated Regulation (EU) 2023/2772.

The ESRS define the term "sustainability statement" as the designation for sustainability reporting. The terms "sustainability report" and "sustainability statement" are therefore used interchangeably below. The individual disclosure requirements are numbered in accordance with the ESRS standards. The names of the disclosure requirements generally correspond to the ESRS standards, but are limited to the facts and circumstances that actually apply to the W&W Group.

The general principles for preparing the sustainability statement in accordance with the ESRS for the W&W Group are listed in the following *disclosure requirement BP-1 – General principles for preparing the sustainability statement*.

The group sustainability report was audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft in accordance with the ISAE 3000 (Revised) auditing standard.

Disclosure Requirement BP-1 – General basis for preparation of the sustainability statement

The group sustainability report was prepared on a consolidated basis for the W&W Group by its parent undertaking, Wüstenrot & Württembergische AG. It also includes the sustainability statement of W&W AG on an individual basis.

The scope of consolidation applied for the group sustainability report corresponds to the scope of consolidation applied for the consolidated financial statements of W&W AG.

Due to their inclusion in the group sustainability report, Wüstenrot Bausparkasse AG and Württembergische Versicherung AG, as subsidiaries of Wüstenrot & Württembergische AG, are exempt from annual sustainability reporting on an individual basis in accordance with Section 340a (1a) HGB and Section 341a (1a) HGB in conjunction with Section 289b (2) HGB.

Material impacts, risks and opportunities relating to sustainability aspects have been identified for the W&W Group in its own business operations and for the upstream and downstream value chain. The resulting policies, actions and targets are presented in the respective disclosure requirements. Material disclosed metrics take into account the upstream and downstream

value chain where required by the ESRS for the respective metric.

No use was made of the option to omit certain information relating to intellectual property, know-how or the results of innovations.

No use was made of the option to omit adverse disclosures in accordance with Section 315c (1) HGB in conjunction with Section 289e HGB.

Non-financial reporting of Wüstenrot & Württembergische AG on an individual basis

Wüstenrot & Württembergische AG is the strategic management holding company of the W&W Group and the parent undertaking of the W&W Group. It coordinates all activities, sets standards and manages capital. As an individual company, it operates almost exclusively in the field of reinsurance for the insurance companies of the W&W Group. In addition, it provides services for the entire Group.

Due to this business model, there are no deviations for Wüstenrot & Württembergische AG on an individual basis with regard to the aspects subject to reporting requirements in accordance with Section 289c (2) HGB (German Commercial Code) from the statements concerning the W&W Group in accordance with Section 315c (1) HGB in conjunction with Section 289c HGB. If statements in this group sustainability report refer exclusively to Wüstenrot & Württembergische AG as an individual company, this is indicated in the relevant statements.

Application of the European Sustainability Reporting Standards as framework

In accordance with GAS 20.299, all requirements of GAS 20 regarding the content of the non-financial group statement must be met even when using a framework.

Content subject to reporting requirements under GAS 20 that is fulfilled by the disclosure requirements of the European Standards for Sustainability Reporting (ESRS) used as a framework is identified by the corresponding ESRS designations of the disclosure requirements.

The following table shows the extent to which reporting requirements under HGB and GAS 20 are fulfilled by disclosures in accordance with the respective ESRS standards:

Reconciliation of matters covered under HGB and GAS 20 to topics according to ESRS

Reportable matters according to HGB and GAS 20	Fulfilment through disclosures in accordance with the ESRS standards
Environmental matters	Climate change (ESRS E1) Resource use and circular economy (ESRS E5)
Employee matters	Own workforce (ESRS S1)
Respect for human rights	Own workforce (ESRS S1)
Social matters	Consumers and end users (ESRS S4)
Anti-corruption and bribery matters	Business conduct (ESRS G1)

Aspects relating to respect for the human rights of the company's own workforce (ESRS S1) are reported in *disclosure requirement S1-17 – Incidents, complaints and serious impacts relating to human rights*.

Human rights have been a fundamental value for the W&W Group long before the German Supply Chain Due Diligence Act (LkSG) came into force. For example, the company voluntarily signed the Diversity Charter in 2021. Implementation of the LkSG requirements systematically reinforces this stance.

As part of the current LkSG risk analysis, no violations or material risks were identified in our own business operations or among our suppliers in accordance with the principle of proportionality.

Marginal risks identified within the meaning of the LkSG mainly concern human rights impacts (such as potential risks from non-compliance with applicable occupational health and safety standards).

Disclosure Requirement BP-2 – Disclosures in relation to specific circumstances

Time horizons

For the description of medium and long-term time horizons, this report generally uses the definition of time horizons in ESRS 1 Section 6.4, unless a different definition is explicitly stated in each case.

Different definitions of short, medium and long term are used in connection with climate-related physical risks and transition risks. This applies to corresponding statements on climate-related risks in *disclosure requirement IRO-1*, *disclosure requirement SBM-3* in connection with ESRS E1, and *disclosure requirements E1-2* and *E1-3*. In this context, reference is always made to the definition of the maturity of climate-related risks specified in *disclosure requirement IRO-1*. The maturity definition for climate-related risks is also applied to the maturity of physical risks, transition risks and systemic risks in connection with biodiversity and ecosystems in *disclosure requirement IRO-1*. In these contexts, short term means up to 5 years, medium term means up to 10 years and long term means 25 years and more.

The differing definitions of time horizons in connection with climate-related risks result from the time horizons used in the ESG risk analysis to determine them.

Value chain estimates

When determining gross Scope 3 GHG emissions in the upstream and downstream value chain, indirect sources are used in some cases and approximate values are estimated for the *disclosure requirement E1-6 – Gross GHG emissions in categories Scope 1, 2 and 3 as well as for the total GHG emissions*.

The quantitative information on resource inflows in housing and urban development in *disclosure requirement E5-4 Resource inflows* also includes products and materials used within the upstream value chain. The information is derived from a life cycle analysis

based on generic as well as company- and association-specific data sets from environmental product declarations.

The basis for calculating the relevant indicators is set out in *disclosure requirements E1-6* and *E5-4*.

The use of indirect sources and estimates in relation to greenhouse gases represents the best possible method of determining the indicators for the issues concerned. The information provided on resource inflows in housing and urban development is derived from industry-standard calculations based on a broad and detailed database. This ensures a high degree of accuracy.

Changes in the preparation or presentation of sustainability information

Changes in presentation

In *disclosure requirement E1-6*, insurance-associated emissions are no longer reported as a mandatory metric in Scope 3 GHG emissions, but are reported as an insurance-specific metric. Thus, the disclosure is now in accordance with Option I of the ESRS module statement IDW RS VFA 100.

Changes in preparation

The methods used to determine GHG emissions from investments (Scope 3 Category 15) have been changed compared to the previous year.

From the reporting period onwards, the W&W Group's Scope 3 GHG emissions from capital investments in companies in which it invests will also include the Scope 3 GHG emissions of these companies ("Scope 3 in Scope 3"). Furthermore, the W&W Group's Scope 3 GHG emissions in the reporting period also include GHG emissions from capital investments in government bonds for the first time. This includes GHG emissions from all scopes of the countries concerned. The previous year's figures in *disclosure requirement E1-6* have been adjusted accordingly and the level of breakdown has been increased in accordance with ESRS 1 Chapter 3.7. The inclusion of additional GHG emissions and the additional breakdown provide additional relevant information for the recipients of the report under *disclosure requirements E1-6*. This adjustment is due to the data validity that has been available since the reporting year, which was not yet available to the same extent in the previous year.

Changes resulting from a change in the consolidated financial statements in accordance with IAS 8

In the consolidated financial statements, mortality rates were adjusted retrospectively in accordance with IAS 8.41 when valuing health insurance contracts. As a result, revenue for the 2024 financial year has decreased by €2 million from €6,310 million to €6,308 million. This results in changes in the Group Sustainability Report regarding the disclosure of revenue in disclosure requirements *SBM-1*, *E1-5* and *E1-6*, as well as the disclosure of GHG emission intensity (location-based/market-based) in *disclosure requirement E1-6*. The adjustment to the intensity of GHG emissions is incorporated into the adjustments to presentation and preparation described above. The adjustment amount for the intensity of GHG emissions thus comprises all the adjustments described in relation to the level of GHG emissions and revenue.

Adjustment of quantitative information from the previous year

Due to the changes to the consolidated financial statements in accordance with IAS 8, the revenue disclosed for the 2024 financial year in disclosure requirements *SBM-1* and *E1-5* change.

The adjustments to quantitative information resulting from the described changes in presentation and preparation, as well as the change to the consolidated financial statements in accordance with IAS 8, relate to *disclosure requirement E1-6* as set out below.

Adjustments to disclosure requirement E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Adjustments to total GHG emissions and significant Scope 3 emissions

	Amount before adjustment		Amount after adjustment
in t CO ₂ e	1.1.2024 to 31.12.2024	Adjustment amount	1.1.2024 to 31.12.2024
Significant Scope 3 greenhouse gas emissions			
Total Gross indirect (Scope 3) GHG emissions	1,114,111	7,832,856	8,946,967
15 Investments	1,097,068	7,832,856	8,929,924
of which insurance-associated emissions	284,800	-284,800	-
of which capital investment in companies in which investments are made	400,164	4,735,042	5,135,206
of which capital investment in government securities	-	3,382,614	3,382,614
Total GHG emissions			
Total GHG emissions (location-based)	1,158,145	7,832,856	8,991,001
Total GHG emissions (market-based)	1,153,084	7,832,856	8,985,940
Further information in accordance with disclosure requirement E1-6			
Percentage of Scope 3 GHG emissions calculated using primary data	2.5	-2.2	0.3
Intensity of GHG emissions (location-based) (in t CO ₂ e/€ million revenue)	183.5	1,241.8	1,425.3
Intensity of GHG emissions (market-based) (in t CO ₂ e/€ million revenue)	182.7	1,241.8	1,424.5

Information based on other legal provisions

This group sustainability report contains the disclosures required under Article 8 of *Regulation (EU) 2020/852 of the European Parliament and Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088* (EU Taxonomy Regulation). The inclusion of this information in the report is mandatory under the EU Taxonomy Regulation. This information shows how and to what extent the activities of the W&W Group are related to economic activities that can be classified as environmentally sustainable economic activities.

Inclusion of information by reference

The disclosure requirements under ESRS 2.21(c) and 2.22(a) of the *Disclosure Requirement GOV-1 – The role of the management and supervisory bodies* are met in the combined management report within the *Corporate Governance Statement* under the sub-section *Structure of W&W AG*. The relevant experience of the members of the Supervisory Board is set out in the section *Supervisory Board* in the table *Members of the Supervisory Board: Overview of Qualifications*. The names of the members of the Executive Board are listed in the section *Executive Board* and the names of the members of the Supervisory Board in the section *Supervisory Board*. In the *Disclosure Requirement GOV-1*, references in accordance with ESRS 1 Section 9.1 have been inserted at the relevant points.

Governance

Disclosure Requirement GOV-1 – The role of the management and supervisory bodies

Composition and diversity of the members of the administrative, management and supervisory bodies

The bodies of W&W AG are the Executive Board and the Supervisory Board. The Executive Board consists of three members and is 100% male (previous year: 100%). It represents the company in and out of court. The Executive Board defines the business strategy and a consistent risk strategy for the company and the W&W Group. The Executive Board also takes appropriate account of environmental and social objectives in its strategies. The Executive Board defines the company's corporate policy and the principles of its business policy. These are binding on the Executive Board in its management of the company.

The Supervisory Board comprises a total of twelve members. The gender distribution is balanced, with 50% (previous year: 58.33%) male and 50% (previous year: 41.67%) female members. In addition, the Supervisory Board consists of six shareholder representatives and six employee representatives on an equal basis. This complies with the provisions of the German Co-Determination Act. 50% (previous year: 50%) of the Supervisory Board are independent. The Supervisory Board advises the Executive Board on the management of the company and monitors its management, including on sustainability issues. It works closely with the Executive Board for the benefit of the company.

The average ratio of female to male members on the Executive Board and Supervisory Board is 40% (previous year: 33.33%).

The members of the Executive Board have the necessary knowledge and experience to conduct business properly. The members of the Supervisory Board have the necessary knowledge and experience to perform their supervisory duties properly. Relevant areas of expertise include insurance technology, capital investment, accounting, auditing, banking/building society business, IT and digital transformation, human resources, risk management, sustainability, strategy/corporate management/controlling, as well as supervisory law, regulation/auditing. The distribution of responsibilities within the Supervisory Board is provided in the table *Members of the Supervisory Board: Overview of qualifications* in the section *Supervisory Board* in the corporate governance statement in the combined management report.

Duties and responsibilities of the members of the administrative, management and supervisory bodies

The Executive Board and the Supervisory Board of W&W AG are jointly responsible for sustainability issues. The names of the members of the Executive Board are listed in the sub-section *Structure of W&W AG* under the heading *Executive Board*, and those of the Supervisory Board in the table *Members of the Supervisory Board: Overview of Qualifications* under the heading *Supervisory Board*, both within the *Statement on Corporate Governance* in the combined management report.

The Executive Board and Supervisory Board are responsible for monitoring the impacts, risks and opportunities relating to sustainability topics. The Supervisory Board has established various standing

committees that deal with different aspects of sustainability. The Risk and Audit Committee deals with risk-related aspects of sustainability as part of risk reporting and with the group sustainability report, and reports on these matters to the Supervisory Board. The Supervisory Board then addresses the issues and passes the necessary resolutions on the group sustainability report. The Executive Board is regularly informed about relevant sustainability topics at steering committee meetings and, when necessary, at Executive Board meetings, and discusses these issues. At the same time, the Executive Board regularly informs the Risk and Audit Committee about sustainability aspects of the group sustainability report and, in this context, about the material activities and progress of the Group-wide sustainability project. The group sustainability report is submitted to the Risk and Audit Committee. There are currently no specific internal controls that directly relate to monitoring the impacts, opportunities and risks associated with sustainability topics. However, some of these aspects are covered by existing controls in other processes, such as various key performance indicators (KPIs) and key risk indicators (KRIs). These controls and procedures are continuously developed and integrated into the proper business organisation. The Executive Board is involved in the process of defining the objectives as part of the strategy process and can thus help shape and monitor the setting of objectives in relation to material impacts, risks and opportunities. The Sustainability Board is responsible for preliminary consideration and coordination of the targets. The sustainability targets (see *disclosure requirement SBM-1 – Strategy, business model and value chain* in the section on sustainability targets) are adopted by the Management Board and the Division Boards or executive board meetings of the respective business areas, as the central management bodies of the Group. The achievement of the sustainability strategy targets is monitored as part of the Group strategy process by comparing actual and target values. The basis for target achievement is the actual values at the end of the year and the approved target values. If there is a deviation from the target, a root cause analysis is carried out and actions are initiated if necessary. In addition, some targets, such as the relative carbon footprint of capital investments, are monitored on a semi-annual basis in the management cockpit.

Determining the availability of appropriate skills and expertise to monitor sustainability aspects

The Personnel Committee or Nomination Committee and the Supervisory Board review the knowledge required for the respective position of the members of the Executive Board and Supervisory Board both at the time of appointment and on a regular basis. The Executive Board and Supervisory Board have the necessary expertise with regard to both the business strategy and risk-related components of sustainability. The sustainability expertise of the Supervisory Board members is also reflected in the overview of qualifications in the section *on diversity policy and information on gender-specific targets, minimum staffing levels and their achievement* in the corporate governance statement in the combined management report. Members of the Executive Board and Supervisory Board are free to participate in individual training measures, including in the area of sustainability, at any time. Training courses for the respective entire committee are held regularly. The sustainability expertise of the Executive Board and Supervisory Board covers, in particular, sustainability issues that are significant for the W&W Group. In terms of climate-related topics, these are GHG emissions and energy consumption; in terms of social topics, employee satisfaction; and in terms of governance, mainly compliance topics. This is also ensured through internal training measures for the committees.

Disclosure Requirement GOV-2 – Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies

The implementation of the ESRS disclosure requirements and the reporting of the material impacts, risks and opportunities identified in this context was carried out by the Group Accounting department in conjunction with a Group-wide project to implement the sustainability-related reporting requirements for the W&W Group and for subsidiaries within the scope. This project deals with all aspects of the ESRS, including reporting, strategy and due diligence obligations.

The Executive Board and the Supervisory Board/Risk and Audit Committee are regularly and comprehensively

informed by the project management team about all identified material impacts, risks and opportunities, as well as the strategies, actions and targets identified in the reporting process, as part of the Group-wide project to implement the CSRD/ESRS. The Executive Board is generally informed and involved on a quarterly basis and additionally on an ad hoc basis within the framework of a steering committee. The Supervisory Board is regularly informed and involved in the form of the Risk and Audit Committee, or upon request.

Based on these regular information and exchange formats, the management and supervisory bodies are always informed about current impacts, risks and opportunities and are able to continuously make strategic decisions on a sound basis and effectively monitor the strategic direction of the company. At the same time, feedback mechanisms ensure that identified impacts, risks and opportunities are taken into account in the strategy process and in risk management processes. See also the comments in disclosure requirement E1-1.

All impacts, risks and opportunities reported to the Executive Board and the Supervisory Board/Risk and Audit Committee are identified in the statement on material impacts, risks and opportunities and explained in the disclosures on the relevant standards. Various impacts, risks and opportunities are discussed in detail with the Executive Board and Supervisory Board as required or upon request. In the reporting year, this was the case for all identified impacts, risks and opportunities as part of the materiality assessment. In this context, the commercial law intentions of the legislator as well as individual questions and matters of interpretation were also the subject of discussion. Business model-specific issues are discussed in detail with the involvement of the specialist departments.

Apart from the requirements of the ESRS, there are further governance requirements relating to sustainability aspects within the framework of proper business management. These concern, for example, requirements for the strategy, planning and risk management process. Here, the Executive Board and Supervisory Board are regularly informed and actively involved in accordance with the established control processes.

Disclosure Requirement GOV-3 – Integration of sustainability-related performance in incentive schemes

Main features of the incentive system

The remuneration systems of the W&W Group support the achievement of strategic goals in accordance with the business and integrated risk strategies. The strategic goals in the area of ESG (environmental, social and governance) are the continuous reduction of CO₂ emissions and the increase in employee satisfaction. The target agreements underlying variable remuneration are derived from the strategic goals. Appropriate incentive structures are a material component of the Group-wide risk culture in accordance with the Group Risk Policy and the integrated risk strategy. The remuneration systems in the W&W Group contribute to securing the long-term existence and success of the company. The regulations on remuneration issues are intended to ensure that there is no incentive to take disproportionately high risks. The remuneration system for the Executive Board consists of non-performance-related remuneration in the form of a fixed salary and fringe benefits (pension, company car, insurance) as well as performance-related remuneration based on a target bonus model consisting of 80% corporate and 20% individual targets.

The Supervisory Board is responsible for the remuneration policy and the remuneration of the Executive Board. It determines the remuneration system for the Executive Board and thus also the conditions for its incentive system, reviews it annually and makes updates if this becomes necessary for legal or practical reasons. At the end of each financial year, the Supervisory Board determines the degree to which targets have been achieved and the amount of the resulting bonuses.

The remuneration system for the Supervisory Board provides exclusively for fixed remuneration.

The Annual General Meeting is responsible for the remuneration system and the remuneration of the members of the Supervisory Board.

Evolution based on sustainability-related targets

The performance of the members of the Executive Board is measured primarily on the basis of the long-term success of the company. The successful implementation of ESG targets is also taken into account. These targets are employee satisfaction and on an individual basis

targets such as operationalisation of the 2030 immunisation policy (long-term resilient positioning of the W&W Group and successful market positioning while maintaining substance and earning power), identification of high-potential female employees and the creation of career development plans to increase the proportion of women in management positions, reduction of the relative carbon footprint (RCF) in the investment portfolio, and implementation of the recommendations for action from the ESG rating.

Consideration of sustainability-related performance metrics

The sustainability targets in line with ESG criteria are anchored as sustainability-related performance metrics in the target agreements of the Executive Board and are therefore part of the variable remuneration. The sustainability-related parameters are either quantitative targets, i.e. with specific calculation bases, or qualitative targets, the assessment of which is largely at the discretion of the Supervisory Board. Once the degree to which the targets have been achieved has been determined, the amount of the bonus for each performance metric is calculated and set. The anchoring of sustainability targets in the remuneration of the Executive Board promotes the further development of sustainability activities within the company. The Executive Board thus also contributes to a positive socio-political development towards greater sustainability. For some

members of the Executive Board, specific climate-related performance metrics (e.g. for CO₂ reduction) are part of the target agreements. Performance was not assessed on the basis of the GHG emission reduction targets submitted as part of the disclosure requirement E1-4.

In the absence of variable remuneration for the Supervisory Board, there are naturally no sustainability-related parameters for its members.

Share of variable remuneration depending on sustainability-related targets / impacts / climate-related considerations

The proportion of the Executive Board's variable remuneration that depends on sustainability-related (ESG) targets and/or impacts is 21.6% (previous year: 24.5%). The proportion of the Executive Board's variable remuneration linked to climate-related considerations is 0.6% (previous year: 1.4%). The proportion of variable remuneration linked to climate-related considerations was not assessed on the basis of the GHG emission reduction targets submitted in accordance with the disclosure requirement E1-4.

Further information on the remuneration of the Executive Board and the Supervisory Board is contained in the remuneration report of W&W AG in accordance with stock corporation law, which is published on the W&W AG website at www.ww-ag.com/go/media/verguetungsbericht-2025.

Disclosure Requirement GOV-4 – Statement on due diligence

due diligence. It indicates where in the report it is explained how the W&W Group fulfils its due diligence.

The following table provides an overview of the information provided on the procedure for fulfilling the

Overview of the information provided on the due diligence process

Core elements of due diligence	Consideration in the Group Sustainability Report
a) Embedding due diligence in governance, strategy and business model	Disclosure requirement GOV-2; Disclosure requirement GOV-3; Disclosure requirement SBM-3, section Influence of material impacts (risks and opportunities) on business model, value chain, strategy and decision-making in the sub-chapters Climate change (ESRS E1), Resource use and circular economy (ESRS E5) and Corporate governance (ESRS G1)
b) Engaging with affected stakeholders in all key steps of the due diligence	Disclosure requirement GOV-2; Disclosure requirement SBM-2; Disclosure requirement IRO-1, section Procedures for identifying, assessing, prioritising and monitoring the potential and actual impacts of the company on people and the environment based on the company's due diligence process, paragraph 10; Disclosure requirement E1-2, section Own business operations; Disclosure requirement E1-4, section Capital investment, paragraph 5; Disclosure requirement E5-1, section Claims settlement
c) Identifying and assessing adverse impacts	Disclosure requirement IRO-1
d) Taking actions to address those adverse impacts	Disclosure requirement E1-3, sections Own business operations, building society savings and construction financing, housing and urban development, Composite corporate customers, capital investment; Disclosure requirement E1-7; Disclosure requirement E5-2
e) Tracking the effectiveness of these efforts and communication	Disclosure requirement E1-4, sections Own business operations, building society savings and construction financing, housing and urban development, capital investment; Disclosure requirement E1-5; Disclosure requirement E1-6; Disclosure requirement E1-7; Disclosure requirement E5-3; Disclosure requirement E5-4

Disclosure Requirement GOV-5 – Risk management and internal controls over sustainability reporting

Scope, main features and components of the internal control system in relation to Group sustainability reporting

The Group sustainability reporting process is an independent component of the Group accounting process. The internal control and risk management system for the Group sustainability reporting process is subject to principles, procedures and actions that are based on the Group accounting process, but also take into account the preparation of reports within the framework of a project structure.

The internal control and risk management system with regard to the Group sustainability reporting process comprises principles, procedures and measures to ensure

- correctness and reliability of Group sustainability reporting,
- compliance with the legal regulations applicable to the W&W Group, and
- compliance with internal regulations and guidelines as well as the cost-effectiveness of reporting.

The group sustainability report is prepared by the Group Accounting department. The information required for its preparation is collected with the involvement of the relevant units of the W&W Group. Related recent announcements and interpretation decisions by the ESRS were addressed as part of a Group project to implement sustainability-related disclosure requirements. The Group project is actively supported by the Group Audit department. Furthermore, the Group sustainability reporting process is regularly reviewed and, if necessary, adjusted with regard to risk management and the effectiveness and adequacy of the internal control system. In addition, Group sustainability reporting is an audit focus for the auditor determined by the Risk and Audit Committee.

Fact-specific aspects of Group sustainability reporting are documented accordingly. Various software solutions are also used for this purpose, enabling inventories and

calculations to be made. Existing inventory management systems have been supplemented with additional sustainability-related documentation and evaluation options.

Risk assessment

For the purposes of risk evaluation with regard to the Group sustainability reporting process, the risks that have arisen in past projects related to Group accounting are collected and assessed in each case. The assessment takes into account the complexity and variability of the legal framework and the necessary process design. Risks are classified according to their potential impact and probability of occurrence.

Main identified risks and mitigation policies

The most important risks identified with regard to the Group sustainability reporting process in accordance with ESRS are the lack of sufficient resources, the probability of short-term changes in legislative requirements in conjunction with the necessary response time to these changes, and lead times for implementation in the IT applications involved in the process.

Mitigation strategies for the most important risks identified include early request and prioritisation of specialist and IT resources, as well as continuous monitoring of legislative requirements in conjunction with the fastest possible communication of changes to the organisational and legal entities involved in the reporting process. In addition, there are mitigation strategies such as benchmarking and the involvement of associations.

In the specific process of preparing reports in accordance with ESRS, it is necessary to ensure the quality of sustainability information in terms of its completeness and accuracy. The risk of improper reporting is countered by validation techniques, that are also used in the rest of the accounting process. Furthermore, this risk in connection with reporting is countered by the following components of the internal control and risk management system:

- IT applications to ensure the reporting process,
- Organisational manuals, guidelines for external reporting and reporting instructions,
- Appropriate quantitative and qualitative staffing levels for the Group sustainability reporting process ,
- Functions and tasks in all areas of the Group sustainability reporting process are clearly assigned, and areas of responsibility and incompatible activities are clearly separated,
- Dual control principle for material reporting-related processes, access authorisation system for reporting-related systems and access authorisations for reporting-related data processing, as well as plausibility checks throughout the entire reporting process.

As part of the transition of the Group sustainability reporting process from a Group project to a line process, the W&W Group's IT application has also been used since the reporting period to map and document internal controls, monitoring measures and effectiveness tests for the Group sustainability reporting process.

Management, specialist departments and project management are informed about the reporting process and the content of the report at standardised meetings and additionally on an ad hoc basis, and decisions are made in this context. Regular workshops on the content of the report are held with the specialist departments concerned. This also ensures the consistency of strategic statements.

Integration into internal functions and processes

The Group sustainability reporting process uses existing processes for preparing the combined management report and consolidated financial statements, insofar as these are applicable to this reporting process. For disclosures pursuant to Article 8 of the EU Taxonomy Regulation (Regulation (EU) 2020/852), the company's employees and IT applications responsible for preparing the consolidated financial statements are consulted.

Reporting to the Executive Board and Supervisory Board

Regular reporting on the results of risk evaluation and internal controls relating to the Group sustainability reporting process is provided to the Executive Board of W&W AG on an ad hoc basis and at quarterly project steering committee meetings. Reporting to the Supervisory Board of W&W AG takes place at the regular quarterly meetings of the Risk and Audit Committee.

Strategy

Disclosure Requirement SBM-1 – Strategy, business model and value chain

Significant groups of products and services offered

The W&W Group offers its customers pension solutions in its two business areas of housing and insurance. In the Housing division, the focus is on home loan savings business and construction financing. It also engages in property development activities and real estate brokerage. In the Insurance division, the W&W Group offers a wide range of products from life and health insurance, company pension schemes and almost all lines of property/casualty insurance.

Major markets and customer groups

The W&W Group, based in Kornwestheim, mainly operates in Germany. Its product range is aimed at private and corporate customers. The W&W Group relies on omnichannel distribution, which ranges from its own sales force to cooperation and partner sales channels, brokerage activities and digital channels.

Number of employees by geographic area

As at 31 December 2025, the W&W Group employed 7,565 (previous year: 7,570) permanent staff. 7,456 (previous year: 7,448) employees work in Germany, 95 (previous year: 107) in Czechia and 14 (previous year: 15) in Luxembourg.

Total revenue

The W&W Group's total revenue in the 2025 financial year amounted to €6,522 million (previous year: €6,308 million)¹.

Statement regarding certain business areas

The W&W Group is not involved in the fossil fuel sector (coal, oil and gas), the manufacture of chemicals, the controversial arms industry or the cultivation and production of tobacco.

Sustainability targets

Commitment to sustainability

Responsible action and social commitment have a long tradition at the W&W Group and are an integral part of its corporate culture. This is based on an understanding of long-term, stability-oriented corporate management derived from the founding principles of W&W AG's main shareholder. To underpin its sustainability positioning, the W&W Group has had a sustainability strategy in place since 2021. The Sustainability Strategy 2025 covers the following four key areas: "Customers and sustainable products", "Sustainable capital investments", "Sustainable business operations" and "Employees". Targets and actions have been defined for all key areas, which are explained in the following subsections. The sustainability strategy is based on ESG criteria. In order to continuously develop the topic of sustainability, the Group-wide sustainability strategy is revised annually under the leadership of the Group Development unit. The sustainability targets relating to the business areas have also been incorporated into the business strategies of the Group companies Wüstenrot Bausparkasse AG and Württembergische Versicherung AG.

The Group company Wüstenrot Haus- und Städtebau GmbH has integrated sustainability into its business strategy, taking into account the specific features of its business model. Further details on this can be found in the subsection "Housing and Urban Development" following the explanations of the four key topics of the W&W Group.

Customers and sustainable products

The key topic of customers and sustainable products covers the two business areas of the W&W Group:

Housing division and Insurance division. Across all business areas, the aim is to achieve a high level of customer satisfaction and, as a result, a high level of recommendation.

In the Insurance division, the "Paperless" initiative was launched in 1 January 2023 to bundle and coordinate all actions and ideas for reducing paper consumption. The aim is to eliminate or significantly reduce the creation and dispatch of paper documents.

Our strategic orientation within the key area of customers and sustainable products focuses on the development of "green" product lines and components. In the Housing division, the focus is on supporting people in purchasing their own homes and helping households that own property to implement energy-efficient modernisation and reorganisation measures. In the insurance division, the focus is on expanding sustainable insurance solutions and product components and raising awareness of sustainability in customer dialogue.

Sustainable Investments and refinancing

The basis for the investment decision-making processes of the W&W companies is the business strategy of the respective company with its risk strategy. Within the Insurance division and for W&W AG, the future investment portfolio is determined in terms of composition and diversification as part of strategic asset allocation (SAA). In the Housing division, Wüstenrot Bausparkasse AG invests its liquidity surpluses resulting from customer business in accordance with the provisions of Section 4 (3) of the German Home Loan and Savings Bank Act (BauSparkG).

As an investor, we know that – together with other large capital collection agencies – we can exert a significant influence on the successful structural change towards a more climate-friendly and lower-emission economy and society. We are aware of this importance and, with this in mind, pursue an active approach to reducing harmful GHG emissions in our capital investments. In doing so, we are aiming for net zero emissions from our capital investments by 2050. This active approach also aims to promote climate-friendly technologies and their dissemination.

¹ Previous year's figure adjusted, see disclosure requirement BP-2.

The W&W Group already finances energy-efficient properties and contributes to the energy transition with its capital investments by investing specifically in renewable energies. In order to meet its sustainability targets in its core business more effectively, the W&W Group intends to generate the funds required for financing energy-efficient properties and renewable energies in future by conducting an emission of green bonds and green German covered bonds. In 2023, Wüstenrot Bausparkasse AG issued its first green German covered bond. Particularly energy-efficient properties serve as cover pool.

Sustainable business operations

In the area of the environment, particular attention is paid to climate change mitigation and resource conservation. The chapter on environmental information provides more detail on the policies, actions and targets relating to the key topic of sustainable business operations.

The W&W Group addresses the topic environment in its sustainability strategy under the key topic sustainable business operations. This key topic pursues the following goals:

- CO₂ neutral operation of its own buildings and vehicle fleet (through the use of ecological energy sources and offsetting of remaining CO₂ emissions)
- Constant reduction of own consumption.

Employees

As a service provider, employees play an important role for the W&W Group. The goal of "attracting, developing and inspiring employees" remains firmly anchored in the business strategy and sustainability strategy.

The objective of "attracting, developing and inspiring employees" is supported by a diverse mix of measures from various areas of human resources management. The primary goals are:

- Maintaining and expanding the employability of employees
- Maintaining employer attractiveness and employee satisfaction at a very high level, and
- Promoting diversity.

The human resources strategy, as the link between business strategy and operational human resources work, takes up and operationalises the strategic thrusts of the

W&W Group's business strategy and sustainability strategy.

Housing and urban development

Sustainability in the business strategy of the Group company Wüstenrot Haus- und Städtebau GmbH is mainly focused on the material impacts, risks and opportunities arising from the materiality assessment of the W&W Group for the "housing and urban development" level of investigation (for the materiality assessment procedure, see disclosure requirement IRO-1 in this report). Policies, actions and targets for the W&W Group's housing and urban development are set out in the relevant sections of the topic-specific disclosure requirements.

Evaluation of the most important products and services in terms of sustainability targets

The W&W Group makes climate-friendly living accessible to its customers and is also continuously developing its range of sustainable product components and product variants. With its financing offers and investment products, it enables them to act in an environmentally friendly manner. The "Wohndarlehen Klima" (climate-friendly home loan) financing products and the "Genius" fund-linked pension product already offer opportunities to label or take into account compliance with the EU Taxonomy. Within the W&W Group, there are further efforts to offer taxonomy-aligned product alternatives and components. The accession to the Principles for Responsible Investment (PRI) and the Principles for Sustainable Insurance (PSI) in 2020 underline the sustainable orientation of the W&W Group's investment and insurance business.

Elements of the strategy that relate to sustainability aspects

The W&W Group considers climate change to be one of the most important challenges of the present and the future. Accordingly, we want to be a solution provider of suitable products in our Housing division and Insurance division. On the one hand, the W&W Group supports people in acquiring residential property and households with real estate holdings in implementing energy-efficient modernisation and reorganisation measures. Residential buildings account for a significant proportion of total GHG emissions in Germany. Financing climate-friendly new buildings and energy-efficient refurbishment of existing buildings helps to reduce GHG emissions. To this end,

we offer our customers a range of products tailored to this purpose: with our "Wohndarlehen Klima Turbo", "Wohndarlehen Klima Classic" and "Wohndarlehen Klima Flex" products, we support customers who are renovating, building or purchasing energy-efficient properties. The establishment of Wüstenrot Energieberatung GmbH as a wholly-owned subsidiary of Wüstenrot Haus- und Städtebau GmbH (WHS) in 2023 is a step towards the planned Germany-wide energy consulting service. The aim is to offer customers a comprehensive range of services with regard to the energy-efficient renovation of their properties. On the other hand, the W&W Group is committed to expanding sustainable insurance solutions and product components. The Group's insurance companies are in the process of gradually establishing ESG criteria for underwriting risks. In accordance with our guidelines, no conventional energy suppliers focusing on coal or nuclear power generation, producers of controversial weapons or companies that violate human rights (forced and child labour) may be insured. Württembergische Versicherung AG already offers a wide range of insurance products with sustainable components as well as tariffs for sustainable energy generation technologies such as onshore wind turbines and photovoltaic systems.

In addition to climate change, the shortage of skilled workers is one of the biggest challenges facing companies, including the W&W Group. This is accompanied by a growing need to maintain a balanced employee structure with the necessary skills and rising expectations of applicants and employees towards employers (working patterns and environment, diversity, sustainability, etc.). As a responsible employer, we therefore promote the satisfaction of our employees through flexible, modern working conditions and, as a signatory to the Diversity Charter, are committed to greater diversity and appreciation in the workplace.

Description of business model and value chain

Business model and value chain

The W&W Group's products primarily comprise building society and financing products, property/casualty insurance, company pension schemes, personal risk insurance and medical expense insurance. In addition,

as a property developer, it acquires ownership of newly constructed buildings and manages and brokers existing buildings. IT, capital investments, services and digitalisation are handled by internal service companies within the Group.

The W&W Group's own business operations consist of the execution and implementation of office and IT operations and related non-outsourced ancillary services at its own locations. These include sales processes, lending processes, capital investment processes, insurance processes, internal administration (e.g. human resources management or accounting), IT provision and maintenance, as well as building and other services, such as catering or event services. In building and urban development, the Group's own business operations also include the management of properties in its own portfolio. In accordance with the interpretation applicable on the reporting date, the W&W Group's capital investments in real estate are also allocated to its own business operations.

The upstream value chain consists of the manufacture of products and the provision of services that enable the W&W Group to provide the aforementioned financial, insurance and real estate-related services. This includes the manufacture of all types of technical equipment and building fittings that enable office operations, utility services such as electricity and telecommunications, and consulting and auditing services such as damage assessment, credit ratings and external auditing. In the property development business, construction work is carried out upstream by construction companies and tradespeople.

The downstream value chain comprises economic activities that are financed either by credit and investment products or the company's own capital investments, or secured by insurance products. Downstream activities also include services provided by external asset managers or property managers, as well as waste disposal services for waste generated by the company's own business operations.

Inputs

The most important input factors for the services provided by the W&W Group are primarily the existence and

availability of labour and business relationships with cooperation partners, sales organisations and private/corporate customers. The most important operational input factors also include technical input factors such as IT systems and IT infrastructure.

Input factors in the broader sense are factors that must be considered in the context of the environment. In order to offer financial and insurance products, it is necessary, among other things, for the financial and real estate markets and international payment transactions to function properly in conjunction with the necessary liquidity.

The Group's Human Resources department supports employees through personnel development measures. Staff turnover is analysed regularly in order to maintain a balanced employee structure and existing skills. The W&W Group offers attractive office workspaces at its new headquarters that allow for flexible and hybrid working. The companies of the W&W Group offer apprenticeships. Active sourcing and social media campaigns support job-specific recruitment.

Business relationships with customers are secured through a mix of sales channels. This consists of our own sales force, partner and broker sales organisations, and online sales. The sales force, as the main pillar, consists of the two exclusive distributors Wüstenrot and Württembergische. In the broker market, the company cooperates with independent brokers. In addition, there are numerous cooperation partners from the banking and insurance sector.

Outputs

The W&W Group's outputs are financial and insurance products as well as residential and commercial real estate.

The benefit for private and corporate customers is that they have access to a wide variety of financial and insurance products. Wüstenrot Bausparkasse AG offers its customers guaranteed interest rates through home loan savings contracts in the savings and loan phases. In addition, the W&W Group supports its customers in acquiring residential property through its construction and brokerage activities.

Württembergische Versicherung AG, Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG offer a broad product portfolio covering almost all areas of property/casualty insurance, private and company pension schemes and risk protection, as well as comprehensive and supplementary health insurance.

As the parent undertaking of the W&W Group, W&W AG strives to provide its investors with stable and reliable dividends for shareholders. Lenders benefit from the W&W Group's solid rating with a stable outlook and thus from a high degree of security with regard to interest payments and repayment of their receivables.

Thanks to the W&W Group's broad product range, exclusive distributors, sales and cooperation partners can provide their business partners with pension solutions that are precisely tailored to their individual needs. They also benefit from the reputation and brand awareness of Wüstenrot and Württembergische.

Furthermore, the W&W Group's product output secures jobs and employer benefits for the company's employees.

The W&W Group's consulting and financing services enable customers to take advantage of government subsidy programmes for energy-efficient construction. Taxes on the W&W Group's income and earnings enable the government to act in the interests of the community.

Key characteristics of the upstream and downstream value chain and the Group's position in the value chain

As the W&W Group is primarily a group of companies in the financial sector and performs coordination and administrative functions in the Group's property development business, the most significant feature of the upstream and downstream value chain is that almost all real economic processes can be attributed to it. Real economic processes that enable the W&W Group's office and IT operations (including ancillary services) as a separate business operation are the main feature of the upstream value chain. Real economic activities that are carried out on the basis of or with the support of the provision of financial and coordination services

are the main feature of the downstream value chain.

In the economic cycle, finance belongs to the area of money and cash flows, while the flow of goods belongs to the real economy. With the exception of the property development business, the products of the W&W Group are attributable to finance, while the real economy portion of the W&W Group's activities is limited to office and IT operations (including ancillary services).

The W&W Group's own business operations within the value chain thus comprise the functions necessary to perform its financial role in the economic cycle.

The most important economic players in the upstream value chain are IT service providers, IT consulting firms, construction companies, electricity, heating and telecommunications providers, facility managers and postal service providers. Further upstream in the value chain, the most important economic players are also manufacturers of IT equipment and suppliers to utilities and facility management companies. The most important economic players in the upstream value chain have a direct or indirect supplier relationship with the W&W Group.

The most important economic players in the downstream value chain are located in the distribution channel mix described above. Other significant economic players include all issuers of securities and other financial instruments, as well as providers of alternative investments in which the W&W Group invests.

End users in the form of building society savers, borrowers, private and corporate policy holders and property buyers are also key economic actors in the downstream value chain. End users have a customer relationship with the W&W Group.

Disclosure Requirement SBM-2 – Interests and views of stakeholders

Involvement of stakeholders

The company's most important stakeholders in terms of sustainability aspects are its employees and employee representatives, field staff and sales partners, private and

corporate customers, investors and creditors, rating agencies and analysts, and complainants.

Stakeholders are involved in the W&W Group by using existing information and deductions from standard market assumptions to determine the relevance of sustainability-related topics and impacts. The material sources of information are sustainability-related questions from employees and employee representatives, customer involvement in product development, studies on sustainability issues, enquiries at annual general meetings, enquiries from rating agencies, and issues arising from complaint management.

The Group Works Council is informed about the planned content of the Group's sustainability reporting and has the opportunity to discuss issues relating to sustainability aspects.

Stakeholders are consulted as needed by the individual departments of the W&W Group companies. Centrally managed by the Sustainability Officer – based in the Group Development department at Wüstenrot & Württembergische AG – the strategic sustainability targets are defined as part of the annual strategy process and in close cooperation with the departments and bundled into a Group-wide sustainability strategy. Sustainability activities for the entire insurance division are managed by a sustainability coordinator who is based in the department of the CEO of Württembergische Versicherung AG. In the Housing division, two sustainability coordinators from the risk management and market management departments are responsible for management at Wüstenrot Bausparkasse AG. Coordination at Wüstenrot Haus- und Städtebau GmbH is anchored in the Corporate Management department. Coordination at W&W Service GmbH is located in the Services & Campus department.

The purpose of involving stakeholders is to enable the W&W Group to meet the sustainability needs of its most important stakeholders now and in the future within the scope of its business model, in order to secure the future viability of the W&W Group and exploit sales opportunities.

The results of stakeholder involvement are incorporated into financing, investment and insurance products as well as property development activities in the Housing division and the Insurance division. The successful integration of sustainability risks into the capital investment and underwriting policy is important for the W&W Group's investors. The results of employee involvement are taken into account in the drafting of employment contracts and the design of the working environment.

For the purposes of Group sustainability reporting, with the exception of the Group Works Council, there is no separate involvement of stakeholders, as their involvement is covered by the activities already existing within the Group. The above-mentioned categories of stakeholders are also derived from the existing activities.

Understanding the interests and positions of key stakeholders

The interests and, where applicable, the views of stakeholders are bundled in the strategy process to determine the sustainability strategy. Concrete actions and targets are derived from this. The possibilities for implementing interests are limited by the company's activities in the financial and construction sectors and by business management considerations.

Changes to the strategy and business model

The sustainability actions in the W&W Group do not interfere with the fundamental business model of the W&W Group's business areas. Instead, the sustainability strategy continuously develops the range of products offered and their design within the framework of the existing business model through a variety of individual actions. The interests and viewpoints of stakeholders are an integral part of this development process. The

development process with regard to the consideration of sustainability aspects is designed to be long-term and does not currently envisage a definitive time frame. For the W&W Group, it is to be expected that the relationship with stakeholders and their views will continue to evolve as sustainability aspects are taken into account.

Informing the management and supervisory bodies about the views and interests of the stakeholders concerned

The respective members of the Executive Board of W&W AG are informed about the views and interests of stakeholders with regard to sustainability-related impacts on a factual and departmental basis. If issues only affect individual companies within the W&W Group, the information may also be limited to the management bodies of the subsidiaries. The Risk and Audit Committee of the Supervisory Board of W&W AG is informed about the views and interests of stakeholders as part of its audit function on an ad hoc basis.

Statement on material impacts, risks and opportunities

The economic activities carried out by the W&W Group during the reporting period led to material impacts, risks and opportunities in the sustainability topics of climate change (ESRS E1), resource use and circular economy (ESRS E5), own workforce (ESRS S1), consumers and end users (ESRS S4) and business conduct (ESRS G1). The sustainability topic of climate change also has material insurance-specific impacts that are not covered by the ESRS standard ESRS E1. Information on the material insurance-specific impacts is provided together with the information on climate change in accordance with ESRS E1.

Positive impacts and opportunities

	Explanation	ESRS standard and topic	Relevant topic-specific disclosure requirements
Positive impacts			
Equal treatment and equal opportunities for all	Promotion of diversity, promotion of skills development and appropriate training and further education, equal pay for equal work, measures against violence and harassment in the workplace	ESRS S1 Own workforce	Policies: S1-1 Procedures: S1-2 Channels: S1-3 Actions: S1-4 Targets: S1-5 Metrics: S1-6, S1-9, S1-13, S1-16, S1-17
Good working conditions	Collective bargaining agreements and fair pay, secure jobs, comprehensive operating occupational health management, comprehensive health protection, flexible working hours, work-life balance	ESRS S1 Own workforce	Policies: S1-1 Procedures: S1-2 Channels: S1-3 Actions: S1-4 Targets: S1-5 Metrics: S1-6, S1-8, S1-10, S1-11, S1-14, S1-15, S1-17
Financing solutions for housing	Opportunity for broad sections of the population to acquire home ownership	ESRS S4 Consumers and end users	Policies: S4-1 Procedures: S4-2 Channels: S4-3 Actions: S4-4
Building modernisation and energy consulting	Support for property owners in relation to rising energy prices and dwindling resources	ESRS S4 Consumers and end users	Policies: S4-1 Procedures: S4-2 Channels: S4-3 Actions: S4-4 Targets: S4-5
Private and company pension schemes, private and company health insurance	Closing pension gaps and securing benefits and appointments in the event of illness	ESRS S4 Consumers and end users	Policies: S4-1 Procedures: S4-2 Channels: S4-3 Actions: S4-4
Private liability insurance	Coverage of risks threatening livelihoods arising from liability on the part of private individuals	ESRS S4 Consumers and end users	Policies: S4-1 Procedures: S4-2 Channels: S4-3 Actions: S4-4
Corporate culture, prevention of corruption and bribery	Code of conduct, whistleblower system, procedures for dealing with conflicts of interest, investigation of incidents, disciplinary measures	ESRS G1 Business conduct	Policies: G1-1, G1-3 Metrics: G1-4
Political influence and representation of interests	Memberships in associations, representation of interests	ESRS G1 Business conduct	Metrics: G1-5
Opportunities			
Financing for the energy-efficient modernisation of residential buildings	Opportunity for increased revenue and net income due to increased demand for modernisation loans for residential buildings	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4
Ongoing training	Opportunity to remain competitive and increase earnings potential through ongoing training measures	ESRS S1 Own workforce	Policies: S1-1 Actions: S1-4 Targets: S1-5 Metrics: S1-13

Negative impacts and risks

	Explanation	ESRS standard and topic	Relevant topic-specific disclosure requirements
Negative impacts			
Energy consumption and GHG emissions from own business operations	Office and IT operations as well as vehicle fleet Own operating sites, capital investments in properties	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4 Metrics: E1-5, E1-6, E1-7
GHG emissions from construction financing	GHG emissions from financed residential buildings	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4 Metrics: E1-6
GHG emissions from the construction of buildings and from leased properties	GHG emissions from the production of building materials for the construction of buildings and from leased properties held in the company's own portfolio as part of housing and urban development	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4 Metrics: E1-5, E1-6
GHG emissions in the private insurance portfolio	Insuring motor vehicles with combustion engines; insuring residential buildings; insuring gas and oil heating systems and associated tanks	Insurance-specific climate change	Policies: E1-2 Metrics: E1-6
GHG emissions in the corporate insurance portfolio	Insurance for corporate motor vehicles, fleet insurance, corporate insurance	Insurance-specific climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4 Metrics: E1-6
GHG emissions from capital investments	GHG emissions from companies, countries and properties in which investments are made	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4 Metrics: E1-6
Resource use through building materials	Resource inflow through materials used for housing and urban construction	ESRS E5 Resource use and circular economy	Policies: E5-1 Actions and resources: E5-2 Targets: E5-3 Metrics: E5-4
Resource use and waste through claims settlement	Resource consumption and waste through restoration, repair and replacement of damaged insured objects and their disposal	ESRS E5 Resource use and circular economy	Policies: E5-1 Actions and means: E5-2 Targets: E5-3
Resource use by and waste from insured companies	Insuring companies, including those in the manufacturing sector, that consume resources and generate waste	ESRS E5 Resource use and circular economy	Policies: E5-1
Political influence and representation of interests	Memberships in associations, representation of interests	ESRS G1 Business Conduct	Metrics: G1-5
Risks			
Risk of loan defaults in construction financing due to climate change	Risk of loan defaults due to transition risks in financed residential buildings	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4
Underwriting risk due to global warming/climate change (life and health insurance)	Risk of increased insurance costs due to negative health consequences for insured population groups as a result of extreme weather events (especially heat waves) and the spread of tropical infectious diseases as a result of climate change	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4

Negative impacts and risks

	Explanation	ESRS standard and topic	Relevant topic-specific disclosure requirements
Underwriting risk due to global warming/climate change (life and health insurance)	Risk of increased regulatory intervention with an impact on interest rates and thus on actuarial and business risk	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4
Underwriting risk due to global warming/climate change (property insurance)	Risk of increased property damage and bottlenecks in claims settlement	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4
Market price risk of capital investments due to climate change	Decline in the market value of capital investments due to physical risk and transition risk related to climate change	ESRS E1 Climate change	Policies: E1-2 Actions and resources: E1-3 Targets: E1-4
Skills shortage	Risk that demographic changes will make it more difficult to recruit skilled workers	ESRS S1 Own workforce	Policies: S1-1 Actions: S1-4 Targets: S1-5 Metrics: S1-9

Changes in material impacts, risks and opportunities compared with the previous reporting period

The identification and assessment of the material impacts, risks and opportunities for the W&W Group for the 2025 financial year has resulted in the changes described below.

In the 2025 financial year, underwriting risks due to global warming/climate change were classified as material for the first time in life and health insurance. These are the risks of increased insurance expenses due to negative health consequences of extreme weather events and the spread of tropical infectious diseases in the wake of climate change. In addition, there is the material risk of increased regulatory intervention with the aim of curbing climate change, which also has a side effect on interest rates and thus has a negative impact on the W&W Group's underwriting and business risk.

The following negative effects on the W&W Group were no longer considered material compared to the 2024 financial year:

- Environmental pollution from tyre abrasion in the form of particulate matter and microplastics, as well as particle emissions from road traffic due to wear on brakes and road surfaces when using insured motor vehicles (ESRS E2)
- High water consumption by insured companies and financed companies and countries in the investment portfolio (ESRS E3)
- Loss of biodiversity due to monocultures at insured agricultural businesses, land sealing from own, insured and capital investment-financed property development activities (ESRS E4)
- Waste from own business operations, financing of resource consumption in the capital investment portfolio through investments in manufacturing companies, and waste from packaging materials for building materials in the property development business (ESRS E5)
- Unadjusted gender pay gap (ESRS S1)

- Potential human rights violations in the procurement of goods and services from internationally active companies (ESRS S2)

The risk relating to the insurance collective arising from demographic change (ESRS S4) is also no longer considered of materiality for the W&W Group from the 2025 financial year onwards.

In terms of the positive impact of "equal treatment and equal opportunities for all", "equal pay for equal work" was added compared to the previous year (ESRS S1).

The positive impacts from company pension schemes and company health insurance have been reclassified from the topic "Workforce in the value chain" (ESRS S2) to the topic "Consumers and end users" (ESRS S4) and combined with the positive impacts of private pension schemes and private health insurance and reported there. This has not changed the assessment of the impacts as material.

Changes in material impacts, risks and opportunities compared to the previous year result from the revision of the assessments made by the W&W Group with regard to the perspective of stakeholders on sustainability reporting. This led to a reassessment of the extent, scope and immutability of individual topics in the reporting period and thus to a change in the materiality assessment.

Significant differences

There are significant differences within the W&W Group with regard to risks on a consolidated basis (Group level) and the Group company Wüstenrot Bausparkasse AG on an individual basis (individual level).

According to Section 1 of the Building Society Act (BauSparkG), home loan and savings banks are credit institutions whose business operations are focused on accepting deposits from building society savers (building society deposits) and granting building society savers loans under a building savings contract (loans under a building savings contract) from the accumulated amounts for housing-related actions (home loan savings business). To ensure this, home loan and savings banks must have suitable building society simulation models in accordance with the Building Society Regulation (BausparkV).

If not all of the accumulated amounts can be made available to savers for housing-related actions in the form of loans under a building savings contract, Section 4 (1) of the Building Society Act (BauSparkG) permits the remaining liquidity to be granted as advance and bridge financing loans as well as other cash loans for housing-related actions (other building loans).

Any additional funds available must be invested in the forms of investment permitted under Section 4 (3) of the BauSparkG. This also includes investments on the money and capital markets (proprietary trading). The investment spectrum of Wüstenrot Bausparkasse AG in proprietary trading is defined and restricted by these provisions of the BauSparkG. Wüstenrot Bausparkasse AG invests primarily in bonds issued by European governments and financial undertakings. Only a small proportion of investments are made in non-financial undertakings. Investments in companies are made in the investment grade sector.

Within the W&W Group, the proprietary business of Wüstenrot Bausparkasse AG is considered part of the W&W Group's capital investments for the materiality assessment. The cumulative capital investments of the W&W Group are assessed on a consolidated basis. On an individual basis, Wüstenrot Bausparkasse AG performs a materiality assessment only with regard to its own business in accordance with Section 4 (3) of the BauSparkG.

Wüstenrot Bausparkasse AG differs significantly from the cumulative capital investments of the W&W Group in terms of its risks. In contrast to the W&W Group, Wüstenrot Bausparkasse AG's own business does not involve any material physical risks or transition risks in connection with climate change due to its limited investment spectrum and the actual exposures.

Management of impacts, risks and opportunities

Disclosure Requirement IRO-1 – Description of the process used to identify and assess the material impacts, risks and opportunities

Applied methods and assumptions

The requirements of ESRS 1 and the Implementation Guidance EFRAG IG 1 Materiality Assessment are applied

for the materiality assessment to determine and assess the material impacts, risks and opportunities. In addition, the W&W Group uses the methods for materiality assessment set out in the Draft European Sustainability Reporting Guidelines 1 Double materiality conceptual guidelines for standards-setting (ESRG 1). The sustainability aspects to be considered in the materiality assessment at the "topic", "subtopic" and "sub-subtopic" levels are specified by ESRS 1.AR 16. The list contained therein is to be used as a tool to support the materiality assessment. The consideration of the reporting company's own specific circumstances as required by ESRS 1.AR 16 did not lead to the identification of any topics (or sub-topics or sub-sub-topics) for the W&W Group in the reporting period that are not already covered by the list.

Due to the German legislature's failure to implement the CSRD into national laws and administrative provisions within the time frame specified in Article 5(1) CSRD, a reconciliation of the reporting requirements under the German Commercial Code (*HGB*) and *GAS 20 with the topics material to the W&W Group under the ESRS* was carried out in accordance with the recommendations of the *Briefing Paper: ESRS as a Framework for Non-Financial Reporting* dated 18 December 2024 issued by the German Accounting Standards Committee e.V. (GASC), a reconciliation was additionally carried out between the aspects subject to reporting requirements under the HGB and GAS 20 and the topics of materiality for the W&W Group under the ESRS.

Process for identifying, assessing, prioritising and monitoring the company's potential and actual impacts on people and the environment based on the company's due diligence process

In order to identify impacts, risks and opportunities in relation to sustainability aspects, the organisational units and departments of the W&W Group are grouped into levels of investigation that have a comparable ESG profile in terms of their sustainability aspects. These levels of analysis are "business operations and suppliers", "building society savings/construction financing", "housing and urban development", "life/health insurance", "property/casualty insurance for retail customers", "property/casualty insurance for corporate customers" and "capital investments".

For each level of analysis, a topic- and standard-agnostic materiality assessment procedure is applied, which basically has three stages. The first stage is exposure analysis. This stage is applied when there is a corporate

customer or capital investment portfolio. If there is no corresponding portfolio at the level of analysis, the entire level of analysis is directly subjected to a hotspot analysis (second stage). The third and final stage is detailed analysis.

In the exposure analysis, the individual counterparties, contractual partners and issuers are grouped at the economic sector level and analysed using the web-based software tool ENCORE. Data gaps in the primary survey were closed by integrating additional information from the ISS ESG database. One of the purposes of exposure analysis is to identify the presence and concentration of certain industries in which counterparties, contractual partners and issuers operate. If a sub-sub-theme specified by ESRS 1.AR 16 is identified as potentially material in the exposure analysis, the parent theme is classified as initially having materiality for the hotspot analysis and serves as the basis for further assessments.

The hotspot analysis distinguishes between two case constellations. In the case of an upstream exposure analysis, the hotspot analysis is used to validate the results of the exposure analysis. Based on this, sub-sub-themes are identified as having materiality or not. For sub-sub-themes that are material, the impacts, risks and opportunities are identified. This identification is based on expert estimates, which are based on internal Group knowledge and experience. If there is no upstream exposure analysis, the distinction between material and immaterial sub-sub-topics is made directly using expert estimates. If materiality is determined, the impacts, risks and opportunities are also identified.

Finally, the detailed analysis assesses the impacts, risks and opportunities identified as having high levels of materiality. When assessing impacts, their scale, scope and irremediability are evaluated, as well as the probability of occurrence in the case of potential impacts. Risks and opportunities are assessed on the basis of their expected financial severity and probability of occurrence. Assessments are always based on expert estimates made by the specialist departments together with ESRS specialists.

The result of the detailed analysis is classified on a points scale and prioritised in different assessment levels. Once a predefined number of points is exceeded, the assessed sub-sub-topic is classified as "material within the meaning of the ESRS". Below this points threshold, a sub-sub-topic is considered not material. When classifying the respective sub-sub-topics on the point scale, the preventive actions implemented in the W&W Group are taken into account, as in the case of effective prevention, negative effects do not occur or only to a lesser extent.

The materiality assessment for the W&W Group is carried out annually by means of a series of workshops in which the risks and opportunities are discussed together with the impacts. In addition to the ESRS specialists, the W&W departments "Risk Management" and "Group Development" are consulted, and the specialist department responsible for the topic, is also involved. Identified materialities at the investigation levels are summarised by topic at Group level and compared with each other in order to determine materiality on a consolidated basis. Whether a sub-topic becomes material is subject to annual monitoring through this process.

The consolidation into the above-mentioned levels of analysis allows for a focus on specific activities and business relationships with comparable ESG profiles. This always involves a holistic view and assessment of the levels of analysis for the entire W&W Group without focusing on specific activities, business relationships, geographical conditions or other factors that could lead to an increased risk of adverse impacts.

The materiality assessment process applied at all levels of investigation involves considering the impact on all stages of the value chain. In doing so, consideration is given to whether the W&W Group contributes directly to an impact (1st level of connection), contributes indirectly to the impact in question through relationships with business partners or suppliers (2nd level of connection), or is indirectly related to the impact through its business activities, products and services within the framework of a business relationship (3rd level of connection).

Affected stakeholders are taken into account in accordance with the procedure described in *disclosure requirement SBM-2 – Interests and views of stakeholders*. As in the previous year, no consultations with affected stakeholders or external experts were conducted during the reporting period to assess stakeholder interests.

Point scales are applied in accordance with the requirements of ESRS 1 to prioritise impacts based on their relative severity and probability. In the case of potential negative impacts on human rights, the severity of the impact is given priority over the probability in accordance with ESRS 1.

Procedures for identifying, assessing, prioritising and monitoring risks and opportunities that have or may have a financial impact

Risks and opportunities are addressed together with their impacts in the materiality assessment. In addition to the ESRS specialists, the W&W departments "Risk Management" and "Group Development" are consulted and the department responsible for the topic is involved. The risk perspective is assessed on the basis of the information available from risk management, and Group Development assesses strategic sustainability management issues with regard to opportunities.

The internal ESG risk analysis carried out by the risk management departments of the W&W Group companies is used as the basis for identifying risks in the areas of environment, social and governance for the purposes of the materiality assessment. The risks identified as material in the ESG risk analysis are transferred to the materiality assessment. The materiality assessment involves a technically sound assessment of the probability of occurrence and financial severity (in this case: negative financial effect). When assessing risks, the preventive actions implemented in the W&W Group are taken into account, as effective prevention means that the respective risks do not occur or only occur in a mitigated form. ESG risks are monitored as part of a materiality assessment on an annual basis and, if necessary, on an ad hoc basis.

Opportunities are identified on the basis of the W&W Group's sustainability strategy. The issues listed in the sustainability strategy are subject to assessment. The respective opportunities are assessed by in-house experts for the respective issue, with the involvement of the sustainability officer or the respective sustainability coordinators of the business divisions. Opportunities are monitored annually as part of the materiality assessment.

Correlations between risks and opportunities with impacts are reviewed as part of the materiality assessment process if the respective technical expert identifies a need for this during the assessment.

The severity of negative and positive financial effects is assessed using scales whose scores are defined by qualitative descriptions of the financial effects. The probability of occurrence is determined by assessing trends.

The W&W Group has analysed its sustainability risks in accordance with the German Federal Financial Supervisory Authority's "Information Sheet on Dealing with Sustainability Risks" and established a link to existing risk areas. Due to their allocation to existing risk areas, they are not subject to separate quantification. As part of the risk inventory, risks are assessed at the level of the existing risk areas into which sustainability risks are integrated.

Decision-making process and the associated internal control procedures

The results of the materiality assessment of the various departments are reviewed at a consolidated level and checked for overall consistency. At the level of the respective ESRS standard and across standards, this is intended to ensure that the materiality assessment at the level of the W&W Group is as uniform as possible. Uniformity is achieved iteratively and thus represents the greatest possible approximation.

Integration of the materiality assessment into other processes of the W&W Group

In the W&W Group's risk management, sustainability risks are addressed along the established risk management cycle. Where possible, sustainability risks are integrated

into existing and established procedures for identification, assessment, control, monitoring and reporting.

The specifications, findings and results of the materiality assessments from previous periods are taken into account in the ESG risk analysis. Particular attention is paid to ensuring that the material risks identified here are appropriately included in the ESG events considered in the ESG risk analysis and are appropriately incorporated into their assessment. This ensures that the findings from the materiality assessments are incorporated into the W&W Group's subsequent processes..

As part of the strategy process for further developing the sustainability strategy, opportunities and risks are analysed in the strategic analysis and the results of the materiality assessment are compared with the strategic goals. During the regular review of the sustainability strategy, the results are taken up and the goals are adjusted accordingly.

The achievement of targets is reviewed in the strategy process by comparing actual and target figures. This is based on the actual results of the previous year and the figures available for the current year at the time of comparison. If there are deviations from the targets, a root cause analysis is also carried out.

Input parameters used

The data sources used comprise information available to the W&W Group as a result of its business activities and information obtained from external data providers. Information from data providers includes publicly available issuer information and information extracted from publicly available databases and information sources. In some cases, this information is also processed by the data providers using their own expertise in order to provide market insights and comparability. The data from internal Group sources includes, for example, information on insured customers, capital investments, borrowers, company employees or suppliers and is anonymised for the purposes of materiality of ESG-related issues in accordance with legal data protection requirements. Internal information also includes invoices received, consumption statements/bills, and information on travel activities. In connection with the upstream value chain,

information from risk analysis is used with regard to the requirements of the Supply Chain Due Diligence Act (LkSG).

Changes to the materiality assessment process and date of the next reviews

The materiality assessment of ESG-related impacts, risks and opportunities was carried out for the first time in accordance with ESRS regulations for the 2024 financial year and retained in its basic methodology for reporting for the 2025 financial year. To improve the validity of the results, the materiality assessment was integrated more systematically into both the ESG risk analysis and the strategy process from the 2025 financial year onwards through mutual feedback mechanisms. The materiality assessment will continue to be reviewed and updated on an annual basis during the respective financial year.

Procedure in relation to climate change impacts

The topic- and standard-agnostic materiality assessment procedure described above is used to identify and evaluate climate-related impacts. For environmental topics, the exposure analysis described above is regularly preceded by the hotspot analysis and detailed analysis, as material environmental topics in the W&W Group can always arise in the capital investment, loan and insurance portfolios in the case of corporate customers or investments in companies' equity and debt instruments. As climate-related impacts are significantly related to GHG emissions and these can occur in almost all economic activities, all stages of the W&W Group's value chain are subject to intensive detailed analysis with regard to climate-related impacts.

Procedures relating to climate-related physical risks and climate-related transition risks

Climate-related physical risks

Quantitative and qualitative methods are used to assess the risk potential in order to identify climate-related hazards in the W&W Group.

Sustainability risks are identified and assessed at least once a year within the W&W Group as part of an ESG risk analysis conducted by the Risk Management department. To this end, a list of potentially relevant ESG events is

drawn up and defined in terms of their content, direction of impact and time horizon. With regard to climate-related physical risks, particular consideration was given to the chronic and acute climate hazards specified in Delegated Regulation (EU) 2021/2139.

The time horizon under consideration ranges from short term (5 years) to medium term (10 years) to long term (25 years and more). The direction of impact indicates the immediate influenceability of ESG events by the W&W Group or W&W companies.

Using a scoring method, the probability of occurrence within the time horizon under consideration and the intensity of impact for all risk areas and types are assessed for each ESG event. This assessment is carried out by experts and takes into account external studies, recommendations and data sources as well as internal data, findings and considerations. For the purposes of ESRS reporting, the individual assessments for each relevant level of investigation are transferred to the sub-topics in accordance with ESRS 1.AR 16 using a reconciliation system, and an overall score is calculated.

The time horizons to be considered in the ESG risk analysis are primarily determined by regulatory requirements and recommendations for proper risk management and, with regard to quantitative climate stress testing, by the time periods of the NGFS scenarios (NGFS: Network for Greening the Financial System).

These periods are in some cases significantly longer than those considered in the W&W Group's strategy or planning, particularly in view of the medium to long-term effect of climate-related risks. With regard to short-term effects, the period under consideration is also covered in the strategy and planning.

The business activities of the W&W Group and the operating W&W companies are almost entirely limited to Germany and, to a lesser extent, neighbouring European countries, which is why climate and weather changes are particularly significant in this country. Separate from this, the indirect effects of global developments on the local capital markets and the political and social environment are also relevant.

Analyses from the Climate Service Centre Germany (GERICS), historical damage experience values and stochastic model forecasts, among other things, are used to assess physical risks. When making the assessment, it is expected that the various natural hazards will have a different degree of impact depending on the event. For example, individual natural events may have a supra-regional impact, while others tend to occur locally. This is taken into account accordingly.

The forecast of climate and weather changes alone does not allow sufficient conclusions to be drawn regarding the overall economic and operating impact. In this respect, it is important to determine the consequences of these changes on economic parameters in the relevant corporate environment in order to enable greater integration with the corporate strategy, planning and control system. NGFS scenarios are therefore used. The individual NGFS scenarios represent various conceivable developments, each characterised by varying degrees of physical and transitional risks. The W&W Group has decided to use one of these NGFS scenarios to analyse its own portfolios with regard to physical risks: the current policies scenario. All temperature changes stated refer to the global average temperature compared with pre-industrial levels.

The current policies scenario assumes a mere continuation of the climate protection measures already in place today, i.e. no additional or more stringent measures will be taken to raise the current level of political ambition. In this scenario, the temperature would rise by 2 °C by 2050 and 3 °C by 2100.

The calculation methodology also incorporates the company's own data history to model changes in natural hazards in the regulatory standard model. The NatCat risk per natural hazard is scaled based on the expected changes in extreme events for each natural hazard under the respective climate change scenario, and the premium and reserve risk per line of business is scaled based on the change in the expected annual loss.

Climate-related transition risks

The time horizon considered for transition risks in the ESG risk analysis focuses on a short-term (up to 5 years) and medium-term (up to 10 years) perspective.

Transition risks are assessed in the same way as physical risks. A score value method is applied based on a list of possible transition events.

The W&W Group refers to the NGFS "Delayed Transition" scenario to determine climate-related transition risks.

The delayed transition scenario assumes that extended actions to reduce CO₂ emissions will not be taken until 2030. However, these actions will then be very significant and lead to disruptive changes. This will result in high transition risks in the 2030s. As a result, the scenario aims to meet the Paris climate targets, i.e. to limit global warming to less than 2 °C in a sustainable manner.

The economic impact of the delayed transition scenario on capital investments was examined based on NGFS data (Phase IV). The economic impact is assumed to be concentrated in an ad hoc shock in the three years following the tightened actions to reduce CO₂ emissions.

In addition, in order to identify climate-related transition events, for example in counterparty credit risk for proprietary trading, an industry with unsustainable companies is listed and the risk of stranded assets is recorded.

Assets and business activities that are not compatible with the transition to a climate-neutral economy or require considerable effort are not currently being identified. The W&W Group plans to further develop its analytical capabilities in the future to determine the extent to which assets or business activities are incompatible with the transition to a climate-neutral economy or require considerable effort.

Compatibility of the climate scenarios used with climate-related assumptions in the consolidated financial statements

Climate-related assumptions are taken into account, among other things, in determining the fair values of capital investments, valuing properties, in the customer lending business and in technical liabilities.

Process for identifying and assessing the main impacts, risks and opportunities associated with environmental pollution

The topic- and standard-agnostic materiality assessment procedure described above is used to identify and assess material impacts, risks and opportunities. In the case of environmental topics, the exposure analysis, hotspot analysis and detailed analysis described above are regularly carried out in advance, as material environmental topics in the W&W Group can always arise in the capital investment, loan and insurance portfolio in the case of corporate customers or investments in equity and debt instruments of companies. The analysis process applied did not reveal any material impacts, risks or opportunities for the W&W Group in relation to environmental pollution in the reporting period with regard to the aforementioned issues, which are located in the downstream value chain. Preventive measures already implemented in the form of exclusions of certain business activities of corporate customers in the insurance business that are associated with high levels of environmental pollution were taken into account in the assessment of material impacts.

Due to the nature of its business activities, there are no indications of actual or potential levels of materiality, risks or opportunities related to environmental pollution at the W&W Group's own locations. Accordingly, no in-depth analysis of the Group's own locations was carried out.

Based on the results of the assessment, there was no need to consult stakeholders on environmental pollution during the reporting period.

Process for identifying and assessing material impacts, risks and opportunities related to water and marine resources

The topic- and standard-agnostic materiality assessment procedure described above is used to identify and evaluate material impacts, risks and opportunities.

For environmental topics, the exposure analysis, hotspot analysis and detailed analysis described above are regularly carried out in advance, as material environmental topics in the W&W Group can always arise in the capital investment, loan and insurance portfolio in the case of corporate customers or investments in equity and debt instruments of companies. The analysis process applied did not reveal any material impacts, risks or opportunities in relation to environmental pollution for the W&W Group in the reporting period with regard to the aforementioned issues, which are located in the downstream value chain. Preventive measures already implemented in the form of exclusions of certain business activities of corporate customers in the insurance business that are associated with high water consumption were taken into account in the materiality assessment.

Due to the nature of its business activities, there are no indications of actual or potential levels of materiality, risks or opportunities in connection with water and marine resources for the W&W Group's own business operations at its locations. Accordingly, no in-depth analysis of the Group's own locations was carried out.

Based on the results of the analysis, there was no need to consult stakeholders on water and marine resources during the reporting period.

Process for identifying material impacts, risks, dependencies and opportunities related to biodiversity and ecosystems

The topic- and standard-agnostic materiality assessment procedure described above is used to identify and evaluate material impacts, risks and opportunities. For environmental topics, the exposure analysis described in the aforementioned disclosure requirement is regularly preceded by a hotspot analysis and a detailed analysis, as material environmental topics in the W&W Group can always arise in the capital investment, loan and insurance portfolio in the case of corporate customers or investments in equity and debt instruments of companies. The analysis process applied did not reveal any material impacts, risks or opportunities for the W&W Group in relation to biodiversity and ecosystems in the reporting period with regard to the aforementioned issues, which are located in the downstream value chain.

In terms of its own business operations, the W&W Group primarily has office locations. In addition, it has rental properties in the residential and urban development sector as part of its own business operations. No material impacts on or dependencies on biodiversity or ecosystems could be identified for its own business operations. Environmental reports are taken into account when assessing the impact of the Group's own construction actions and property development projects on biodiversity.

The W&W Group's dependencies on biodiversity and ecosystems were identified together with risks as part of the risk analysis.

In the case of construction projects, biological resources and ecosystems are shared with the general public. Therefore, for construction projects undertaken by the W&W Group in Germany, the legally required environmental impact assessments with regard to environmentally sensitive resources and the environmental assessments required in the respective countries are carried out. This also determines the compensation and restoration measures to be carried out by the companies of the W&W Group as necessary.

Procedures relating to physical risks and transition risks, and consideration of systemic risks in connection with biodiversity and ecosystems

Sustainability risks arising from a loss or disruption of biodiversity and ecosystems are assessed as part of the ESG risk analysis carried out by Risk Management. The procedure used is the same as that described for climate-related risks.

The loss or disruption of biodiversity in geographical areas can potentially have a negative impact on the economic performance and thus the creditworthiness of the companies, regions and countries located there. Accordingly, potential negative effects on the W&W Group's capital investments and counterparty risk exposures cannot be ruled out in the medium to long term.

This may also have an impact on business, product and investment policies. Systemic risks are also included in the qualitative assessment of physical risks and transition risks in connection with biodiversity and ecosystems. In doing so, the W&W Group takes into account potential dangers and uncertainties arising from the loss of biodiversity that could affect entire ecosystems, economies and societies.

Process for identifying and assessing the material impacts, risks and opportunities associated with resource use and circular economy

The topic- and standard-agnostic materiality assessment procedure described above is used to identify and evaluate material impacts, risks and opportunities. In the case of environmental topics, the exposure analysis, hotspot analysis and detailed analysis described in the aforementioned disclosure requirement are regularly performed in advance, as material environmental topics in the W&W Group can always arise in the capital investment, loan and insurance portfolio in the case of corporate customers or investments in equity and debt instruments of companies.

Resource consumption and waste were identified in all parts of the W&W Group's value chain. It was found that the type of resource outflows and waste as well as the transparency options vary considerably, so that fact-specific analyses are necessary. In our own business operations, it is necessary to address our own waste generation, particularly with regard to electronic waste and residual waste. In the property development business, the need to address packaging materials on construction sites was identified. Preventive contractual provisions already in place to avoid packaging waste were included in the assessment. The investment portfolio requires consideration of the resource consumption and waste generation indirectly associated with investments in companies and countries in industrialised nations. The activity of insuring tangible assets involves the acquisition and restoration of insured items, which always includes the disposal of damaged or lost assets. Furthermore, the insurance portfolio for corporate customers requires an examination of the insured industries.

in order to identify significant resource consumption and waste generation in the business activities of insured companies. In the property development business, the analyses showed the need for further investigation of the impacts associated with resource inflows. Some of the issues identified had materiality in the reporting period. The material issues are concentrated in the upstream and downstream value chain.

Due to the nature of the identified material impacts in connection with resource inflows, resource outflows and waste, there was no need to consult stakeholders during the reporting period.

Process for identifying and assessing the material impacts, risks and opportunities in connection with business conduct

The topic- and standard-agnostic materiality assessment process described above is used to identify and evaluate material impacts, risks and opportunities. In the case of governance issues, materiality analyses are based on the governance processes already implemented in the W&W Group and thus focus on the circumstances within the Group itself. The governance processes in the W&W Group were developed and established specifically for the requirements of the financial sector.

Due to the expertise that has been available for many years, materiality is analysed for governance issues using existing empirical values.

Disclosure Requirement IRO-2 – Disclosure Requirements in ESRS covered by the undertaking’s sustainability statement

List of disclosure requirements

The list of disclosure requirements that were applied in the preparation of this report based on the results of the materiality assessment can be found in the table of contents of the group sustainability report.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The following table contains a list of data points arising from other EU legislation listed in Annex B of ESRS 2. Data points that are classified as "non-material" are indicated with the corresponding note. Data points that are not relevant due to the business activities or corporate governance of the W&W Group are marked as "not relevant". Furthermore, the table indicates data points that fall under the transitional provisions of Annex C of ESRS 1 and for which disclosure is waived.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure requirement and associated data point	Reference in the Group Sustainability Report	Characteristic
ESRS 2	ESRS 2 GOV-1, Board's gender diversity, paragraph 21(d)	Page 96, Disclosure requirement GOV-1, Section Composition and diversity of members of management and supervisory bodies, Paragraph 3	40%
ESRS 2	ESRS 2 GOV-1, Percentage of independent board members, paragraph 21(e)	Page 96, Disclosure requirement GOV-1, Section Composition and diversity of members of the management and supervisory bodies, 2nd paragraph	50% (percentage of independent members of the supervisory body based on dualistic system)
ESRS 2	ESRS 2 GOV-4, Statement on due diligence, paragraph 30	Page 100, disclosure requirement GOV-4	The W&W Group carries out due diligence checks.
ESRS 2	ESRS 2 SBM-1, Involvement in activities related to fossil fuels activities, paragraph 40(d) i	Page 103, Disclosure requirement SBM-1, Section Declaration on specific business areas	No participation
ESRS 2	ESRS 2 SBM-1, Involvement in activities related to chemical production, paragraph 40(d) ii	Page 103, Disclosure requirement SBM-1, section Statement on specific business areas	No involvement
ESRS 2	ESRS 2 SBM-1, Involvement in activities related to controversial weapons, paragraph 40(d)(iii)	Page 103, Disclosure requirement SBM-1, section Statement on specific business areas	No involvement
ESRS 2	ESRS 2 SBM-1, Involvement in activities related to the cultivation and production of tobacco, paragraph 40(d) iv	Page 103, Disclosure requirement SBM-1, section Statement on specific business areas	No involvement
ESRS E1	ESRS E1-1, Transition plan to reach climate neutrality by 2050, paragraph 14	Page 134, disclosure requirement E1-1	Not available
ESRS E1	ESRS E1-1, Exclusion from Paris-aligned Benchmarks, paragraph 16(g)	Page 135, Disclosure requirement E1-1, section Explanation of Paris-aligned benchmarks	W&W AG is not exempt from the Paris-aligned benchmarks.
ESRS E1	ESRS E1-4, GHG emission reduction targets, paragraph 34	Page 155, Disclosure requirement E1-4, section Own business operations, 2nd paragraph	The W&W Group has set GHG emission reduction targets for its own business operations.
ESRS E1	ESRS E1-5, Energy consumption from fossil sources disaggregated by source (only high climate impact sectors), paragraph 38	Page 160, Disclosure requirement E1-5, Table Energy consumption and energy mix	Climate-intensive sector: L Total consumption of fossil energy in high climate impact sectors: 45.7% of which Fuel consumption from coal and coal products: no consumption Fuel consumption from crude oil and petroleum products: 0.0% Fuel consumption from natural gas: 22.1% Fuel consumption from other fossil sources: 0.2% Consumption from purchased or received electricity, heat, steam and cooling from fossil sources: 23.4%

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure requirement and associated data point	Reference in the Group Sustainability Report	Characteristic
ESRS E1	ESRS E1-5, Energy consumption and energy mix, paragraph 37	Page 160, Disclosure requirement E1-5, Table Energy consumption and energy mix	Proportion of energy consumption from non-renewable energy sources: 54.3% of which Proportion of energy consumption from fossil sources: 54.0% Proportion of energy consumption from nuclear sources: 0.3%
ESRS E1	ESRS E1-5, Energy intensity related to activities in high climate impact sectors, paragraphs 40 to 43	Page 160, disclosure requirement E1-5, supplementary to the table on energy consumption and energy mix	Climate-intensive sector: L 0.8638 GWh per € million of revenue
ESRS E1	ESRS E1-6, gross GHG emissions from Scope 1, 2 and 3 categories and total GHG emissions, paragraph 44	Page 164 f., Disclosure requirement E1-6, Table total GHG emissions, broken down by Scope 1, Scope 2 and significant Scope 3 emissions	Scope 1 GHG emissions: 14,122 t CO ₂ e Scope 2 GHG emissions: 28,869 t CO ₂ e (location-based) 20,512 t CO ₂ e (market-based) Scope 3 GHG emissions: 9,229,664 t CO ₂ e Total GHG emissions: 9,272,655 t CO ₂ e (location-based) 9,264,298 t CO ₂ e (market-based)
ESRS E1	ESRS E1-6, intensity of gross GHG emissions, paragraphs 53 to 55	Page 166, disclosure requirement E1-6, supplementary to the table total GHG emissions, broken down by Scope 1, Scope 2 and significant Scope 3 emissions	1,421.7 t CO ₂ e per € million of revenue (location-based) 1,420.4 t CO ₂ e per € million of revenue (market-based)
ESRS E1	ESRS E1-7, GHG removals and carbon credits, paragraph 56	Page 172, disclosure requirement E1-7, paragraphs 1 to 4	The W&W Group finances projects to reduce greenhouse gases via CO ₂ certificates.
ESRS E1	ESRS E1-9, Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	Not disclosed in accordance with ESRS 1 Appendix C	
ESRS E1	ESRS E1-9, Breakdown of monetary amount of assets at acute and chronic physical risk, paragraph 66(a) ESRS E1-9, Location of significant assets at material physical risk, paragraph 66(c)	Not specified in accordance with ESRS 1 Appendix C	
ESRS E1	ESRS E1-9, Breakdown of the book value of its properties by energy efficiency class, paragraph 67(c)	Not specified in accordance with ESRS 1 Appendix C	
ESRS E1	ESRS E1-9, Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	Not disclosed in accordance with ESRS 1 Appendix C	
ESRS E2	ESRS E2-4, Quantity of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and land, paragraph 28	Not material	

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure requirement and associated data point	Reference in the Group Sustainability Report	Characteristic
ESRS E3	ESRS E3-1, water and marine resources, paragraph 9	Not material	
ESRS E3	ESRS E3-1, Specific policy, paragraph 13	Not material	
ESRS E3	ESRS E3-1, Sustainable oceans and seas, paragraph 14	Not material	
ESRS E3	ESRS E3-4, Total amount of water recycled and reused, paragraph 28(c)	Not material	
ESRS E3	ESRS E3-4, Total water consumption in m ³ per net revenue from own activities, paragraph 29	Not material	
ESRS E4	ESRS 2 SBM-3 – E4, Activities that have a negative impact on areas with vulnerable biodiversity, paragraph 16(a)(i)	Not material	
ESRS E4	ESRS 2 SBM-3 – E4, Material negative impacts in terms of land degradation, desertification or soil sealing, paragraph 16(b)	Not material	
ESRS E4	ESRS 2 SBM-3 – E4, Carrying out activities that affect endangered species, paragraph 16(c)	Not material	
ESRS E4	ESRS E4-2, Sustainable land use and agricultural practices or policies, paragraph 24(b)	Not material	
ESRS E4	ESRS E4-2, Sustainable practices or policies in the field of oceans/seas, paragraph 24(c)	Not material	
ESRS E4	ESRS E4-2, Policies to address deforestation, paragraph 24(d)	Not material	
ESRS E5	ESRS E5-5, Non-recyclable waste, paragraph 37(d)	Not material	
ESRS E5	ESRS E5-5, Hazardous and radioactive waste, paragraph 39	Not material	
ESRS S1	ESRS 2 SBM-3 – S1, Risk of forced labour, paragraph 14(f)	Page 182, Disclosure requirement in connection with ESRS 2 SBM-3, section on material risks and opportunities, 6th paragraph	There is no identifiable risk of incidents of forced labour for the workforce of the W&W Group.
ESRS S1	ESRS 2 SBM-3 – S1, Risk of child labour, paragraph 14(g)	Page 182, disclosure requirement in connection with ESRS 2 SBM-3, section on material risks and opportunities, 6th paragraph	There is no identifiable risk of incidents of child labour for the workforce of the W&W Group.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure requirement and associated data point	Reference in the Group Sustainability Report	Characteristic
ESRS S1	ESRS S1-1, Human rights policy commitments, paragraph 20	Page 188, Disclosure requirement S1-1, 1st paragraph	Respect for human rights, including labour rights, among the company's workforce is ensured through compliance with the principles of the United Nations and the ILO core labour standards, which have long been guaranteed within the W&W Group and implemented through relevant regulations.
ESRS S1	ESRS S1-1, Due diligence requirements relating to issues covered by the International Labour Organisation's fundamental conventions 1 to 8, paragraph 21	Page 188, Disclosure requirement S1-1, 1st paragraph	Respect for human rights, including workers' rights, among the company's workforce is ensured through compliance with the principles of the United Nations and the ILO core labour standards, which have long been guaranteed within the W&W Group and implemented through relevant regulations.
ESRS S1	ESRS S1-1, Procedures and actions to combat human trafficking, paragraph 22	Page 188, Disclosure requirement S1-1, 4th paragraph	In its Code of Conduct and the associated handbook, the W&W Group rejects any form of discrimination in recruitment and employment, child labour and other human rights violations.
ESRS S1	ESRS S1-1, Policy or management system relating to the prevention of occupational accidents, paragraph 23	Page 182, Disclosure requirement S1-1, 5th paragraph	The W&W Group has a policy and actions in place for the prevention of occupational accidents.
ESRS S1	ESRS S1-3, Handling of complaints, paragraph 32(c)	Page 190, disclosure requirement S1-3, 2nd paragraph	The W&W Group has a process in place for handling complaints relating to employee issues.
ESRS S1	ESRS S1-14, Number of fatalities and number and rate of occupational accidents, paragraph 88 letters b and c	Page 200, disclosure requirement S1-14, table on health and safety	Number of fatalities resulting from work-related injuries and illnesses: 0 Number of reportable accidents at work: 33 Rate of reportable accidents at work: 3.7 per 1 million hours worked
ESRS S1	ESRS S1-14, Number of days lost due to injuries, accidents, fatalities or ill health, paragraph 88(e)	Page 200, Disclosure requirement S1-14, Health and safety table	Number of days lost due to work-related injuries and fatalities resulting from occupational accidents, work-related ill health and fatalities resulting from illnesses: 387
ESRS S1	ESRS S1-16, Unadjusted gender pay gap, paragraph 97(a)	Page 201, Disclosure requirement S1-16, 2nd paragraph	17%
ESRS S1	ESRS S1-16, Excessive remuneration of members of management bodies, paragraph 97(b)	Page 201, Disclosure requirement S1-16, 3rd paragraph	Ratio between the remuneration of the highest-paid individual and the median remuneration of employees: 26.7
ESRS S1	ESRS S1-17, Cases of discrimination, paragraph 103(a)	Page 202, Disclosure requirement S1-17, Table Incidents, complaints and serious impacts related to human rights	Total number of reported cases of discrimination, including harassment: 1

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure requirement and associated data point	Reference in the Group Sustainability Report	Characteristic
ESRS S1	ESRS S1-17, Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104(a)	Page 202, Disclosure requirement S1-17, Table Incidents, complaints and serious impacts related to human rights	Number of serious incidents relating to human rights in connection with the company's workforce that violate the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises: 0
ESRS S2	ESRS 2 SBM3 – S2, Significant risk of child labour or forced labour in the value chain, paragraph 11(b)	Not material	
ESRS S2	ESRS S2-1, Human rights policy commitments, paragraph 17	Not material	
ESRS S2	ESRS S2-1, Policies relating to workers in the value chain, paragraph 18	Not material	
ESRS S2	ESRS S2-1, Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Not material	
ESRS S2	ESRS S2-1, Due diligence requirements relating to issues covered by the International Labour Organisation's fundamental conventions 1 to 8, paragraph 19	Not material	
ESRS S2	ESRS S2-4, Human rights issues and incidents within the upstream and downstream value chain, paragraph 36	Not material	
ESRS S3	ESRS S3-1, Human rights commitments, paragraph 16	Not material	
ESRS S3	ESRS S3-1, Non-compliance with the United Nations Guiding Principles on Business and Human Rights, ILO principles or OECD Guidelines, paragraph 17	Not material	
ESRS S3	ESRS S3-4, human rights issues and incidents, paragraph 36	Not material	
ESRS S4	ESRS S4-1, Policies relating to consumers and end users, paragraph 16	Not material	
ESRS S4	ESRS S4-1, Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Not material	
ESRS S4	ESRS S4-4, human rights issues and incidents, paragraph 35	Not material	

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure requirement and associated data point	Reference in the Group Sustainability Report	Characteristic
ESRS G1	ESRS G1-1, United Nations Convention against Corruption, paragraph 10(b)	Not relevant	The W&W Group has policies in place to combat corruption and bribery that are in line with the United Nations Convention against Corruption.
ESRS G1	ESRS G1-1, Protection of whistleblowers, paragraph 10(d)	Not applicable	The W&W Group has policies and actions in place to protect whistleblowers.
ESRS G1	ESRS G1-4, Fines for violations of anti-corruption and bribery laws, paragraph 24(a)	Page 217, Disclosure requirement G1-4, Paragraph 1	During the financial year, there were no convictions or fines for violations of anti-corruption and bribery regulations in the W&W Group.
ESRS G1	ESRS G1-4, standards of anti-corruption and anti-bribery, paragraph 24(b)	Page 217, disclosure requirement G1-4, paragraph 2	The W&W Group has appropriate actions in place for violations of anti-corruption and anti-bribery standards.

Identification of material information

The ESRS standards E1, E5, S1, S4 and G1 have been identified as material for the W&W Group. This means that the specified topics have either a material impact, material risks, material opportunities or a combination of two or three of these factors. Insurance-associated greenhouse gas emissions are not covered by ESRS standard E1, so this is an insurance-specific topic. However, as this is also a climate change issue, information on insurance-associated greenhouse gas emissions is reported together with the other information on climate change.

In addition to the general disclosure requirements of ESRS 2, the disclosure requirements regarding policies, actions and resources as well as targets of the above-mentioned standards are fulfilled. For the fulfilment of these disclosure requirements, it is irrelevant whether the material impacts, risks or opportunities occur in the upstream value chain, in the company's own business operations or in the downstream value chain. In the absence of policies, actions and targets for material topics, the disclosures are summarised in the topic-related disclosure requirement on policies.

Disclosure requirements for metrics relating to the ESRS standards will only be disclosed if the respective metrics

also cover the relevant part of the value chain in which the material impacts, risks or opportunities have been identified. The ESRS does not generally provide for the disclosure of metrics relating to matters that are not material to the reporting company. Metrics for the W&W Group are disclosed for matters that are material to the W&W Group, contain material contextual information or are significant indicators in relation to the Delegated Regulation supplementing the Disclosure Regulation (Regulation (EU) 2019/2088, Sustainable Finance Disclosure Regulation – SFDR).

Individual data points in disclosed disclosure requirements are not provided if the relevant requirement is not relevant or not material to the W&W Group. Voluntary disclosure data points are generally only reported if the information is useful for understanding this report.

Erroneous reports for data points or individual facts are included in the report insofar as they are required by ESRS standards or are useful for understanding the report.

The breakdown of revenue by relevant ESRS sectors in accordance with ESRS 2 SBM-1 is not possible in the reporting year, as the ESRS sectors are not defined by law. In accordance with the transitional provisions in Appendix

C of ESRS 1, no disclosure of the expected financial impact in accordance with ESRS 2 SBM-3 and ESRS E1 Disclosure Requirement E1-9 is made.

Metrics

Minimum Disclosure Requirement – Metrics MDR-M – Metrics in relation to material sustainability matters

The following overview contains a list of the metrics disclosed in this sustainability statement. For each disclosure requirement with metrics, there is a brief description of the methods and significant assumptions. A detailed description of the methods and significant disclosures relating to the metrics is included under the relevant disclosure requirement. The overview also indicates whether the measurement of the respective metric has been additionally validated by an external body other than the auditor responsible for this sustainability statement.

List of key metrics used to assess performance and effectiveness

List of key metrics used	Overview of the methods used	Validation of the measurement of the indicator by an external body
Disclosure requirement E1-5 – Energy consumption and mix	Meter readings, evaluation of consumption bills, calculations based on energy performance certificates, as well as additional statistical methods and qualified estimates	As part of the successful certification of the international standard for energy management systems in accordance with DIN ISO 50001 by TÜV Saar and the platinum certification of the W&W campus by the German Sustainable Building Council (DGNB), the key figures for the W&W campus were validated in the 2025 financial year.
Disclosure requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	Conversion of energy and refrigerant consumption, retrieval of surveys from suppliers, evaluation of business trips, employee surveys; life cycle assessment in accordance with the Sustainable Building quality seal; simulations over the useful life of buildings; PCAF standards for financed and insurance-associated emissions	As part of the successful certification of the international standard for energy management systems in accordance with DIN ISO 50001 by TÜV Saar and the platinum certification of the W&W campus by the German Sustainable Building Council (DGNB), the GHG emissions of the W&W campus for Scopes 1 and 2 were validated for the 2025 financial year.
Disclosure requirement E1-7 – Removal of greenhouse gases and projects to reduce greenhouse gases, financed by CO ₂ certificates	GHG emissions to be offset are taken from the calculation in disclosure requirement E1-6; information on the offset GHG emissions is contained in the corresponding certificates.	All myclimate climate protection projects in the energy sector are verified according to the Gold Standard criteria. myclimate projects in the land use sector either comply with the guidelines of Plan Vivo – the most renowned and experienced standard in this field – or the guidelines of the VCS if they are additionally verified with the CCB standard (Climate, Community & Biodiversity) and/or SD-VISta standard (Sustainable Development Verified Impact Standard). atmosfair's climate protection projects are audited by TÜV according to CDM Gold Standard criteria.
Disclosure requirement E5-4 – Resource inflows	Life cycle analysis (LCA) for each construction project based on data sets from ÖKOBAUDAT	None
Disclosure requirement S1-6 – Characteristics of the company's employees	Determined on the basis of data from the personnel management and payroll system.	None
Disclosure requirement S1-8 – Collective bargaining agreement coverage and social dialogue	Determined on the basis of data from the personnel management and payroll accounting system	None
Disclosure requirement S1-9 – Diversity metrics	Determined on the basis of data from the personnel management and payroll accounting system	None
Disclosure requirement S1-10 – Appropriate remuneration	Determined on the basis of data from the personnel management and payroll accounting system	None
Disclosure requirement S1-11 – Social security	Calculated based on data from the personnel management and payroll accounting system	None
Disclosure requirement S1-13 – Training and skills development metrics	Determined on the basis of data from the personnel management and payroll accounting system	None
Disclosure requirement S1-14 – Health and safety metrics	Calculated on the basis of data from the personnel management and payroll accounting system	None
Disclosure requirement S1-15 – Work-life balance metrics	Calculated on the basis of data from the personnel management and payroll accounting system	None
Disclosure requirement S1-16 – Remuneration metrics (pay gap and total remuneration)	Calculated on the basis of data from the personnel management and payroll accounting system	None

List of key metrics used to assess performance and effectiveness

List of key metrics used	Overview of the methods used	Validation of the measurement of the indicator by an external body
Disclosure requirement S1-17 – Incidents, complaints and severe human rights impacts	Determined on the basis of data from the personnel management and payroll system	None

Environmental information

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation)

Taxonomy-aligned economic activities

With Regulation (EU) 2020/852 of 18 June 2020 (EU Taxonomy Regulation), legislators at European level have established criteria for determining whether an economic activity can be classified as environmentally sustainable, thereby enabling the degree of environmental sustainability of an investment to be determined.

Economic activities are considered environmentally sustainable if they contribute substantially to achieving one or more of the environmental objectives of the EU Taxonomy Regulation, do not significantly harm one or more of the other environmental objectives, and a minimum safeguard is applied. Environmentally sustainable economic activities within the meaning of the EU Taxonomy Regulation are therefore also referred to as "taxonomy aligned".

Economic activities are "taxonomy eligible" if they are described in the delegated acts to the EU Taxonomy Regulation. It is irrelevant whether the economic activities also meet the technical assessment criteria for taxonomy alignment set out in these delegated acts. Taxonomy aligned economic activities are therefore a subset of taxonomy eligible economic activities.

If economic activities are not listed in the delegated acts to the EU Taxonomy Regulation, they are taxonomy-non-eligible.

Whether or not an economic activity is taxonomy eligible is a legislative determination that cannot be influenced by the reporting company.

Applied legal provisions and reporting templates

The disclosures pursuant to Article 8 of the EU Taxonomy Regulation are made in accordance with the provisions of *Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and Council by specifying the content and presentation of the information to be*

disclosed by companies covered by Article 19a or Article 29a of Directive 2013/34/EU in relation to environmentally sustainable economic activities and by specifying the methodology to be used to ensure compliance with this disclosure requirement.

For the W&W Group, the disclosures pursuant to the aforementioned Delegated Regulation are made in accordance with the provisions for insurance and reinsurance undertakings, applying the requirements and templates set out in Annexes IX and X of the aforementioned Delegated Regulation. The W&W Group applies the version of the Delegated Regulation valid from 1 January 2026 for the disclosures. The templates in accordance with Commission Delegated Regulation (EU) 2026/73, which was published in the Official Journal of the European Union on 8 January 2026, are therefore disclosed. Previous year's figures have not been adjusted in accordance with the provisions of *the Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets*, but the amounts reported for the 2024 financial year are shown in the comparative data cells of the respective new templates.

Further interpretations by the EU Commission have been taken into account insofar as they have a clarifying effect with regard to the implementation of the disclosure requirements.

The inclusion of insurance and non-insurance undertakings of the W&W Group in the templates and KPIs is carried out uniformly in accordance with the regulations for insurance and reinsurance undertakings.

Type and objectives of taxonomy-aligned economic activities

For the companies of the W&W Group, references to actual or potential future taxonomy-aligned economic activities arise primarily from the following circumstances. The companies of the W&W Group themselves carry out actual or potential future taxonomy-aligned economic activities, finance them or hold exposures in connection with these economic activities.

The W&W Group's investments include properties held by the Group itself, which are used either for its own

purposes or by third parties. This form of investment involves the economic activity defined in the delegated regulations to the EU Taxonomy Regulation, namely "acquisition and ownership of buildings". Some of these properties held by the company itself meet the technical criteria of the EU taxonomy and are therefore classified as environmentally sustainable, including the buildings on the W&W campus in Kornwestheim.

The W&W Group's investments in securities and other corporate financing are broadly diversified in terms of the economic activities financed. In these investments, taxonomy-aligned shares of exposures to non-financial undertakings and financial undertakings that are subject to sustainability reporting or non-financial reporting requirements were identified in the 2025 financial year.

In the credit and loan business, the companies of the W&W Group finance the economic activity "acquisition and ownership of buildings" as well as other economic activities from the spectrum of economic activities "construction and properties", such as "renovation of existing buildings". The KPIs for taxonomy alignment may only take into account the proportion of financing for buildings for which compliance with the technical screening criteria can be directly verified. If statistical evaluations from third-party providers were used to determine approximate values, the taxonomy alignment rate in the financed real estate portfolio would be significantly higher. In this regard, please refer to the explanations in the separate section "Voluntary additional information on the Investment KPI".

In the W&W Group's insurance business, the economic activity "Non-life insurance: assumption of climate-related risks" is taxonomy-eligible. This economic activity was not carried out in a taxonomy-aligned manner during the reporting period.

During the reporting period, there were no changes in the W&W Group with regard to the nature and objectives of taxonomy-aligned economic activities. Changes in the Investment KPI compared with the previous year result primarily from the legal change in the calculation requirements with regard to the denominator of the KPI. Contrary to the previous year, exposures to financial and non-financial undertakings that are not subject to Articles 19a and 29a of Directive 2013/34/EU and derivatives will

no longer be included in the denominator from the 2025 financial year onwards. This will increase the corresponding taxonomy alignment ratios. In addition, there have been increases in taxonomy alignment for investments in securities and the credit and lending business.

Compliance with the EU Taxonomy Regulation in the business strategy and the importance of the financing of Taxonomy-aligned economic activities in the overall activity

The companies of the W&W Group have decided to introduce "green" product lines and components. The "Wohndarlehen Klima" (climate-friendly home loan) financing product and the "Genius" unit-linked pension product already offer opportunities to label or take into account compliance with the EU Taxonomy. Within the W&W Group, the possibilities of offering taxonomy-aligned product alternatives and components are still being examined. In the long term, this will lead to an increase in the financing of taxonomy-aligned economic activities by the W&W Group and taxonomy-aligned product offerings.

Residential buildings account for a significant proportion of total CO₂ emissions in Germany. The financing of residential property and residential construction measures contributes significantly to the energy-efficient renovation of existing buildings and the construction of climate-friendly new buildings. Construction financing thus plays a central role in the climate transition. To this end, the "Wohndarlehen Klima Turbo" (Climate Turbo Home Loan) has been offered for climate-friendly modernisation since the 2021 financial year. In 2022, further products were added in the form of the "Wohndarlehen Klima Flex" and "Wohndarlehen Klima Classic" financing models for the purchase of properties, as well as the climate bonus for building society savings. Evidence of the energy efficiency of the financed buildings forms an important database for assessing taxonomy alignment in the W&W Group's construction financing portfolio.

In the area of investments (including investment properties), a continuous reduction in CO₂ emissions to net zero by 2050 is planned.

Nuclear energy and fossil gas related activities

All companies, regardless of the industry in which they operate, are required to disclose whether they engage in, finance or hold exposures related to activities in the nuclear energy and fossil gas sectors. The W&W Group does not engage in any activities in these sectors itself, does not directly finance these activities and does not insure any activities in these sectors.

The assessment of the extent to which activities in the fields of nuclear energy or fossil gas are insured is based on the insured risk on the one hand and on the pursuit of the economic activity as defined in Delegated Regulation (EU) 2021/2139 (economic activities 4.26 to 4.31) by the policy holder on the other. The W&W Group has internal guidelines regarding the underwriting of insurance risks. These exclude the insurance of risks related to the exercise of the related economic activities. Compliance with these guidelines is ensured by appropriate internal controls.

The W&W Group's investments include exposures in companies that are active in these areas. These are primarily equity or debt instruments of companies that are allocated in the "energy supply" sector.

The exposures in the context of investments in companies that carry out activities in the nuclear energy and fossil gas sectors are determined on the basis of the information disclosed by the companies in which investments are made in accordance with Article 8 of the EU Taxonomy Regulation in conjunction with Delegated Regulation (EU) 2021/2178.

Taxonomy-eligible and taxonomy-aligned activities in the nuclear energy and fossil gas sectors are reported as 0.0% in the template for the Investment KPI, as the proportion of the relevant exposures is below the accounting rounding threshold in each case.

Template for the underwriting KPI

The provision of insurance services in the area of non-life insurance and non-life reinsurance that assume climate-related risks is classified as an enabling activity according to the technical assessment criteria currently defined in Delegated Regulation (EU) 2021/2139.

Climate-related risks are acute and chronic risks relating to temperature, wind, water or solids. These include, for example, fires, storms/hurricanes, hail, ice, floods, landslides or sinkholes.

Enabling activities make a significant contribution to the achievement of an environmental objective by directly enabling other activities to contribute substantially to one or more environmental objectives. The insurance services mentioned are an enabling activity with regard to the taxonomy environmental objective "climate change adaptation".

No taxonomy-aligned insurance services were provided during the reporting period, as the necessary technical screening criteria were not met. Premiums are therefore reported as "-" in the "Taxonomy-aligned activities" line in the following template.

Taxonomy-eligible insurance activities are available in the business areas of other motor insurance, marine, aviation and transport insurance, fire and other property insurance, and assistance, as these business areas cover climate-related risks. For these activities, the premiums are reported in full under taxonomy-eligible activities.

As premiums from non-life insurance and reinsurance business, the W&W Group reports underwriting income within the meaning of IFRS 17. The underwriting income from the W&W Group's non-life insurance and reinsurance business, broken down in accordance with the provisions of Delegated Regulation (EU) 2021/2178, can be found in the following *Template 1: The underwriting KPI*.

Template 1: The underwriting KPI

Economic activities: Non-life insurance and reinsurance underwriting activities	Absolute premiums, year 2025	Proportion of premiums, year 2025	Absolute premiums, year 2024	Proportion of premiums, year 2024
(1)	(2)	(3)	(4)	(5)
	in € million	in %	in € million	in %
Taxonomy-aligned activities	-	-	-	-
Nuclear activities	-	-	-	-
Fossil gas activities	-	-	-	-
Taxonomy-eligible activities	1,648	56.2	1,541	55.7
Nuclear activities	-	-	-	-
Fossil gas activities	-	-	-	-
Non-assessed activities considered non-material	-	-	-	-
Total	2,930	100.0	2,768	100.0

Underwriting income (premiums) is almost entirely attributable to non-life insurance business. Non-life reinsurance business is of only minor importance to the W&W Group.

The line 'Total' includes all twelve lines of business defined as non-life insurance obligations in Annex I to Delegated Regulation (EU) 2015/35 (Solvency II), regardless of whether they are mentioned in Delegated Regulation (EU) 2021/2139.

Template for the Investment KPI

The following template indicates the extent to which the exposures from assets of the W&W Group are related to taxonomy-eligible and taxonomy-aligned economic activities.

Template 2: Investment KPI

		31.12.2025		31.12.2024	
Exposures					
		in %	in € million	in %	in € million
1	Total AUM	100.0	72,544	100.0	72,276¹
2	Assets covered by the KPI	68.8	49,934	77.5	56,036
% of covered assets		Turnover-based	CapEx-based	Turnover-based	CapEx-based
		in %	in %	In %	in %
3	Taxonomy eligible	73.7	74.4	58.8	59.0
4	Nuclear activities	0.0	0.0	0.0	0.0
5	Fossil gas activities	0.0	0.0	0.0	0.0
6	Taxonomy aligned	5.1	5.6	4.1	4.4
7	Undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	0.9	1.4	0.6	0.9
8	of which Non-financial undertakings	0.4	0.8	0.2	0.5
9	of which Financial undertakings	0.5	0.6	0.4	0.4
10	Other covered counterparties and real estate assets	4.2	4.2	3.5	3.5
11	Investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders	4.9	5.3	4.3	4.5
12	Exposures included on a voluntary basis	–	–	–	–
13	Transitional activities	0.2	0.1	0.1	0.1
14	Enabling activities	0.3	0.6	0.1	0.3
15	Nuclear activities	0.0	0.0	0.0	0.0
16	Fossil gas activities	0.0	0.0	0.0	0.0
Taxonomy aligned per objective		Turnover-based	CapEx-based	Turnover-based	CapEx-based
		in %	in %	In %	in %
17	Climate Change Mitigation (CCM)	4.9	5.4	4.0	4.2
18	Climate Change Adaptation (CCA)	0.0	0.0	0.0	0.0
19	Water and marine resources (WTR)	0.0	0.0	–	–
20	Circular economy (CE)	0.0	0.0	–	–
21	Pollution (PPC)	0.0	0.0	–	–
22	Biodiversity and Ecosystems (BIO)	–	0.0	–	–
23	Non-assessed exposures				
24	Exposures financing non-assessed non-material activities of counterparties	–	–	–	–
25	Exposures financing counterparties reporting in accordance with Article 7(9) to this Regulation	–	–	–	–
26	Non-assessed exposures considered non-material by the reporting entity	–	–	–	–

Template 2: Investment KPI

		31.12.2025		31.12.2024	
Breakdown of covered assets					
		in %	in € million	in %	in € million
27	Undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	20.9	10,436	13.5	7,555
28	of which Non-financial undertakings	4.1	2,069	2.6	1,465
29	of which Financial undertakings	16.8	8,367	10.9	6,090
30	Other covered counterparties and real estate assets	79.1	39,498	67.4	37,772
31	Investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders	93.1	46,499	93.1	52,168
32	Exposures included on a voluntary basis	–	–	–	–

1 Previous year's figure adjusted, see sub-section Calculation of the Investment KPI

Calculation of the Investment KPI

The calculation of the KPIs for "taxonomy eligible" (line 3) and "taxonomy aligned" (line 6) will differ from the previous year in terms of the composition of the applicable denominator from the 2025 financial year onwards, as the W&W Group will apply the version of the Investment KPI of Delegated Regulation (EU) 2021/2178 that will come into force on 1 January 2026. Exposures to financial and non-financial undertakings that are not subject to Articles 19a and 29a of Directive 2013/34/EU and derivatives are no longer to be included in the denominator of the KPI from the 2025 financial year onwards, in deviation from the previous year. In accordance with the provisions of *the Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets*, the amounts reported for the 2024 financial year will be shown in the comparative data cells of the new template. The breakdown of the covered assets recorded in lines 27 to 32 of the template therefore does not correspond to the assets recorded in line 2 of the template for the KPI in the previous year's figures.

In the consolidated financial statements, mortality rates were adjusted retrospectively in accordance with IAS 8.41 when valuing health insurance contracts. One consequence of this is an increase in total assets on the consolidated balance sheet. As a result of the adjustment, total assets as of 31 December 2024 increase by €10

million from €72,266 million to €72,276 million. This results in a corresponding adjustment to line 1, Total AUM, the amount of which corresponds to total assets.

Breakdown of the KPI numerator per objectives

For some of the taxonomy-aligned exposures, no breakdown by environmental objectives was available in the immediate information available at the reporting date. The percentage value reported as "taxonomy aligned" in line 6 thus exceeds the sum of the breakdown by environmental objectives in lines 17 to 22 by the proportion of these taxonomy aligned exposures not broken down by the counterparty or issuer.

Background information on the quantitative indicator

For the Investment KPI, the total AUM is identified as the sum of all assets in the W&W Group's balance sheet. The exposures recorded include both direct exposures and indirect exposures such as investments in investment funds. For disclosures of exposures in € million, the book value of the relevant assets from the consolidated balance sheet is used.

Only directly available information may be used to determine the taxonomy capability and compliance of exposures. In the case of exposures to companies, this is information that is actually published by companies subject to Articles 19a and 29a of Directive 2013/34/EU (unofficially: EU Accounting Directive). Estimates may only be used for additional voluntary disclosures. For exposures to insurance and reinsurance undertakings, the taxonomy eligibility or taxonomy alignment of their

investments or Investment KPIs was used as a basis, where available.

Information from the external data provider ISS ESG is primarily used to determine taxonomy-related information and whether companies are subject to Articles 19a and 29a of Directive 2013/34/EU. Internal processes that are also used for the preparation of financial reporting are taken into account for the validation and processing of data.

In the case of real estate assets held by the company itself or buildings financed by loans, the material contribution to the environmental objective of "climate change mitigation" is determined on the basis of certificates of overall energy efficiency (energy performance certificates) and the specific legal requirements for the energy efficiency of the respective financed buildings.

Exposures covered by the KPI for which no direct information is available are classified in full as taxonomy-non-eligible. This also includes exposures from investment funds for which no actual taxonomy-related information is provided by their capital management companies.

Equity and debt securities of these companies are reported as exposures to companies (line 27). "Other covered counterparties and real estate assets" includes all other exposures recorded by the KPI (line 30). A significant proportion of these are construction loans granted to private households as lenders. The financing granted by the Group company Wüstenrot Bausparkasse AG is the main business purpose of the home loan and savings bank and is primarily used to finance old and new buildings as well as modernisation measures for existing properties. The construction loans are mainly granted for properties located in Germany or Luxembourg. Furthermore, "Other covered counterparties and real estate assets" are mainly composed of owner-occupied and third-party-occupied properties held by companies of

the W&W Group, various forms of alternative investments and shares in investment funds.

The breakdown of recognised risk exposures (lines 27 to 32) shows the assets used as the denominator for determining the percentages of "taxonomy eligible" (line 3) and "taxonomy aligned" (line 6).

As at the reporting date, the proportion of taxonomy-aligned exposures amounted to 5.1% (previous year: 4.1%) on a turnover-based basis and 5.6% (previous year: 4.4%) on a CapEx-based basis. The proportion of taxonomy-aligned exposures is largely attributable to real estate assets. There was an increase in taxonomy-aligned building loans and exposures in securities as of the reporting date compared with the previous year. In addition, the adjustment to the denominator of the KPI described in the section "Calculation of the Investment KPI" led to an increase in the proportion of taxonomy-aligned exposures.

Avoiding double counting

Double counting in the allocation of exposures to the environmental objectives of the EU Taxonomy is systematically excluded in the determination of the Investment KPI in the W&W Group by the methods used.

Property assets and the financing of properties for private households are fully allocated to the environmental objective "climate change mitigation". For exposures to companies, information published by the company concerned and thus its audited information is used.

DNSH and minimum safeguard

The taxonomy compliance condition "do no significant harm" (DNSH) is ensured by applying the relevant technical assessment criteria of the delegated acts to the EU Taxonomy Regulation for the respective economic activity.

Another condition for taxonomy alignment is a minimum safeguard. The company carrying out an economic activity must ensure that the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the fundamental principles and rights set out in the eight core conventions laid down in the International Labour Organisation's

Declaration on Fundamental Principles and Rights at Work and in the International Bill of Human Rights, are complied with. In the case of financing economic activities and holding exposures in economic activities, the minimum safeguard must be ensured by the company carrying out the economic activity.

The Platform on Sustainable Finance, an advisory body to the European Commission on the implementation of the EU Taxonomy, has defined four areas of action, each with two negative characteristics, in its *Final Report on Minimum Safeguards*, which can be used to assess whether a minimum safeguard is in place. The areas of action are:

- Human rights, including labour rights
- Corruption and bribery
- Taxation
- Fair competition

The protection of human rights in the W&W Group's own economic activity, "acquisition and ownership of buildings", is covered by the application of the requirements of the Supply Chain Due Diligence Act (LkSG). An analysis of the implementation of the LkSG shows that the companies of the W&W Group simultaneously fulfil the minimum human rights protection requirements in relation to the aforementioned economic activity. No other taxonomy-aligned economic activities were carried out by the companies of the W&W Group during the reporting period.

The compliance function, as a material part of the W&W compliance management system, embedded in the W&W governance system and part of the internal control system, works to combat corruption and bribery throughout the Group. W&W AG uses established compliance communication channels and methods for internal reporting, in particular the central Group Compliance Committee and the reports of the fraud risk analyses. Relevant business processes are reviewed for material corruption risks. Whether any cases of corruption were confirmed in the W&W Group in a financial year and whether any corruption proceedings were brought against W&W AG or its subsidiaries is documented internally. A detailed description of the fight against corruption and

bribery in the W&W Group can be found under disclosure requirement G1-3 in the Governance Information chapter of this Group Sustainability Report.

The tax compliance management system is a separate area of compliance. Its purpose is to ensure that the companies of the W&W Group fulfil their tax obligations completely and in a timely manner. A Group-wide tax policy is intended to ensure compliance with tax obligations and is based on the compliance standard existing in the W&W Group. All tax matters are documented internally.

Compliance with competition and antitrust regulations is monitored Group-wide by the Group Legal Department at W&W AG. The unit monitors a wide range of activities, including association work. It also promotes awareness of the importance of compliance with competition laws and documents any incidents.

There have been no legally binding convictions of companies in the W&W Group or their responsible employees in the areas of corruption and bribery, taxation and fair competition.

Voluntary additional information on the Investment KPI

Only directly available information may be used to determine the Investment KPI. In the case of loans to finance buildings, this includes the submission of the energy performance certificate for the property in question. According to the current interpretation of the legal requirements, it is not permissible to use data from third-party providers who can use statistical methods to approximate the energy efficiency of buildings in a financing portfolio based on building information such as the year of construction and location.

If statistically meaningful building information were used, the Investment KPI for the W&W Group would be 11.9 (previous year: 9.6) % (turnover-based) and 12.4 (previous year: 9.9) % (CapEx-based).

Climate change (ESRS E1)

Strategy

Disclosure Requirement E1-1 – Transition plan for climate change mitigation

The W&W Group did not have a Group-wide transition plan for climate change mitigation in the reporting year, and no decision on this is currently planned.

The Group company Wüstenrot Bausparkasse AG has developed a transition plan for its real estate loan portfolio that meets the requirements of the EBA Guidelines on the management of environmental, social and governance (ESG) risks (EBA/GL/2025/01). This is explained in the following sections. In addition, the W&W Group and various Group companies have policies, actions and targets in place, which are explained in disclosure requirements E1-2, E1-3 and E1-4.

Description of the transition plan of Wüstenrot Bausparkasse AG

Wüstenrot Bausparkasse AG has developed a transition plan for its real estate loan portfolio that meets the requirements of the *EBA Guidelines on the management of environmental, social and governance (ESG) risks* (EBA/GL/2025/01). The transition plan was approved by the Executive Board of Wüstenrot Bausparkasse AG with effect from 1 January 2026. The overarching goal of the transition plan is to continuously reduce the financed emissions of the loan portfolio to net zero by 2045 and to support customers on their way there.

The starting point for the transition plan is the financed GHG emissions of Scopes 1 and 2 from customers' properties as of 31 December 2024 (real estate-backed customer lending business), which correspond to the Scope 3 GHG emissions of the real estate loan portfolio of Wüstenrot Bausparkasse AG (recorded under Scope 3 category 15; see disclosure requirement E1-6). The relevant indicators used are the development of absolute emissions in t CO₂e, the relative carbon footprint (RCF) in t CO₂e/€ million credit volume and the physical emissions intensity in kg CO₂e/m² of the financed properties.

Target values of the transition plan

The quantitative targets of the transition plan for the real estate loan portfolio are defined as short-, medium- and long-term targets for the years 2026 to 2028 and 2045. The reference path of the Carbon Risk Real Estate Monitor (CRREM) and other scientific studies were used to derive the targets. Due to the currently observed rather slow decarbonisation of the real estate sector, the short- and medium-term targets are above the CRREM path and are therefore not in line with the 1.5-degree target of the Paris Climate Agreement. For the years 2026 to 2028, a reduction in absolute Scope 3 GHG emissions from the real estate loan portfolio from 398,000 t CO₂e in 2026 to 395,000 t CO₂e in 2028 is planned. The RCF is expected to decrease from 17 t CO₂e per € million of loan volume in 2026 to 15 t CO₂e per € million of loan volume in 2028. The physical emissions intensity of the financed properties is to be reduced from 40 kg CO₂e/m² in 2026 to 35 kg CO₂e/m² in 2028. Projected figures are subject to the usual uncertainties.

Decarbonisation levers and climate protection actions

The material decarbonisation levers for the development of GHG emissions from the real estate loan portfolio were identified as new business financed, the renovation rate, the extent of renovation, heating replacement and the GHG intensity of electricity consumption in the financed properties. In addition, the transition plan considers inflation as a factor influencing the relative carbon footprint (RCF). The effect of the decarbonisation levers is described below:

- A high level of net new business (net increase in the financed real estate portfolio) generally leads to higher absolute GHG emissions if the portfolio structure remains unchanged.
- Renovations of financed properties have an impact on energy requirements and thus on the GHG emissions of properties. The effect of renovations is influenced by the renovation rate in percent and the depth of renovation (reduction in energy requirements in kWh/m²).
- Replacing heating systems affects the emissions intensity of heat generation (heating and hot water) in properties both through efficiency gains and through a change in the energy source.
- The emission factor for electricity depends largely on the share of renewable energies in the electricity mix.

The forecast for the development of the emission factor took into account the requirements of the Renewable Energy Sources Act (EEG), which envisages an expansion of renewable energies to 80% by 2030, and the Coal Phase-out Act, which stipulates a 40% reduction in coal-fired power generation by 2030.

- Inflation affects the value of properties. As property values rise, the relative carbon footprint (RCF) in t CO₂e/€ million loan volume decreases.

The decarbonisation levers of new business, renovations and heating replacement can be influenced by Wüstenrot Bausparkasse AG and its customers (decarbonisation levers with influence). In contrast, Wüstenrot Bausparkasse AG and its customers have no influence on the emissions intensities of the German electricity mix and inflation (decarbonisation levers without influence). The development of the decarbonisation levers was derived from scenarios based on scientific studies, historical developments, political framework conditions and internal planning processes.

The following actions have been put in place to achieve the GHG emission reduction targets:

- Consultant qualification ("Green Certificate" and "Modernisation Consultant")
- Wüstenrot energy consulting (energy consultant network)
- Incentives via climate loans with favourable terms depending on the energy efficiency of the properties
- Consideration of equipment features in the determination of mortgage lending value

The transition plan and the actions implemented will be carried out within the budget and financial resources of Wüstenrot Bausparkasse AG's current business operations.

Committed greenhouse gas emissions and transition risks

Wüstenrot Bausparkasse AG is bound by the terms specified in the relevant loan agreements for its real estate loan portfolio. During the maturity of the loans, Wüstenrot Bausparkasse AG can only indirectly influence the financed GHG emissions. The targets may be

jeopardised by customer behaviour or a lack of political framework conditions, thereby also increasing transition risks.

Approval of the transition plan and integration into business strategy and financial planning

The transition plan was approved by the Executive Board of Wüstenrot Bausparkasse AG during the financial year. The short-, medium- and long-term targets of the transition plan were also approved as part of the business strategy by the Executive Board of Wüstenrot Bausparkasse AG and as part of the sustainability strategy by the Executive Board and Supervisory Board of the parent undertaking W&W AG.

The short-, medium- and long-term targets of the transition plan were anchored in the business strategy of Wüstenrot Bausparkasse AG and the sustainability strategy of the W&W Group. In addition, a risk indicator (alignment with the CREEM path) was established as part of the risk strategy and further monitoring indicators were established in the risk management framework in order to assess the risk of possible target deviations.

Statement on Paris-aligned benchmarks

W&W AG is not exempt from the Paris-aligned benchmarks. The W&W Group does not engage in any economic activities that would lead to an exemption from the Paris-aligned benchmarks.

Disclosure Requirement SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 and ESRS E1)

The economic activities carried out by the W&W Group lead to material impacts, risks and opportunities with regard to climate change.

Material impacts

The material impacts of the W&W Group's economic activity with regard to climate change are the negative impacts resulting from greenhouse gas emissions.

The provision of construction financing, property development projects, the letting of properties in the Group's own portfolio as part of residential and urban development or as capital investments by insurance undertakings, the provision of insurance services in the private and corporate composite business, and capital investments in equity and debt securities of companies lead to greenhouse gas emissions in the upstream and,

above all, downstream value chain. These result from the financed and insured properties and economic activities, as well as from the production of building materials in the course of constructing buildings. In addition, there are greenhouse gas emissions from the W&W Group's own business operations.

Greenhouse gases are considered to be the main driver of the rise in global surface temperatures. In the W&W Group, greenhouse gas emissions are identified in addition to its own business operations in the insurance of motor vehicles and the business activities of insured companies. In addition, there are financed greenhouse gas emissions in the capital and construction financing portfolio and from the operation of leased buildings in the Group's own portfolio. The production of building materials in the course of property development projects is also related to the emission of significant amounts of greenhouse gases.

Financing, insuring and coordinating real economic processes form the material basis of the business model as a company in the credit, insurance and property development sector. These real economic processes are the main sources of greenhouse gases associated with the W&W Group's business model. Greenhouse gas emissions from the W&W Group's own business operations are regularly associated with the exercise and implementation of office and IT operations and related ancillary services, and are also limited to these.

The effects of greenhouse gas emissions are short-, medium- and long-term. According to measurement data from the European climate data agency Copernicus, the 1.5-degree limit was exceeded for the first time in 2024. Based on the current warming trend, the world would exceed the 1.5-degree target in the long term between 2030 and 2040. However, initial studies now indicate that this target may be exceeded permanently.

The negative impact of the W&W Group's business activities on climate change results largely from its business relationships. Greenhouse gas emissions are therefore materially linked to the behaviour of business partners. Examples include the heating of financed buildings, the driving style and intensity of use of insured motor vehicles, and the GHG emissions of insured

companies or companies financed by capital market instruments. In our own business operations, we have the opportunity to reduce greenhouse gas emissions by saving energy and using renewable energies.

Material risks and opportunities

Climate change poses material risks for the W&W Group. The construction financing portfolio is subject to transition risks, as the legal requirements for residential buildings with regard to greenhouse gas emissions could increase dramatically. Negative health consequences for vulnerable population groups due to extreme weather events such as heat waves and the spread of tropical infectious diseases could place a considerable strain on life and health insurance in the future. At the same time, this increases the likelihood of greater regulatory intervention with consequences for interest rates, insurance technology and business risks in the life insurance sector. Property damage resulting from climate change is likely to be a significant factor in composite business in the coming years. In this context, a change in the underwriting and pricing policies of reinsurers is also to be expected, which could lead to higher claims and cost increases. Physical risks and transition risks affect the W&W Group's capital investments by increasing market price risks. These risks affect the downstream value chain.

A material opportunity for the W&W Group in connection with climate change is the business potential arising from the financing of modernisation measures and energy-efficient renovations in residential buildings. This opportunity also affects the downstream value chain.

In the reporting year, there were no material financial effects from the risks and opportunities associated with climate change on the financial position, earnings situation and cash flows. In the previous year, the technical result was significantly impacted by the consequences of the so-called natural disaster "Orinoco" and various regional storms. Climate-related risks from flooding, storms and hail are an integral part of determining future potential losses in the insurance business. Risks from these natural events are modelled in collaboration with external partners and adjusted annually to reflect new findings and portfolio data. They

are taken into account in the loss expectations for the affected portfolios and are included in the changes to the liability for remaining coverage.

Impact of material effects, risks and opportunities on the business model, value chain, strategy and decision-making

The increasing number and severity of property damage caused by natural events necessitate the continuous analysis, review and adjustment of product rates and features, as well as risk-mitigation techniques such as underwriting guidelines and reinsurance agreements in the composite business. Needs-based pricing and volume limits for insurable risks or the exclusion of uninsurable risks are material management tools for profit-oriented corporate management. The underwriting of risks in corporate customer/industrial business is based on ESG criteria in order to avoid underwriting risks that are critical from a sustainability aspect and to strengthen the underwriting of sustainable business. In addition, effective protection through reinsurance and retrocession agreements is ensured in order to safeguard the financial position and earnings situation as well as the risk/solvency position in the context of natural hazards.

At the same time, the negative effects of climate change on natural hazards underscore the high economic and social need for and benefit of available risk protection. Analyses to date therefore do not indicate any fundamental need to change the business models within the W&W Group. However, this does not rule out selective adjustments or even the discontinuation of individual product offerings in the future.

The analysis of the material impacts, risks and opportunities reinforces our current strategic target of expanding existing "green" product lines and services as part of our sustainability strategy.

The topic of "energy-efficient modernisation of properties" was identified in this context. The focus for new buildings is on energy efficiency. In existing properties, on the other hand, energy-efficient renovation and modernisation are being promoted, resulting in growing demand for energy and renovation consulting. Demand for energy-efficient modernisation is heavily dependent on political conditions such as the CO₂ price and the subsidy landscape. The topic

of energy-efficient modernisation is addressed in the sustainability strategy via the strategic dimension of market & customers with the strategic goal of growth in the "green future market" of energy-efficient modernisation.

Furthermore, the relevance of sustainability in society and thus also among our customers has increased, making it an increasingly important factor in purchasing decisions. We have addressed this in our sustainability strategy via the strategic dimension of market & customers with the strategic goal of developing and offering "green" product lines and components.

Resilience of the strategy and business model

The rolling strategy process is based, among other things, on a strategic business model analysis. The strategic business model analysis essentially comprises an external environment analysis and an internal company analysis.

For the internal company analysis, strengths and weaknesses are examined in relation to the strategic dimensions of "finance," "market & customers," "processes and technology," and "employees." Opportunities and risks in the external business environment are identified in the areas of "society and customers," "politics," "economy and market," and "technology."

Sustainability aspects, sustainable developments and trends are taken into account in each case. Based on the strategic business model analysis, the business strategy defines strategic goals and internally defined KPIs. These are then transferred to the multi-year economic and equity planning and further operationalised. The overarching goal of the business strategy is defined as strengthening the resilience of the W&W Group.

As part of the strategy process carried out in 2025, sustainability-related strengths and weaknesses as well as opportunities and risks were identified and, where relevant, taken into account in the 2026 ff. business plan.

Neither the strategy process nor the business planning currently provide any indication of a lack of resilience on the part of the W&W Group to existing risks or of inadequate utilisation of the opportunities analysed.

The internally defined strategic goals and KPIs are considered realistically achievable based on the assumed framework conditions and premises in the planning period. The W&W Group therefore considers its business model to be fundamentally resilient to material risks, which does not preclude selective responses and adjustments to changing internal and external conditions.

Significant risks are also continuously analysed and assessed within the framework of the Group-wide risk management system, taking sustainability aspects into account. Ranges of possible positive and negative deviations are determined using stress tests and scenario analyses. For risks identified as material, instruments, methods and measures for their control are defined in the risk management system.

The risk management system also currently shows no signs of a lack of resilience to the identified risks.

Types of climate-related risks in the W&W Group

For the W&W Group, climate change risks specifically involve physical risks from an increase in extreme weather events in Europe, which primarily affect the insurance business of Württembergische Versicherung AG and, in the course of intra-group reinsurance, also that of Wüstenrot & Württembergische AG. For personal insurers, the climate-specific physical effects on underwriting risks are minor compared to property insurance. Growing health risks cannot be ruled out.

In a global warming scenario of significantly more than 2 °C, strong to very strong effects on market price, credit and underwriting risks would be expected. The probability of this scenario increases with a longer time horizon and is more long-term in nature (> 25 years). Individual physical events related to storms, hail and flooding also had a strong to very strong impact on underwriting risk. The number and severity of hail and flooding events in particular are likely to increase with rising global temperatures and over time, but can also occur ad hoc (within a year).

In addition, transition risks arise particularly from capital investments and construction financing in the event of an abrupt intensification of political efforts to combat climate change. In this context, relevant transitional risks mainly relate to market price risk (in particular credit spread risk, interest rate risk, equity risk and participation risk, as well as property risk) and counterparty credit risk.

Market price risks affect all companies in the W&W Group to a greater or lesser extent, depending on their investment volumes. These risks may arise in particular from the macroeconomic implications of sudden and massive political activity to counteract advancing climate change through stricter actions to reduce CO₂ emissions.

Transitory risks may also arise in the counterparty credit risk of the customer lending business in the Housing division (Wüstenrot Bausparkasse AG). For example, effects on the liquidity and creditworthiness of borrowers (additional costs of energy consumption due to CO₂ emissions) as well as implications for the value stability of the collateralised properties in the customer loan portfolio cannot be ruled out.

Resilience analysis

Description of the analysis

The W&W Group's business planning regularly takes climate-related physical risks into account on the basis of historical loss experience and stochastic model forecasts. The current experience of recent years from extreme weather events in the W&W Group's core business area has been incorporated into the 2026 ff. business plan as a plan approach in the normal scenario. In addition, the financial impact of the two largest 200-year events resulting from storms, floods and hail for Württembergische Versicherung AG and Wüstenrot & Württembergische AG is determined for a planning year in a loss scenario. Both the normal scenario and the loss scenario in the current business plan provide resilience against these climate-related risks.

Observations and predictions about the effects of climate change are subject to considerable uncertainty, as both human activity and uncertainty about complex geophysical relationships make it difficult to predict the impact of climate change. Therefore, scenario analyses based on a longer time horizon offer a useful way of analysing and assessing the risks resulting from climate change. Based on recommendations from the NGFS (Network for Greening the Financial System), the W&W Group considers climate stress and its impact on risk-bearing capacity in the long term.

As mentioned above, business planning takes into account the short- to medium-term developments of climate-related risks that are already foreseeable today, provided that they can be quantified sufficiently directly or implicitly.

With regard to possible long-term effects, the W&W Group has opted to calculate the NGFS scenarios "Current Policies" and "Delayed Transition", which are characterised by varying degrees of physical and transitional risks.

- The Current Policies scenario assumes a mere continuation of the climate protection measures already in place today, i.e. no additional or more stringent measures will be taken to raise the current level of political ambition. In this scenario, the temperature would rise by 2°C by 2050 and 3°C by 2100.
- The delayed transition scenario assumes that extended actions to reduce CO₂ emissions will not be taken until 2030. However, these actions will then be very significant and lead to disruptive changes. This will result in high transition risks in the 2030s. As a result, the scenario aims to meet the Paris climate targets, i.e. to limit global warming to less than 2 °C in the long term. This would result in a temperature increase of approximately 1.8 °C by 2050, before the actions taken are expected to lead to a slow decline in global warming to around 1.6 °C from 2060 onwards. However, given the declining efforts in many places to achieve sustainable climate change mitigation, the achievability of the Paris climate target is in question.

Short- to medium-term effects are taken into account in the 2026 ff. business plan. This is based on assumptions from August 2025 and was carried out until late autumn 2025. The climate stress calculations were performed in the first half of 2025 for the portfolio as at 31 December 2024 on the basis of phase IV of the NGFS scenarios and are based on the methodology used in the EIOPA climate change stress test for pension funds (IORP stress test 2022).

Business planning includes P&L and balance sheet planning with a three-year horizon from 2026 to 2028. Based on the business plan, an extended plan for the solvency of the W&W Group is also drawn up until 2030 on the basis of the relevant regulatory requirements for the solvency II group and the financial conglomerate.

In the context of climate stress, the delayed transition scenario is based on an analysis for the year 2035, while the current policies scenario is based on an analysis for the years 2050 and 2100, using the portfolios as at 31 December 2024 as a reference date.

Results of the analysis

In the short to medium term, the results of the 2026 ff. business plan based on the assumptions show sufficient resilience to climate-related risks. The internally defined strategic goals and KPIs are considered realistically achievable.

All other things being equal, the ad hoc climate stresses considered have a negative impact on the risk-bearing capacity of the W&W Group in the long term. Overall, the economic and regulatory risk-bearing capacity of the W&W Group and solvency II group would continue to be sufficient under the assumptions made, both in the transitional scenario with a temperature increase of less than 2 °C (delayed transition scenario) and in the physical scenario with a temperature increase of more than 2 °C (current policies scenario).

Ability to adapt to climate change

The core of the W&W Group's business model is the Insurance division and the Housing division. There have been no changes to the actual business model or the material product portfolio due to physical climate risks to date.

In the insurance division, an increase in claims from storms is leading to rising reinsurance premiums. Against the backdrop of an increased frequency of claims and higher reinsurance costs, the premiums for (primary) insurance products are being reviewed as before through regular calculations and possible premium adjustments.

In the Housing division, the future-oriented topic of energy-efficient building modernisation is being consistently pursued. This includes setting up our own energy consulting company and introducing new product variants that specifically promote energy-efficient new construction, acquisition of properties and modernisation measures.

Management of impacts, risks and opportunities

Disclosure Requirement E1-2 – Policies related to climate change mitigation and adaptation

The W&W Group has policies relating to climate change. These take into account the areas of climate change mitigation, climate change adaptation, energy efficiency, the use of renewable energies and training. The policies relate to the Group's own business operations, the services provided by the W&W Group in the Housing division, the settlement of claims in the Insurance division and the W&W Group's capital investments. The policies serve to counteract the negative impacts and risks of climate change and to seize opportunities.

No policies were established during the reporting period for the negative impacts arising in connection with the insurance of retail customers.

The W&W Group's policies in relation to climate change are explained below.

Own business operations

Policy	CO ₂ neutral operation of own buildings and vehicle fleet, as well as constant reduction of own energy consumption
Key contents	Reduction of absolute CO ₂ emissions and offsetting of the remaining Scope 1 and Scope 2 emissions of the W&W Group at its locations in Kornwestheim, Ludwigsburg (Hohenzollernstraße 46, Elmar-Doch-Straße 38-40) and Stuttgart, as well as its entire vehicle fleet Reducing consumption of district heating, heating oil, gas, electricity, diesel and petrol.
General objectives	Reduce, avoid or offset negative impacts from CO ₂ emissions from our own business operations.
Relation to material impacts, risks or opportunities	Negative impacts: Consequences of global warming due to CO ₂ emissions.
Monitoring process	Monitoring is carried out as part of the sustainability strategy process. The sustainability strategy is updated annually as part of the Group strategy process. This also includes a review of the achievement of the targets set out in the current sustainability strategy (target/actual comparison) and a strategic analysis.
Scope of application	The W&W sustainability strategy applies across the entire Group. The policy described refers to issues that can be implemented in our own business operations.
Most senior level accountable for implementing the policy	Responsibility for sustainability lies with all members of the W&W Group's Executive Board, with overall responsibility for strategic orientation in relation to sustainability residing with the CEO.
Consideration of stakeholders' interests	The Executive Board, various specialist departments and employees were taken into account.
Availability of the policy for stakeholders	The W&W sustainability strategy is updated annually and made available to all employees on the Group intranet.

The Group-wide sustainability strategy focuses on climate change mitigation in its own business operations. The CO₂-neutral operation of its own buildings and vehicle fleet through energy efficiency, the use of renewable energy sources and the offsetting of remaining CO₂ emissions are a priority goal. The energy efficiency actions also implicitly aim to achieve climate change adaptation in order to avoid rising energy costs.

Home loan savings and construction financing

Policy	Financing energy-efficient residential construction and energy-efficient renovations of existing properties are part of Wüstenrot Bausparkasse AG's business model.
Key contents	All aspects arising from the provision of building savings products and construction financing in connection with climate change mitigation and climate change adaptation.
General objectives	With its financial products, Wüstenrot Bausparkasse AG gives all customers the opportunity to invest sustainably in their own future and thereby acquire or renovate their own sustainable living space. Wüstenrot Bausparkasse AG actively contributes to sustainable urban and real estate development. By expanding the advisory skills of its field service partners in the area of energy-efficient modernisation, it aims to support customers in their decision-making.
Relation to material impacts, risks or opportunities	Negative impacts, risks and opportunities: In the medium term, there are transition risks that could have a negative impact on customers and collateral, for example due to increased CO ₂ prices, and thus lead to increased counterparty default risks. Opportunities exist through the financing of building modernisation, which in turn also contributes to reducing the negative impact of GHG emissions.
Monitoring process	As part of the W&W Group's strategy process, selected qualitative and quantitative performance indicators from the area of sustainability are measured and considered in a target/actual comparison. In addition, the risk strategy defines the framework for integrating sustainability risks into risk management and defines the risk appetite.
Scope of application	The business and risk strategies apply without restriction in Germany and Luxembourg and cover all business activities of Wüstenrot Bausparkasse AG.
Most senior level accountable for implementing the policy	The Executive Board of Wüstenrot Bausparkasse AG is responsible for the content and implementation of the business and risk strategy.

Based on the W&W sustainability strategy, the business strategy of Wüstenrot Bausparkasse AG takes into account the areas of climate change mitigation, climate change adaptation, energy efficiency and the use of renewable energies.

By offering favourable customer terms for sustainable investments, Wüstenrot Bausparkasse AG supports its customers in financing energy-efficient residential construction and energy-efficient renovations of existing properties. To this end, Wüstenrot Bausparkasse AG has added climate variants to its product portfolio and implemented continuous training measures on the topic

of energy-efficient modernisation in its sales department so that it can provide customers with expert advice on modernisation issues. The corresponding actions and targets are set out in disclosure requirements E1-3 and E1-4.

In the 2025 financial year, Wüstenrot Bausparkasse AG developed a transition plan for its secured real estate loan portfolio, which will come into effect on 1 January 2026. Details on decarbonisation levers, climate protection actions and target values of the transition plan can be found in disclosure requirement E1-1.

Housing and urban development

Policy	The overarching policy is the sustainability section within the business strategy of Wüstenrot Haus- und Städtebau GmbH.
Key contents	The policy addresses all negative and positive impacts identified as material in the materiality assessment and includes the objectives developed for this purpose. Key content includes the sustainable further development of existing products and services, the development of new sustainable offerings, and the reduction of greenhouse gas emissions. The reduction of GHG emissions is to be achieved, among other things, by converting the rented property portfolio to green electricity and by achieving data transparency in property development projects with the aim of reducing emissions.
General objectives	The overarching goal is to minimise negative impacts as far as possible while promoting and enhancing positive impacts. The climate change mitigation objectives are to ensure data transparency in property development projects and to reduce the greenhouse gas emissions caused by Wüstenrot Haus- und Städtebau GmbH. For example, property development projects should include inventory maintenance checks, construction variant comparisons and life cycle analyses in order to make Scope 3 GHG emissions from construction activities transparent, compare them and reduce them as far as possible. In addition, a reduction in GHG emissions is planned through the switch to green electricity.
Relation to material impacts, risks or opportunities	Negative impacts: GHG emissions generated during the manufacture of building materials in the course of constructing buildings and from rented properties held in the company's own portfolio.
Monitoring process	The sustainability section of the business strategy is regularly reviewed and monitored by the Controlling department of Wüstenrot Haus- und Städtebau GmbH in cross-divisional meetings.
Scope of application	The scope covers Wüstenrot Haus- und Städtebau GmbH. This includes both the upstream and downstream value chain as well as the company's own business operations.
Most senior level accountable for implementing the policy	The management of Wüstenrot Haus- und Städtebau GmbH is responsible for implementing the business strategy.

The sustainability section of Wüstenrot Haus- und Städtebau GmbH's business strategy covers, among other things, all aspects that were identified as material in the materiality assessment. This therefore includes climate change mitigation and climate change adaptation as an element in the assessment of taxonomy eligibility in the context of the EU Taxonomy. As a further strategic action, employees of Wüstenrot Haus- und Städtebau GmbH received further training on ESG-related topics as part of basic and expert training courses. The training courses are being continued on an ongoing basis.

Composite retail customers

Greenhouse gas emissions from the use of fossil fuels have been identified as a negative impact in connection with climate change in the downstream value chain for the W&W Group's retail customer composite insurance business.

Fossil fuels are used to a material extent by policy holders

of the motor insurance group company Württembergische Versicherung AG when using vehicles with combustion engines and when using vehicles with electric motors powered by electricity generated from fossil fuels.

Furthermore, fossil fuels are used to a significant extent by policy holders through the operation of gas and oil heating systems, which are insured by Württembergische Versicherung AG as part of residential building and liability insurance policies.

Württembergische Versicherung AG offers its retail customers insurance cover for vehicles and heating systems that comply with legal requirements. Within the framework of motor insurance, Württembergische Versicherung AG is obliged under Section 5 *of the Act on Compulsory Insurance for Motor Vehicle Owners* to accept applications for motor vehicle liability insurance. Against the backdrop of current legal regulations, in particular *Regulation (EU) 2023/851 with regard to*

stricter CO emission standards for new passenger cars and new light commercial vehicles in line with the Union's more ambitious climate targets, as well as Section 72 of the *Act on Energy Saving and the Use of Renewable Energies for Heating and Cooling in Buildings (Building Energy Act – GEG)*, a decline and ultimately a phasing out of the use of fossil fuels is to be expected for vehicles and heating systems. Current developments in this regard are being monitored. This trend is further influenced by the continuously rising CO₂ prices for fuels, which are making the use of fossil fuels in the transport sector increasingly unattractive. During the reporting period, the W&W Group did not have any independent policies, actions or targets for dealing with the use of fossil fuels in motor vehicles and gas and oil heating systems by retail customers of

property/casualty insurance. In view of the existing legal requirements and the expected effects, in particular due to the increase in CO₂ prices, the W&W Group does not currently expect any additional positive influence on the usage behaviour of its retail customers in property/casualty insurances through further policies, actions or targets and is therefore refraining from introducing them.

Composite corporate customers

Wherever composite corporate customers are mentioned in the following sections, the statements refer to the following areas of Württembergische Versicherung AG: corporate customer liability, corporate customer property and corporate customer commercial.

Policy	Identification of ESG risks in the insurance portfolio
Key contents	The policy comprises the description of a systematic and structured ESG assessment process in risk underwriting. An additional process step, ESG screening, is implemented in the regular underwriting process. This involves determining the ESG exposure of the customer's business activities and mapping it using defined scoring criteria. The process is not intended to fundamentally exclude companies with ESG risks, but rather to assess and manage potential exposures in a risk-oriented manner. The policy is to be continuously developed and gradually improved.
General objectives	The aim of the process is to identify and manage ESG risks in the composite portfolio of corporate customers and, in the future, to support the transformation of insured customers.
Relation to material impacts, risks or opportunities	Negative impact: GHG emissions in the corporate insurance portfolio. The ESG assessment process focuses increasingly on screening E risks, in particular the negative impacts of CO ₂ emissions.
Monitoring process	The ESG assessment process is embedded in the existing internal control system.
Scope of application	The process has been implemented in the corporate customers composite portfolio. The assessment process is initially limited to companies with a turnover of ≥ €250 million.
Most senior level accountable for implementing the policy	The Executive Board of Württembergische Versicherung AG is responsible for implementing the ESG assessment process.

The identification of ESG risks in the insurance portfolio primarily covers the issue of climate change mitigation.

Underwriting risks

Policy	Integrated risk strategy – strategic decisions on underwriting risks
Key contents	The integrated risk strategy – strategic definition of underwriting risks – centrally defines the principles, methods and objectives for dealing with underwriting risks within the W&W Group.
General objectives	The objective is to maintain an appropriate balance between seizing business opportunities and taking risks, and to only engage in insurance business where the risks are largely calculable and do not pose a threat to the company's existence. Risks are limited by means of suitable and appropriate hedging instruments (including reinsurance).
Relation to material impacts, risks or opportunities	Risks: Within underwriting risks, physical risks (extreme weather events) influenced by sustainability aspects such as climate change are particularly relevant and also have a long-term impact on the underwriting risk of life and health insurance. Due to natural hazards, individual contractual risks can add up to cumulative risks.
Monitoring process	The W&W Group's risk strategy is reviewed at least once a year. The Group Board Risk, as the central body for coordinating risk management, monitors compliance with and implementation of the integrated risk strategy. The integrated risk strategy is to be discussed with the Risk and Audit Committee and the Supervisory Board of W&W AG. The Risk Board Insurance manages and monitors risks in the Insurance division.
Scope of application	The integrated risk strategy applies to the W&W Group and W&W AG. Together with the associated frameworks and guidelines, it defines the strategic framework for the Group-wide risk management system. The individual W&W companies are obliged to apply the integrated risk strategy to their area of responsibility and to specify it in more detail where necessary.
Most senior level accountable for implementing the policy	The Executive Board of W&W AG is jointly responsible for regularly reviewing, adapting and adopting the integrated risk strategy.

The W&W Group's risk strategy sets out the framework for integrating sustainability risks into risk management. In the areas of climate and environment, physical risks (arising both in relation to individual extreme weather events and their consequences and in relation to long-term changes in climatic and ecological conditions) and

transition risks (arising in connection with the transition to a low-carbon economy) as well as interdependencies between the two risks are taken into account.

Capital investment

Policy	Net zero target for capital investment by 2050
Key contents	Continuous reduction of GHG emissions from capital investment to net zero by 2050
General objectives	Reduction of GHG emissions associated with capital investments as a contribution to climate change mitigation.
Relation to material impacts, risks or opportunities	Negative impacts and risks: consequences of global warming; physical risks and transition risks.
Monitoring process	The net-zero target by 2050 is part of the W&W Group's sustainability strategy, which complements the W&W Group's business strategy. The W&W Group's rolling group strategy process includes planning, implementation, assessment and adjustment of the business strategy.
Scope of application	The application of the policy relates to all of the W&W Group's capital investments. Specific applications of the policy were limited to capital investments in the form of equity and debt instruments of financial undertakings and non-financial undertakings during the reporting period.
Most senior level accountable for implementing the policy	Responsibility for the sustainability of capital investments lies with the member of the W&W AG Executive Board responsible for financial management/asset allocation in accordance with the business distribution plan.
Reference to third-party standards or initiatives	The insurers organised in the German Insurance Association (GDV) are aiming for a net zero target for GHG emissions from their capital investments by 2050. The net-zero target means that remaining GHG emissions must be offset by compensation measures. They are committed to the goal set out in the Paris Climate Agreement of limiting global warming to well below 2 °C compared to the pre-industrial level and gradually aligning financial flows with climate goals. They are setting measurable targets to achieve GHG reductions in their portfolios by 2025 in line with scientific findings (in particular those of the Intergovernmental Panel on Climate Change, IPCC) and the availability of measurement methods. In addition, further concrete interim targets are to be defined. W&W AG is a member of the GDV and is therefore committed to the sustainability positioning of German insurers.

The policy of the "net zero target for capital investments by 2050" takes into account the areas of climate change mitigation, climate change adaptation, energy efficiency and the use of renewable energies. This is to be achieved primarily by reducing GHG emissions, thereby helping to mitigate global warming. This policy therefore falls within the scope of climate change mitigation. Nevertheless, climate change adaptation, energy efficiency and the use of renewable energies play an important role in capital investments in properties. With regard to energy efficiency and the use of renewable energies in particular, the policy envisages a continuous approach to the net zero target. Alternative investments in renewable energies should also prevent GHG emissions from arising in the investment portfolio in the first place.

Disclosure Requirement E1-3 – Actions and resources in relation to climate change policies Own business operations

In the reporting year, targeted actions were initiated, implemented and continued in our own operating business operations in order to maintain existing standards and ensure continuous stability. These actions

are part of a package of actions to implement the policy of "CO₂ neutral operation of our own buildings and vehicle fleet, as well as constant reduction of our own energy consumption".

Extension of the e-mobility infrastructure: The e-mobility infrastructure is being continuously extended and, in addition to the ongoing expansion of the e-vehicle fleet, also includes the development of an e-charging infrastructure at the W&W campus and the home charging solution for company cars, which has been introduced throughout the Group since 1 April 2025. During the reporting period, the electric vehicle fleet was extended from 92 electric vehicles to 133 electric vehicles (representing approximately 24.3% of the vehicle fleet on the reporting date, compared to 17.3% in the previous year). The extension of the vehicle portfolio in the fully electric segment enabled further actions to promote e-mobility to be pushed forward in the reporting year.

100% green electricity: The extension of the photovoltaic system on the roofs of the car park and the 14 office buildings on the W&W campus contributes to the 100% green electricity action. The purchase of additional green electricity requirements for all W&W Group locations is carried out annually on the basis of a new decision to be made by the management of W&W Service GmbH (WWS).

This was also the case in the 2025 financial year. Operational implementation is carried out by WWS Purchasing through a new purchasing process.

Energy management system: Energy consumption data in the campus buildings is automatically recorded via the Siemens Navigator energy data management system. The system has been continuously developed through optimisation measures. If atypical patterns or inefficient energy consumers are identified, measures to reduce energy consumption and increase efficiency are implemented and evaluated in economic terms. Furthermore, in 2025 the international standard for energy management systems according to DIN ISO 50001 was successfully certified by TÜV Saar. This initial certification will be followed by annual surveillance audits that have already been scheduled.

Continuous optimisation as part of the certification of the campus by the German Sustainable Building Council (DGNB): The first construction phase of the campus was already awarded the DGNB Gold Seal in 2023. Certification for the entire campus by the DGNB took place in 2025. The campus was successfully awarded the DGNB Platinum Seal. As part of the DGNB certification, the operating processes at the site are continuously optimised in terms of sustainability by defining targets, measuring and analysing relevant data and gradually implementing improvement measures in 3-year cycles. This is done taking into account the targets for consumption and CO₂ reduction set out in the W&W sustainability strategy.

The actions taken are implemented as part of business operations at locations in Kornwestheim, Ludwigsburg (Hohenzollernstraße 46, Elmar-Doch-Straße 38-40) and Stuttgart, as well as for the W&W Group's vehicle fleet. The action "Extension of the photovoltaic system" was completed in the 2024 financial year. The electric vehicle fleet was expanded beyond the plan in the reporting year.

The actions "Extension of the e-mobility infrastructure", "100% green electricity", "Energy management system" and "Continuous optimisation as part of the DGNB certification of the campus" are assigned to the decarbonisation lever "Electrification of the vehicle fleet and heating of buildings with renewable energies". These actions contributed to a reduction of 284 t CO₂ in the

2025 financial year. It is not currently possible to quantify the expected reduction in greenhouse gas emissions.

Home loan savings and construction financing

The financing of climate-friendly new buildings and the energy-efficient renovation of existing buildings contribute to reducing GHG emissions, which is derived from the business strategy of Wüstenrot Bausparkasse AG. To this end, Wüstenrot Bausparkasse AG offers a range of products tailored to this purpose: the "Wohndarlehen Klima Turbo", "Wohndarlehen Klima Classic" and "Wohndarlehen Klima Flex" products support customers who want to renovate, build or buy energy-efficient properties. The climate variants are offered to customers with special conditions compared to the standard variants in order to promote these climate-friendly projects. As of the reporting date, the condition discounts for the climate variants range between 0.10 percentage points and 0.21 percentage points. These are intended to provide an incentive for the implementation of climate-friendly actions.

By providing further training for its sales partners, Wüstenrot Bausparkasse AG is constantly expanding its advisory expertise in the area of climate-related actions so that it can support customers in their modernisation decisions. The qualification program comprises three levels, which can be completed in sequence. The qualification levels start with the "green certificate," followed by the "green certificate plus" and finally the "modernization consultant." The modules cover topics such as the basics of thermal insulation, the Building Energy Act, government subsidies and building services. The "modernisation consultant" programme concludes with a final test and a certificate from the Federal Association for Building Modernisation (BVGeM e. V.), which is valid for two years. Wüstenrot Bausparkasse AG expects an increase in energy-efficient renovations and modernisations. Home loan and savings banks generally specialise in small-volume loans. The business model of Wüstenrot Bausparkasse AG is designed to offer energy-efficient renovations and modernisations to broad sections of the population.

The special terms and conditions for climate loans and the further training of sales partners were not subject to any time limit as of the reporting date and are to be maintained in the coming years.

Details on decarbonisation levers and climate protection actions in accordance with the transition plan for the real estate loan portfolio of Wüstenrot Bausparkasse AG, which will come into effect on 1 January 2026, can be found in disclosure requirement E1-1.

Housing and urban development

In the materiality assessment conducted by Wüstenrot Haus- und Städtebau GmbH, the GHG emissions from the production of building materials for property development projects were identified as having a negative impact. These relate to the upstream value chain. As property development activities can potentially take place throughout Germany, the impact extends to the entire country. Wüstenrot Haus- und Städtebau GmbH plans to implement the following actions to record and reduce greenhouse gas emissions:

Life cycle analysis:

- In 2025, software for life cycle analysis was introduced. As part of the introduction, a policy for the procedure was also developed, which will be applied to newly initiated property development projects from 2025 onwards. The result of these actions is the systematic collection of data on the environmental impact over the life cycle of the properties recorded. The working policy for life cycle analysis is to be applied in practice and optimised as necessary in ongoing and future property development projects until 2028, with a view to enabling the ecological management of the company's own property development projects in the future.

Comparison of construction variants:

- In 2025, a policy for analysing construction variants was developed, which describes the procedure for comparing different building variants of a property development project in terms of the resulting GHG emissions. Variant comparisons for construction are to be carried out in service phases 1 to 4 (basic evaluation, preliminary planning, draft planning, approval planning) in order to prioritise building materials with low greenhouse gas emissions, provided that their use is also feasible from an economic point of view. The working policy for variant comparison calculations is to be applied in practice in future property development projects from 2026 onwards and optimised where necessary in order to increase data

transparency with regard to the GHG emissions of building constructions, with the ultimate aim of enabling decisions to be made in favour of lower-emission variants.

Building materials:

- In 2025, a request for data delivery regarding building material information was integrated into contract documents. This will gradually increase data transparency with regard to the building materials used and thus contribute to the achievement of the policy-related goals.
- In 2025, it was also included in the contract templates for residential and commercial construction that contracting parties are obliged to indicate in their tender documents that bids focusing on biological materials, reused or recycled secondary components, products and materials are expressly desired. Preference is to be given to the use of biological materials and reused or recycled secondary components, products and materials, provided that this is economically feasible. In addition to the proportion of biological materials, including packaging, the proportion of reused or recycled secondary components, products and materials, including packaging, is also to be determined. Target quotas for these variables are to be derived by 2028. The intention behind this action is to increase the proportion of biological materials or reused or recycled secondary components, products and materials used, thereby contributing to the achievement of the policy-related targets.

Training:

- Between 2023 and 2025, employees in the specialist departments of Wüstenrot Haus- und Städtebau GmbH received further training on the subject of sustainable construction through basic and expert training courses provided by the German Sustainable Building Council (DGNB). The plan is to continue these training and qualification measures on an ongoing basis. To this end, 50% of project managers in the residential and commercial construction division are to maintain their DGNB consultant status until 2030. The expected result of this action is to ensure professional expertise in the field of sustainable construction.

The greenhouse gas emissions of the managed properties in Wüstenrot Haus- und Städtebau GmbH's own portfolio were also identified as material. In order to reduce these, Wüstenrot Haus- und Städtebau GmbH plans to implement the following measures:

Green electricity contracts:

- The existing supply contracts for general electricity for rented properties in the company's own portfolio are to be converted to green electricity contracts by 2030. This measure relates to the company's own business operations and applies to all properties over which Wüstenrot Haus- und Städtebau GmbH has control. It does not have the power to act if it only owns individual flats in residential property owners' associations. The stakeholder groups affected are the customers of the rental management department. The expected result of the measure is a reduction in emissions from rented properties in the company's own portfolio.

Energy performance certificates:

- As at 30 June 2025, demand-oriented energy performance certificates were available for all properties owned by Wüstenrot Haus- und Städtebau GmbH over which it has control. The implementation of this action enabled the targeted increase in data transparency with regard to the energy quality of the property portfolio to be achieved in the reporting period.

Composite corporate customers

During the reporting period, exclusion criteria relating to various ESG risks were applied to composite corporate customers. These exclusion criteria also include references to climate-related risks. The application of the criteria provides for the exclusion of new business with policy holders whose activities are related to coal.

Furthermore, an ESG assessment process was developed during the reporting period. The ESG assessment process is currently applied to companies with annual revenues of at least €250 million. The assessment focuses increasingly on E risks, in particular CO₂ emissions. The findings from the assessment process are intended to identify ESG risks in the insurance portfolio and ensure that the respective policy holder has taken actions to

address its ESG risks. The aim is to support the policy holder in its transformation.

The application of the exclusion criteria is fully established and, as of the reporting date, is not limited in time. The ESG assessment process was developed during the reporting period and implemented in December 2025.

Underwriting risks

Life and health insurance

Although climate change may affect the viability of long-term personal insurance products, the company has not decided on any specific risk mitigation actions at the time of reporting. This is because climate change-related changes in the insurance collective are already systematically addressed by the existing general actuarial models and regular adjustment mechanisms in the business model. There is therefore currently no need for additional action beyond this. We are closely monitoring further developments and will consider additional actions if necessary.

Risk limitation through the definition of underwriting guidelines

Physical risks from extreme weather events and natural disasters are limited in the area of underwriting risks by, among other things, underwriting guidelines and reinsurance agreements. Risks are underwritten in accordance with established guidelines and in compliance with defined maximum underwriting limits. The underwriting guidelines ensure that financial risks are limited and that decisions are based on sound analyses (risk analysis, prior loss analysis). In addition, the underwriting guidelines for corporate customer business include ESG exclusions for climate-related risks.

Conclusion of reinsurance contracts to limit risk exposure

Adequate reinsurance cover for individual risks and for cross-line accumulation risks reduces the technical risks in property/casualty insurance. The use of up-to-date natural hazard models to determine the reinsurance structure ensures that new findings resulting from climate change are taken into account. During the annual adjustment of the reinsurance programme, attention is

also paid to its effect on risk-bearing capacities. Great importance is attached to the creditworthiness of reinsurers. As a matter of principle, technical development is continuously analysed and monitored through the controlling of premiums, costs, claims and benefits. The W&W insurance companies make appropriate provisions for claims incurred in the form of individual and lump-sum provisions. The technical liabilities and the structure of our liabilities for remaining coverage are explained in the notes to the consolidated financial statements.

Consideration of climate change risks in the claim forecasts and premium calculations

Climate change risks are incorporated into the loss forecasts and premium calculations for insurance products that cover natural hazards (e.g. storm/hail, flooding, earthquakes in property and comprehensive insurance). The annual forecasts based on our own loss development are compared with the latest measurement and model values from the GDV (business statistics, net risk recommendations, natural hazard models) and checked for consistency, so that longer-term climate change developments with an impact on the insured risk are taken into account promptly and implicitly via periodic calculations and premium adjustments for the portfolios. Pricing within the framework of risk- and cost-oriented tariff control is based on actuarial calculations and statistical analyses, with regional premium differentials essentially based on calculation recommendations from the GDV.

Active accumulation loss management

To reduce operational risks associated with extreme weather events, we have an active cumulative damage management system in place that is continuously optimised and adapted to changing challenges. This includes preventive actions, personnel actions and tools for optimising work distribution and damage control:

- Cooperation with weather services for early warning systems to alert customers via text message to impending weather events;
- Use of digital technology for risk evaluation and damage forecasting in the event of an imminent or immediate extreme weather event in order to be able to react quickly;
- Situational work management in stages for the orderly distribution of increased workloads and telephony;
- Resource allocation in the event of increasing incoming volumes for internal and external claims services;
- Perspective planning of personnel capacity building based on the expected increase in claims;
- Robotics solutions to support claims processing.

Active Cumulative Claims Management is designed to provide customers with fast and professional support, even in extreme claims situations, regardless of the region affected. Active Cumulative Claims Management, with all its components, is designed to have a medium to long-term impact.

Investments

As a measure in connection with the policy of a "net zero target for capital investments by 2050", the W&W Group has established the measurement and ongoing reduction of its relative carbon footprint (RCF). The RCF is a metric used to compare the Scope 1 and Scope 2 emissions in CO₂ equivalents of the companies in which the W&W Group invests with the volume invested in euros. The RCF is expressed in tonnes of CO₂ equivalents per € million invested. The W&W Group had set targets for reducing the RCF during the reporting period. The ongoing reduction of the RCF in the coming years is to be achieved through targets for capital investments.

Furthermore, an investment exclusion for coal was in place as an accompanying action during the reporting period. Revenue limits apply to the companies in which investments are made. This action is intended to limit exposures to fossil fuels in the context of investments in companies.

Due to the underlying methodology, the RCF and the investment exclusion in relation to coal are limited to investments in the form of shares and corporate bonds. The RCF calculation for the reporting period included the capital investments of the W&W Group's major investors. These are W&W AG, Württembergische Lebensversicherung AG, Württembergische Krankenversicherung AG, Allgemeine Rentenanstalt Pensionskasse AG and Wüstenrot Bausparkasse AG.

The application of the action in connection with the RCF was extended in the reporting year with new specific targets for the years 2026 to 2028. The action originally ran with specific targets for the years 2023 to 2025. A decision on a further extension of the action, its further development or its replacement by another action as a contribution to the "net zero target for capital investment by 2050" policy will be made at a later date. The action to exclude investments in coal was not subject to any time limit on the reporting date.

Metrics and targets

Disclosure Requirement E1-4 – Targets related to climate change mitigation and adaptation Own business operations

As a target in connection with the policy of "CO₂-neutral operation of our own buildings and vehicle fleet and continuous reduction of our own energy consumption", emission reduction targets have been set for the W&W Group for the operation of its own buildings and vehicle fleet with regard to gross Scope 1 and Scope 2 emissions. There are plans to adjust the target values for 2026 on the basis of the revised policy.

The target level set for the 2025 financial year is 2,200 t CO₂, for the 2026 financial year 2,100 t CO₂, and for the 2027 financial year 2,100 t CO₂. This is an absolute target based on t CO₂. To measure progress, the reference level and reference year are identical to the target level for the respective financial years.

In our own business operations, we see electrification of our vehicle fleet and heating our buildings with renewable energies as levers for decarbonisation. The decarbonisation lever for our own business operations described in disclosure requirement E1-3 has contributed to a CO₂ reduction of 284 t CO₂. It is currently not possible to break down the target values, the decarbonisation lever and its contribution to Scope 1 and 2. However, this is planned for 2026. The extent to which new technologies can be used to reduce CO₂ emissions in our own business operations is currently being examined. The CO₂ reduction targets are not scientifically based. No assessment of 1.5-degree compatibility has been carried out. As a result, no climate scenarios have been considered.

The scope of the target relates to the operation of the buildings at the Kornwestheim, Ludwigsburg (Hohenzollernstraße 46, Elmar-Doch-Straße 38-40) and Stuttgart sites, as well as the entire vehicle fleet of the W&W Group.

The target levels were set on the basis of the expertise and experience of employees involved in the company's own business operations. The targets are agreed upon by the Sustainability Board and approved by the Executive Board. The target levels are not directly related to scientific findings or political goals. As part of the sustainability strategy, specific CO₂ reduction targets are set for the company's own business operations for the next three years.

The achievement of these targets is reviewed annually as part of a target/actual comparison. As in the previous year, the target was achieved for the 2025 financial year. Further relocations from the old premises to the new DGNB-certified and taxonomy-aligned W&W campus contributed to this in particular.

Home loan savings and construction financing

The climate change targets in connection with the business model of Wüstenrot Bausparkasse AG include further training for sales staff and the share of "Turbo" modernisation loans in new business.

Details on the targets of Wüstenrot Bausparkasse AG from the transition plan for the real estate loan portfolio valid from 1 January 2026 can be found in disclosure requirement E1-1. No GHG reduction target value has yet been set for the 2025 reporting year.

Wüstenrot Bausparkasse AG contributes to GHG emissions by financing construction and reorganisation measures. With its range of climate-friendly modernisation loans and its established advisory expertise, Wüstenrot Bausparkasse AG is helping to reduce GHG emissions from residential buildings in the long term by financing modernisation and building optimisation projects.

Sales training

Wüstenrot Bausparkasse AG's qualified sales partners are tasked with raising awareness among financiers about climate-friendly technologies. To this end, Wüstenrot Bausparkasse AG's business strategy defines targets for the number of certified advisors with "green certificates" and "modernisation advisors".

The target for 2025 for advisors with a "green certificate" was at least 1,900 people. For the sales force trained as certified "modernisation advisors", the target for 2025 was at least 1,225 people. The target is an absolute value and is measured in terms of the number of people. To measure progress, the reference level and reference year are identical to the target level for the financial year. All sales partners were included in the population. The target levels are not directly related to scientific findings.

At the end of 2025, 1,864 people were certified as advisors with a "green certificate" and 1,186 people were qualified as "modernisation advisors". The achievement of targets for the financial year was assessed on the basis of a target/actual comparison. Individuals who have completed the qualification process but are no longer working as sales partners for Wüstenrot Bausparkasse AG after the qualification measure are included in the above figures, as the target value is based on the training courses completed. Due to a declining sales network, the target values for the correspondingly qualified advisors could not be achieved by the end of the 2025 financial year.

Wüstenrot Bausparkasse AG's business strategy for the 2025 financial year takes into account targets up to and including 2027. The Executive Board of Wüstenrot Bausparkasse AG is responsible for implementing the business strategy and thus for each of the targets specified therein.

Share of new "Turbo" business

Wüstenrot Bausparkasse AG has defined a sales target for the "Turbo" modernisation loan.

The target for 2025 for the climate variant of the "Turbo" modernisation loan is more than 52% of new business. This is a relative value based on the loan amounts in euros. The reference level and reference year used to

measure progress are identical to the target level for the financial year. All new business concluded for the climate variants of the "Turbo" modernisation loan are included in the population. The target levels are not directly related to scientific findings.

The share of the climate variant of the "Turbo" modernisation loan amounted to 40.2% in the 2025 financial year. The achievement of targets for the financial year was assessed on the basis of a target/actual comparison. Due to political uncertainty about subsidies and inflation-related losses in purchasing power, the target value could not be achieved.

The business strategy of Wüstenrot Bausparkasse AG for the 2025 financial year takes into account targets up to and including 2027. The Executive Board of Wüstenrot Bausparkasse AG is responsible for implementing the business strategy and thus for each of the targets specified therein.

Housing and urban development

The sustainability section of Wüstenrot Haus- und Städtebau GmbH's business strategy covers, among other things, all aspects that were identified as material in the materiality assessment. The targets described in the following section therefore correspond to the targets set out in Wüstenrot Haus- und Städtebau GmbH's business strategy.

Life cycle analysis:

- From 2030 onwards, a life cycle analysis is to be available for 100% of newly initiated property development projects. The objective is to be assigned to the upstream value chain and represents a relative target. The reference year for the target is the respective financial year. Target achievement is monitored and reviewed by the specialist department, using the proportion of newly initiated property development projects that have a life cycle analysis as the data basis. In the 2025 financial year, the life cycle analysis was piloted by recording all newly initiated property development projects. Its use is to be further optimised in future property development projects. Based on the findings, target values for GHG emissions in the production of building materials will be defined.

Construction variant comparison:

- From 2026 onwards, a variant comparison calculation for the construction is to be carried out for 100% of newly initiated property development projects. The target is to be assigned to the upstream value chain and represents a relative target. The absolute number of newly initiated property development projects in the respective financial year represents the reference level for the target. The reference year for the target is the respective financial year. The measurement of target achievement is monitored and reviewed by the specialist department, using the proportion of newly initiated property development projects for which a variant comparison calculation was carried out as the data basis. A policy was developed in the 2025 reporting year as the basis for carrying out variant comparison calculations from 2026 onwards. The variant comparison calculation could not yet be applied in the 2025 financial year, as planning for the property development projects newly initiated in the financial year had already begun in previous years.

Building materials:

- From 2030 onwards, data transparency regarding the materials used is to be established for 100% of newly initiated property development projects as part of building material documentation. To this end, a central data collection system will be set up, which will serve as the basis for deriving future target quotas for increasing the use of biological materials and reused or recycled secondary components, products and materials. Product datasheets from building product manufacturers and the ÖKOBAUDAT building product database will be used as data sources for this purpose. The 100% coverage is a relative target and is to be assigned to the upstream value chain. The target population is the absolute number of new property development projects initiated by in the respective financial year. The reference year for the target is the respective financial year. Systematic building material documentation for all newly initiated property development projects began in the 2025 financial year. The materials used were recorded as part of the life cycle analysis using generic data. The data quality is to be further improved by 2030 in future property development projects. The target and the maintenance of target achievement are monitored and reviewed by the responsible department.

Training:

- By 2030, 50% of project managers in the residential and commercial construction division are to be trained in the methodology of life cycle analysis and the preparation of building material documentation. The evaluation of the training courses for project managers is based on the total number of all project managers and their completion of training courses and is therefore a relative target. The decision to set a relative target was made deliberately in order to ensure independence from the effects of staff turnover. The reference year for the target is the respective financial year. The project managers in the residential and commercial construction division are assigned to their own business operations. In terms of interim target achievement, it should be noted that as of 31 December 2025, 27% (previous year: 13%) of project managers in the residential and commercial construction division had already been trained in life cycle analysis methodology. The achievement of the target is monitored and reviewed by the responsible department, using as a data basis the internally documented proportion of project managers in the residential and commercial construction sector who have already completed the respective training courses.

Green electricity contracts:

- By 2030, market-based greenhouse gas emissions from general electricity consumption in rented properties are to be reduced by 100% compared to the reference year 2024. This is to be achieved by switching to green electricity contracts for 100% of the properties in the company's own portfolio. The target only includes those rented properties over which Wüstenrot Haus- und Städtebau GmbH has control. Control does not exist if the company only owns individual flats in residential property associations. Green electricity contracts: The rented properties in the company's own portfolio are part of its own business operations. The reference level used is the greenhouse gas emissions from the general electricity consumption of the rented properties in the company's own portfolio in 2024 (market-based) over which Wüstenrot Haus- und Städtebau GmbH has the ability to act. In the greenhouse gas balance year 2024, this value amounted to 34.9 t CO₂e. The GHG emissions from the general electricity consumption of the leased properties in the company's own portfolio over which it has control (market-based) amounted to 61.7 (previous year: 34.9) t CO₂e. This is due to an increase in the portfolio of leased properties. With regard to the interim target of concluding green electricity contracts

for general electricity for 50% of the properties in the company's own portfolio by 2026, framework agreements for the purchase of green electricity were concluded for the majority of leased properties with the ability to act as of 1 January 2026. The responsible department monitors and reviews the achievement of targets, using the greenhouse gas balance of Wüstenrot Haus- und Städtebau GmbH as a data basis.

Energy performance certificates:

- As at the reporting date, demand-oriented energy performance certificates were available for 100% (previous year: 100%) of the real estate portfolio over which Wüstenrot Haus- und Städtebau GmbH has control. The target set for the 2024 financial year was therefore achieved. The status quo is monitored on an ongoing basis by the responsible department.

The objectives described for Wüstenrot Haus- und Städtebau GmbH are based on internal targets. The targets were set and adopted independently and are therefore not directly based on scientific findings. Stakeholders were not involved in setting the targets.

Composite corporate customers

No measurable, results-oriented targets within the meaning of the ESRS have been set for the application of exclusion criteria to composite corporate customers. Whether a corresponding insurance commitment is entered into is subject to a case-by-case decision. No measurable targets could be derived from the ESG assessment process by the reporting date.

The application of the exclusion criteria as part of the underwriting criteria and the ESG assessment process is ensured within the framework of the internal control system.

Underwriting risks

No measurable, results-oriented targets within the meaning of the ESRS have been set in connection with the policy of "Integrated risk strategy – strategic determinations on underwriting risks". Underwriting risks are measured primarily in both the internal model and the standard model. Scenario analyses (stress tests) are used as an early warning function and additional assessment of potential risk threats. This is intended to create additional transparency regarding risk exposure. In addition, the risk

situation is assessed and evaluated by analysing further key figures (key figure controlling). Internal target ratios, thresholds and qualitative requirements for fulfilling risk-bearing capacity are defined for this purpose. Defined early risk warning indicators are used to detect potential risks at an early stage and identify critical developments. Further details on this can be found in the *disclosure requirements in connection with ESRS 2 SBM-3 – Material effects, risks and opportunities and their interaction with strategy and business model (ESRS E1)*.

The W&W Group's risk governance is geared towards managing Group-wide and individual company-related risks. Material functions have been implemented within the business organisation, structured according to the three lines concept ("three lines model"). The three lines comprise decentralised operational risk management, risk management and internal auditing to review the adequacy of the internal control system and the effectiveness of business processes.

Investments

The W&W Group has set itself the goal of reducing its relative carbon footprint (RCF) in line with the policy of "net zero for capital investments by 2050". This goal represents a first material measurable contribution towards the target of net zero GHG emissions from capital investments by 2050.

The target level adopted as of the reporting date refers to the 2028 financial year and amounts to an RCF of 36 t CO₂e/€ million. This is a relative target. This target for GHG emissions resulting from capital investments refers to the downstream value chain.

The baseline level for the RCF was set at 56.8 t CO₂e/€ million as at 31 December 2021. The target is a cumulative reduction in the RCF of 10% in the financial years 2023 to 2025 and a further annual reduction in the 2025 target value of 10% for each of the years 2026 to 2028. This resulted in calculated interim targets of 54.9 t CO₂e/€ million for the 2023 financial year and 53.0 t CO₂e/€ million for the 2024 financial year, with a target value of 51.1 t CO₂e/€ million for the 2025 financial year. New milestones for the years 2026 to 2028 were adopted: ≤ 46

t CO₂e/€ million for 2026, ≤ 41 t CO₂e/€ million for 2027 and ≤ 36 t CO₂e/€ million for the 2028 financial year. The targets for the years 2026 to 2028 were set during the 2025 reporting year. The level of the interim targets set was not derived from a climate scenario. The reduction targets for the RCF are therefore not scientifically based and are not compatible with limiting global warming to 1.5 °C.

The data source used to determine the RCF is the respective company data available from the external data provider ISS ESG. According to the current state of scientific knowledge, reducing GHG emissions is an appropriate means of counteracting global warming. Setting targets for the RCF creates a potential indirect influence on the companies in which investments are made.

When setting targets for the RCF, internal stakeholders entrusted with capital investment, in the form of company management and employees, contribute their knowledge and experience.

For the 2025 financial year, the RCF is 24.8 t CO₂e/€ million and has thus been reduced by 21.3% compared to the previous year's RCF of 31.5 t CO₂e/€ million. The calculated interim target for the 2025 financial year has therefore been exceeded. However, it should be noted that the RCF is subject to a certain degree of volatility due to market value fluctuations and portfolio restructuring, among other factors, which may lead to increases in the calculated value in the meantime. The RCF is calculated by the Group company W&W Asset Management GmbH.

Disclosure requirement E1-5 – Energy consumption and mix

The following table shows the energy consumption and energy mix of the W&W Group, which is generated or available in its own business operations. As the W&W Group also operates in a high climate impact sector, energy consumption is broken down into high climate impact sector and other sectors. The W&W Group's economic activities in high climate impact sectors are

limited to sector L (real estate and housing). This is represented on the one hand by the Group company Wüstenrot Haus- und Städtebau GmbH, which operates as a property developer. On the other hand, according to the interpretation of its own business operations applicable on the reporting date, properties associated with capital investments are also allocated to its own business operations. These therefore also fall under the high climate impact sector L.

Energy consumption and mix

	1.1.2025 to 31.12.2025		1.1.2024 to 31.12.2024	
	in MWh	In %	in MWh	in %
Total energy consumption from fossil sources	91,308	54.0	107,366	57.6
Total fossil energy consumption of high climate impact sectors	77,210	45.7	94,493	50.7
Fuel consumption from coal and coal products	–	–	–	–
Fuel consumption from crude oil and petroleum products	33	0.0	69	0.0
Fuel consumption from natural gas	37,278	22.1	42,057	22.6
Fuel consumption from other fossil sources	387	0.2	659	0.4
Consumption from purchased or acquired electricity, heat, steam and cooling from fossil sources	39,512	23.4	51,708	27.7
Total consumption of fossil energy in other sectors	14,098	8.3	12,873	6.9
Total energy consumption from nuclear sources	457	0.3	579	0.3
Total energy consumption from renewable sources	77,302	45.7	78,617	42.1
Fuel consumption for renewable sources, including biomass ((also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	4,045	2.4	3,731	2.0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	72,299	42.7	74,244	39.8
Consumption of self-generated non-fuel renewable energy	958	0.6	642	0.3
Total energy consumption	169,067	100.0	186,562	100.0
of which total energy consumption of high climate impact sectors	133,683	79.1	154,709	82.9
of which total energy consumption of other sectors	35,384	20.9	31,853	17.1

The energy intensity of the high climate impact sectors of the W&W Group amounted to 0.8638 (previous year: 0.9268) GWh per € million of revenue in the 2025 financial year. This energy intensity figure therefore relates exclusively to the activities of the W&W Group in sector L (Real estate and housing) through the Group

company Wüstenrot Haus- und Städtebau GmbH and the W&W Group's capital investments in properties.

The W&W Group's net revenue for the 2025 financial year amounted to €6,522 million (previous year: €6,308 million)¹ Million are reported under "revenue" as a subset

¹ Previous year's figure adjusted, see disclosure requirement BP-2.

of consolidated net income from continuing operations before income taxes in the W&W Group's consolidated income statement. Net revenues from activities in high climate impact sectors, which are used to calculate energy intensity, amount to €155 million (previous year: €167 million). Other net revenues amount to €6,367 million (previous year: €6,141 million)¹.

Methods and significant assumptions for determining energy consumption

Own operating sites

To determine energy consumption at the W&W Group's own operating sites, the consumption of electricity, district heating, heating oil, gas, diesel and petrol used in its own operations is taken into account. Energy consumption data is recorded for the main locations in Kornwestheim, Ludwigsburg (Hohenzollernstraße 46, Elmar-Doch-Straße 38-40), Stuttgart, Karlsruhe and Bad Vilbel. The values collected in this way from primary data represent 84% (previous year: 92%) of the area in square metres considered in this section.

Due to insufficient data quality and availability, as well as the heterogeneous level of detail in the utility bills, projections are made for the branch offices. To this end, the consumption per square metre of the main locations determined using primary data is calculated and extrapolated to the square metre figures of the branch offices. This calculation method contains inaccuracies due to location-specific differences, such as different energy efficiency classes of the buildings. The branch offices do not have server rooms or canteens. It can therefore be assumed that the actual consumption tends to be overestimated using the method specified.

For the energy mix in the extrapolation, it is assumed that the percentage distribution of heating energy between district heating (10%) and fossil fuels (90%) corresponds to the average for the German end-user sector of commerce, trade and services (GHD). In this way, the heating energy consumption of the branch offices for district heating and fossil fuels is extrapolated together.

The energy consumption data for the operation of the vehicle fleet is determined monthly via the DKV Mobility system, for Laden@home via reev eMobility and the

Ludwigsburg public utility company as the operator of the charging infrastructure at the Kornwestheim and Ludwigsburg locations. The refuelling and charging data of all leased vehicles and company-owned vehicles are taken into account. The data shows fuel consumption for petrol and diesel in litres and for electricity in kWh. To calculate emissions, fuel consumption is converted into kWh using factors provided by the Department for Environment, Food & Rural Affairs (Defra).

Housing and urban development properties

The properties of the housing and urban development division are rented properties owned by the company and Wüstenrot Haus- und Städtebau GmbH's own business premises. There are several levels of data origin here. Actual consumption data for the respective reporting year, e.g. from utility bills or service charge statements, is used. As this data is usually not available at the end of the reporting year, actual consumption data from the previous year is used. If a property was newly added to the portfolio in the reporting year and therefore no (previous) annual statement is available, data from the building energy performance certificate is used. In this case, the final energy demand from the energy performance certificate is used. Heat energy consumption is determined from the information in the energy performance certificate with the respective energy source. If information is missing from the energy performance certificate, the allocation of Scope 1 and Scope 2 emissions and the distribution to different energy sources is based on a publication by the Federal Environment Agency.

If the energy performance certificate describes a heat pump to cover the heat demand that obtains its electricity both from its own photovoltaic system (Scope 1) and from an external electricity supply (Scope 2), it is assumed that the CO₂ emissions from a heat pump specified in the energy performance certificate are allocated entirely to Scope 2. This is based on the assumption that greenhouse gas emissions from the building's own photovoltaic system amount to 0 t CO₂e.

If no total consumption is shown on utility/building maintenance bills, the (proportionate) consumption is determined on the basis of the costs incurred. Consumption values are thus derived using published average annual prices.

If no information is available on the composition of the various energy sources used in the electricity and district heating networks, the composition of district heating and electricity from the respective municipal utility or local electricity provider is estimated on the basis of internet research. If this information is not reliably available, the electricity/energy mix for Germany is used.

Assumptions are also made if flats or properties are sold during the year. In this case, the consumption for the corresponding year up to the date of sale is assumed on a pro rata basis based on the last annual statement.

Investment property

The energy consumption of capital investment properties is based on the final energy demand of the properties in question. The final energy demand is derived from the available final energy demand or consumption data from

the respective energy performance certificates for the individual properties. If the energy performance certificate contains information on the proportion of final energy demand in kWh/(m²a) for heat and the proportion of final energy demand in kWh/(m²a) for electricity, this information is used for the calculation. If the relevant information is not available from the energy performance certificate, an imputed distribution of final energy of 80% for heating and 20% for electricity is used. The resulting value of final energy in kWh/(m²a) is multiplied by the net floor area of the respective property as stated in the energy performance certificate.

The relevant information in the energy performance certificates is also used to allocate energy consumption to the respective energy sources. If the energy source of direct fossil fuel consumption cannot be clearly determined, it is allocated to fuel consumption from other fossil sources.

Disclosure Requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

The following table shows the gross GHG emissions of the W&W Group:

Total GHG emissions, broken down into Scope 1, Scope 2 and significant Scope 3 emissions

in t CO ₂ e	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	14,122	15,354
of which own business operations (own operating sites)	2,298	2,359
of which housing and urban development	179	226
of which investment property	11,645	12,769
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes (in %)	-	-
Scope 2 GHG emissions		
Gross location-based Scope 2 GHG emissions	28,869	28,680
of which own business operations (own operating sites)	8,518	6,059
of which housing and urban development	763	275
of which capital investments in property	19,588	22,346
Gross market-based Scope 2 GHG emissions	20,512	23,619
of which own business operations (own operating sites)	607	1,057
of which housing and urban development	317	216
of which investments property	19,588	22,346
Significant Scope 3 GHG emissions		
Total Gross indirect (Scope 3) GHG emissions	9,229,664	8,946,967 ¹
1 Purchased goods and services	1,033	4,719
3 Activities related to fuels and energy (not included in Scope 1 or Scope 2)	1,816	1,538
4 Upstream transportation and distribution	-	500
5 Waste generated in operations	-	107
6 Business travel	886	941
7 Employee commuting	6,613	6,613
11 Use of sold products	2,587	-
13 Downstream leased assets	2,748	2,625
of which housing and urban development	253	37
of which investment property	2,495	2,588
15 Investments	9,213,981	8,929,924 ¹
of which investment property	3,888	3,827
of which construction financing	406,849	408,277
of which capital investments in investee companies	6,049,832	5,135,206 ¹
of which capital investment in government securities	2,753,412	3,382,614

Total GHG emissions, broken down into Scope 1, Scope 2 and significant Scope 3 emissions

in t CO ₂ e	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Total GHG emissions		
Total GHG emissions (location-based)	9,272,655	8,991,001¹
Total GHG emissions (market-based)	9,264,298	8,985,940¹
Insurance-associated emissions	297,250	284,800
Total GHG emissions including insurance-associated emissions		
Total GHG emissions including insurance-associated emissions (location-based)	9,569,905	9,275,801
Total GHG emissions including insurance-associated emissions (market-based)	9,561,548	9,270,740

¹ Previous year's figure adjusted, see disclosure requirement BP-2.

Scope 1 GHG emissions amounting to 11,754 (previous year: 13,341) t CO₂e are attributable to the Group (W&W Group) consolidated for accounting purposes in accordance with IFRS as applicable in the European Union. In addition, scope 1 GHG emissions of 2,368 (previous year: 2,013) t CO₂e are attributable to non-consolidated subsidiaries.

In the case of location-based Scope 2 GHG emissions, 26,401 (previous year: 26,744) t CO₂e are attributable to the Group consolidated for accounting purposes and 2,468 (previous year: 1,936) t CO₂e attributable to non-consolidated subsidiaries. Market-based Scope 2 GHG emissions amount to 18,476 (previous year: 21,682) t CO₂e to the Group consolidated for accounting purposes and 2,036 (previous year: 1,937) t CO₂e to non-consolidated subsidiaries.

W&W AG does not exercise operational control over associated companies, joint ventures or contractual agreements that are joint arrangements (joint operations).

GHG emissions from non-consolidated subsidiaries result primarily from properties held for capital investments by the W&W Group and owned by the respective subsidiaries. In addition, GHG emissions from Scopes 1, 2 and 3 of non-consolidated subsidiaries are also taken into account if they originate from their own operational activities and the upstream and downstream value chain of these subsidiaries and can be measured accordingly.

Contractual instruments account for 4.5% (previous year: 5.4%) of the W&W Group's market-based Scope 2 emissions. The contractual instruments are energy supply contracts for the purchase of electricity from renewable sources.

The percentage of Scope 3 GHG emissions calculated using primary data from suppliers or other partners in the value chain amounts to 0.4% (previous year: 0.3%)¹ for the W&W Group.

In addition to the Scope 3 GHG emissions shown in the table above, biogenic Scope 3 GHG emissions of 0 (previous year: 5) t CO₂e were generated during the

¹ Previous year's figure adjusted, see disclosure requirement BP-2.

reporting period in connection with waste treatment.

Insurance-associated emissions are not included in the Scope 3 emissions data.

Greenhouse gas intensity on the basis of revenue

The intensity of greenhouse gas emissions of the W&W Group in the reporting period amounts to 1,421.7 (previous year: 1,425.3)¹ t CO₂e per € million of revenue and, on a market basis, 1,420.4 (previous year: 1,424.5)¹ t CO₂e per € million of revenue.

The W&W Group's net revenue for the reporting period amounted to €6,522 million (previous year: €6,308 million)¹, is reported under "Revenue" as a subset of the consolidated net income from continuing operations before income taxes in the W&W Group's consolidated income statement. Revenue is included in full in the calculation of greenhouse gas intensity.

Insurance-associated emissions are not taken into account when determining greenhouse gas intensity.

Methods and significant assumptions for determining gross GHG emissions

Own operating sites

Greenhouse gas emissions are determined in Scope 1 for energy consumption from heating oil, gas, diesel and petrol, and in Scope 2 for electricity and district heating. In addition, greenhouse gas emissions from the consumption of refrigerants are also reported in Scope 1. The calculation is based on conversion factors provided by the German Federal Environment Agency, the Federal Office of Economics and Export Control, Statista, the municipal utilities of Karlsruhe and Ludwigsburg, Defra and ENTSO-E for the site in Czechia. The conversion factors are updated annually. No additional biogenic CO₂e emissions were incurred in Scope 1.

To calculate emissions using the location-based method, the determined electricity consumption at the main locations and branch offices as well as from the vehicle fleet is multiplied by the emission factors for the German

electricity mix, or for the site in Czechia, by the Czech electricity mix. The emission factors used do not separate the percentage share of biomass or biogenic CO₂e emissions.

To calculate emissions using the market-based method, the electricity consumption determined at the main locations and for the vehicle fleet is multiplied by the supplier-specific emission factors provided by the suppliers. All electricity purchased at the main locations and for the vehicle fleet is zero-emission green electricity. The calculation of emissions for the determined electricity consumption of the branch offices does not differ in its approach from the location-based method. Only the market-based method is used to collect district heating emissions at the main locations, as there is no choice regarding the district heating supplier. To determine district heating emissions at the branch offices, the consumption values determined are multiplied by the emission factors for the German district heating mix. Of the 607 (previous year: 1,057) t CO₂e Scope 2 emissions from our own operating sites, 115 (previous year: 685) t CO₂e from conventionally generated electricity and 492 (previous year: 372) t CO₂e from district heating. Contractual instruments account for 100% (previous year: 100%) of Scope 2 emissions from the company's own operating sites.

The greenhouse gas emissions of the Scope 3 category 1 "Purchased goods and services" are determined based on the W&W Group's purchasing and invoicing volume in the financial year. For the financial year ending 31 December 2025, reinsurance and services, except for cloud services, are excluded from consideration, as the classification and, where applicable, valuation of these categories are not yet secured by standards. Due to the large number of suppliers to the W&W Group, suppliers were selected that together represent over 83% (previous year: 75%) of the purchasing volume under consideration. These suppliers were asked to provide information on the greenhouse gas emissions associated with the products purchased by the W&W Group in the financial year using a standardised questionnaire. Feedback was received for 43% (previous year: 66%) of the purchasing volume under consideration for the 2025 financial year, with a total of 1,027 tonnes (previous year: 4,719 tonnes) of CO₂e. Of the greenhouse gas emissions reported, suppliers determined 16.3% (previous year: 99.8%) in relation to the goods actually

¹ Previous year's figure adjusted, see disclosure requirement BP-2.

purchased and 83.7% (previous year: 0.2%) as the share of their total emissions attributable to their sales to the W&W Group. We have decided not to extrapolate the calculated emissions to the remaining purchase volume. This extrapolation would be subject to a high margin of error, as the various products purchased differ greatly in terms of the greenhouse gas emissions they cause. The key figures collected in the supplier surveys for the 2025 reporting year are only comparable to those of the previous year to a limited extent. The reason for this is that the methodical selection of suppliers according to purchasing and invoice volumes means that companies of different sizes and from different industries are included in the survey. Due to their size or industry, some of these companies are not yet subject to regulatory reporting requirements and therefore do not currently collect emissions data.

Indirect greenhouse gas emissions resulting from the upstream use of energy and fuels are considered under the Scope 3 category 3 "Activities related to fuels and energy (not included in Scope 1 or Scope 2)". This applies to the upstream value chain of the energy sources relevant to the W&W Group: diesel, petrol, heating oil, gas, green electricity and district heating. Similar to the approach for Scope 1 and 2 emissions, these consumption data sets are linked to conversion factors from the Federal Environment Agency for upstream emissions.

Data from the onesto travel portal is used to determine greenhouse gas emissions for the Scope 3 category 6 "business travel". This portal is used by the W&W Group as a platform for booking and managing business travel by plane, rental car and hotel accommodation, and allows the relevant data to be retrieved. For bookings of transport and hotel accommodation outside onesto, the data is determined on the basis of an evaluation of the relevant G/L accounts from SAP. Business trips made with Deutsche Bahn (DB) are not included, as DB's local and long-distance trains for business customers run on 100% green electricity (previous year: 100%). To calculate greenhouse gas emissions, the data collected on business travel is linked to conversion factors. Emissions for hotel stays are calculated based on the number of rooms and

nights using Defra emission factors. For flights, information on the flight distance in kilometres and the departure and destination airports is available, so that greenhouse gas emissions can be calculated using Defra emission factors for domestic German, European and international flights. Greenhouse gas emissions from taxi journeys are calculated based on the invoiced costs using the average cost per kilometre from the Statista platform and Defra's average emission value for diesel cars. Greenhouse gas emissions for billed fuel bills are calculated using the average diesel and petrol prices from the ADAC, average consumption and Defra's average emission value for diesel cars. Greenhouse gas emissions for billed journeys in private cars are calculated using the mileage provided and the average emissions value for diesel cars from Defra. Greenhouse gas emissions from rental car journeys are calculated using the data provided by the contractual partner on the ACRISS rental car classification, fuel type and kilometres driven, as well as Defra emission factors corresponding to the ACRISS classes. To calculate greenhouse gas emissions for the use of public transport, it is assumed that an average of 20 kilometres (previous year: 20) were travelled per billed cost item, as public transport is typically used on business trips for the "last mile" between long-distance transport and the destination. This distance is calculated using the average conversion factors of the Federal Environment Agency for all local transport modes.

To determine the greenhouse gas emissions for the Scope 3 category 7 "Employee Commuting", data on commuting to and from work was collected via an employee survey for the 2024 reporting year. Commuter emissions were calculated on the basis of the data collected using conversion factors from recognised international sources such as ecoinvent, as well as studies and databases from government agencies and independent institutes. These emission factors were combined with information on commuting distances, means of transport and commuting days to calculate emissions per employee in CO₂e. The average emissions of all survey participants were then extrapolated to the total number of office-based employees. The data from the 2024 reporting year will not be updated. The emission factors used and the number of

employees could be adjusted annually without conducting a new employee survey. However, even though these figures have not changed materially in the financial year, a conscious decision has been made not to adjust the calculation in years without a new employee survey. Instead, in the interests of transparency, the previous year's figure will be published in this case.

Housing and urban development properties

The attributable GHG emissions from real estate in housing and urban development relate to Wüstenrot Haus- und Städtebau GmbH's own operating sites, rented apartments and properties in its own portfolio, the production of building materials and the sale of properties as part of property development projects.

GHG emissions are determined in Scope 1 for the operation of heating systems using natural gas or heating oil and in Scope 2 for the purchase of electricity and district heating. Scope 1 also reports GHG emissions from refrigerants and the use of process energy (emergency power generators). GHG emissions are determined on the basis of individual consumption data and the associated emission factors. If GHG emissions are determined on the basis of energy performance certificate data, the absolute GHG emissions (kg/a) of the local climate, which are specified on some energy performance certificates, are used. Alternatively, GHG emissions are determined using the area data and the specific GHG emissions (kg/m²a). Sources or databases for the emission factors used are the Federal Environment Agency, Defra and the current IPCC Assessment Report (AR6).

As part of the Scope 1 assessment for refrigerants, it is assumed that the refrigerant refill quantity corresponds to the amount of refrigerant lost (leakage). The global warming potential (GWP) is taken from the latest IPCC assessment report. For properties or residential units that have been newly added to the company's portfolio, it is assumed that there are no leaks and therefore no refrigerant losses. This assumption is based on the fact that these properties or residential units are usually new buildings.

To determine Scope 2 GHG emissions from electricity, a distinction is made between location-based and market-based emissions. The location-based method reflects the

average emissions intensity of the electricity and, if available, district heating network in which the energy consumption occurs. Electricity consumption is multiplied by the emission factor of the German electricity mix. The market-based method takes into account the specific emissions of the electricity and district heating purchased. The respective consumption figures are multiplied by the supplier-specific emission factor. If no information on supplier-specific emission factors is available, the emission factors for district heating and electricity of the respective municipal utility or local electricity provider are estimated based on internet research. If this does not yield any results, the emission factor of the German electricity mix is used. If, due to the lack of availability of supplier-specific emission factors, only a location-based calculation can be performed, the values determined in this form are taken into account in the market-based values. Only the market-based method is used to calculate district heating emissions, as there is no choice regarding the district heating supplier.

To determine the GHG emissions of the Scope 3 category 1 "Purchased goods and services", emissions arising from the manufacture of building materials in the context of property development projects are taken into account. The emissions are accounted for on an annual basis according to the construction progress of the property development projects under construction in the reporting year. The life cycle analysis methodology, which reports GHG emissions, is used for this purpose. The accounting boundary is determined in accordance with the accounting rules of the Quality Seal for Sustainable Buildings (QNG) for residential buildings. These GHG emissions are allocated to the upstream value chain.

The GHG emissions of the Scope 3 category 3 "Activities related to fuels and energy (not included in Scope 1 or 2)" are also determined in the upstream value chain. These are indirect GHG emissions that arise from upstream chains of energy and fuel use and are not included in Scope 1 and 2. Individual consumption figures are multiplied by the respective emission factors of the upstream value chain.

The GHG emissions of Scope 3 category 11, "Use of sold products," are allocated to the downstream value chain. These are properties sold as part of property development

projects. These can be sold either from the rental portfolio or directly after completion of construction. In accordance with DIN EN ISO 14040 and DIN EN ISO 14044, the accounting boundary covers a useful life of 50 years. If sales are made from the rental portfolio, the respective rental period is deducted from the total accounting period and general consumption from the statements is used as a basis. If units are sold directly after completion of construction, the final energy demand and the main energy source from the energy performance certificate are used, as no consumption data is yet available. In both cases, household electricity is also taken into account. In addition, it is assumed that the emission factors for electricity and energy sources will gradually be reduced in line with the German Climate Protection Framework Agreement. This assumption is based on the greenhouse gas projection report of the German Federal Environment Agency. Furthermore, in accordance with the Building Energy Act (GEG), a phase-out of fossil fuels is assumed from 2045 onwards. An average value of the emission factors over the respective accounting period is used.

Emissions from tenants' individual consumption of electricity and heat from the rented apartments and properties of Wüstenrot Haus- und Städtebau GmbH are recorded in the Scope 3 category 13 "Downstream rented/leased assets". These GHG emissions are allocated to the downstream value chain. Household electricity and heat consumption is determined using an estimate. A formula from the German Energy Consumers Association is used for household electricity. It is assumed that each apartment has two residents and four large electrical appliances per apartment. The latter assumption is based on a source from the Federal Statistical Office. Since neither the supplier-specific emission factors nor whether green electricity contracts have been concluded are known for the rented properties, the current electricity mix in Germany with the corresponding emission factor is assumed. Individual household heat consumption is only available if there is no central heating. Annual household heat is estimated based on the average heating energy requirement according to the year of construction and the living space.

Investment properties

The attributable GHG emissions from capital investments in properties are determined on the basis of the net floor space in m² and include GHG emissions from Scopes 1, 2 and 3 in connection with properties.

In this context, Scope 1 GHG emissions are direct greenhouse gas emissions resulting from combustion processes in the property. These include, for example, fuel consumption in heating oil/natural gas/coal heating systems, small combined heat and power plants (mini, micro and nano) as well as combustion engines and generators.

Scope 2 GHG emissions are classified as indirect greenhouse gas emissions from energy consumption necessary for the operation of the property, whose direct emissions from combustion/manufacturing processes take place outside the property. This includes all electricity and district heating consumption in the property.

Scope 3 GHG emissions from properties are all other indirect greenhouse gas emissions in the upstream and downstream value chain that are associated with the use of buildings. These Scope 3 emissions are allocated to the Scope 3 category 13 "Downstream rented/leased assets" if they relate to properties under the operational control of the W&W Group. Properties over which there is no operational control are reported in the Scope 3 category 15 "Investments".

In accordance with PCAF standards, the data used by the W&W Group for properties generally corresponds to Scope 3 data quality (emission data according to demand- or consumption-based building energy certificates). If the data quality is not sufficient, estimates are made on the basis of suitable comparable properties.

Home loan savings and construction financing

The attributable gross GHG emissions in the area of building society savings and construction financing relate to Scope 3 GHG emissions. These GHG emissions correspond to the Scope 1 and Scope 2 GHG emissions of the real estate collateralised by the customer lending business. They are allocated to the Scope 3 category 15 "Investments". The calculation is based on the specifications of the corresponding PCAF methodology. Where available, the relevant basic data is taken directly from the demand- or consumption-based building energy certificates for the properties. If no building energy certificate is available for the property, the GHG emissions are estimated on the basis of the property type, year of

construction and living space. This is supported by an external data provider.

The data quality level according to PCAF for properties with an available demand- or consumption-based building energy performance certificate corresponds to data score 3. In the case of an estimated calculation without an available building energy performance certificate, the data quality level corresponds to score 4 or score 5.

Investments

Methods based on the guidelines of the Partnership for Carbon Accounting Financials (PCAF) are used to determine the GHG emissions resulting from the capital investment. The attributable GHG emissions from the respective investments represent Scope 3 GHG emissions for the W&W Group as a capital investor and are allocated to the Scope 3 category 15 „Investments“.

In the case of investments in companies, emissions financed by equity and debt instruments are taken into account. The GHG emissions from the W&W Group's capital investments are reported as the attributable share of the GHG emissions of the companies (Scope 1, 2 and 3) in which investments are made. The attributable share is determined as a percentage of the respective enterprise value (enterprise value including cash – EVIC).

For investments in government securities, a method is used to measure the proportionate GHG emissions that classifies the GHG emissions of the countries into Scopes 1, 2 and 3. Scope 1 GHG emissions are calculated as production-related emissions based on the production of goods and services in the respective country, i.e. they include direct emissions emitted within the country's borders. The PCAF defines Scope 2 as emissions resulting from the use of electricity, heat, steam and/or cooling from domestic sources that are imported from another country. Scope 3 refers to non-energy imports originating from activities within the country's territory. GHG emissions from Scopes 1, 2 and 3 are set in relation to purchasing power-adjusted gross domestic product in order to determine the emissions financed by the W&W Group. Investments in government securities are classified as debt securities issued by central governments ("sovereigns") and their subordinate local authorities or entities ("sub-sovereigns"). Government securities also include investments in supranational organisations.

The calculation of GHG emissions attributable to the W&W Group from capital investments in companies and countries is primarily based on information collected and compiled by the data provider ISS ESG. The latest information provided by ISS ESG is used to determine the proportionate GHG emissions from investments in securities issued by companies and countries. Regardless of the survey methodology used by ISS ESG, the information obtained from ISS ESG is not classified as primary data for the W&W Group.

For forms of capital investment for which no PCAF methods exist as of the reporting date, it was not possible to make reliable estimates of attributable GHG emissions.

Inventory for Scope 3 emissions

For the W&W Group, Scope 3 categories 1, 3, 6, 7, 11, 13 and 15 were identified as material in the reporting year. Scope 3 categories 2, 4, 5, 8, 9, 10, 12 and 14 were excluded from the inventory:

- Scope 3 category 2 “Capital goods” does not apply as the W&W Group does not operate any production facilities. All goods and services purchased by the W&W Group are recorded under Scope 3 category 1, “Purchased goods and services”.
- Scope 3 category 4 “Upstream transportation and distribution” is not applicable, as the greenhouse gas emissions from the Group's own business operations and property development business are considered relevant but not significant, as they do not reach a relevant level for the W&W Group's Scope 3 emissions and criteria such as transition risks or stakeholder positions are not applicable.
- Scope 3 category 5 “Waste generated in operations” is not applicable, as the greenhouse gas emissions from the Group's own business operations and property development business are classified as relevant but not significant, as they do not reach a relevant level for the W&W Group's Scope 3 emissions and criteria such as transition risks or stakeholder views are not applicable.
- Scope 3 category 8 “Upstream leased assets” is not applicable, as the W&W Group does not lease any production facilities. GHG emissions from the use of leased vehicles are reported under Scope 1 and Scope 2 emissions.

- Scope 3 category 9 "Downstream transportation" is not applicable in relation to the transport of physical products, as the W&W Group does not sell any physical products. The distribution of the W&W Group's insurance and financial products is handled by various sales representatives. The greenhouse gas emissions of employed sales representatives are accounted for as part of the Group's own business operations in the reported Scope 3 categories. The greenhouse gas emissions of independent sales representatives are classified as applicable but not significant, as they do not reach a relevant level for the W&W Group's Scope 3 emissions and criteria such as influence, transition risks or stakeholder positions are not applicable.
- Scope 3 category 10 "Processing of sold products" is not applicable, as the W&W Group does not manufacture or sell any intermediate products.
- Scope 3 category 12 "End-of-life treatment of sold products" is not reported because the only physical products manufactured by the W&W Group are properties in the property development sector, the end-of-life treatment of which can be classified as relevant but not significant, as they do not reach a relevant level for the W&W Group's Scope 3 emissions and criteria such as influence, transition risks, or stakeholder positions are not applicable.
- Scope 3 category 14 "Franchises" is not applicable, as there are no franchises in the W&W Group.

Insurance-associated emissions

GHG emissions associated with insuring private and corporate customers are reported separately as insurance-associated emissions. To determine these so-called "insurance-associated emissions" (IAE), the W&W Group applies the "Standard C Insurance Associated Emissions" of the Partnership for Carbon Accounting Financials (PCAF) in version 1 from November 2022. Consequently, only the portfolios currently covered by the standard are included in the calculation. For the insurance sector, these comprise the GHG emissions associated with the insurance portfolio in the areas of "corporate insurance" and "private motor insurance".

The inventory data is generally extracted on the reporting date of 30 September of the financial year. No projections are made for the fourth quarter of the respective year. As

contract renewals and new coverage are predominantly effective on 1 January of each year, no significant changes in the composition of the insurance portfolio are to be expected in the last quarter of the year. The portfolio composition is therefore considered representative of the entire year.

Greenhouse gas accounting methodology:

The methodology applied in the previous year remains unchanged for the reporting year and continues to form the basis for determining the reported greenhouse gas emissions. The basic calculation methodology follows the logic of an attribution factor, which is used to allocate the total GHG emissions of an insured company or motor vehicle proportionally to the insurance benefit. For motor insurance, the allocation factor is calculated as the ratio of the insurance premium to the total operating costs of the motor vehicle. For corporate insurance, the allocation factor is calculated as the ratio of the insurance premium to the turnover of the insured company. The calculation can be simplified by using the concept of emissions intensity, which assumes a linear correlation between CO₂ emissions and the kilometres driven or the turnover of the insured customer and the emissions of the insured customer, the calculation can be simplified. This simplification is explicitly permitted by the PCAF standard and applied by the W&W Group. The methodology and significant assumptions in the motor vehicle portfolio are described below.

The total annual operating costs of each vehicle are estimated on the basis of comprehensive data from the Allgemeiner Deutscher Automobil-Club (ADAC), taking into account depreciation, fixed costs, operating costs and workshop costs. The estimate is allocated in descending order via HSN/TSN, HSN/fuel type/kW bands, fuel type/kW bands or kW bands. For individual segments, such as motorcycles, expert estimates are used due to a lack of data. For the classic car segment, the average total operating costs of the passenger car portfolio are used due to a lack of available data. GHG emissions per vehicle are calculated by multiplying the emissions intensity by the mileage specified in the insurance police. For emissions intensity (CO₂ emissions per kilometre), the database of the European Environment Agency (EEA) is

used. For electric and hybrid vehicles, the kWh per kilometre are converted into emissions based on the national energy mix. The data also comes from the European Environment Agency database. For hydrogen vehicles, the emissions intensity is assumed based on the most commonly used vehicle model. The data used for this purpose also comes from the EEA database and the ADAC. In the absence of data for vehicles registered before 2010, the available CO₂ data for the vehicles concerned is extrapolated based on data from the International Council on Clean Transport (ICCT) using the annual CO₂ emission change rate. The EEA data is then aggregated using HSN/TSN logic. The emissions intensities for the "motorcycles" and "motor homes" segments are derived based on data from the EEA and the International Energy Agency (IEA), taking into account engine power, manufacturer and, in the case of "motorcycles", fuel type. An emissions intensity of 292 g/km was assumed for classic cars. According to PCAF, the data quality for classic cars, motorcycles and motor homes should be rated 4. The remaining passenger car portfolio is rated 2 in terms of data quality. The methodology and significant assumptions in the commercial/industrial portfolio are described below. According to the PCAF standard, the attribution factor for commercial and industrial insurance is derived from the ratio of the insurance premium to the insured customer's revenue. By using the concept of emissions intensity, the calculation can be simplified as follows: the attributable emissions are calculated by multiplying the insurance premium by the emissions intensity. Based on publicly available emissions data, an external service provider developed a model of emissions intensities per industry sector and country. This model is based on the emissions data published by companies as part of the Carbon Disclosure Project (CDP), supplemented with company information on turnover and its geographical distribution. Furthermore, data on the national energy mix and purchasing power parities are also included in the calculation to adjust the model. As this model shows the average values of a company in a specific industry sector and country, the calculated GHG emissions attributable to the insurance benefit are to be assessed using the PCAF data score 5. The emissions intensities per industry sector determined in this way are allocated to the insurance

portfolio at the policy holder level and multiplied by the respective insurance premium at this level. The result represents the GHG emissions attributable to the insurance benefit. If it is not possible to allocate the emissions intensity at policy holder level, the average emissions intensity of the W&W Group's insurance portfolio in the respective sector is used as a basis.

Data basis and update in the reporting year:

As both the basic composition of the motor vehicle portfolio and the commercial/industrial portfolio have proven to be very stable over time, CO₂ emissions for the 2025 reporting year are carried forward on the basis of the previous year's figures.

This is based on the change in premium volumes between 2024 and 2025, based on the data sets for the motor vehicle portfolio as at 30 September. To extrapolate the expected CO₂ emissions, the percentage increase in emissions from 2023 to 2024 was applied to the calculated change in premiums. This method takes into account structural developments in the vehicle fleet, in particular the trend towards more efficient drive technologies and increasing electromobility.

The CO₂ emissions of the commercial and industrial portfolio are determined on the basis of the contract and customer data available as of 30 September. For existing customer relationships, CO₂ emissions are calculated using the intensity values from 2024 and the updated customer contributions from 2025. It is assumed that the emission intensities determined in the previous year have remained unchanged. It is assumed that the emissions intensities determined in the previous year have remained unchanged. For new customers, an average CO₂ emission intensity is applied based on the collective of existing customer relationships in 2025. Due to the stable composition of the commercial and industrial portfolio, this results in a reliable estimate for the CO₂ emissions of newly added customer connections. The average CO₂ emissions intensity is not differentiated by type of operation, as there can be considerable fluctuations within a type of operation.

Disclosure Requirement E1-7 – GHG mitigations projects financed through carbon credits

The Scope 1 and Scope 2 greenhouse gas emissions generated by the W&W Group at all locations and by its

entire vehicle fleet are offset through the purchase of CO₂ certificates. The data sources for the information on CO₂ certificates are certificates from the service providers atmosfair and myclimate, each of which contains all the necessary information.

The offsetting of Scope 1 and Scope 2 greenhouse gas emissions at all locations is carried out by the service provider atmosfair. CO₂ certificates are purchased annually in accordance with the amount of emissions determined. Details of atmosfair's annually changing subsidised projects are published on the service provider's website. All CO₂ certificates purchased by atmosfair in a given year are deleted in the same year.

The compensation of greenhouse gas emissions from the vehicle fleet is carried out by myclimate through the service provider DKV Mobility. To this end, a climate protection contribution per litre of petrol or diesel, as determined by myclimate, is paid to myclimate for offsetting. Only direct emissions from fuel consumption (tank-to-wheel) are taken into account. The offset emissions are distributed across various projects in the myclimate portfolio. Details of the projects, which change

annually, are published on the service provider's websites. In some cases, the CO₂ certificates acquired in one year are not cancelled until the following years, as they are used to finance projects that will take effect in the future. Of the CO₂ certificates acquired by myclimate up to and including the reporting year, 6,519 (previous year: 4,923) t CO₂ are scheduled for deletion by 2027.

CO₂ certificates used as part of services are excluded from this consideration. These include certificates from Deutsche Bahn. GHG reduction activities or reversals in the Group's own business operations as well as in the upstream and downstream value chain are also excluded, as no GHG reduction activities were carried out by the W&W Group during the reporting period and none are known to have taken place in the upstream and downstream value chain.

The W&W Group does not use CO₂ certificates separately from greenhouse gas emissions.

All CO₂ certificates financed by the W&W Group are verified according to the Gold Standard, Plan Vivo or VCS.

CO₂ certificates cancelled in the reporting year

	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
in t CO ₂ e		
Total CO₂ certificates cancelled in the reporting year	3,402	1,004
of which share of reduction projects (in %)	100	100
of which share of Gold Standard (in %)	100	100
of which share from projects within the EU (in %)	–	–
of which share of CO ₂ certificates that qualify as corresponding adjustments under Article 6 of the Paris Agreement (in %)	–	–

The W&W Group has publicly claimed greenhouse gas neutrality in connection with the use of CO₂ certificates in relation to Scope 1 and Scope 2 emissions at all locations.

This claim is not accompanied by GHG emission reduction targets in accordance with disclosure requirement E1-4. To date, there is no specific target for 2025 and no derivation of science-based 1.5-degree pathways.

The W&W Group has set itself the goal of continuously reducing CO₂ emissions through the use of green energy sources at all its own business locations. This is reflected in the sustainability strategy through the goal of "CO₂-neutral operation of own buildings and vehicle fleet". In its own business operations, Scope 1 and Scope 2 emissions from the operation of its own buildings and vehicle fleet are offset by CO₂ certificates.

The goals of the sustainability strategy in its own business operations are set at three levels. The first level aims at a constant reduction in its own energy consumption (both renewable and non-renewable energy). Since, for example, the CO₂ intensity of the German electricity mix is not yet zero and renewable energies have priority in the electricity supply, the W&W Group can contribute to reducing CO₂ emissions from energy production by consuming less electricity. The second level aims to reduce CO₂ emissions in the operation of its own buildings and vehicle fleet. Material CO₂ reductions have already been achieved here by moving to the new head office buildings and increasing the use of electric vehicles in the vehicle fleet. The third level aims to offset remaining CO₂ emissions from the operation of the Group's own buildings and vehicle fleet.

The three levels also ensure that the offsetting of CO₂ emissions does not hinder the net-zero target.

Disclosure Requirement E1-8 – Internal carbon pricing

No internal CO₂ pricing system was used in the W&W Group during the reporting period.

Resource use and circular economy (ESRS E5)

Strategy

Disclosure Requirement SBM-3 – Material impacts and their interaction with strategy and business model (ESRS 2)

The economic activities carried out by the W&W Group have material negative impacts regarding resource use and circular economy.

Material impacts

The property development business of housing and urban construction results in material resource inflows from the use of the necessary building materials. Resource inflows are subject to the operational control of the contracted companies and thus affect the upstream value chain.

The activity of insuring tangible insurance objects belonging to private and corporate customers is associated with significant resource inflows for

restoration and resource outflows in the form of waste when insurance objects are damaged and have to be disposed of in whole or in part. This applies both to the insurance objects themselves and, where applicable, to the clean-up of damage caused in the vicinity of the insurance objects. As part of the claims management process, the resulting resource consumption and waste affect the W&W Group's downstream value chain.

As part of its corporate customer business, the W&W Group insures, among others, companies in the manufacturing sector. Material resource inflows and waste at these companies therefore also affect the downstream value chain of the W&W Group.

Natural resources are the material, energetic and spatial basis of the human standard of living. The use of resources is always related to impacts on the environment and nature and often causes permanent changes to ecosystems. The extraction and processing of resources is often energy-intensive and related to significant greenhouse gas emissions. Waste is accompanied by a wide range of pollutant emissions. This affects not only ecosystems but also human health. In addition, increasingly scarce resources and fluctuating raw material prices can lead to severe economic and social upheaval.

Property development, claims settlement and insurance for corporate customers in the manufacturing sector are material components of the business model of the respective companies in the W&W Group, even though the associated resource use originates in the upstream and downstream value chain.

The negative impacts of resource use in the W&W Group's value chain occur in the short, medium and long term. They result from the business relationships of the relevant companies in the W&W Group.

Effects of the material impacts on the business model, value chain, strategy and decision-making

The W&W Group's rolling group strategy process is based on a comprehensive strategic analysis. This includes a

structured assessment of the business models, an annual environmental analysis to identify current external market trends, and a company analysis to determine internal strengths and weaknesses.

The sustainability activities of the W&W Group are managed as part of the Group-wide sustainability strategy of Wüstenrot & Württembergische AG. Negative impacts in the area of resource use and circular economy are regularly reviewed in terms of their significance for strategic orientation and decision-making. Where necessary, concrete strategic goals are derived from this, integrated into operational planning, implemented and monitored for progress. A detailed analysis of the impacts on the respective business model and value chain is carried out by the responsible department.

Negative impacts of resource use in property development projects do not require any changes to the business model in housing and urban development, as Wüstenrot Haus- und Städtebau GmbH is diversely positioned. Resource use is also anchored in the business strategy.

Resilience of the strategy and business model

Regular strategic analysis and the resulting actions and targets ensure the resilience of the strategy and business

model. The strategy and business model of the W&W Group are fundamentally resilient to the identified levels of materiality in connection with resource use and the circular economy.

The annual strategy process of Wüstenrot Haus- und Städtebau GmbH reviews the resilience of the business model and actively addresses identified impacts, risks and opportunities in its business strategy. There are no signs of a lack of resilience.

Management of impacts, risks and opportunities

Disclosure Requirement E5-1 – Policies related to resource use and circular economy

In connection with resource use and the circular economy, the W&W Group applied policies during the reporting period to counteract negative impacts from housing and urban development and claims settlement.

With regard to property/casualty insurance in the corporate customers segment, the W&W Group is currently reviewing how it wishes to position itself conceptually in terms of resource use and the circular economy. As a result, no policies, actions or targets could be defined during the reporting date.

Housing and urban development

The policy for housing and urban development is applied within the W&W Group by the Group company Wüstenrot Haus- und Städtebau GmbH.

Policy	The overarching policy is the sustainability section within the business strategy of Wüstenrot Haus- und Städtebau GmbH.
Key contents	The policy addresses all negative and positive impacts identified as material in the materiality assessment and includes the objectives developed for this purpose. Key content includes the sustainable further development of existing products and services, the development of new sustainable offerings, and the reduction of greenhouse gas emissions. In particular, the policy also includes actions and targets for reducing resource inflows, increasing recycled or biological building materials, and increasing data transparency with regard to the building materials used.
General objectives	The overarching goal is to reduce negative impacts as much as possible while promoting and enhancing positive impacts. The objectives with regard to resource inflows consist of introducing a conservation assessment and establishing a database of the materials used in property development projects.
Relation to material impacts, risks or opportunities	Negative impacts: The high resource inflow resulting from the use of building materials in property development projects has been identified as a material negative impact.
Monitoring process	The sustainability section of the business strategy is regularly reviewed and monitored by the Controlling department of Wüstenrot Haus- und Städtebau GmbH in cross-divisional meetings.
Scope of application	The scope covers Wüstenrot Haus- und Städtebau GmbH. This includes both the upstream and downstream value chain as well as the company's own business operations.
Most senior level accountable for implementing the policy	The management of Wüstenrot Haus- und Städtebau GmbH is responsible for implementing the business strategy.

With regard to the inflow and use of resources, Wüstenrot Haus- und Städtebau GmbH pursues the goal of ensuring sustainable implementation in the planning phase of new construction projects. This includes considering the use of biological materials and reused or recycled secondary

components, products and materials, provided that this is economically feasible. The sustainability section of the business strategy also provides for the implementation and documentation of an inventory preservation review.

Claims settlement

The claims settlement policy is applied within the W&W Group by the Group company Württembergische Versicherung AG.

Policy	Policy for integrating individual actions towards more sustainable claims settlement based on insurance policies
Key contents	When settling claims, claimants are offered assistance with the settlement process and resource-saving options as part of the compensation payment.
General objectives	This is based on the contractual insurance and compensation obligations towards the contractual partner (policyholder). With resource-saving options in claims settlement, Württembergische Versicherung AG gives claimants the opportunity to forego resource- and cost-intensive repairs. This is done in favour of a monetary payment to the beneficiary, provided that they make use of these options. Furthermore, in the context of claims settlement, attention is paid to the reuse of residual values, as far as this is technically and economically possible. In the event of disposal processes in the event of damage, the legal requirements for fractionation and recycling are complied with.
Relation to material impacts, risks or opportunities	Negative impacts: Claims settlement is generally associated with the negative impacts of resource consumption. 1. In the case of resource inflows, avoiding material consumption by not restoring or replacing the insured object reduces negative impacts. 2. In the case of resource outflow, the use of residual values in the sense of a "second life", for example in the case of accident vehicles, makes a positive contribution.
Monitoring process	The options are integrated into technical practice through work instructions. Some options are evaluated statistically accordingly.
Scope of application	The insurance policies generally apply to all policyholders in Germany. The activities have an impact on the motor vehicle and liability claims (excluding personal injury) and property damage divisions of Württembergische Versicherung AG. In addition to the direct contractual partners, injured third parties may also be considered as claimants in the area of liability law in the event of damage compensation.
Most senior level accountable for implementing the policy	The business model of Württembergische Versicherung AG is based on assuming risks through the marketing of insurance contracts. This results in an obligation to settle claims. The management of the claims department at Württembergische Versicherung AG is responsible for the claims settlement process and the related sustainability policies in the claims area.
Reference to third-party standards or initiatives	The basis for claims settlement is the applicable insurance contract and compensation law.
Availability of the policy for stakeholders	Claims are settled by the insurance company's internal service department and, in close cooperation with customers, by its own and external experts and adjusters, who also offer sustainability options.

The decision to move away from primary raw materials and to procure renewable resources sustainably for restoration/replacement in the event of damage is solely at the discretion of the claimant. Details are governed by the respective insurance contract and tort law.

In some areas, the policy results in the avoidance/minimisation of waste and, in other areas, focuses on repair with the aim of reuse.

Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy

Housing and urban development

In the materiality assessment conducted by Wüstenrot Haus- und Städtebau GmbH, the resource inflows caused by property development projects were identified as a negative impact. Wüstenrot Haus- und Städtebau GmbH plans to take the following actions to reduce this negative impact:

Inventory preservation review:

- In 2025, a policy was developed that serves as the basis for the inventory preservation review. As part of an inventory preservation review, an analysis is carried out to determine whether new construction is actually necessary or whether existing inventory can be preserved. If the result is in favour of preserving existing inventory, existing resources can be retained, which leads to a lower resource inflow.

Building materials:

- In 2025, a request for data delivery regarding building material information was integrated into contract documents. This allows for a gradual increase in data transparency with regard to the building materials used and employed, thereby contributing to the achievement of policy-related goals.
- In 2025, residential and commercial construction contract templates also included a requirement for contracting parties to indicate in their tender documents that bids focusing on biological materials, reused or recycled secondary components, products and materials are expressly desired. Preference is to be given to the use of biological materials and reused or recycled secondary components, products and materials, provided that this is economically feasible. In addition to the proportion of biological materials, including packaging, the proportion of reused or recycled secondary components, products and materials, including packaging, is also to be determined. Target quotas for these figures are to be derived by 31 December 2028. The intention behind this action is to increase the proportion of biological materials or reused or recycled secondary components, products and materials used, thereby contributing to the achievement of the policy-related targets.

These actions affect the upstream value chain in which the property development activities of Wüstenrot Haus- und Städtebau GmbH are anchored. Property development activities can take place throughout Germany. Anchoring and specification take place during the planning phase.

Claims settlement

In claims settlement, two actions are pursued in connection with resource use and the circular economy. The individual measures are a permanent and direct part of claims settlement based on the insurance police and therefore only apply in these cases. This means that the overall result is influenced by random claims.

- Action 1: Professional brokerage of residual value offers via residual value exchanges (motor vehicle damage)
- Action 2: Fictitious settlement in the event of a claim to avoid extensive repairs

Action 2 depends on the claimant's economic considerations and is therefore actively offered in the event of a claim. The claimant has freedom of choice here in terms of the insurance contract and compensation law.

Description of action 1: In the event of extensive damage to a motor vehicle, primarily as a result of an accident, repairs may no longer be economically viable in relation to the value of the vehicle on the date of the damage. However, technical possibilities usually remain, so that a residual value can still be determined for which there is also a market. Württembergische Versicherung AG arranges offers for damaged vehicles via a residual value exchange. This prevents the premature destruction of resources.

Description of action 2: In the event of damage to motor vehicles, parts of buildings or movable objects as a result of an insured event, the injured party can generally choose between repair or replacement and a fictitious settlement of the damage. In many cases, the injured parties are willing to waive their right to repair and accept the damage in return for a notional settlement of their claim. This applies equally to injured parties covered by motor vehicle, liability and property insurance policies. Here, too, the aim is to avoid both the unnecessary use of new resources and the destruction of resources that are only partially damaged as waste.

Both actions are an integral part of claims settlement and are used permanently without a time limit in appropriate claims cases.

Metrics and targets

Disclosure Requirement E5-3 – Targets related to resource use and circular economy

Housing and urban development

The sustainability section of Wüstenrot Haus- und Städtebau GmbH's business strategy covers all aspects that were identified as material in the materiality assessment. The targets described in the following section therefore correspond to the targets set out in Wüstenrot Haus- und Städtebau GmbH's business strategy.

Wüstenrot Haus- und Städtebau GmbH has set the following targets to reduce the negative impact of the resource inflow caused by property development projects:

Conservation audit:

- From 2025 2025, 100% of newly initiated property development projects are to be examined as part of an inventory review to determine whether a new build is actually necessary. The coverage of 100% of newly initiated property development projects is a relative target. absolute number of newly initiated property development projects in the respective financial year represents the reference value for the target. The conservation audit must be completed no later than the year in which construction begins. The policy for the conservation audit is based on internal evaluation criteria and the structure of the necessary documentation was finalised in the 2025 financial year. The stated goal of conducting a conservation audit for all newly initiated property development projects was achieved in the 2025 financial year. The goal and the maintenance of its achievement are monitored and reviewed by the responsible department.

Building materials:

- From 2030 onwards, data transparency is to be achieved in 100% of property development projects as part of the building materials documentation. To this end, a central data collection system is being set up, which will serve as the basis for the future derivation of target quotas for increasing the use of biological materials and reused or recycled secondary components, products and materials. Product datasheets from building product manufacturers and the ÖKOBAUDAT building product database will be used as data sources. The target value of 100% is a relative target. The population of the target represents

the absolute number of newly initiated property development projects in the respective financial year. The reference year for the target is the respective financial year. Systematic documentation of building materials for newly initiated property development projects began in the 2025 financial year. The target and the maintenance of target achievement are monitored and reviewed by the responsible department.

The targets described relate to the upstream value chain in which the property development activities of Wüstenrot Haus- und Städtebau GmbH are anchored. Property development activities can take place throughout Germany. The targets are based on internal objectives and are not aligned with national or international political targets. The targets were set and adopted independently and are therefore not directly based on scientific findings. Stakeholders were not involved in setting the targets.

Provided that there are no economic or regulatory aspects that speak against it, the use of biological, reused or recycled secondary components, products and materials is to be preferred in property development projects. This increases the circular material utilisation rate and minimises the use of primary raw materials.

No ecological thresholds or company-specific breakdowns were taken into account when setting the targets. The targets are set on a voluntary basis.

Claims settlement

No measurable and results-oriented targets have been set for action 1, "Professional brokerage of residual value offers via residual value exchanges (motor vehicle damage)", or action 2, "Fictitious settlement in the event of damage to avoid extensive repairs". The reason for this is that, on the one hand, the individual actions are directly influenced by random damage as part of claims settlement; on the other hand, materiality depends on the claimant, who has freedom of choice in this regard.

As a direct component of claims settlement, the actions are also tracked in terms of effectiveness, even without direct targets. The basis for tracking is provided by work instructions for the operational areas. Accordingly,

training measures help to ensure that the actions are actively offered to the injured party by both internal and external sales staff. Action 2, "Fictitious settlement in the event of a claim to avoid extensive repairs", can be evaluated through regular internal reporting. Action 1, "Professional mediation of residual value offers via residual value exchanges (motor vehicle damage)", can be mapped using a report prepared by a service provider.

For action 2, "Fictitious settlement in the event of damage to avoid extensive repairs", an increase in fictitious settlements in relation to the respective number of claims is considered progress. However, given the various influencing factors, a decline can only be viewed relatively critically and should not immediately be considered negative. A similar approach is taken for action 1, "Professional brokerage of residual value offers via residual value exchanges (motor vehicle damage)", but here the assessment must be even more cautious due to considerable uncertainties. As a rule, the reference period is calculated over the calendar year.

Disclosure Requirement E5-4 – Resource inflows Housing and urban development

The property development activities of the Group company Wüstenrot Haus- und Städtebau GmbH are related to significant resource inflows in the upstream value chain through the use of building materials. The building materials used mainly comprise mineral building materials (concrete, cement), metals (steel, aluminium), wood, plastics and mineral and synthetic insulation materials. Electronic components are also used in the area of technical building equipment.

The total weight of products and technical and biological materials used in the reporting period in the context of property development activities amounts to 1,915.6 (previous year: –) tonnes. The percentage of sustainably sourced biological materials is 0.3% (previous year: –).

These are building materials containing wood. Certification systems and the cascade principle were not used to determine the sustainably sourced biological materials.

The weight of reused or recycled secondary materials amounts to 60.8 tonnes (previous year: –). This corresponds to 3.2% (previous year: –) of the materials used. These are reinforcing steel.

As no property development activity was initiated in the previous reporting period, no survey of the related resource inflows was conducted in the previous year.

Methods and significant assumptions for determining resource inflows

During the planning phases, a life cycle assessment (LCA) is carried out for each construction project. The materials of materiality in terms of building materials and structural components used in the thermal envelope and construction are recorded. The data refers to cost group 300 according to DIN 276. The building materials and components that have the highest percentage of greenhouse gas potential in life cycle phases A1–A3 are considered material. Life cycle phases A1–A3 include the production of materials, including raw material extraction and transport to the manufacturer. The LCA is based on data sets from the ÖKOBAUDAT platform of the Federal Ministry of Housing, Urban Development and Construction (BMWSB). In addition to generic data sets, this database also contains company- and association-specific data sets from environmental product declarations. The ÖKOBAUDAT data is subject to strict quality criteria.

The percentage share of the structure produced is determined on the basis of the construction schedule for a building project as of the reporting date of 31 December of the respective reporting year. This is done on the basis of the number of months of construction activity in relation to the total construction period. Resource inflows are thus made transparent with the help of an LCA in order to be able to derive targeted actions for resource conservation.

Social information

Own workforce (ESRS S1)

Strategy

Disclosure Requirement SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 and ESRS S1)

The economic activities carried out by the W&W Group lead to material impacts, risks and opportunities with regard to the company's own workforce.

Material impacts

The W&W Group promotes equal treatment and equal opportunities for all its employees and offers good working conditions. Equal treatment and equal opportunities for all are reflected in the promotion of diversity, the promotion of skills development and appropriate training and further education, equal pay for equal work, and actions against violence and harassment in the workplace. Good working conditions are created in the W&W Group through collective bargaining agreements, appropriate remuneration, secure jobs, comprehensive operating occupational health management, comprehensive health protection, flexible working hours and a good work-life balance. These are all positive impacts.

Promoting diversity increases effectiveness and quality, employee satisfaction, and employee recruitment and retention. Targeted skills development promotes professional development by enabling employees to better recognise and develop their skills and potential. Employee remuneration in the W&W Group depends on the position ("equal pay for equal work"). This is done independently of gender through the provisions in collective bargaining agreements or through the application of a job evaluation system. Actions against violence and harassment offer protection against psychological and physical harm, increase the feeling of security and enable problems to be addressed.

Collective bargaining agreements create security and transparency for employees by generally providing higher

wages, shorter working hours and additional benefits such as holiday pay and Christmas bonuses. Appropriate remuneration leads to financial security and improves quality of life by enabling financial freedom. Occupational health management and health protection contribute to maintaining and promoting the ability to work. Employees with flexible working hours generally show higher levels of satisfaction and motivation and lower stress levels. In the long term, this results in lower staff turnover, reduced absenteeism and increased work performance. A better work-life balance has a positive impact on society by strengthening the employment rate, ensuring stable family incomes and promoting equality.

The positive impacts described above result from the W&W Group's human resources strategy. The positive effects on employees are generally short-, medium- and long-term. The positive impacts of collective bargaining agreements and appropriate remuneration are mainly concentrated in the short and medium term. All positive impacts in relation to the company's workforce result from the W&W Group's own activities. All employees at all W&W Group locations are affected by the positive impacts.

Material risks and opportunities

In terms of its own business operations, there is a risk that demographic change and a shortage of skilled workers could make it more difficult for the W&W Group to recruit the employees it needs in the coming years.

The W&W Group assumes that the risk of difficulties in recruiting personnel due to demographic change and a shortage of skilled workers will be mitigated by the positive impacts mentioned above.

The ongoing training of the Group's employees offers opportunities to remain competitive and increase earnings potential. Opportunities are therefore concentrated in our own business operations and, in turn, in the downstream value chain.

The opportunity arising from the ongoing training of the company's workforce and the risk of difficulties in recruiting personnel due to demographic change and a

shortage of skilled workers affect all employees at all locations of the W&W Group.

As of the reporting date, there have been no restructuring actions or job losses in the W&W Group as a result of negative environmental impacts, nor are any planned or under consideration. On the contrary, the business potential associated with the financing of modernisation measures and energy-efficient renovations in residential buildings offers the company's workforce opportunities for professional development.

There is no discernible risk to the workforce of the W&W Group in relation to incidents of forced or child labour.

There are no current financial effects from the risk and opportunity with regard to the company's workforce on the financial position, earnings situation and cash flows, nor are there any significant risks and opportunities in the next reporting period that pose a considerable risk of a significant adjustment to the book values of the assets and liabilities reported in the consolidated financial statements.

Effect of material impacts, risks and opportunities on the business model, value chain, strategy and decision-making

The W&W Group's rolling group strategy process is based on a strategic analysis. In addition to a structured analysis of the business models, this includes an annual analysis of the environment (current external (market) trends) and a company analysis (internal strengths and weaknesses). The potential risks and opportunities in the area of human resources are thus regularly reviewed in terms of their impact on the business model, value chain, strategy and decision-making and, if necessary, transferred to operational planning in the form of specific strategic goals, operationalised and reviewed in terms of their implementation.

The material impacts, risks and opportunities identified in connection with our own employees have a direct influence on the operational stability and strategic orientation of the W&W Group. The risk of difficulties in recruiting personnel is a critical success factor in an

increasingly competitive labour market and has a significant impact on our human resources strategy. To counter this risk, we focus on targeted actions for recruiting, retaining and development. The ongoing training of our workforce ensures that employees can respond appropriately to regulatory and market-based changes and that the quality of our services and products remains at a consistently high level.

Systematic skills development is an integral part of our human resources strategy, which is geared towards continuous improvement and long-term stability. The positive effects of this strengthen our corporate culture, increase employee retention and improve our attractiveness as an employer. These factors ensure the long-term performance and stability of our workforce, which is a decisive competitive factor and supports the sustainable development and resilience of our business model.

Resilience of the strategy and business model

The W&W Group believes that the strategies and actions outlined above have created the conditions necessary for a highly resilient business model. Neither the strategy process nor the business planning currently indicate any lack of resilience on the part of the W&W Group with regard to existing risks or any inadequate utilisation of the opportunities analysed in relation to the company's workforce.

In the W&W Group's highly complex business model, the expertise, experience, commitment and customer focus of its employees are a key success factor.

Through the targeted integration of actions for long-term employee retention and satisfaction, as well as continuous training and qualification of our employees, we ensure the quality and stability of our services and maintain our ability to successfully exploit opportunities in a changing environment.

Management of impacts, risks and opportunities

Disclosure Requirement S1-1 – Policies related to own workforce

Policy	Human resources strategy
Key contents	As part of its personnel strategy, the W&W Group supports its employees through consistent employee development measures, in particular through future-oriented competence and junior staff development programmes and talent development. Employees are continuously developed through transparent career paths and career concepts, future-oriented learning opportunities and competence promotion.
General objectives	The overarching goal of the human resources strategy is to attract, develop and inspire employees. The human resources strategy focuses on the following goals: - Attracting employees through modern and efficient processes and tools - Inspiring employees through high employer attractiveness and a good working culture, - Continuous employee development to empower and develop skills.
Relation to material impacts, risks or opportunities	The HR strategy addresses the negative impact on the company's workforce as well as risks such as reduced or increased staffing requirements due to demographic change and skills shortages as well as the pay gap. In addition, the HR strategy refers to positive effects such as flexible working hours and forms of work, the promotion of skills development and appropriate training and further education, work-life balance, comprehensive occupational health management, comprehensive health protection, secure jobs and collective bargaining agreements. Other key topics include attracting, developing and motivating employees, which should lead to a personnel structure that is appropriate in terms of quality and quantity in order to maintain competitiveness and marketability.
Monitoring process	The personnel strategy is reviewed once a year or as required, taking into account the business strategy. The personnel policy objectives are also regularly monitored by the Group Human Resources department and the Executive Board.
Scope of application	The personnel strategy applies to all employees within the W&W Group in Germany.
Most senior level accountable for implementing the policy	The Executive Board and the Group Human Resources department are responsible for implementing the human resources strategy.
Consideration of stakeholders' interests	The Supervisory Board and the Executive Board were involved in defining the human resources strategy.
Availability of the policy for stakeholders	The human resources strategy is published in the internal information system and can therefore be viewed by all employees.

Policy	Company regulations on mobile working and flexible working hours
Key contents	Company regulation on mobile working: Employees can work remotely in accordance with company regulations. Company regulation on flexible working hours: Company regulations allow employees flexibility in terms of working hours thanks to a wide working time framework and flexitime options.
General objectives	The objective is to attract and retain employees as an attractive employer, e.g. by improving the work-life balance.
Relation to material impacts, risks or opportunities	The company regulations have a positive effect on employee satisfaction and motivation. According to the W&W Group's assessment, this results in lower staff turnover, reduced absenteeism and increased productivity.
Monitoring process	Monitoring processes are defined in company regulations or carried out as part of regular processes, in particular by managers.
Scope of application	The company regulations apply to all employees within the W&W Group in Germany.
Most senior level accountable for implementing the policy	The Executive Board and the Group Human Resources department are accountable for implementing these regulations.
Consideration of stakeholders' interests	The Executive Board, the Group Human Resources department and the employee representatives were involved.
Availability of the policy for stakeholders	The company regulations are published in the internal information system and can therefore be viewed by all employees.

Policy	Remuneration principles
Key contents	The companies of the W&W Group are almost exclusively bound by the relevant industry collective bargaining agreements. Due to applicable collective bargaining agreements and internal collective bargaining provisions, employees in the W&W Group receive equal remuneration for the same work. The remuneration systems within the W&W Group are designed to combine the implementation of strategic goals and human resources requirements for remuneration systems with those of risk management and regulatory requirements.
General objectives	The remuneration systems of the W&W Group comply with the respective legal requirements and are reviewed annually and adjusted as necessary. This objective is already achieved through the application of the relevant industry collective bargaining agreements. The remuneration systems in the W&W Group are to be designed in line with the business strategy, risk strategy and Group Risk Policy in such a way that they contribute to securing the existence and success of the W&W Group. In the interests of a living risk culture, harmful incentives and the rewarding of mistakes are to be avoided. The total remuneration of employees is designed in such a way that employees are recruited, retained and motivated in the best possible way.
Relation to material impacts, risks or opportunities	The application of industry collective bargaining agreements and the W&W Group's remuneration systems based on these agreements ensures that remuneration is not affected by whether the position is held by a woman or a man. There is no discernible risk of new hires being affected by the earnings gap. The existing pay gap is seen as a reflection of the different career paths of the company's employees. In addition, the application of industry collective bargaining agreements creates security and transparency for the company's employees and ensures fair conditions for all employees. In the opinion of the W&W Group, this strengthens social harmony within the W&W Group.
Monitoring process	The appropriateness of the remuneration systems is reviewed annually in a regular process by the compliance and audit departments.
Scope of application	These remuneration principles apply to all employees within the W&W Group in Germany.
Most senior level accountable for implementing the policy	The Executive Board, the Group Human Resources department and the managers are accountable for implementing the remuneration principles.
Consideration of stakeholders' interests	The Executive Board, the Group Human Resources department and, where necessary, the Supervisory Board and employee representatives were involved.
Availability of the policy for stakeholders	The remuneration principles are published for employees in the internal information system.

Policy	Occupational health and safety standards, company regulations
Key contents	The occupational health and safety standards and company regulations define the tasks and roles of the members of the Executive Board, managing directors, managers and all persons with special functions in occupational health and safety, e.g. occupational health and safety specialists, safety officers, first aiders, etc.
General objectives	The company regulation on risk assessment defines the implementation of the Occupational Health and Safety Act and the subordinate regulations for identifying and assessing work-related health risks, determining appropriate occupational health and safety measures, reviewing their effectiveness and documenting them. The company regulation on workplace integration management (BEM) serves to promote the health and working ability of employees.
Relation to material impacts, risks or opportunities	These regulations have an impact on employee behaviour by raising awareness. Comprehensive operating occupational health management reduces health risks and ensures comprehensive health protection. The W&W Group actively supports a health-promoting environment, provides incentives for health-conscious behaviour among employees and thereby increases the attractiveness of the W&W Group as an employer. In the opinion of the W&W Group, this also counteracts the shortage of skilled workers.
Monitoring process	Employees are made aware of occupational health and safety issues on an annual basis through automated web-based training. In addition, comprehensive risk assessments are carried out on a regular basis.
Scope of application	The occupational health and safety standards and company regulations apply to all employees within the W&W Group in Germany.
Most senior level accountable for implementing the policy	The Executive Board and managers are responsible for implementation within their direct areas of responsibility.
Consideration of stakeholders' interests	The Executive Board, occupational health and safety, the company doctor, the Group Human Resources department and employee representatives were involved.
Availability of the policy for stakeholders	The occupational health and safety standards and company regulations were published in the internal information system.

Policy	Code of conduct and handbook on the code of conduct
Key contents	The W&W Code of Conduct and the handbook set out the minimum standards for the W&W Group that govern the conduct of all board members, managers and employees in internal and external sales, as well as in their relationships with customers, competitors, business partners partners, authorities and our shareholders. This involves not only the practical implementation of applicable laws and regulations, but also ethically impeccable conduct, which includes measures against violence and harassment in the workplace in our daily work.
General objectives	Creation of a framework for compliant and ethical behaviour by all employees.
Relation to material impacts, risks or opportunities	The W&W Group believes that the Code of Conduct and the handbook reduce the risk of discriminatory behaviour and promote equal treatment and equal opportunities. The W&W Group believes that the measures it has established against violence and harassment in the workplace have a positive effect on its employees. This increases the attractiveness of the W&W Group as an employer, the pay gap is being addressed and, in the opinion of the W&W Group, counteracts the shortage of skilled workers.
Monitoring process	Compliance with the Code of Conduct and the Handbook is monitored by managers and, among others, by the Compliance and Audit departments.
Scope of application	The W&W Code of Conduct and the handbook apply to all employees within the W&W Group in Germany.
Most senior level accountable for implementing the policy	The Executive Board is responsible for implementing the Code of Conduct.
Consideration of stakeholders' interests	The interests of stakeholders were incorporated into the Code of Conduct and the Handbook, in particular by the compliance department in consultation with the relevant specialist departments.
Availability of the policy for stakeholders	The Code of Conduct and the handbook were published for employees in the internal information system. The Code of Conduct can also be viewed on the W&W AG website.

Policy	Diversity guidelines
Key contents	In its Diversity Guidelines, the W&W Group is committed to creating a prejudice-free, positive and productive working atmosphere that prevents discrimination within the company and supports equal opportunities. The most important content is: Gender balance, diversity of origin and world views, age diversity, LGBTIQ ¹ community, inclusion for people with disabilities.
General objectives	Optimisation of recruitment and hiring processes, development of framework conditions for a prejudice-free and attractive working environment, increase in diversity in potential development and management positions.
Relation to material impacts, risks or opportunities	According to the W&W Group, the Diversity Guidelines support a stronger and more creative working environment that delivers better results because diversity promotes excellence. This increases satisfaction and company loyalty. In our opinion, diversity better reflects customer groups, as a diverse workforce can respond quickly to a wide range of customer requirements and needs, thus contributing to a positive corporate image among applicants and customers alike. The W&W Group believes that this increases the attractiveness of the W&W Group as an employer, the pay gap is being addressed and thus counteracts the shortage of skilled workers.
Scope of application	These guidelines apply to all employees within the W&W Group in Germany.
Most senior level accountable for implementing the policy	Managers, Group Human Resources Management and the Executive Board are accountable for implementing the diversity policies.
Reference to third party standards or initiatives	The W&W Group has signed the Diversity Charter.
Consideration of stakeholders' interests	Employees and the Executive Board were involved.
Availability of the policy for stakeholders	The Diversity Guide was published for employees in the internal information system.

1 LGBTIQ is an abbreviation from the English language that stands for lesbian, gay, bisexual, transgender, intersex and queer. These are all descriptions of sexual orientations and forms of identity.

The Executive Board is committed to corporate responsibility. Respect for human rights, including workers' rights, among the company's workforce is ensured through compliance with the principles of the United Nations and the ILO's core labour standards, which have long been guaranteed within the W&W Group and implemented through relevant regulations. The W&W Group developed the aforementioned code of conduct some time ago. The W&W Group received several awards in 2025, such as the Corporate Health Award and the Total E-Quality rating.

Employee representatives are involved in the development of, for example, the code of conduct or the whistleblower system. Employees are informed via the internal information system.

Compliance with regulatory requirements is supported by various preventive actions. These include, for example:

- Time recording to protect statutory working time regulations,
- Workplace inspections,
- Occupational health and safety
- Escalation bodies; not only works councils but also the whistleblower system.

As national legislation is complied with at the W&W locations, practices that violate human rights, forced labour and child labour are excluded. In its code of conduct and the associated handbook, the W&W Group rejects any form of discrimination in recruitment and employment, child labour and other violations of human rights. In addition, the prohibition of forced and child labour is explicitly enshrined in the policy statement on

respect for human rights and the exercise of human rights due diligences.

To prevent accidents at work, the W&W Group has a policy for occupational health and safety standards and company regulations. The actions taken in this context are presented in the disclosure requirement S1-4 Actions.

The policy on diversity guidelines, the Code of conduct and handbook on the code of conduct aim to eliminate discrimination (including harassment), promote equal opportunities, and promote diversity and inclusion. The actions taken in this context are presented in disclosure requirements S1-4 Actions. Race, ethnic origin, skin colour, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national origin and social background are components of the Code of Conduct and the Diversity Guidelines and thus also of the culture of appreciation and diversity practised within the W&W Group. Under German law, the W&W Group is obliged to fill at least 5% of its jobs with severely disabled and equivalent employees or to pay a compensatory levy (Sections 154–160 of the German Social Code, Book IX). Accordingly, the W&W Group is committed to supporting and integrating people with disabilities in its Diversity Guidelines. This includes checking whether vacant positions can be filled by severely disabled and equally disabled people. This is preferred to paying a compensatory levy.

Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

The W&W Group uses various (dialogue) formats to ensure employee participation. This includes, for example:

- Annual employee satisfaction surveys,
- Regular dialogue between employees and their managers (feedback and development meetings),
- Work meetings, which are also regularly attended by the respective member of the Executive Board and the head of the Group Human Resources department as guests in order to provide detailed information and be available to answer questions from employees.

In addition, the W&W Group attaches great importance to trusting and open cooperation with employee representatives. The W&W Group maintains regular and constructive dialogue in order to jointly develop solutions to the concerns of its own workforce and to ensure that their rights and interests are fully protected. The aim is to promote cooperation based on mutual respect and transparency. The involvement of the company's own workforce takes place both directly and through employee representatives. Operational responsibility for involvement and for ensuring that the results are incorporated into a corporate policy lies with the Executive Board and the management of the Group Human Resources department.

The W&W Group believes that the above-mentioned (dialogue) formats are effective tools for incorporating the views of its own workforce into decisions and activities. This is also demonstrated by the results of the annual employee survey. Where necessary, actions are developed in the individual units based on the survey results.

The W&W Group gains insights into the views of employees who are particularly vulnerable or at risk of discrimination through information obtained during a comprehensive risk assessment or operating workplace integration management. The exchange within the "FIT" (Women in Top Positions) network and actions from the "FairSprechen" contact point also serve this purpose. Through close cooperation with employee representatives, the representative body for disabled employees, the company medical service and the external service provider for life coaching, the W&W Group also gains insights into the perspectives of this group of people.

Disclosure Requirement S1-3 – Channels for own workforce to raise concerns

The channels through which employees can contact the complaints office in accordance with the General Equal Treatment Act (AGG) and the "FairSprechen" contact point are the works councils, the company medical service, the

representative body for severely disabled persons and the human resources department. The W&W Group made a conscious decision to set up these channels itself.

The "FairSprechen" contact point has a process for handling complaints relating to employee issues.

The channels are regularly highlighted at works meetings. Information about the channels is also available via the internal information system. During events such as diversity days, the channels are promoted at exhibition stands on the W&W campus. Employees also receive a leaflet about the contact points and complaints offices when they start work.

Of particular importance are the regular feedback and development meetings between employees and their managers, as well as the very low number of enquiries in accordance with the German Pay Transparency Act.

Furthermore, the W&W Group has set up the complaints office required under Section 15 of the AGG in the Human Resources department. Since 2019, the Group-wide interdisciplinary internal contact point "FairSprechen" has been in place for any conflicts relating to employment relationships, e.g. bullying, sexual harassment, discrimination. In addition, employees can contact the works council or the internal whistleblower system to initiate remedial actions. The publicly accessible complaint management system on the W&W AG website can also be used to receive and process reports of possible negative effects on employees. The actions are considered to be very effective, as evaluations after an agreed period of time ensure that the actions taken have led to the resolution of the conflict.

The complaints office is responsible for taking the appropriate, necessary and reasonable actions in each individual case to prevent discrimination. The "FairSprechen" contact point is responsible for providing advice on internal and external support services and assists employees in cases of conflict or discrimination.

The complaints office and the "FairSprechen" contact point are well known to employees: both the company's own workforce and employee representatives place their trust in these bodies. This is demonstrated by the promotion and recommendation of the contact point and by the positive feedback from those seeking advice. The strategy set out in the Code of Conduct and the Diversity Guidelines also includes measures to protect individuals. There are various ways for employees to obtain support and assistance if they are personally affected. The information received by the complaints office or the contact point is treated as strictly confidential and is only passed on to others with the consent of the person concerned.

Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Actions and resources relating to material sustainability aspects

Actions to promote diversity

In order to ensure that diversity within the company is and remains a sustainable part of W&W's culture, existing activities were continued and further developed in the 2025 financial year. On Diversity Day 2025, all employees and managers were offered free e-learning on the topic of unconscious bias. As part of the Best Ager programme, target group-specific measures to promote age-diverse teams were implemented, including workshops on leadership practices and a mentoring programme focusing on different stages of life.

For years, the W&W Group has been implementing various actions to promote the equal participation of women in leadership by setting targets for achieving quotas for women in the first two management levels. Existing activities for equal opportunities, such as the independent contact point "FairSprechen", were consistently continued.

The most important action in the reporting year on the topic of age diversity was the "Lebensphase+" (Life Phase+) action. Accompanying HR tools support and enable the targeted, structural promotion of women and thus equal opportunities. The "Fit" (Women in Top Positions) network, which has been established within the

W&W Group for many years, offered various events in 2025.

These actions will be continued beyond 2025.

Actions for qualification and skills development

The qualification initiatives on artificial intelligence and prompting, as well as on the topics of New Work and the Future of Work, were continued and further developed in the W&W Group in 2025. These were aimed at all employees of the W&W Group. In addition, workshops on the W&W understanding of leadership and courses on team development and diversity were held as part of management development. The skills development programmes cover the W&W career paths (technical expert, project manager and manager) and take the form of modular training units. The Potential Development Process (PEP) within the W&W Group supports high-potential employees on their path to a W&W career, right up to taking on their desired target position. By participating in career-specific development programmes, high-potential employees are supported and encouraged in their new target position. The PEP is accompanied by systematic and valid personnel diagnostics in the form of a potential and staffing check. This is supplemented by the Premium Management Programme (PMP), which is designed to enable employees to take on a leadership and management position within the W&W Group at a later date. In line with W&W's understanding of leadership, further qualification and development actions are offered in the area of management development.

The actions apply to all employees of the W&W Group in Germany.

These actions apply to the year 2025.

Actions relating to "equal pay for equal work"

For employees covered by collective bargaining agreements, classification is based on the corresponding assignment to the relevant collective bargaining agreement groups for the positions, regardless of the gender of the job holder. In the non-collective bargaining agreement area, an external job evaluation system is used to evaluate and determine the salary for the

position, also regardless of the gender of the job holder. This ensures that equivalent work is also remunerated equally. For new hires, there is therefore currently no discernible risk of being affected by the unadjusted gender pay gap.

An existing pay gap is an unadjusted gender-specific pay gap and does not currently take into account justified deviations due to differences in job status, qualifications and professional experience of the respective job holders.

As a remedial action, an analysis is still being carried out as part of a project to determine the adjusted gender pay gap in order to examine the reported difference in more detail. The effectiveness of this action can only be assessed after the end of the project in 2026, and the necessary steps can then be determined on this basis.

Actions against violence and harassment in the workplace

The W&W Group is committed to creating a working environment in which fairness, respect and appreciation are guaranteed. The "FairSprechen" contact point plays a central role in supporting employees in cases of discrimination, violence and harassment in the workplace and other conflicts. The contact point offers employees the opportunity to receive support in a protected environment in the event of a conflict or inappropriate behaviour. The contact point can also provide external conflict consultants to help resolve the issue. In addition, employees at all hierarchical levels of the W&W Group are trained on the contents of the W&W Group's Code of Conduct based on a training policy published via the internal information system. The training courses are held in person (e.g. for members of the executive bodies or at the request of specialist departments). In addition, employees of the W&W Group are required to complete mandatory web-based training each year; actual participation is monitored by the responsible managers. Training videos are also available on an internal platform.

The actions apply to all employees of the W&W Group.

The (training) actions take place throughout the year and will continue in the future.

Actions for appropriate remuneration (and collective bargaining)

The W&W Group is subject to the collective bargaining agreements for the private insurance industry, the private banking industry and the in-house collective bargaining agreement of W&W Service GmbH. The collective bargaining agreement classification ensures appropriate and gender-neutral remuneration. Women and men in the above-tariff range and senior executives are granted remuneration according to their position. This is ensured by an external evaluation system. Within this system, only the function or activity is described and evaluated. No distinction is made between genders in the evaluation. Job descriptions and evaluations are reviewed regularly and as required. The aim is to have up-to-date job descriptions as a basis for salary comparisons. Actual salaries are compared with salary benchmark data as required.

The actions apply to all employees of the W&W Group in Germany.

These actions will be continued beyond 2025.

Actions for secure employment

The employee referral programme, active sourcing and university partnerships are actions aimed at increasing the attractiveness of the employer brand. They also serve to manage the internal labour market in order to recruit new employees and prevent a potential shortage of skilled workers. The management development measures aim to convey the W&W understanding of leadership to managers and enable them to implement it. In this context, the management workshop on positive leadership and the programmes on new work and artificial intelligence, among other things, were further developed. The Lebensphase+ programme aims to promote the performance and further development of experienced employees throughout Germany and to increase retention beyond the standard retirement age. The Strategic KPI Dashboard measure enables the Executive Board and managers to

systematically review the suitability of HR measures by providing them with selected, strategically relevant HR performance indicators.

The actions are open to all employees of the W&W Group.

The actions apply to the year 2025.

Actions for operating occupational health and safety

Occupational health and safety measures include comprehensive risk assessments, safety inspections, ergonomic consultations, emergency drills, first aid courses, fire safety training and awareness measures. The awareness actions implemented include training and awareness-raising programmes for managers and employees on mental and physical health, as well as information events organised by operating contact persons on the topic of addiction. Operating occupational health management consists of various components. There is a wide range of company sports with regular activities offering dozens of different sports on and near the W&W campus. In addition, all employees have the opportunity to participate free of charge in various health campaigns, health seminars and health lectures. Comprehensive medical care is provided by the company medical service. With the active break, all locations offer the opportunity to organise and participate in a twice-weekly programme to prevent physical complaints, which takes place during working hours. Psychological counselling and care is provided by external service providers in emergencies.

The W&W Group believes that operating health and safety actions contribute to maintaining and promoting the physical and mental health of employees and to the attractiveness of the W&W Group as an employer.

They are available to all employees of the W&W Group.

The actions apply to the year 2025.

Actions to promote work-life balance

There are regulations that enable employees to work remotely or in a hybrid manner. The aim is to achieve a high level of employee satisfaction and thus lower staff turnover by striking a balance between remote and on-site work.

There are also actions to promote work-life balance. These include professional and free support for employees with childcare and emergency childcare, care for relatives and other difficult life situations. In addition, 19 childcare places are reserved for employees at a subsidised Ludwigsburg childcare centre.

According to the W&W Group, these actions help employees to better balance the different demands of their professional and private lives.

The action applies to all employees of the W&W Group.

The actions apply to the year 2025.

Ensuring that our own practices do not have any material negative impacts

As a result of negative environmental impacts, there are no restructuring actions or job losses at the W&W Group as of the reporting date, nor are any planned or under consideration. On the contrary, the business potential associated with financing modernisation measures and energy-efficient renovations in residential buildings offers the company's employees opportunities for professional development.

Allocation of resources to manage material impacts

The allocated resources are used for the management of impacts of materiality as part of regular line activities.

Metrics and targets

Disclosure Requirement S1-5 – Targets related to advancing positive impacts, and managing material risks and opportunities

Targets for the management of material impacts, risks and opportunities

Target Employee satisfaction

The employee survey is designed to measure employee satisfaction with the company. A high level of satisfaction reflects a high level of enthusiasm among employees for the company. The employee satisfaction target is related to the positive impacts of flexible working hours, the promotion of skills development and appropriate training and further education, work-life balance, comprehensive occupational health management and comprehensive health protection, and secure jobs. Furthermore, the risk of demographic change and a shortage of skilled workers, as well as the opportunity for ongoing employee training, are also taken into account here. A high level of satisfaction indicates a high level of employer attractiveness, which, in the opinion of the W&W Group, counteracts the shortage of skilled workers. The W&W Group has defined a target level for the likelihood of employees recommending the company as an employer to friends and acquaintances. This target is to be at least 75% in the reporting period. This target was exceeded again in 2025. All employees of the W&W Group in Germany are surveyed in the employee satisfaction survey. The online survey takes place annually. The target applies to the respective financial year. The online survey is conducted by an external survey institute. Employee satisfaction is a goal of the business, sustainability and human resources strategy adopted by the Executive Board. Group human resources management was involved. Employee satisfaction is consistently high, above the target value.

Target further training

The number of training days is measured to ensure the development of employees as anchored in the human resources strategy. The training target is related to the positive impact of promoting skills development, appropriate training and further education, and the opportunity for ongoing qualification of our own

workforce. For 2025, the target was an average of 19 training hours per employee. All employees of the W&W Group in Germany are included in the calculation of training hours. The reference level is training hours per employee and refers to the year 2025. The target applies to the respective financial year. The target for 2030 is 24 training hours per employee. This target was achieved in 2025. The annual training target is set in light of rapid technological change and changing requirements in the new world of work, to ensure employability and by analysing training efforts in the industry, while also taking into account the sustainability of the W&W Group. Increasing the training rate is a goal in the sustainability and human resources strategy adopted by the Executive Board. Group human resources management was involved. The target value will rise continuously over the next three years. The training hours are continuously evaluated and displayed to managers in the HR dashboard to support the achievement of targets. New training courses and available places at events are advertised, for example, in the management newsletter in order to carry out IDD-relevant training courses for insurance brokers and mandatory training courses (e.g. occupational safety instruction, data protection training, etc.) during the financial year.

Target proportion of women in management positions

The proportion of women is monitored and measured in order to achieve gender balance in management positions. In accordance with legal requirements, W&W AG has set itself a target quota of 30% women in the first and second management levels by 2027. In accordance with legal requirements, the other Group companies have set themselves a target quota of 25% women in the first and second management levels by 2027. The target for the proportion of women in management positions is related to the positive impact of equal pay for equal work, the risk of demographic change and a shortage of skilled workers, and the opportunity for ongoing training of employees. All employees in Germany are included in the calculation of the proportion of women. The reference level is the percentage of women at the respective management level and refers to the year 2025. The target is set for the period

from 2022 to 2027. An annual increase in the target value is planned. The target quota has risen compared to the previous year. An increased proportion of women in management positions has the potential to boost performance and innovation, as mixed teams are more creative, efficient and successful. It also reflects our customer base. A higher proportion of women contributes to increased employer attractiveness and thus to increased employee satisfaction and retention. The Executive Board has decided on the target for the proportion of women. Group Human Resources Management was involved. The proportion of women is regularly reported to the Management Board in the management cockpit and the achievement of the target value is reviewed.

Defining and tracking the achievement of targets, identifying findings or opportunities for improvement

Within the W&W Group, targets relating to the company's workforce are set on the basis of the business strategy and the sustainability and human resources strategy. Employee representatives are involved in accordance with statutory co-determination provisions.

The targets are achieved through operationalisation, which generally allows them to be measured using key performance indicators.

If the achievement of targets falls short of expectations, actions for improvement are reviewed and, if necessary, implemented.

Disclosure Requirement S1-6 – Characteristics of the undertaking's employees

The data basis for the information on the employees of the W&W Group (employees within the meaning of the HGB) is the SAP-BW data warehouse, which extracts the status at the end of each month from SAP-HCM, the leading personnel management and payroll accounting system (concept of historical truth). This does not include executive bodies, trainees or interns/working students. Persons employed under leasing contracts within the W&W Group are also not included in the employee figures.

Employee data is reported in accordance with the legal policy, i.e. all individuals are counted. If individuals have multiple employment contracts within the W&W Group for

(regulatory) reasons, they are still only counted once. Executive bodies are not included in the employee figures.

Unless explicitly stated otherwise, the figures refer to the reporting date at the end of the year. If average figures are included, the values for all monthly periods or quarters of the financial year are added together and divided by 12 or 4.

The number of employees in the W&W Group is shown in the notes to the consolidated financial statements under (60) Number of employees.

The turnover rate was 7.4% in the reporting period (previous year: 7.4%). 561 (previous year: 559) employees left the W&W Group.

Number of employees by gender

Number of employees (headcount)	31.12.2025	31.12.2024
Gender		
Male	3,618	3,625
Female	3,945	3,943
Other ¹	–	–
Not reported	2	2
Total number of employees	7,565	7,570

¹ Gender according to employees' own information.

Number of employees in countries in which the W&W Group has at least 50 employees who account for at least 10% of the total number of employees of the W&W Group

Number of employees (headcount)	31.12.2025	31.12.2024
Country		
Germany	7,456	7,448

Employees by type of contract, broken down by gender

31.12.2025

Number of employees (headcount)	Female	Male	Other ¹	Not disclosed	Total
Number of employees	3,945	3,618	–	2	7,565
Number of permanent employess	3,850	3,566	–	2	7,418
Number of temporary employees	95	52	–	–	147
Number of non-guaranteed hours employees	–	–	–	–	–
Number of full-time employees	2,160	3,351	–	2	5,513
Number of part-time employees	1,785	267	–	–	2,052

1 Gender according to employees' own statements.

Employees by type of contract, broken down by gender

31.12.2024

Number of employees (headcount)	Female	Male	Other ¹	Not disclosed	Total
Number of employees	3,943	3,625	–	2	7,570
Number of permanent employess	3,832	3,580	–	2	7,414
Number of temporary employees	111	45	–	–	156
Number of non-guaranteed hours employees	–	–	–	–	–
Number of full-time employees	2,137	3,358	–	2	5,497
Number of part-time employees	1,806	267	–	–	2,073

1 Gender according to the employees' own information.

Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue

All employees of the W&W Group are assigned a classification in the payroll accounting system that indicates which collective bargaining agreement

classification is to be applied. No collective bargaining agreement within the meaning of the ESRS applies to employees assigned to the Group company Adam Riese GmbH.

Collective bargaining coverage and social dialogue

		Collective bargaining coverage				Social dialogue	
		Employees – EEA (for countries with > 50 employees, who > 10% of the total number)		Employees – non-EEA countries (estimate for regions with > 50 employees, representing > 10% of the total)		Workplace representation (EEA only) (for countries with > 50 employees, > 10% of the total)	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Coverage rate							
0–19%	–	–	–	–	–	–	–
20–39%	–	–	–	–	–	–	–
40–59%	–	–	–	–	–	–	–
60–79%	–	–	–	–	–	–	–
80–100%	Germany	Germany	Germany	–	–	Germany	Germany

Disclosure Requirement S1-9 – Diversity metrics

In order to disclose the number of women in management positions in accordance with applicable law, the W&W Group must apply the Management Position Act II and has set itself targets for 2027 in accordance with this legislation for the two levels below the Executive Board (F1/F2). These are considered the top management level of the W&W Group and are considered jointly for this disclosure requirement. The indicator is reported at the end of the year as the ratio of female managers to the total number of managers.

To indicate age diversity as a diversity metric, the employees of the W&W Group are divided into younger (employees under 30), middle-aged (employees between 30 and 50) and older (employees over 50) persons at the end of the year and the percentage distribution is reported.

Distribution of employees by age group

	31.12.2025	31.12.2024
	In %	In %
Number of employees		
Employees under 30 years of age	9.8	9.4
Employees between 30 and 50 years of age	44.5	44.0
Employees over 50 years of age	45.7	46.6

Gender distribution at the top management level

	31.12.2025		31.12.2024	
	Headcount	In %	Headcount	In %
Number of employees				
Male	321	75.0	330	76.4
Female	107	25.0	102	23.6
Other ¹	–	0.0	–	0.0
No data	N/D	N/D	N/D	N/D

¹ Gender according to the employees' own information.

Disclosure Requirement S1-10 – Adequate wages

All employees of the W&W Group receive fair remuneration. Further information on remuneration within the W&W Group is provided in the policy of remuneration principles in *disclosure requirement S1-1 Policies relating to the company's workforce*.

The companies of the W&W Group are bound by the relevant industry collective bargaining agreements and company collective bargaining agreements based on them. This ensures at least the minimum wage specified in *Directive (EU) 2022/2041 of the European Parliament and Council of 19 October 2022 on adequate minimum wages in the European Union*.

Disclosure Requirement S1-11 – Social protection

Employment relationships within the W&W Group are subject to social security contributions. In addition, the industry collective bargaining agreements apply.

changes in management responsibility, and the validity or maturity of the results of the previous period's meeting. The implementation rate refers to the total number of meetings to be held during the year.

Disclosure Requirement S1-13 – Training and skills development metrics

The form for the annual feedback and development meeting is made available at the beginning of each financial year for all active employees. Whether the meeting actually takes place depends on any resignations,

All training and qualification measures carried out during the financial year and recorded in the learning management system are reported in hours. In addition, informal learning takes place in a variety of forms, which is not included in the key figure determined.

Performance reviews and further training

		1.1.2025 to 31.12.2025				
		Female	Male	Other ¹	Not disclosed	Total
Percentage of employees that participated in regular performance and career reviews	In %	87.5	84.1	–	N/D	85.8
Average number of training hours per employee	In hours	36.7	41.7	–	N/D	39.2

1 Gender according to employees' own statements.

Performance reviews and further training

		1.1.2024 to 31.12.2024				
		Female	Male	Other ¹	Not disclosed	Total
Percentage of employees that participated in regular performance and career reviews	In %	87.1	86.4	–	N/D	86.8
Average number of training hours per employee	In hours	14.9	20.3	–	N/D	17.5

1 Gender according to employees' own information.

Disclosure Requirement S1-14 – Health and safety metrics

All work-related injuries and illnesses that are recorded and reported to the administrative professional

association are regularly evaluated and serve as KPIs for monitoring health and safety measures and standards within the W&W Group.

Health protection and safety

		1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Percentage of own workers who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	In %	100.0	100.0
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	Number	–	–
Number of recordable work-related accidents for own workforce	Number	33	34
Rate of recordable work-related accidents for own workforce	per 1 million hours worked	3.7	3.8
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	Number	–	–
Number of cases of recordable work-related ill health of own workforce	Number	33	34
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	Number	387	650

Disclosure Requirement S1-15 – Work-life balance metrics

All employees of the W&W Group are entitled to time off work for family reasons, meaning that coverage is 100%. This is guaranteed by statutory and collective bargaining

agreement provisions for the W&W Group. All employees who have taken leave for family reasons at least once during the financial year – broken down by gender – are included in the percentage calculation.

Taking leave for family reasons

In %	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Percentage of entitled employees that took family-related leaves		
Male	4.2	3.9
Female	12.5	13.4
Other ¹	–	–
No data	N/D	N/D
Total	8.6	8.8

¹ Gender according to the employees' own information.

Disclosure Requirement S1-16 – Remuneration metrics (pay gap and total remuneration)

The survey method used to determine the unadjusted gender-specific earnings gap in the W&W Group complies with the reporting requirements of the Federal Statistical Office. All fixed and variable remunerations paid during the financial year are included in the calculation of gross hourly earnings. Company cars are included in the fixed remuneration via deferred compensation. Benefits in kind, such as the possible use of the silent room, are not part of the remuneration at the W&W Group and are therefore not taken into account.

The percentage pay gap between male and female employees in the W&W Group is 17.0% (previous year: 17.2%).

In the reporting period, the ratio of the total annual remuneration of the highest-paid individual in the W&W Group to the median total annual remuneration of all employees in the W&W Group was 26.7 (previous year: 26.6). The total annual remuneration of the highest-paid individual in the W&W Group is based on the contractual total annual target remuneration for the Group at 100% target achievement. The median total annual remuneration of all employees is calculated on the basis of the fixed remuneration including 100% target achievement for the variable components.

Disclosure Requirement S1-17 – Incidents, complaints and severe human rights impacts

Incidents, complaints and serious impacts related to human rights

		1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Number of incidents of discrimination, including harassment	Number	1	2
Number of complaints filed through channels for own workers to raise concerns (including complaint mechanisms)	Number	9	19
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number	–	–
Amount of material fines, penalties, and compensation for damages as result of violations regarding discrimination, including harassment, and complaints	In €	–	–
Number of severe human rights issues and incidents connected to own workforce	Number	–	–
Number of severe human rights issues and incidents connected to own workforce that are violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises	Number	–	–
Amount of material fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	In €	–	–

No expenses for fines, sanctions or damages in connection with discrimination, including harassment, complaints or incidents relating to human rights were recognised in the consolidated financial statements of W&W AG in the financial year.

Consumers and end-users (ESRS S4)

Strategy

Disclosure Requirement SBM-3 – Material impacts and their interaction with strategy and business model (ESRS 2 and ESRS S4)

The economic activities carried out by the W&W Group have material positive impacts on consumers and end users.

Material impacts

As a service provider in the financial sector, the W&W Group supports customers in securing their basic needs. Customers benefit from financing solutions for housing, building modernisation and energy consulting, private and operating pension models, health insurance and liability

insurance. The positive impacts therefore occur in the downstream value chain.

The provision of construction financing enables large sections of the population to purchase their own property, which would not have been possible without the appropriate financing. Building modernisation and energy consulting enable property owners to counter rising energy prices and dwindling resources, as well as reduce the burden on the climate and the environment. Private and company pension schemes close the gaps in provision caused by the declining level of statutory pensions. Private comprehensive and supplementary health insurance enables a more individualised range of services, faster appointments and advantages in hospital. Liability insurance covers a risk that threatens one's livelihood, as a person is liable for an unlimited amount for all damages they culpably cause to someone else.

The positive effects of financing offers for all social groups, building modernisation and energy consulting, private and company pension schemes, private and company health insurance and liability insurance originate

from the corresponding products of the W&W Group and are therefore inextricably related to the business model. They are attributed to the Group's own activities in the value chain.

The positive effects on consumers and end users unfold in the short, medium and long term. Today, construction financing enables the purchase of a home and long-term ownership of the property in question. Property modernisation has an immediate and lasting effect on customers and the environment. Pension products enable customers to maintain their prosperity in the long term. In most cases, insurance provides immediate protection and protection against future damage events.

Home loan savings and construction financing

Wüstenrot Bausparkasse AG primarily offers financial products such as building loans, loans under a building savings contract, home loan savings contracts and deposit products. Wüstenrot Bausparkasse AG's business focus is on retail customers. In addition, Wüstenrot Bausparkasse AG also has a small number of commercial and public sector customers. The positive social impact of "building society savings and construction financing" therefore affects retail customers who have concluded a home loan savings contract with Wüstenrot Bausparkasse AG under the "building society savings" policy. The "financial education and provision for all" policy is available not only to retail customers but also to private individuals who are not customers of the W&W Group companies.

Through the policy of home loan savings contracts and the contractual agreements, Wüstenrot Bausparkasse AG ensures that all customer groups can conclude a home loan savings contract with the option of a loan under a building savings contract. Provided that the minimum savings amount and minimum contract term are met, every customer can apply for the disbursement of a loan under a building savings contract. The building society products are designed to be non-discriminatory in their contractual terms. The free advisory service, together with free content on the topics of construction financing, modernisation and financial investments, is freely available to all interested customer groups on the Wüstenrot Bausparkasse AG website.

Housing and urban development

As part of the materiality assessment of the service area of Wüstenrot Haus- und Städtebau GmbH, significant positive effects were identified for consumers/end users in redevelopment areas. These relate to access to high-

quality information in the context of building modernisation and energy consultations for consumers/end users in the course of modernisation surveys in supervised redevelopment areas.

The end users affected by the positive effects in the redevelopment areas managed by Wüstenrot Haus- und Städtebau GmbH are building owners. The respective clients are individual local authorities in Germany.

Building owners in supervised redevelopment areas receive access to high-quality information as part of a modernisation survey. In the medium to long term, this will result in advantages for the respective consumers/end users in the form of reduced energy costs, provided that the recommended modernisation measures are implemented. The reduction in greenhouse gas emissions and energy consumption by consumers/end users should also be considered a medium to long-term consequence.

Life and health insurance

The effects of the private and company pension schemes offered by Württembergische Lebensversicherung AG and the private and company health insurance schemes offered by Württembergische Krankenversicherung AG affect all types of consumers/end users who have taken out corresponding policies or whose employers offer company pension schemes in cooperation with Württembergische Versicherungen. The positive effects result from the product characteristics of the pension schemes and health insurance policies.

Composite retail customers

Among composite private customer insurance policies, private liability insurance occupies a special position as it is classified as social protection. The positive effects as part of social protection result from the product characteristics of private liability insurance. This affects all consumers/end users who have taken out a corresponding insurance contract with Württembergische Versicherung AG.

Impact of the material effects on the business model, value chain, strategy and decision-making

The material positive effects are a fundamental component of the business model and are therefore firmly anchored in the value chain, strategy and decision-making. The value chain is already broadly based through the multi-channel sales model with a stationary sales force, sales partners and online sales, and covers the relevant sales channels. The material positive effects therefore do not give rise to any fundamental need for change. The strategy is regularly updated via the W&W Group's rolling group strategy process.

In previous years, the business model of building and urban development was expanded to include building modernisation and energy consulting. Positive effects from building modernisation and energy consulting in managed redevelopment areas are anchored in the business strategy of Wüstenrot Haus- und Städtebau GmbH.

Management of impacts, risks and opportunities

Disclosure Requirement S4-1 – Policies related to consumers and end-users

Policies relating to consumers and end users are closely linked to the products and services that the companies of the W&W Group offer their customers. Social impacts always relate to private end customers and occur in the Housing division in connection with building society savings/construction financing and housing and urban development. In the Insurance division, they result from insurance solutions for private and operating insurance and pension provision.

Home loan savings and construction financing

The Group company Wüstenrot Bausparkasse AG has two policies in its business activities that have a positive impact on consumers and end users.

Policy	Home loan savings
Key contents	All customers of Wüstenrot Bausparkasse AG have the opportunity to take advantage of Wüstenrot Bausparkasse AG's construction financing products, regardless of their age. The contractual basis for Wüstenrot Bausparkasse AG products is described in the General Building Society Terms and Conditions (ABB), the General Terms and Conditions (AGB), the Pre-contractual Information (VVI) and the European Standardised Information Sheet (ESIS). The building society products are designed to be non-discriminatory in their contractual terms.
Relation to material impacts	Positive impacts: Access to building loans for all customer groups.
Scope of application	The business and risk strategies apply without restriction in Germany and Luxembourg and cover all business activities of Wüstenrot Bausparkasse AG.
Most senior level accountable for implementing the policy	The Executive Board of Wüstenrot Bausparkasse AG is accountable for the content of all customer contract terms and conditions.

Policy	Financial education and provision for all
Key contents	There are no fixed guidelines; end customers are informed depending on the market situation and political requirements. The aim is to achieve a high level of customer satisfaction and loyalty and, as a result, a high recommendation rate. To achieve a high level of customer satisfaction, Wüstenrot Bausparkasse AG supports its customers online and on site in fulfilling their housing wishes. Right from the information phase, Wüstenrot Bausparkasse AG positions itself as a partner in the area of living with its "Wohnwelt" (world of living) at www.wuestenrot.de . There, visitors can find information as well as properties and service offers bundled from a single source. The policy and offerings for website visitors are constantly being developed. The satisfaction of website visitors is monitored through regular onsite surveys.
Relation to material impacts	Positive impacts: Access to financial education and provision for all customer groups.
Scope of application	The business and risk strategies apply without restriction in Germany and Luxembourg and cover all business activities of Wüstenrot Bausparkasse AG.
Most senior level accountable for implementing the policy	The Executive Board of Wüstenrot Bausparkasse AG is accountable for the content of all customer contract terms and conditions.

Housing and urban development

At the Group company Wüstenrot Haus- und Städtebau GmbH, the policy with positive social impacts is an integral part of its business strategy.

Policy	The overarching policy is the sustainability section within the business strategy of Wüstenrot Haus- und Städtebau GmbH.
Key contents	The policy addresses all negative and positive impacts identified as material in the materiality assessment and includes the targets developed for this purpose. Key elements include the sustainable further development of existing products and services, the development of new sustainable offerings, and the reduction of greenhouse gas emissions. New offerings include the establishment of modernisation and energy consulting services in redevelopment areas, giving end users access to high-quality information.
General objectives	The overarching objective is to reduce negative impacts as far as possible while promoting and enhancing positive impacts. The aim is to ensure access to high-quality information so that end users can make informed decisions about energy modernisation. This will be achieved by introducing modernisation and energy consulting services in redevelopment areas.
Relation to material impacts, risks or opportunities	Positive impacts: Access to high-quality information provided to consumers and end users in the redevelopment area as part of energy and modernisation consulting in the course of modernisation surveys.
Monitoring process	The sustainability section of the business strategy is regularly reviewed and monitored by the Controlling department of Wüstenrot Haus- und Städtebau GmbH in cross-divisional meetings.
Scope of application	The scope covers Wüstenrot Haus- und Städtebau GmbH. This includes both the upstream and downstream value chain as well as the company's own business operations.
Most senior level accountable for implementing the policy	The management of Wüstenrot Haus- und Städtebau GmbH is responsible for implementing the business strategy.

Access to information within the framework of building modernisation and energy consulting in the context of a modernisation survey is aimed exclusively at building owners in the redevelopment areas for which Wüstenrot

Haus- und Städtebau GmbH has been commissioned. In addition, the respective buildings must be of a certain size and require modernisation in order to receive funding for building modernisation and energy consulting.

Life and health insurance

The concept of private and occupational (retirement) provision as well as private and occupational health insurance and the related positive social effects are an

integral part of the insurance products offered by the Group companies Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG.

Policy	Private and occupational (retirement) provision (pAV/bAV) from Württembergische Lebensversicherung AG, private and operating health insurance (pKV/bKV) from Württembergische Krankenversicherung AG
Key contents	Increasing the security of consumers/end users in the value chain by providing them with better protection.
General objectives	Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG aim to achieve high customer and agent satisfaction, be a reliable partner and optimise cost structures. pAV/bAV and pKV/bKV are considered growth markets.
Relation to material impacts, risks or opportunities	Positive impacts: The security of consumers/end users is increased by providing them with better protection.
Monitoring process	Increasing the safety of consumers/end users is an inherent feature of the product and is therefore subject to the product quality and product compliance monitoring process.
Scope of application	Private and occupational (retirement) pensions and private and company health insurance are anchored in the business strategy of Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG. Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG do not discriminate against any consumers/end users in the areas of private (retirement) provision and private health insurance. Risk assessment and contract acceptance are carried out on the basis of statistically relevant characteristics. Operating (pension) provision can be taken advantage of by employees of employers who have concluded corresponding agreements with Württembergische Lebensversicherung AG. In principle, company health insurance can be taken out by companies based in Germany with at least three employees. There are some restrictions resulting from regulatory requirements, risk considerations and sustainability aspects. Specifically, all insured persons must be resident in Germany. In addition, there are certain sectors and groups of people who are generally not eligible for company health insurance.
Most senior level accountable for implementing the policy	The Executive Board of the respective company is accountable for the business strategy of Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG. accountable of.

The achievement of the general objectives with regard to customer and company satisfaction is regularly reviewed through market studies and specific customer surveys.

The positive effects of private and occupational (retirement) provision and private and company health insurance result from the inherent characteristics of the products.

The business strategy covers the entire Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG. This means that all consumers are covered within the scope.

Composite retail customers

The policy of private liability insurance and the related positive social effects are an integral part of this insurance

product, which is provided to retail customers by the Group company Württembergische Versicherung AG.

Policy	Private liability insurance from Württembergische Versicherung AG
Key contents	Private liability insurance provides benefits that secure livelihoods in the event of a claim and can therefore be classified as social protection.
General objectives	Private liability insurance is an important and long-term insurance product offered by Württembergische Versicherung AG.
Relation to material impacts, risks or opportunities	Positive impacts: The financial livelihood of consumers/end users is protected against events that threaten their financial existence and for which a consumer/end user is personally liable.
Monitoring process	The financial protection of consumers/end users is an inherent feature of the product and is therefore subject to the product quality and product compliance monitoring process.
Scope of application	Private liability insurance is anchored in the business strategy of Württembergische Versicherung AG. It can be taken out by all consumers/end users without discrimination.
Most senior level accountable for implementing the policy	The Executive Board of the respective company is accountable for the business strategy of Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG. accountable of.

The positive effects of personal liability insurance result from the inherent characteristics of the product. At present, there are no separate actions or targets in terms of sustainability reporting with regard to this product offering.

Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts

At the W&W Group, customer perspectives are continuously incorporated into product development and the design of service offerings. In the various subsidiaries of the W&W Group, different departments are in direct or indirect contact with customers and pass on feedback to the specialist departments. At Wüstenrot Bausparkasse AG, the product management department is in direct contact with the sales partners who channel customer needs, receives feedback and evaluates it. At Württembergische Versicherungen, the customer service and claims processing departments are in direct contact with customers and pass on feedback to the relevant specialist departments.

Product development also takes into account the needs and wishes of customers, which are identified through market research, customer surveys and feedback from

sales partners. There is ongoing communication between product management, the relevant specialist departments and sales partners.

The products offered are regularly evaluated in trade and consumer magazines, as is the quality of service perceived by customers. These evaluations, including any suggestions for improvement, are also incorporated into product development and the design of service offerings.

Housing and urban development

The business strategy of the Group company Wüstenrot Haus- und Städtebau GmbH provides for the intensive involvement of the consumers/end users concerned in the section on sustainability. This involvement is described below.

Incorporating the views of consumers and/or end users into decisions or activities

As part of the identified actual positive impact of access to high-quality information in the context of a modernisation survey, the views of end users are incorporated through preparatory studies. These are carried out by the urban development department of Wüstenrot Haus- und Städtebau GmbH in each redevelopment area under its supervision.

Cooperation with consumers and/or end users

The cooperation and integration of end users' perspectives takes place in the first step via the respective local authority that commissions the redevelopment area.

Phases, type and frequency of involvement

As part of the preliminary investigations, end users are surveyed and citizen participation formats are implemented. During the direct provision of the modernisation survey service, the needs of owners and local authorities are regularly coordinated with the service profile of Wüstenrot Haus- und Städtebau GmbH.

Operational responsibility for the inclusion

The involvement of end users is a material task for department heads, team leaders and project managers.

Assessment of the effectiveness of cooperation with consumers and/or end users

The effectiveness of cooperation with the client, the local authority, is evaluated in an annual kick-off meeting in the first quarter and in status reports in the third quarter. The respective employees are trained accordingly for cooperation with the local authorities.

Insights into the perspectives of consumers and/or end users who are particularly vulnerable to impacts and/or could be marginalised

As part of the preliminary investigation, an analysis of the end users' perspectives is first carried out. Based on this, an initial consultation is offered, followed by a detailed consultation including an inventory (modernisation survey). In addition, citizen participation formats and information events are held to ensure transparency and participation.

Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

As part of its risk strategy, the W&W Group operates a uniform concern and complaint management system for the Housing division and the Insurance division. This is of considerable importance for maintaining customer satisfaction and protecting against customer losses and reputational risks.

Various actions are being pursued to achieve these core objectives. These include reducing barriers to complaints,

increasing customer satisfaction and partially digitising complaint recording and processing; these are regularly maintained and adjusted. The causes of dissatisfaction are identified with the help of a root cause analysis. The results call for continuous quality and process improvement. Anyone who wishes to report a concern or complaint can contact the W&W Group via the usual communication channels. Responses to these reports are regulated by defined and controlled service levels. The working methods are based on proven principles, processes and regulations.

Employees receive regular training. In addition, comprehensive information materials and specially trained contact persons are available. As part of the compliance management system, appropriate guidelines have been implemented to ensure that incoming reports are handled appropriately and that reporting persons are protected from discrimination or reprisals.

Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and effectiveness of those actions

Home loan savings and construction financing

Home loan savings

With its product range, Wüstenrot Bausparkasse AG supports customers who want to renovate their homes to make them more energy efficient or build or buy energy-efficient properties. The core idea of building society savings, which has proven itself over 100 years, is to provide a material building block for solidly financed home ownership for a broad section of the population through collective, capital market-independent savings related to a low-interest loan without excluding any customer groups. This results in better affordability and greater security for potential financiers.

Financial education and provision for all

Through its extensive network of its own sales force and partner and broker sales organisations, Wüstenrot Bausparkasse AG offers millions of people throughout Germany personal advice on all financial matters. In addition to personal advice, it also focuses on formats such as regular web seminars for end customers, regular communication via central end customer channels such as newsletters, social media and customer magazines, flyers

and guides in the area of financial education. End-customer videos on the topics of energy-efficient renovation and product offerings, as well as calculators on its homepage covering real estate purchase, building society savings and modernisation, support customers in their financial decisions independently of sales.

Wüstenrot Bausparkasse AG has not defined any measurable targets for the policies of "building society savings" and "financial education and provision for all" because these policies are not considered measurable in the form of key figures. However, the use of the various formats mentioned above by end customers and visitors to the Wüstenrot Bausparkasse AG website is evaluated in order to further develop the product and information offering related to the positive effects in line with future needs.

Housing and urban development

Ensuring a high-quality flow of information for building owners in redevelopment areas is a fundamental prerequisite for the energy optimisation and upgrading of the building stock. The actions therefore include a planned annual submission of new applications to secure or increase the number of redevelopment areas. Continuous monitoring is carried out to ensure this.

Additional software is used to determine the potential CO₂ savings if the proposed modernisation measures are carried out on the respective private buildings. Modernisation surveys are used to determine the current condition of the building, including its CO₂ emissions. Based on this, potential renovation options are developed that show the expected CO₂ savings after implementation of the proposed measures. Building owners receive this information together with a cost overview and details of the available subsidies.

The first step is to inform selected building owners about funding opportunities in the redevelopment area. If a second appointment is deemed necessary, this includes recording the current condition of the building, including a presentation of energy-related and non-energy-related actions, as well as drawing up a cost framework and optimising the available subsidies. The redevelopment areas are located in Baden-Württemberg and Saxony.

In the previous reporting year, it was predicted that the first building modernisations would be completed by 2026. This was achieved in the 2025 reporting year. As of 31 December 2025, 51 modernisation surveys had already been carried out. Building on this, further modernisation surveys are to be carried out by 2030. The number of redevelopment areas managed increased to 142 (previous year: 133) at the end of the financial year.

Life and health insurance

Private and company pension schemes

On 1 January 2025, the actuarial interest rate for pension provision was increased, making insurance cover more affordable and resulting in higher guaranteed pensions since then. In addition, Württembergische Lebensversicherung AG reintroduced the Riester pension, thereby expanding its range of insurance products to include a certified product that entitles customers to government subsidies and tax savings.

In the previous year, the private pension products "Genius" and "KlassikClever" were revised to become the "Genius Vorsorge" product. The aim was to ensure that, through appropriate pricing and product design, the maturity benefits – i.e. specifically the guaranteed and potential pension payments – would generally be higher for customers in future. In addition, appropriate flexibility measures were introduced to make it easier for customers to maintain their pension plans. During the reporting period, this product was further developed by introducing additional options such as fractional terms and a step-by-step plan. Fractional terms make it possible to choose the statutory pension start date as the start of benefits instead of linking it to a fixed number of whole years. The step-by-step plan represents an additional option for individual contribution structuring, whereby several gradual contribution increases can be agreed.

Württembergische Lebensversicherung AG therefore actively wrote to its customers to remind them to review their level of cover. On the one hand, it reminded customers with pension plans to check whether their insurance cover was still sufficient for their needs and, if necessary, to increase it. On the other hand, it asked customers of Württembergische Krankenversicherung AG whether they needed to take out a pension plan. This also

served to maintain contact with existing customers and stabilise customer relationships.

Private health insurance

The product range in the area of supplementary health insurance was expanded in the previous year to include the "Mein Vitalbudget" tariffs. These tariffs were introduced in autumn 2024 and are intended to create added value for customers through the introduction of completely new products. These tariffs give customers of Württembergische Krankenversicherung AG a better opportunity to take out the right insurance cover for their health while remaining flexible, as they can decide each year which benefits are important and can be used within the scope of the benefit budget. This means that customers' individual needs are better covered and their social security is strengthened. During the reporting period, international travel health insurance was revised, resulting in a higher scope of benefits (with a risk-adequate premium). The adjustments are also being implemented gradually for existing customers, which also improves their coverage.

The actions described for pension provision and health insurance improve the increased protection of consumers/end users as a positive social impact. The respective actions for the previous year were completed in full during the previous year. The effectiveness of the measures in terms of social well-being cannot generally be monitored.

Metrics and targets

Disclosure Requirement S4-5 – Targets related to advancing positive impacts Housing and urban development

Targets for the management of material impacts

The sustainability section of Wüstenrot Haus- und Städtebau GmbH's business strategy covers all aspects that were identified as material in the materiality assessment. The targets stated in the report therefore correspond to the targets set out in the business strategy.

The energy optimisation of existing buildings in redevelopment areas requires an adequate flow of information. However, such a flow of information cannot be quantified in the form of a target value. Therefore, the success of a modernisation survey, which is reflected in a

modernisation report with redevelopment options, must be expressed by an indicator. The indicator used to measure the positive impact of the consultation is the reduction in CO₂ emissions achieved by the consultation client in the recommended renovation option. These CO₂ emissions are not part of the W&W Group's value chain. The reduction in CO₂ emissions by consulting clients therefore also represents a potential reduction in negative impacts on climate change, but is not included in the W&W Group's gross GHG emissions or in the W&W Group's policies, actions and targets relating to climate change.

The target set by Wüstenrot Haus- und Städtebau GmbH is to reduce CO₂ emissions by approximately 4,000 tonnes by 2030 through the recommended renovation options in modernisation reports. The CO₂ savings target is expressed in absolute values in tonnes of CO₂ equivalents (t CO₂e).

In the downstream value chain, modernisation surveys are carried out in designated and managed redevelopment areas in Baden-Württemberg and Saxony. As of 31 December 2025, 142 redevelopment areas (previous year: 133) are being managed by Wüstenrot Haus- und Städtebau GmbH, with 95 (previous year: 93) located in Baden-Württemberg and 47 (previous year: 40) in Saxony. As of the reporting date, modernisation surveys are being carried out in 33 redevelopment areas (previous year: 12) in 26 municipalities (previous year: 9). The maturity for a redevelopment area is eight to 14 years. Monitoring the comprehensive modernisation, which fully meets the requirements, takes approximately two years.

The reduction target of approximately 4,000 t CO₂e is based on the current energy status of the buildings for which a modernisation report is being prepared. Documentation is prepared annually, covering both the current status of the buildings and the CO₂ savings according to the recommended renovation option. The reference year is 2024. The reduction of approximately 4,000 t CO₂e is targeted for 2030. The interim target, which is to be achieved within a period of 24 months by the end of 2026, is the introduction of building modernisation and energy consulting or a modernisation survey in the existing redevelopment areas of Wüstenrot

Haus- und Städtebau GmbH. To this end, there is also ongoing communication with the Group company Wüstenrot Energieberatung GmbH.

The target is not based on national or international targets. The target is not based directly on scientific data, but on an internal projection. No stakeholders were involved in setting the targets.

As of 31 December 2025, 51 modernisation surveys had already been carried out, meaning that the interim target was achieved ahead of schedule. Based on the modernisation surveys already carried out, implementing the recommended renovation options by the reporting date could save around 614 t CO₂e per year. Progress to date is in line with the original plans. The interim and overall targets are monitored by the Urban Development Department.

Procedure for defining the targets

The targets were set on the basis of an internal projection assuming that the renovation of an unrenovated single-family home could save 60% of emissions. Taking into account the expected modernisation surveys until 2030, this results in a reduction in CO₂ emissions of approximately 4,000 t CO₂e.

Tracking the achievement of targets

The target for reducing CO₂ emissions will be achieved using the recommended renovation option, which is set out in the modernisation report. Documentation is produced on an annual basis, covering both the current condition of the buildings and the CO₂ emissions saved using the recommended renovation option.

Governance information

Business conduct (ESRS G1)

Strategy

Disclosure Requirement SBM-3 – Material impacts and their interaction with strategy and business model (ESRS 2)

The business conduct of the W&W Group is related to material impacts.

Material impacts

Good governance promotes compliance with laws and guidelines as well as ethically correct behaviour towards customers, suppliers, competitors and employees. To this end, an appropriate compliance management system has been implemented in the W&W Group. This ensures an open and transparent corporate culture. Furthermore, the W&W Group has a whistleblower system in place. Whistleblowers are protected by guarantees of anonymity and a ban on reprisals, and every report is thoroughly investigated. This removes perceived barriers to reporting violations and strengthens trust within the Group. Compliance functions, including an effective whistleblower system, thus have a positive impact on governance.

Industry associations and interest groups represent the concerns of their respective economic sectors. Important political issues affecting specific industries that are significant for the functioning of the economic cycle, the level playing field and international competitiveness, among other things, can be brought to the attention of political and social decision-making processes in this way so that they can be taken into account. The membership of W&W Group companies in industry associations and the representation of their interests can therefore have a positive impact on governance. However, due to the one-sided representation of only a few interests, it is also possible that a balanced picture cannot be taken into account in political and social decision-making. The membership of W&W Group companies in industry associations and their own representation of interests can therefore also have negative governance effects.

The positive and negative impacts in connection with corporate governance extend to the Group's own business operations.

The establishment of appropriate governance processes that have a material impact is part of the strategic orientation of the W&W Group. The governance instruments used are not necessarily dependent on the business model, but their design is inevitably geared to the operating requirements and characteristics of companies in the financial sector. Governance actions and instruments have a short-, medium- and long-term impact from the moment they are introduced. They are attributable to the Group's own activities.

Effects of material impacts on the business model, value chain, strategy and decision-making

The impacts in connection with corporate governance do not result in any need for change in the business model, value chain, strategy and decision-making within the W&W Group. However, the corporate governance of the W&W Group is constantly being developed and adapted to existing and new challenges.

Resilience of the strategy and business model

The strategy and business model of the W&W Group are not affected by the identified material impacts in connection with corporate governance.

Management of impacts, risks and opportunities

Disclosure Requirement G1-1 – Business conduct policies and corporate culture

The foundation of the W&W Group's corporate culture is founded on a community of shared values that are put into practice. The W&W corporate values of community, added value, openness, courage, commitment, joy and sustainability make a decisive contribution to actively living this culture. These shared values strengthen the daily exchange and cooperation between employees of the W&W Group, especially on the W&W campus. Through this corporate culture, the W&W Group also sends a strong signal to its customers that it is a reliable partner. The material policies relating to aspects of corporate governance are presented below.

Policy	Code of Conduct and Code of Conduct Handbook
Key contents	The W&W Code of Conduct and Handbook set out the minimum standards for the W&W Group, governing the conduct of all board members, managers and employees in internal and external service, both among themselves and in their relationships with customers, competitors, business partners, authorities and our shareholders. This involves not only the practical implementation of applicable laws and regulations, but also ethically impeccable conduct, which includes measures against violence and harassment in the workplace in day-to-day work.
General objectives	Creation of a framework for compliant and ethical behaviour by all employees.
Relation to material impacts, risks or opportunities	The W&W Group believes that the Code of Conduct and the handbook have a positive impact on achieving general legal compliance and avoiding or reducing risks caused by violations. In addition to legal compliance, good governance also promotes ethically correct behaviour towards customers, suppliers, competitors and employees.
Monitoring process	Compliance with the Code of Conduct and the Handbook is monitored by managers and, among others, by the Compliance and Audit departments.
Scope of application	The W&W Code of Conduct and the handbook apply to all employees within the W&W Group.
Most senior level accountable for implementing the policy	The management is responsible for implementing the Code of Conduct.
Consideration of the interests of stakeholders	The interests of stakeholders were taken into account in the drafting of the Code of Conduct and the Handbook, in particular by the compliance department in consultation with the relevant specialist departments.
Availability of the policy for stakeholders	The Code of Conduct and the handbook were published for employees in the internal information system. The Code of Conduct can also be viewed on the W&W AG website.
Policy	Procedural rules of the reporting office of the central W&W whistleblower system ("Whistleblower System Work Instructions")
Key contents	The procedural rules of the reporting office of the central W&W whistleblower system define how reports are processed and are based on the relevant legal requirements. This also includes the legally guaranteed protection of whistleblowers.
General objectives	The general objective is to process reports in a manner that complies with the law.
Relations to material impacts, risks or opportunities	In the opinion of the W&W Group, the procedural rules of the reporting office of the central W&W whistleblower system have a positive effect on achieving general legal compliance and avoiding or reducing risks caused by violations.
Monitoring process	Monitoring compliance with the procedural rules of the reporting office of the central W&W whistleblower system is the responsibility of the audit department, among others.
Scope of application	The procedural rules of the reporting office of the central W&W whistleblower system apply to the latter.
Most senior level accountable for implementing the policy	The Executive Board is responsible for implementing the procedural rules of the reporting office of the central W&W whistleblower system.
Consideration of stakeholders' interests	The interests of stakeholders are taken into account in the procedural rules of the reporting office of the central W&W whistleblower system.
Availability of the policy for stakeholders	The procedural rules of the reporting office of the central W&W whistleblower system are published in the internal information system.

Policy	Code of Conduct Sustainability
Key contents	The Code of Conduct Sustainability contains sustainability standards based in particular on the Supply Chain Due Diligence Act (LkSG); these relate, among other things, to employment relationships.
General objectives	Ensuring that services are used in compliance with the LkSG.
Relation to material impacts, risks or opportunities	In the opinion of the W&W Group, the Sustainability Code of Conduct has a positive impact on achieving general legal compliance and avoiding or reducing risks caused by violations.
Monitoring process	Monitoring compliance with the Sustainability Code of Conduct is the responsibility of, among others, the respective W&W company entering into the contract and the W&W Group's Human Rights Officer.
Scope of application	The Code of Conduct Sustainability applies to the respective contracting supplier/service provider of a company of the W&W Group.
Most senior level accountable for implementing the policy	The respective management of a contracting W&W company is responsible for implementing the Code of Conduct Sustainability.
Consideration of the interests of stakeholders	The interests of stakeholders are taken into account in the Sustainability Code of Conduct.
Availability of the policy for stakeholders	The Sustainability Code of Conduct is published on the W&W AG website.

Mechanisms for identifying, reporting and investigating concerns

Employees can contact the works council, the complaints office under the General Equal Treatment Act (AGG) or the internal whistleblower system to initiate remedial measures. The publicly accessible complaint management system on the W&W AG website can also be used to receive and process reports of possible negative impacts on employees. The channels through which employees can contact the complaints office under the AGG and the FairSprechen contact point are the works councils, the company medical service, the representative body for severely disabled employees and the human resources department. The processing of reports by the reporting office of the central W&W whistleblower system, which is based in the compliance department, is carried out on the basis of a procedural rules applicable to it ("Whistleblower system work instruction"), the design of which is based on the relevant legal requirements. In relation to suppliers and service providers (especially those outside the Group), self-assessments are carried out as part of the Group-wide purchasing process and corresponding policies (Code of Conduct Sustainability) become part of the contract. The Code of Conduct Sustainability contains sustainability standards based in particular on the LkSG; these relate, among other things, to employment relationships.

Protection of whistleblowers

The W&W Group has set up a central whistleblower system that gives employees and external parties the opportunity to report violations that have already been committed or are very likely to be committed in connection with the W&W Group confidentially and, if desired, anonymously. Reports can be submitted in particular via a digital whistleblower portal. A secure mailbox is created for this purpose, enabling secure, confidential and, if desired, anonymous communication with the W&W Group's internal reporting office (compliance). Reports can also be submitted to the Reporting Centre via conventional reporting channels. Once the report has been received, the allegations are investigated by the Reporting Centre. Depending on the outcome of the review, further investigations may be conducted, involving other organisational units of the W&W Group where necessary, while maintaining confidentiality. The whistleblower will receive feedback within three months of the report being received, which will usually also include information about any actions that may be planned or taken. The annual web-based compliance training course draws employees' attention to the whistleblower system. Further information on the whistleblower system is available via an internal channel (Wiki) and on the W&W AG website. The procedures are

handled and coordinated by the W&W Group's compliance unit, which acts as the Reporting Centre for the whistleblower system. Participation in the web-based compliance training, which refers to the channels, is mandatory and is monitored by managers. The protection of whistleblowers in particular is ensured by allowing them to remain anonymous and by maintaining the confidentiality of their identity as a matter of principle. In addition, there is fundamental protection against reprisals.

Internal training on corporate policy

Within the W&W Group, various organisational units provide training on different compliance topics (e.g. corruption, money laundering prevention, antitrust law). For example, the compliance function trains employees at all hierarchical levels of the W&W Group on the basis of a training policy published in the internal information system. All employees and managers are required to complete mandatory web-based training each year (Supervisory Board members receive individual training). In addition, relevant training videos are available in the internal information system. All employees are considered equally susceptible to corruption and therefore at risk, regardless of their specific function, which is why the relevant training measures are aimed at employees at all hierarchical levels.

Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery

The W&W Group pursues a zero-tolerance policy with regard to corruption and bribery (hereinafter also referred to uniformly as "corruption") in any form. This stance is primarily laid down in the W&W Group's Code of Conduct which applies throughout the Group, together with the associated explanatory manual, and is given concrete form in a wide range of Group and internal regulations, procedures and information with regard to combating corruption and its stringent enforcement. A Group-wide, institutionally and procedurally equipped compliance management system serves to prevent, detect and penalise corruption.

For example, in addition to special regulations and procedures for dealing with conflicts of interest, an

internal control system has been implemented that provides for comprehensive control measures, such as the dual control principle. In connection with gifts, there is a review, reporting and approval procedure that differentiates according to the type and value of the gift and the hierarchical position of the employee concerned; this ensures the legally compliant handling of such transactions. Furthermore, fraud risk analyses are carried out at regular intervals with the aim of identifying corruption risks, among other things, and taking risk-mitigating actions where necessary. In relation to suppliers and service providers (especially those outside the Group), self-assessments relating to corruption are carried out as part of the Group's central purchasing process, and corresponding regulations (Code of Conduct Sustainability) become part of the contract.

In addition to the aforementioned actions, an integral part of the fight against corruption is a corresponding training programme.

Employees and third parties are given the opportunity to report potential incidents of corruption via a centralised whistleblower system located in Compliance. Reports can also be made online via a reporting portal that guarantees the anonymity of whistleblowers. The confidentiality of whistleblowers' identities and their protection against reprisals are guaranteed in accordance with the legal requirements.

Incidents of corruption are responded to with disciplinary measures under labour law, up to and including termination of employment. Criminal charges may also be brought and compensation sought by asserting corresponding claims. Measures to optimise existing prevention procedures may also be considered. All of this also applies analogously to other service contracts.

Insofar as corruption incidents are investigated by the compliance function or internal audit, these are assigned to the 2nd and 3rd lines of defence on the basis of the three lines of defence model and are thus separated from the 1st line (management chain). However, even if special organisational units of the two business areas of the W&W Group are involved in the investigation (e.g. fraud investigation units, customer complaint management), the relevant separation of functions is ensured.

There are reporting channels (regular and ad hoc reporting) for informing the respective management of a W&W Group company or the respective Supervisory Board.

The relevant policies as a written basis for combating corruption (in particular the "W&W Group Code of Conduct and Handbook", "Information on the nature and use of the W&W whistleblower system", "Procedural rules/work instructions for the whistleblower system", "Code of Conduct Sustainability") are primarily published in the internal information system ("Compliance Portal") and, in some cases, also on the Internet (W&W homepage or links to it on the homepages of the companies of the W&W Group). This means that they are accessible to both employees and external third parties, in particular suppliers. It is also actively communicated within and outside the Group in a manner appropriate to the target audience and is the subject of relevant training courses.

100% (previous year: 100%) of risk-prone functions, i.e. all of our own employees, managers and supervisory board members, receive training in combating corruption. The content focuses on general corruption issues based on the W&W Group's Code of Conduct. The training courses are held in person and usually take place annually or on an ad hoc basis, e.g. when new employees/board members join the company, or at the request of specialist departments. In addition, mandatory web-based training must be completed annually. This consists of varying informative content and training videos on various aspects of fraud and corruption prevention, as well as topics related to (potential) conflicts of interest. For example, different risk situations and suspicious circumstances in connection with corruption or various constellations of potential conflicts of interest are highlighted, together with recommendations on how to deal with them appropriately. In addition, relevant training videos are available in the internal information system. Furthermore, special units focused on fraud and corruption prevention conduct relevant training courses for relevant operational departments. These take into account the specific features of the respective business areas of the W&W Group. The sales force partners of the two exclusive sales organisations of Wüstenrot and Württembergische (independent sales representatives) are also trained on fraud and corruption prevention by the

respective compliance units (usually annually or on an ad hoc basis, in person or by means of web-based training).

Metrics and targets

Disclosure Requirement G1-4 – Incidents of corruption or bribery

As in the previous year, there were no convictions or fines for violations of corruption and bribery regulations in the 2025 financial year.

Cases of corruption or bribery are dealt with through labour law measures. These range from warnings and reprimands to termination of employment. In addition, criminal charges may be filed and recourse may be sought. This range of measures also applies mutatis mutandis to service providers who are responsible for such cases.

Disclosure Requirement G1-5 – Political influence and lobbying activities

As in the previous year, there were no contributions in kind, political donations or contributions to political parties in the reporting year.

The necessary data is extracted directly from the systems used for financial accounting and financial reporting (SAP's S/4HANA platform).

Interests are generally represented vis-à-vis political decision-makers through industry associations in the insurance and banking sectors, professional associations of housing and urban development institutions, and compulsory membership in the respective regional chambers of commerce. Employees of the W&W Group support the working groups and committees of the associations with their expertise and in consultations on national and European legislative proposals.

In the Insurance division, Württembergische Versicherungen is a member of the German Insurance Association (GDV). As a member, we essentially share the positions of the GDV. In the reporting year, the GDV commented on the following topics, among others:

- Government draft of the CSRD Implementation Act: The main points included the required simplification of the appointment of the auditor for the sustainability report and greater legal certainty through clear legal wording.
- EU Commission omnibus package with amendments to the CSRD, the CSDDD and the EU Taxonomy Regulation: The aim is to effectively reduce bureaucratic reporting requirements. The proposal includes amendments to the CSRD, the CSDDD and the EU Taxonomy Regulation. Key points in the area of the CSRD are the postponement of the date of first application by two years, simplification of cross-sector standards, waiver of sector-specific standards, retention of limited assurance auditing and continuation of the double materiality system. Württembergische Versicherungen considers the aim of the omnibus package to effectively reduce bureaucratic reporting requirements to be very important.
- Net zero target for capital investments: Insurers organised within the GDV are striving to achieve a net zero target for GHG emissions from their capital investments by 2050.
- Revision of the Delegated Regulation on Solvency II as part of the Solvency II review: Key issues include adjustments in the areas of interest rate curve extrapolation, interest rate risk calculation, volatility adjustment and risk margin. In addition, the conditions under which insurers can apply proportionality measures are too complex and restrictive.
- Solvency II reporting requirements reduction: The GDV supports the European Commission's goal of reducing reporting requirements and calls for, among other things, the removal of sensitivity analyses from the SFCR.
- Natural hazard insurance: The GDV is actively involved in the political discussion on natural hazard insurance and supports the "Elementar Re" model as a voluntary solution with a central reconstruction fund and a state stop-loss mechanism for losses exceeding €35 billion. Compulsory insurance is rejected. The association calls for greater transparency in prevention measures and a central natural hazard register.
- Cyber insurance: The GDV has resumed its commission work in the area of cyber insurance. Two new working groups are developing standards and examining legal and product-specific issues. The aim is to establish a private-public cooperation model for the early detection of cyber pandemics. At the same time, the GDV cyber incident reporting platform is being further

developed and an economic scenario calculation is being prepared.

- Framework for Financial Data Access (FIDA): With regard to the FIDA Regulation, the GDV advocates practical and proportionate regulations. A blanket ban on commissions is rejected. The association calls for a reduction in bureaucratic costs of at least 25% and realistic implementation deadlines.
- EU retail investor strategy: The EU retail investor strategy is supported in principle, but the GDV warns against overregulation and advocates the preservation of proven remuneration models in order to ensure broad and high-quality advice. Württembergische Versicherungen agrees with this in principle.

In the Housing division, Wüstenrot Bausparkasse AG's interests were represented through its membership in the Association of Private Home Loan and Savings Banks (VdPB), based in Berlin. The current CEO of Wüstenrot Bausparkasse AG is the elected chairman of the Association of Private Home Loan and Savings Banks and represents it externally together with the other members of the association's executive committee and the chief executive. In discussions with members of the German Bundestag, ministerial staff and the media, he promotes the association's goals and positions. Wüstenrot Bausparkasse AG is also a member of other industry associations and housing associations. In addition, Wüstenrot Bausparkasse AG holds discussions with members of the federal and state parliaments from the region.

In 2025, lobbying focused on key issues relating to housing construction and home ownership:

There is still too little construction in Germany. In 2024, only 252,000 homes were completed – significantly fewer than are actually needed. According to current forecasts, this number will continue to decline. The reasons for this include massive increases in construction costs, a lack of planning security and limited financing options for many people. The VdPB is committed to making construction faster and cheaper again. This requires fewer bureaucratic hurdles, faster approval procedures and reliable framework conditions. The "Bau-Turbo" (construction turbo) adopted by the federal government is an important step in the right

direction, which must be followed by further steps. In particular, the introduction of building type E and its legally compliant implementation could further stimulate construction activity.

Home ownership is also stagnating and is even declining among younger target groups. For most people, owning their own home remains a lifelong dream – at the same time, owner-occupied residential property offers retirement provision and creates wealth accumulation. The relieving effect on tight rental housing markets is often underestimated: those who move into their own four walls vacate a rental apartment and thus create additional living space. The VdPB is therefore campaigning for improved conditions for home ownership. High construction costs, rising interest rates and high ancillary purchase costs make it difficult for many people to realise their dream of owning their own home. At the federal level, support options for home ownership must therefore be significantly expanded and existing programmes such as "Jung-kauft-Alt" (young people buy old) must be made more practical. In addition, relief should be provided for ancillary purchase costs, for example through allowances for first-time buyers in the form of land transfer tax and reduced notary fees.

The biggest obstacle to home ownership is the lack of equity. More equity means lower leverage, better interest rates and a lower burden. That is why the VdPB is committed to specifically strengthening the ability and willingness of households with average incomes to save. Proven support instruments such as the housing subsidy and the employee savings allowance should be expanded and regularly adjusted for inflation and income trends. A reform of tax-subsidised private pension provision is also urgently needed.

These actions should help to strengthen housing construction in Germany in the long term, enable more people to buy their own homes and promote social and economic stability.

Entries in transparency registers

With the exception of Wüstenrot Bausparkasse AG, the companies of the W&W Group are not entered in any transparency register. Wüstenrot Bausparkasse AG is entered in the lobby register of the German Bundestag under registration number R003068.

Members of management and supervisory bodies who held comparable positions in public administration

There are no members of administrative, management and supervisory bodies who held comparable positions in public administration in the two years prior to the reporting period.

Wüstenrot & Württembergische AG

Assurance report of the auditor

Assurance report of the independent German public auditor on a limited assurance engagement in relation to the group sustainability statement

The assurance engagement performed by EY relates exclusively to the German version of the group sustainability statement 2025 of Wüstenrot & Württembergische AG, Kornwestheim. The following text is a translation of the original German Independent Assurance Report.

To Wüstenrot & Württembergische AG, Kornwestheim

Assurance conclusion

We have conducted a limited assurance engagement on the combined non-financial statement (group sustainability statement) of Wüstenrot & Württembergische AG, Kornwestheim, for the fiscal year from 1 January 2025 to 31 December 2025 included in the combined management report. The group sustainability statement was prepared to fulfill the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Art. 8 of Regulation (EU) 2020/852 as well as Secs. 289b to 289e and Secs. 315b and 315c HGB [“Handelsgesetzbuch”: German Commercial Code] for a group non-financial statement which is combined with the parent company’s non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying group sustainability statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Art. 8 of Regulation (EU) 2020/852 as well as Secs. 289b to 289e and Secs. 315b and 315c HGB for a group non-financial statement which is combined with the parent company’s non-financial statement and the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe that:

- The accompanying group sustainability statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify information to be included in the group sustainability

statement (the materiality assessment) is not, in all material respects, in accordance with the description provided in the group sustainability statement, or

- The disclosures in the group sustainability statement marked with 2020/852/EU Taxonomy Regulation do not comply, in all material respects, with Art. 8 of Regulation (EU) 2020/852.

Basis for the assurance conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the section “German public auditor’s responsibilities for the assurance engagement on the group sustainability statement.”

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the executive directors and the supervisory board for the group sustainability statement

The executive directors are responsible for the preparation of the group sustainability statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the supplementary criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of a group sustainability statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability reporting in the group sustainability statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the group sustainability statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the group sustainability statement.

Inherent limitations in preparing the group sustainability statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of sustainability matters based on these interpretations is uncertain. As further set forth in section “Angabepflicht BP-2 – Angaben im Zusammenhang mit konkreten Umständen” of the group sustainability statement, the quantification of the non-financial performance indicators of Scope 3 GHG gross emissions in the upstream and downstream value chain as well as the information on

resource inflows in residential and urban construction is also subject to inherent uncertainties due to limited data.

These inherent limitations also affect the assurance engagement on the group sustainability statement.

German public auditor’s responsibilities for the assurance engagement on the group sustainability statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the group sustainability statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the supplementary criteria presented by the Company’s executive directors, and to issue an assurance report that includes our assurance conclusion on the group sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- Obtain an understanding of the process used to prepare the group sustainability statement, including the materiality assessment process carried out by the Company to identify the disclosures to be reported in the group sustainability statement.
- Identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a

material misstatement in information obtained from sources not within the Company's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the Company's control, as both the Company's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- Consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the procedures performed by the German public auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- Evaluated the suitability of the criteria as a whole presented by the executive directors in the group sustainability statement.
- Inquired of the executive directors and relevant employees involved in the preparation of the group sustainability statement about the preparation process, including the materiality assessment process carried out by the Company to identify the disclosures to be reported in the group sustainability statement, and about the internal controls relating to this process.
- Evaluated the reporting policies used by the executive directors to prepare the group sustainability statement.
- Evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for

a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.

- Performed analytical procedures and made inquiries in relation to selected information in the group sustainability statement.
- conducted audit procedures through on-site attendance as well as discussions with the legal representatives.
- Considered the presentation of the information in the group sustainability statement.
- the CO₂ offset certificates were assessed with respect to their existence, but not with regard to their effectiveness.
- Considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the group sustainability statement.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the assurance report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the assurance report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

General Engagement Terms and Liability

The "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2024, which are attached to this report, are applicable to this engagement and also govern our relations with third parties in the context of this engagement (ey-idw-aab-en-2024.pdf).

In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the assurance report to reflect events or

circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Kornwestheim, 26 March 2026

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Dr. Horstkötter
Public auditor

Bose
Public auditor



reliable

We value commitment, transparency and professionalism in every encounter.

Wüstenrot & Württembergische AG

Report on equality and equal remuneration in accordance with the German Transparency in Wage Structures Act (EntgTransG)

We published a report on equality and equal remuneration pursuant to the EntgTransG in our 2022 annual report.

In accordance with the five-year rule in Section 22 (1) EntgTransG, we did not prepare a new report for 2025.

Consolidated financial statements

Contents

Consolidated balance sheet	228
Consolidated income statement	230
Consolidated statement of comprehensive income	232
Consolidated statement of changes in equity	234
Consolidated cash flow statement	236
Notes to the consolidated financial statements	239
General accounting principles and application of IFRS	239
Accounting policies	241
Methods and rules	245
Utilization of discretionary judgements and estimates	273
Consolidation	281
Segment reporting	286
Notes concerning the consolidated balance sheet	291
Notes concerning the consolidated income statement	309
Notes concerning the consolidated statement of comprehensive income	316
Notes concerning financial instruments and fair values	317
Notes concerning insurance contracts	338
Disclosures concerning risks under financial instruments and insurance contracts	361
Capital management	394
Other disclosures	396
Responsibility statement	410
Independant auditor's report	411

Wüstenrot & Württembergische AG

Consolidated financial statements

Consolidated balance sheet

Assets

in € million	see note no. ¹	31.12.2025	31.12.2024	1.1.2024
Cash and cash equivalents	1	1,113	997	1,046
Non-current assets held for sale and discontinued operations		-	-	28
Financial assets at fair value through profit or loss	2	11,983	11,538	10,630
Financial assets at fair value through other comprehensive income	3	23,352	23,809	23,687
of which retired or loaned		1,123	13	863
Financial assets measured at amortised cost	4	31,991	31,362	28,461
Subordinated securities and receivables		250	218	213
Senior debenture bonds and registered bonds		71	72	57
Building loans		30,116	28,401	26,707
Other receivables		1,330	2,249	1,180
Asset-side portfolio hedge adjustment		224	422	304
Positive market values from hedges	5	-	2	2
Technical assets	6	248	340²	367²
Insurance contracts issued that are assets		48	51 ²	47 ²
Reinsurance contracts held that are assets		200	289	320
Financial assets accounted for using the equity method	7	66	60	89
Investment property	8	2,251	2,466	2,569
Other assets		1,540	1,702	1,683
Intangible assets	9	110	124	133
Tangible assets	10	507	533	538
Inventories	11	53	62	78
Current tax assets	12	46	14	9
Deferred tax assets	13	789	932	882
Other assets	14	35	37	43
Total assets		72,544	72,276²	68,562²

¹ See numbered notes to the consolidated financial statements.

² Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Equity and liabilities

in € million	see note no.	31.12.2025	31.12.2024	1.1.2024
Financial liabilities at fair value through profit or loss	15	51	237	24
Liabilities	16	33,341	32,225	28,576
Liabilities evidenced by certificates		4,810	3,365	2,842
Liabilities to credit institutions		2,700	1,271	2,219
Liabilities to customers		25,855	27,468	23,479
Lease liabilities		34	44	52
Miscellaneous liabilities		451	474	545
Liability-side portfolio hedge adjustment		-509	-397	-561
Negative market values from hedges	17	-	1	-
Technical liabilities	18	31,456	32,274²	31,920²
Insurance contracts issued that are liabilities		31,454	32,273 ²	31,919 ²
Reinsurance contracts held that are liabilities		2	1	1
Other provisions	19	1,586	1,721	1,871
Other equity and liabilities		449	490²	575²
Current tax liabilities	20	102	137	135
Deferred tax liabilities	21	333	347 ²	429 ²
Sundry liabilities	22	14	6	11
Subordinated capital	23	700	406	642
Equity	24	4,961	4,922²	4,954²
Share in paid-in capital attributable to shareholders of W&W AG		1,486	1,486	1,486
Share in retained earnings attributable to shareholders of W&W AG		3,443	3,403 ²	3,434 ²
Retained earnings		4,170	4,109 ²	4,126 ²
Other reserves (OCI)		-727	-706	-692
Non-controlling interests in equity		32	33	34
Total equity and liabilities		72,544	72,276²	68,562²

2 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Consolidated income statement

in € million	see note no.	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Current financial result	25	1,327	1,396
Interest result		840	949
Interest income		1,547	1,559
of which calculated using the effective interest method		1,410	1,341
Interest expenses		-707	-610
Dividend income		360	316
Other current result		127	131
Result from credit risk adjustments	26	-60	-27
Income from credit risk adjustments		67	75
Expenses for credit risk adjustments		-127	-102
Valuation result	27	96	472
Valuation gains		3,760	2,860
Valuation losses		-3,664	-2,388
Result from disposals	28	-66	-38
Income from disposals		51	78
Expenses for disposals		-117	-116
Net technical financial result	29	-1,039	-1,327
Technical financial income or expenses from insurance contracts issued (gross)		-1,042	-1,331
Technical financial income or expenses from reinsurance contracts held		3	4
Total financial result		258	476
of which result from financial assets accounted for using the equity method		6	1
Technical result (net)	30	432	-17²
Technical result (gross)		542	40 ²
Technical income		4,269	4,064 ²
Technical expenses		-3,727	-4,024 ²
Result from reinsurance contracts held		-110	-57
Commission result	31	-25	-12
Commission income		195	205
Commission expenses		-220	-217
Carryover		665	447

in € million	see note no.	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Carryover		665	447
General administrative expenses (net)	32	-505	-506
General administrative expenses (gross)		-1,171	-1,163
Personnel expenses		-677	-633
Materials expenses		-402	-420
Impairments		-92	-110
General administrative expenses attributable to the technical result		666	657
Other operating result	33	52	85
Other operating income		88	130
Other operating expenses		-36	-45
Consolidated net income from continuing operations before income taxes		212	26²
of which revenue ¹		6,522	6,308 ²
Income taxes	34	-91	9
Consolidated net income		121	35²
Attributable to W&W shareholders		121	33 ²
Attributable to non-controlling interests		-	2
Basic (= diluted) earnings per share in €	35	1.29	0.35²
of which from continued operations in €		1.29	0.35 ²

1 Interest, dividend, commission and rental income, income from the property development business and technical income.

2 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Consolidated statement of comprehensive income

in € million	see note no.	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Consolidated net income		121	35¹
Other comprehensive income			
Items not transferred to the consolidated income statement:			
Actuarial gains/losses (-) from pension commitments (gross)	19	67	9
Deferred taxes		-38	-3
Actuarial gains/losses (-) from pension commitments (net)		29	6
Unrealised gains from the revaluation of properties (gross)		-	-1
Deferred taxes		-	-
Unrealised gains from the revaluation of properties (net)		-	-1
Components subsequently transferred to the consolidated income statement:			
Unrealised gains/losses (-) from financial assets measured at fair value through other comprehensive income (gross)	36,41	-843	-119
Deferred taxes		-42	36
Unrealised gains/losses (-) from financial assets measured at fair value through other comprehensive income (net)		-885	-83
Unrealised technical gains or losses from insurance contracts issued (gross)	44	801	103
Unrealised technical financial income or expenses from reinsurance contracts held (gross)	44	9	-11
Deferred taxes		27	-27
Unrealised technical financial income or expenses (net)		837	65
Total other comprehensive income (gross)		34	-19
Total deferred taxes		-53	6
Total other comprehensive income (net)		-19	-13
Total comprehensive income for the period		102	22¹
Attributable to W&W shareholders		100	22 ¹
Attributable to non-controlling interests		2	-

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Consolidated statement of changes in equity

	see note no.	W&W shareholders' share of paid-in capital	
		Share capital	Capital reserve
in € million			
Equity as at 1.1.2024		490	996
Retrospective adjustment in accordance with IAS 8		-	-
Equity as at 1.1.2024 adjusted		490	996
Changes in the scope of consolidation		-	-
total comprehensive income for the period			
Consolidated net income		-	-
Other comprehensive income		-	-
Total comprehensive income for the period		-	-
Dividend to shareholders	24	-	-
Treasury shares		-	-
Other		-	-
Equity as at 31.12.2024		490	996
1 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.			
Equity as at 1.1.2025		490	996
Total comprehensive income for the period			
Consolidated net income		-	-
Other comprehensive income		-	-
Total comprehensive income for the period		-	-
Dividend to shareholders	24	-	-
Treasury shares		-	-
Other		-	-
Equity as at 31.12.2025		490	996

W&W shareholders' share of retained earnings						Equity attributable to W&W shareholders	Non-controlling interests in equity	Total equity
Retained earnings	Other reserves (OCI)							
		Reserve for pension obligation	Reserve for the revaluation of properties	Reserve for financial assets without affecting profit or loss at fair fair value (OCI)	Reserves for insurance technical financial income or expenses			
	4,133	-405	1	-3,802	3,514	4,927	34	4,961
	-7	-	-	-	-	-7	-	-7
	4,126	-405	1	-3,802	3,514	4,920	34	4,954
	3	-	-	-17	14	-	-	-
	33 ¹	-	-	-	-	33 ¹	2	35 ¹
	-	7	-1	-80	63	-11	-2	-13
	33 ¹	7	-1	-80	63	22 ¹	-	22 ¹
	-61	-	-	-	-	-61	-1	-62
	-	-	-	-	-	-	-	-
	8	-	-	-	-	8	-	8
	4,109 ¹	-398	-	-3,899	3,591	4,889 ¹	33	4,922 ¹
	4,109	-398	-	-3,899	3,591	4,889	33	4,922
	121	-	-	-	-	121	-	121
	-	28	-	-844	795	-21	2	-19
	121	28	-	-844	795	100	2	102
	-61	-	-	-	-	-61	-1	-62
	1	-	-	-	-	1	-	1
	-	-	-	-	-	-	-2	-2
	4,170	-370	-	-4,743	4,386	4,929	32	4,961

Consolidated cash flow statement

in € million	see note no.	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Consolidated net profit		121	35¹
Non-cash items included in consolidated net profit and reconciliation to cash flow from operating activities			
Current income from financial assets accounted for using the equity method	7, 25	-6	-1
Impairments (+)/write-ups (-) on intangible assets and tangible assets	32	92	110
Impairments (+)/write-ups (-) on financial assets	26, 27	77	44
Changes in technical assets and liabilities	6, 18	68	506 ¹
Increase (+)/decrease (-) in other provisions	19	-2	-93
Changes in deferred taxes and liabilities	34	79	-109
Gain (-)/loss (+) from the disposal of financial assets (excluding investments)	28	46	25
Other expenses with no effect on cash (+)/income (-)	25-28	540	-757
Other adjustments		-2	7
Sub total		1,013	-233
Change in assets and liabilities from operating activities			
Increase (-)/decrease (+) in building loans	4	-1,872	-1,658
Increase (-)/decrease (+) in other assets	4, 5, 11, 12, 14	1,400	-88
Increase (-)/decrease (+) in derivative financial instruments with positive and negative market values	2, 15	-1	-6
Increase (+)/decrease (-) in liabilities evidenced by certificates	16	1,445	524
Increase (+)/decrease (-) in liabilities to credit institutions	16	1,429	-960
Increase (+)/decrease (-) in liabilities to customers	16	-1,613	3,589
Increase (+)/decrease (-) in other equity and liabilities	16, 17, 19, 20, 22	-818	-835
Sub total		-30	566
I. Cash flow from operating activities		983	333

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Consolidated cash flow statement (continued)

in € million	see note no.	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Payments for investments in intangible assets and tangible assets	9, 10	-43	-68
Proceeds from the disposal of financial assets	2, 3, 4, 8	6,618	6,145
Payments for investments in financial assets	2, 3, 4, 8	-7,643	-6,145
Proceeds from the acquisition of control over subsidiary undertakings or other business units		-	2
II. Cash flow from investing activities		-1,068	-66
Dividend payments to shareholders	24	-61	-61
Dividend payments to minority interests	24	-1	-1
Transactions between shareholders	24	1	-1
Changes in funds from subordinated capital	23	291	-228
Interest payments on subordinated capital	25	-11	-23
Payments to settle lease liabilities	16	-18	-19
III. Cash flow from financing activities		201	-333
Cash and cash equivalents as at 1 January		997	1,046
Cash flow from changes in cash and cash equivalents (I. + II. + III.)		116	-66
Changes in cash and cash equivalents due to consolidation		-	17
Cash and cash equivalents as at 31 December	1	1,113	997

In the current financial year, cash flow from interest received amounted to €1,544 million (previous year: €1,535 million), cash flow from interest paid amounted to -€586 million (previous year: -€563 million), cash flow from dividends received amounted to €361 million (previous year: €317 million) and cash flow from income taxes paid/received amounted to -€70 million (previous year: -€115 million). This sum is included in cash flow from operating activities.

Cash flow from operating activities is determined using the indirect method. Cash and cash equivalents correspond to the balance sheet item cash and cash equivalents.

The W&W Group has free disposal of the amounts in cash and cash equivalents.

Reconciliation of changes in liabilities with cash flow from financing activities

in € million	Subordinated capital		Lease liabilities	
	2025	2024	2025	2024
As at 1.1.	406	642	44	52
Coupons	-11	-23	-	-
Emission/redemption	291	-228	-18	-19
Total cash-effective change	280	-251	-18	-19
Addition/disposal of lease liabilities	-	-	7	10
Change in accrued interest	14	15	-	-
Amortisation	-	-	1	1
Total non-cash-effective change	14	15	8	11
As at 31.12.	700	406	34	44

Notes to the consolidated financial statements

General accounting principles and application of IFRS

General disclosures

Wüstenrot & Württembergische AG is a listed corporation based in Kornwestheim (W&W-Platz 1, 70806 Kornwestheim, Germany) and the parent undertaking of the W&W Group. The company is registered in the commercial register of the Stuttgart Local Court under number HRB 20203. Wüstenrot & Württembergische AG is the strategic management holding company of the W&W Group. It coordinates all activities, sets standards, manages capital and controls the W&W Group. As an individual company, Wüstenrot & Württembergische AG is primarily active in the area of reinsurance for the insurance companies of the W&W Group. The W&W Group operates almost exclusively in Germany.

The W&W Group is a pension group that provides four components of modern pension provision:

- Financial coverage,
- Residential property,
- Risk protection and
- Savings and investment.

The Executive Board of Wüstenrot & Württembergische AG approved the publication of the consolidated financial statements on 25 March 2026. These were submitted to the Supervisory Board for approval on 26 March 2026. The consolidated financial statements will be presented to the shareholders at the Annual General Meeting (virtual) on 13 May 2026.

The consolidated financial statements of Wüstenrot & Württembergische AG – consisting of the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and notes to the consolidated financial statements – are prepared on the basis of Section 315e (1) 1 HGB in conjunction with Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002 on the application of international accounting standards in accordance with IFRS Accounting Standards, as applicable in the European Union. In addition, a combined management report has been prepared in accordance with commercial law requirements.

The consolidated financial statements of Wüstenrot & Württembergische AG are prepared in euros (€) and are based on the going concern principle. Due to commercial rounding rules, the figures in millions of euros or thousands of euros may result in rounding differences when added together, as the calculations for the individual items are based on whole numbers.

Comparative information

Unless otherwise stated, the comparative information in the running text relating to items in the consolidated income statement refers to the period from 1 January 2024 to 31 December 2024, while comparative information relating to items in the consolidated balance sheet refers to 31 December 2024.

Impact of geopolitical uncertainties on financial reporting in the W&W Group

The overall economic environment remained challenging in the reporting year due to geopolitical and economic tensions. In the W&W Group, there were no material effects in a large number of areas in the reporting year, as the effects of geopolitical uncertainties were either not relevant to the business models or were immaterial due to their indirect nature.

Selected material impacts are disclosed in the notes to the consolidated financial statements.

Climate-related issues

Climate-related issues can affect the value of the W&W Group's assets and liabilities in various ways.

The **capital investments** include environmentally oriented investments in green/sustainable bonds, in renewable energies with a focus on wind power and solar energy, and in properties with environmental features. As an investor, we know that – together with other large capital pools – we have a significant influence on the successful structural change towards a more climate-friendly and low-emission economy and society, and in this sense we pursue an active approach to reducing harmful CO₂-emissions in our investment portfolio. The W&W Group is aiming for climate-neutral capital investments by 2050. This active approach also aims to promote climate-friendly technologies and their widespread use in a sustainable manner.

Green/sustainable bonds do not necessarily have to differ from conventional bonds in terms of structure, yield or financing risk. The material feature of a green/sustainable bond is that the funds raised through the emission of a green/sustainable bond must be used to (re)finance a „green/social“ project. The book value of green/sustainable bonds in the W&W Group amounts to €1,684 million (previous year: €1,395 million¹). The majority of these are measured at fair value through other comprehensive income. The maturities range from short-term remaining terms of less than one year to a few extremely long terms of over 100 years. The issuers of the green/sustainable bonds in which the W&W Group invests are governments, banks and companies. In addition, we have a book value portfolio of €104 million (previous year: €98¹ million) in sustainability-linked bonds (SLBs). SLBs are usually structured in such a way that the SLB issuer agrees on additional targets, known as SPTs (sustainability performance targets), in addition to the classic bond terms and conditions. These targets are to be achieved during a predefined period. If the SPTs are not achieved or fulfilled, the financial structure of the bond changes. This means that the SPPI criterion under IFRS 9 is not met and the SLBs are measured at fair value through profit or loss.

The fair values of the capital investments are determined using the assumptions that market participants would use for pricing, including risk assumptions, which may also include climate-related risks.

In the **property sector**, the climate performance of the real estate portfolio plays an important role for the W&W Group. For acquisition projects, a risk evaluation is carried out from an ESG perspective and in terms of the impact on the overall portfolio in terms of sustainability. In the biannual valuation of existing properties, sustainability criteria are included in the fair value assessment in addition to property-specific input variables such as income, location and type of use. These sustainability criteria are based, on the one hand, on the fact that sustainability aspects are discussed in the underlying planning of the construction measures and included in the business plan, which indirectly affects the valuation. On the other hand, location-related climate risks are taken into account in the valuation of the individual properties. No direct valuation discounts resulting exclusively from sustainability or ESG criteria had to be made in the reporting year or in the previous year. When assessing alternatives for the utilisation of previously owner-occupied sites, for example, considerations relating to grey energy savings and thus CO₂ savings are also taken into account.

In the **customer lending business**, climate-related risks are generally taken into account via various parameters in the property valuation and via the credit assessment (e.g. consideration of energy costs) and are thus included in the balance sheet risk provision calculation via the risk parameters.

The €600 million green **mortgage bond** issued by Wüstenrot Bausparkasse AG in 2023 is secured by energy-efficient properties that either rank among the top 15% of properties on the national market according to the Green Bond Framework or have been awarded energy performance certificates in classes A and B.

Climate-related issues affect developments over long periods of time. In contrast, the **technical liabilities** of property/casualty insurance are largely related to obligations over comparatively short periods of time. The valuation in the reservation process for the provision for incurred but not reported insurance claims (Liability for Incurred Claims) is

¹ Previous year's figure adjusted.

carried out independently of climate-related causes. On the other hand, climate-related risks from flooding, storms and hail are an integral part of determining future potential losses in property/casualty insurance. Risks from these natural events are modelled in collaboration with external partners and adjusted annually to reflect new findings and portfolio data. They are taken into account in the loss expectations for the affected portfolios and are included in the changes to the liability for remaining coverage. In the reporting year, there were no significant impacts on the technical result from climate-related events, whereas in the previous year it was significantly impacted by the consequences of the so-called natural disaster „Orinoco“ and various regional storms. The impact of climate-related events on technical liabilities in life and health insurance was of minor significance.

Accounting policies

Changes in accounting policies

IFRS accounting standards applicable for the first time in the reporting period

With the exception of the standards described below, which were applied for the first time, the same accounting policies were applied as in the consolidated financial statements as at 31 December 2024.

- Amendments to **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**. The amendments specify the accounting requirements for a lack of exchangeability of a currency and close existing regulatory gaps.

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability were adopted into EU law on 12 November 2024. The amendments had no impact on the presentation of the net assets, financial position and results of operations of the W&W Group.

Published but not yet mandatory accounting standards

Amendments with initial application for financial years beginning on or after 1 January 2026

- Amendments to **Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)** contain changes and clarifications regarding the application of cash flow criteria for certain contractual arrangements involving financial instruments, including those with ESG conditions. In addition, they relate to the derecognition of financial liabilities that have been settled by electronic means of payment and additional disclosure requirements.
- Amendments relating to **Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7** contain clarifications for contracts relating to nature-dependent electricity. They regulate the application of the own use exemption, specify accounting requirements for its use as a hedging instrument and include additional disclosure requirements.
- Annual improvements from the **Annual Improvements to IFRS Accounting Standards – Volume 11** with amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These are minor adjustments in the form of clarifications within the standards.

The amendments to Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) were adopted into EU law on 27 May 2025 and are to be applied retroactively. Within the W&W Group, this has an impact exclusively on the categorisation of financial assets with ESG-related conditions, which were previously reported in the financial assets category at fair value through profit or loss due to unmet cash flow criteria (solely payments of principal and interest) of IFRS 9. The (re)categorisation affects sustainability-linked bonds (SLBs) and selected registered bonds with a total fair value of €133 million. If the debtor fails to meet contractually agreed sustainability performance targets, such as the CO₂-emission target, the interest rate on these debt instruments is adjusted by a fixed number of basis points. Under the amended classification guidelines, the resulting contractual cash flows represent only principal and interest payments on the outstanding principal amount and now meet the cash flow criteria of IFRS 9. Accordingly, they

will be reclassified to the category of financial assets at fair value through other comprehensive income as of 1 January 2026. Consequently, the cumulative changes in fair value since the initial recognition of these financial instruments, amounting to a low double-digit million figure, will be reclassified from retained earnings to the reserve for financial assets at fair value through other comprehensive income.

The amendments to Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 were adopted into EU law on 30 June 2025, and the amendments from the published Annual Improvements to IFRS Accounting Standards – Volume 11 were adopted into EU law on 9 July 2025. Both amendments have only an insignificant impact on the net assets, financial position and results of operations of the W&W Group.

Publication of two new standards and modifications with initial applications for financial years beginning on or after 1 January 2027

- **IFRS 18 Presentation and Disclosure in Financial Statements** is intended to improve the assessment of a company's financial performance for users of financial statements by increasing comparability in the presentation and will replace IAS 1 in future. IFRS 18 contains updated requirements for the presentation and disclosure of financial information in IFRS financial statements. Specifically, in future, expenses and income, with the exception of those related to income taxes or discontinued operations, will be allocated to the three new categories, and the creation of predefined subtotals will be introduced.

The three new categories in the income statement are:

- Operating activities,
- Investing activities,
- Financing activities.

In addition, management-defined performance measures (MPMs) based on a subtotal of expenses and income and used by the company outside the financial statements to communicate its overall earnings situation must be defined, disclosed and reconciled to comparable (sub)totals. The MPMs do not include any measures already defined or subject to disclosure requirements under IFRS 18 or other standards. In addition, the introduction of IFRS 18 introduces new rules governing the aggregation and disaggregation of (homogeneous) financial statement items and the disclosure of information in the notes. Limited changes are also made to IAS 7 Cash Flow Statements.

- **IFRS 19 Subsidiary Undertakings without Public Accountability: Disclosures** allows certain subsidiary undertakings to apply IFRS accounting standards with reduced disclosures in the notes to the financial statements, provided that they are not subject to public accountability.
- **Amendments to IFRS 19 Subsidiary Undertakings without Public Accountability: Disclosures** contains relief for subsidiary undertakings regarding a number of new or amended standards on: IFRS 18 Presentation and disclosures in the financial statements, supplier financing arrangements (amendments to IAS 7 and IFRS 7), international tax reform – Pillar 2 model rules (amendments to IAS 12), lack of convertibility (amendments to IAS 21) and amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7).
- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency** contain amendments and regulations, if a company translates amounts from a functional currency that is the currency of a non-hyperinflationary country into a presentation currency that is the currency of a hyperinflationary country, these amounts – including comparative amounts – using the closing rate at the last reporting date, and if the entity's presentation currency is no longer hyperinflationary and the functional currency remains the currency of a non-hyperinflationary country, the entity applies the current requirements of IAS 21 for such cases prospectively. Comparative amounts are not adjusted. Additional disclosures are also required in the annual report.

The new IFRS 19 and both amendments have not yet been endorsed by the EU. The new IFRS 18 standard was adopted into EU law on 13 February 2026, and its implementation has an impact on the presentation of the W&W Group's net assets, financial position and results of operations. To ensure the timely application of IFRS 18 as of 1 January 2027, the W&W Group has set up an implementation project to examine the effects of the new standard and implement adjustments for initial applications. The W&W Group is particularly affected by the extended classification rules for

companies with specific main business activities when it comes to the classification of expenses and income. Contrary to the general rules, a large proportion of the expenses and income that would otherwise be classified under investment or financing activities is allocated to operating activities within the W&W Group precisely because these two specific core business activities are present. Under IAS 1, the structure of the consolidated income statement was already geared to the business activities of the insurance and building society sector. It is therefore expected that the material items and subtotals in the consolidated income statement will remain unchanged and will be separated from each other in a similar way to IAS 1. Balance sheet items and consolidated net income are not affected by value adjustments. To date, no performance indicators have been used in external communications that fall under the definition of management-defined performance measures and would lead to extended disclosure requirements. The W&W Group will not apply IFRS 19 to its subsidiary undertakings. The amendments to IAS 21 concerning the translation of hyperinflationary currencies in existing financial statements have no impact on the presentation of the W&W Group's net assets, financial position and results of operations.

Amendment in accordance with IAS 8

Adjustment of the measurement criteria for the measurement of health insurance contracts in accordance with IAS 8.41

In accordance with IAS 8.41, mortality rates were adjusted retrospectively when valuing health insurance policies. This adjustment only affected the portfolio of insurance policies valued using the VFA method. This resulted in a reduction in the Group's profit for the 2024 financial year, as well as in the Group's equity as at 1 January 2024 and 31 December 2024. The effects are shown in the following tables.

For the 2024 financial year, adjustments were made to the opening and closing balances of the projected expected cash flows and the risk adjustment, as well as to the contractual service margin (CSM). This adjustment is reflected in the items relating to issued insurance contracts, which are assets and liabilities respectively, and had a corresponding impact on deferred tax liabilities and equity.

In the statement of comprehensive income, the cash flow statement and the relevant notes to the relevant items, the comparative figures for the previous year have been adjusted accordingly.

Adjustments to assets in the consolidated balance sheet

	Book value before adjustment	Adjustment	Book value after adjustment	Book value before adjustment	Adjustment	Book value after adjustment
In € million	1.1.2024		1.1.2024	31.12.2024		31.12.2024
Technical assets	357	10	367	330	10	340
Insurance contracts issued that are assets	37	10	47	41	10	51
Reinsurance contracts held that are assets	320	–	320	289	–	289
Total assets	68,522	10	68,562	72,266	10	72,276

Adjustments to liabilities in the consolidated balance sheet

	Book value before adjustment	Adjustment	Book value after adjustment	Book value before adjustment	Adjustment	Book value after adjustment
In € million	1.1.2024		1.1.2024	31.12.2024		31.12.2024
Technical liabilities	31,900	20	31,920	32,253	21	32,274
Insurance contracts issued that are liabilities	31,899	20	31,919	32,252	21	32,273
Reinsurance contracts held that are liabilities	1	-	1	1	-	1
Other equity and liabilities	578	-3	575	493	-3	490
Current tax liabilities	135	-	135	137	-	137
Deferred tax liabilities	432	-3	429	350	-3	347
Sundry liabilities	11	-	11	6	-	6
Equity	4,961	-7	4,954	4,930	-8	4,922
Share in paid-in capital attributable to shareholders of W&W AG	1,486	-	1,486	1,486	-	1,486
Share in retained earnings attributable to shareholders of W&W AG	3,441	-7	3,434	3,411	-8	3,403
Retained earnings	4,133	-7	4,126	4,117	-8	4,109
Other reserves (OCI)	-692	-	-692	-706	-	-706
Non-controlling interests in equity	34	-	34	33	-	33
Total equity and liabilities	68,552	10	68,562	72,266	10	72,276

Due to the lower recognition of the contractual service margin (CSM) for insurance benefits provided, the underwriting result and, consequently, the consolidated result fell by a low single-digit million figure.

Adjustments to the consolidated income statement for the period from 1.12.2024 to 31.12.2024

	Before adjustment	Adjustment	After adjustment
In € million	1.1.2024 to 31.12.2024		1.1.2024 to 31.12.2024
Technical result (net)	-16	-1	-17
Technical result (gross)	41	-1	40
Technical income	4,066	-2	4,064
Technical expenses	-4,025	-1	-4,024
Result from reinsurance contracts held	-57	-	-57
Consolidated net income from continuing operations before income taxes	27	-1	26
Income taxes	9	-	9
Consolidated net income	36	-1	35
Attributable to W&W shareholders	34	-1	33

Due to the lower profit attributable to W&W's shareholders for the 2024 financial year, the basic (and also diluted) earnings per share for the previous year have fallen from €0.36 to €0.35.

Changes in estimates

Valuation discount for bonus liabilities on building society deposits

Based on observed customer behaviour in certain collective tariffs, an estimate change is being made by introducing a valuation discount for bonus liabilities on interest-bearing building society deposits. The resulting positive effect on earnings amounts to a high single-digit million euro amount.

Model refinements in the valuation of life and health insurance contracts

In the valuation models for life and health insurance, model refinements and changes to estimates are regularly made when projecting expected cash flows. This affects the projected expected cash flows, the risk adjustment and the contractual service margin (CSM). The resulting shifts between the valuation components are shown in the disclosures under IFRS 17.101 in the table 'Insurance contracts issued by valuation component' in life and health insurance in Note 43 (Disclosures on recognised amounts) within the section 'Notes on insurance contracts'. In the financial year, significant effects arose as a result of the reduction in the stress factor for mass cancellations based on previous market observations within the framework of ORSA. The stress factor is used to determine the risk adjustment. In addition, the modelling of equity and dividend payments was refined. These two effects increase the result by a mid-single-digit million amount.

Methods and rules

The following section first presents the material accounting principles in accordance with IFRS 9 for the accounting treatment of financial instruments and in accordance with IFRS 17 for the accounting treatment of insurance contracts that are applied within the W&W Group. Furthermore, the accounting treatment of leasing in accordance with IFRS 16 is explained in its entirety, as it affects various balance sheet items, including lease liabilities and tangible assets. Item-specific explanations of the accounting and valuation methods can be found in the section „Information on selected items in the consolidated balance sheet“ and „Consolidated income statement“.

Principles of recognition, measurement and presentation of financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised in the balance sheet in accordance with IFRS 9 at the point in time at which a company of the W&W Group becomes a party to the financial instrument.

Financial instruments are recognised in the W&W Group on the settlement date. Derivative financial instruments, which are recognised on the trade date, are excluded from this.

Financial assets and financial liabilities are initially recognised at fair value. The measurement of fair value is explained in Note 37.

They are subject to derecognition as soon as the contractual rights and obligations arising from the financial instrument expire or are redeemed, or if the criteria for derecognition are met when the financial instrument is transferred.

Categorisation and measurement

For subsequent measurement, the W&W Group classifies **financial assets** (debt instruments) into one of the following measurement categories:

- at fair value through profit or loss,
- at fair value through other comprehensive income,
- at amortised cost.

The categorisation is based on the business model, which is reflected in the management of the financial assets, and on the characteristics of the cash flows associated with the financial assets. The W&W Group distinguishes between the following business models:

- „Hold“: Business model with the objective of collecting contractual cash flows;
- „Hold and sell“: business model with the objective of both collecting contractual cash flows and selling financial assets;
- „Other/trading“: business model in which financial assets were acquired with the intention of trading them in the short term or which could not be assigned to the "hold" or "hold and sell" models.

Financial assets classified as „Hold“ or „Hold and sell“ are categorised as „at amortised cost“ or „at fair value through other comprehensive income“ if certain characteristics of contractual cash flows are present. This assessment is also referred to as the SPPI (Solely Payments of Principal and Interest) test. It examines whether the contractual cash flows consist solely of principal and interest payments (so-called basic loan features) on the outstanding capital. Interest payments may only be remunerations for the time value of money and the credit risk assumed. In addition, remuneration for the liquidity risk assumed and surcharges for administrative costs are further components, provided that these can be attributed to the holding of the asset. A profit margin is also part of the interest payments. Fair value measurement through profit or loss is applied if financial assets are allocated to the „Other/Trading“ business model or do not meet the SPPI criteria mentioned above.

Financial liabilities are generally measured at amortised cost unless they are held for trading (including derivative financial instruments) and are therefore measured at fair value through profit or loss.

The judgements and estimates used in the categorisation and measurement of financial assets are described in the relevant section. Details on the (subsequent) measurement and recognition of gains and losses from individual measurement categories can be found in the notes to selected items in the consolidated balance sheet.

Classes of financial instruments

The following overview presents the measurement categories in accordance with IFRS 9 in relation to the corresponding items in the consolidated balance sheet and shows which classes of financial instruments are assigned to them in accordance with IFRS 7.

Due to the business models operated by the W&W Group and the high relevance of capital investments, a detailed classification is made in the area of financial instruments. The classification is based on characteristics such as the type of cash flows underlying the financial instruments and their risks. This includes a distinction based on seniority. The type of financial instruments is clearly reflected in the respective class designations. In addition, the following classes of debt instruments are explained in detail:

The class of senior fixed-income securities, which can be found in the categories Financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income, contains (bearer) debt securities of the highest seniority with primarily fixed interest rates.

The category Financial assets at fair value through other comprehensive income comprises the class Subordinated securities and receivables from debt securities and other securities and receivables. In terms of class volume, these are materially floating rate notes and bonds with primarily fixed interest rates.

The class Fixed-interest financial instruments that do not pass the SPPI test, within the category Financial assets at fair value through profit or loss, comprises all financial instruments that do not generate cash flows exclusively in the form of interest payments and repayments of the outstanding principal and therefore do not meet the SPPI criterion in IFRS 9. This class includes various types of debt securities, debenture bonds and other mixed-ranking securities and receivables that may be subject to multiple risks. Due to the individual nature of the contracts, industrial companies and other financial service providers constitute the largest group of issuers here.

The class of senior debenture bonds and registered bonds in the category of financial assets at fair value through other comprehensive income exclusively comprises non-fungible debt securities and debenture bonds with predominantly fixed coupons. Public institutions and credit institutions account for the majority of issuers in this class.

The class of derivative financial instruments on the assets and liabilities side mainly comprises forward exchange transactions, swaps and other interest rate and currency derivatives, as well as listed and unlisted equity and index-related options.

The class Positive and negative market values from hedges includes those instruments that are designated as hedging instruments within the framework of hedge accounting. In the W&W Group, these are generally unlisted interest rate swaps.

The category Capital investments for the account and risk of life insurance policyholders mainly comprises fund units in which the W&W Group does not participate economically and therefore does not bear any opportunities or risks.

The further procedure and the principles for measuring fair value are described in the section on financial instruments and fair value in Note 37. Where information on individual classes of financial instruments is required, this is based on the classification shown below.

Classes of financial instruments

Risk category				
	Cash and cash equivalents	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	
Financial assets				
Cash and cash equivalents	Amortised cost			
Participating interests not including alternative investments		Fair value		
Participating interests in alternative investments		Fair value		
Equities		Fair value		
Investment fund units		Fair value		
Senior fixed-income securities		Fair value	Fair value	
Subordinated securities and receivables			Fair value	
Derivative financial instruments		Fair value		
Fixed-income financial instruments that do not pass the SPPI test		Fair value		
Positive market values from hedges				
Capital investments for the account and risk of life insurance policyholders		Fair value		
Building loans				
Senior debenture bonds and registered bonds			Fair value	
Other receivables				
Financial liabilities				
Liabilities evidenced by certificates				
Liabilities to credit institutions				
Liabilities to customers				
Lease liabilities				
Other liabilities				
Sundry liabilities ¹				
Negative market values from hedges				
Subordinated capital				
Off-balance-sheet business				
Irrevocable loan commitments ²				

1 Liabilities that are allocated to the class in the consolidated balance sheet based on transferability in accordance with IFRS 7, but are not subject to the scope of IFRS 7 / IFRS 9.

2 Off-balance sheet business is generally reported at nominal value. Provisions are made where necessary.

Balance sheet items and valuation basis						
	Financial assets at amortised cost	Positive market values from hedges	Financial liabilities at fair value through profit and loss	Liabilities	Negative market values from hedges	Subordinated capital
	Amortised cost					
	Amortised cost					
			Fair value			
		Fair value				
	Amortised cost					
	Amortised cost					
	Amortised cost					
				Amortised cost		
				Amortised cost		
				Amortised cost		
				Amortised cost		
				Amortised cost		
				Settlement amount		
					Fair value	
						Amortised cost

Risk provision (expected credit loss)

The model for determining risk provision in accordance with IFRS 9 is based on expected credit losses, which is why it is also referred to as the expected credit loss model.

The model is primarily applied to financial assets measured at amortised cost, debt instruments measured at fair value through other comprehensive income, irrevocable loan commitments and other contractual assets. The determination of risk provisions for off-balance sheet business corresponds to the determination of risk provisions for financial assets.

The general impairment model of IFRS 9 provides for three levels of risk provision. In level 1, expected credit losses due to possible default events within twelve months of the reporting date are determined (12-month credit loss). If, at the measurement date, the credit risk (without taking collateral into account) has deteriorated significantly since initial recognition but there is no default event, the financial asset is transferred from level 1 to level 2. In level 2, the assessment is based on possible default events over the remaining maturity of the financial asset (lifetime consideration). If performance problems arise over time and there is therefore an objective indication of impaired creditworthiness, the financial asset is assigned to level 3. The calculation of risk provisions in level 3 is analogous to level 2, based on a lifetime view and taking into account the certain occurrence of a default event. In levels 1 and 2, interest income is calculated on the basis of the gross book value; in level 3, interest income is calculated on the basis of the gross book value after deduction of risk provisions.

As a rule, contracts in the customer lending business with a payment delay of 30 days or more are considered to be significantly credit risk-exposed and are assigned to level 2. Only a small portion of the total portfolio refuted this assumption and, despite being more than 30 days past due, continues to be assigned to level 1.

Significant decrease in credit rating

In the lending business, a quantitative assessment of whether a material credit deterioration has occurred since initial recognition is made on the basis of the change in the probability of default (PD). The quantitative assessment criterion for credit deterioration is an actual downgrade of the internal credit rating for the borrower's contract in question, which is used in the internal assessment of default risk. In addition to empirical values and credit ratings, forward-looking macroeconomic factors are also taken into account quantitatively (forward-looking information). Further details can be found in the section on modelling the point-in-time component.

In the area of building loans, the portfolios are assigned to an internal rating class using a scoring procedure, with each rating class related to a probability of default. At the time of entry, the classification into a rating class is based on an application score. Over time, behavioural scoring is used to review changes in credit quality and assign the portfolio to the respective rating class. The assessment of whether a significant deterioration in credit quality has occurred is determined on the basis of the relative change in the probability of default. In addition, a qualitative criterion in the form of the need for forbearance measures is also used to determine whether a significant deterioration in credit quality has occurred. Further details can be found in the section on concessions and renegotiations (forbearance measures).

In the securities sector, reference is primarily made to the external issuer rating. Additional criteria, such as a change in price (average price over the last six months is permanently 20% below the book value, average price over the last twelve months is at least 10% below the book value), trigger a separate monitoring process when these thresholds are exceeded, in which individual financial instruments are discussed in the context of the overall circumstances. Securities with an investment-grade issuer rating are assigned to level 1. A change to level 2 generally occurs as soon as the rating changes from investment grade to non-investment grade. If, in addition to the significantly increased credit risk, there are objective indications of impairment in a security or if the occurrence of a default event at the issuer is certain, the security is assigned to level 3. In the securities area, the so-called low credit risk exemption under IFRS 9 applies. Under this exemption from IFRS 9, it can be assumed that the default risk of a financial instrument has not increased significantly since initial recognition if it is determined that the financial instrument in question has a low default risk at the reporting date.

Credit-impaired

Classification in level 3 applies if the impairment triggers or the regulatory definition in accordance with Article 178 CRR are met. The following criteria are generally used for this purpose:

- The W&W Group considers it unlikely that liabilities to the W&W Group will be settled in full without the W&W Group having to resort to measures such as the realisation of collateral; and/or
- the receivable is more than 90 days past due.

Write-off

A write-off represents the direct reduction of the gross book value of a financial asset due to impairment by the amount that is expected to be irrecoverable. A write-off results in the (partial) derecognition of an asset. A write-off is generally only carried out if, after successful realisation of collateral, the remaining receivable is classified as irrecoverable. This amount is generally used up from a risk provision that has already been formed.

The W&W Group has no material financial assets that were already at risk of default when they were initially recognised.

Measurement of expected credit loss

To determine the expected credit loss, the W&W Group uses a model based on parameters for the probability of default (PD), the exposure at default (EAD) and the loss given default (LGD). The calculation of expected credit loss is generally based on existing (one-year) parameters used to determine the minimum capital requirement for credit institutions under the IRB (Internal Ratings Based) approach, adjusted to reflect the requirements of IFRS 9 (e.g. multi-year observation horizon in terms of residual maturity and inclusion of macroeconomic factors). The existing one-year models are used and the term-dependent probability of default is approximated using a sequence of one-year PDs. The key feature for determining multi-year conditional PD profiles is the 12-month or one-year default indicator.

In the customer lending business, the probability of default (PD) is determined on the basis of an internal rating system. Within the W&W Group, each loan is assigned a probability of default on the basis of a master scale. The assignment of the rating is based on the specific behaviour of the customers, taking into account factors such as general customer behaviour (e.g. earned income, marital status), external data (e.g. Schufa credit information) or payment behaviour.

When determining the parameters for calculating the exposure at default (EAD), the contractually agreed interest and principal payments and the optional special repayment instalments are modelled for all products.

When determining the expected percentage loss at the time of default (LGD), the multi-year parameters are modelled on the basis of time-varying characteristics. In addition to the EAD, these time-varying characteristics include, for example, collateral or loan-to-value ratios. Here, a point-in-time component is modelled to capture macroeconomic effects on the loss ratio. For collateral, the price index for existing residential properties is relevant, while for non-collateral, reference is made to the long-term ten-year interest rate for German government bonds. Further details can be found in the section on modelling the point-in-time component.

When determining risk provisions under IFRS 9, cash flows must also be discounted. The respective effective interest rate is used as the discount factor.

Modelling the point-in-time component (forward-looking information)

The modelling of the point-in-time component should not only capture past and current information, but also forecasts of future economic changes. Due to the multi-year observation horizon of this component, information about expected future economic developments must therefore be taken into account when assessing the default risk of a loan agreement. Using the macroeconomic factors considered, the forecasts extend up to a maximum of three years into the future.

The implementation of such a forward-looking adjustment corresponds to an adjustment of the probabilities of default (PD). Such a forward-looking perspective requires the inclusion of forecasts of the economic factors relevant to the default rate and their probability of occurrence within the framework of possible scenarios. First, the influence of the relevant macroeconomic factors on the default rate is determined. The point-in-time adjustment of default probabilities is then based on the forecast of this default rate. Accordingly, a contract-specific point-in-time adjusted settlement LGD is also modelled.

In the customer lending business, the change in the probability of default in relation to macroeconomic factors depends in particular on the change in the unemployment rate and nominal GDP growth. The probability of default and thus the risk provision tends to increase when the unemployment rate rises or nominal GDP growth falls. The amount of the expected percentage loss in the event of default depends, in relation to macroeconomic factors in the customer lending business, in particular on the development of the price index for existing residential properties and the development of long-term ten-year interest rates for German government bonds. The expected percentage loss at the time of default, and thus the risk provision, tends to increase when the price index for residential properties falls or the long-term ten-year interest rate on German government bonds rises.

The model for determining risk provisions requires estimates of the extent to which expected credit losses are influenced by developments in macroeconomic factors. In deriving the forecast of the macroeconomic factors relevant for the determination of risk provisions under IFRS 9 in the individual scenarios, the company generally based its calculations on internal planning and the availability of data for the forecasts.

To determine risk provision in accordance with IFRS 9 and its sensitivity, the following scenarios were considered for the customer lending business as at 31 December 2025. The specific design of the alternative scenarios took into account, among other things, the global economic and political environment after the reporting date and was based on macroeconomic forecasts. Deviations from these estimates cannot be ruled out in light of the further course of the war in Ukraine and other developments and events affecting the global economy.

Forecast of relevant macroeconomic factors in ...

	Base scenario	Alternative scenario – optimistic	Alternative scenario – pessimistic
Price index for existing residential properties ¹	181.9	186.0	160.0
Unemployment rate in % ²	3.8	3.5	4.4
Nominal GDP growth in % ³	2.8	3.5	0.0
Long-term ten-year interest rate for German government bonds in % ⁴	3.0	3.5	1.5

1 Base year = 2010, data from the Federal Statistical Office on a quarterly basis, generally forecast over three years.

2 Data from the OECD on a quarterly basis, forecast over one year.

3 Data from the OECD on a quarterly basis, forecast over one year.

4 Data from the OECD on a quarterly basis, forecast over two years.

The above macroeconomic factors relate to Germany.

The scenario-weighted risk provisioning calculation in the customer lending business is based on the above scenarios (base, optimistic and pessimistic scenarios). The modelled risk parameters take all three scenarios into account, based on an expert estimate of the respective probability of occurrence. In addition, the model database used already includes various economic cycles.

In the securities sector, information from rating agencies and the capital market is used to derive risk parameters, particularly when deriving multi-year default parameters, taking into account internal yield curves and the empirically observed (multi-year) default rates of defaulted bonds, which are published regularly by the rating agencies. Information from rating agencies is also used when modelling multi-year parameters for loss given default (LGD). Default probabilities are adjusted for forward-looking macroeconomic factors (forward-looking information) in the form of a correction factor based on market-implied default probabilities, as the macroeconomic factors listed above are implicitly incorporated into the calculation of risk provisions via the expectations of market participants. This correction factor describes the relationship between the current and long-term credit spread-based expectations of investors on the

capital market regarding the creditworthiness of debtors. If this ratio is greater than 1 (less than 1) in the pessimistic (optimistic) alternative scenario, the capital market assumes a higher (lower) probability of default by an issuer, which then affects the determination of risk provisions in line with the adjustment factor. The creation of optimistic and pessimistic alternative scenarios is regularly based on historical data, taking into account current market developments. The adjustment of the above-mentioned correction factor forms the basis for determining sensitivity for both the optimistic and pessimistic scenarios. In the latter scenario, a rating downgrade of one notch is also assumed.

As at 31 December 2025, risk provisions in accordance with IFRS 9 would increase by a total of €52 million in the W&W Group in the purely pessimistic alternative scenario for the customer lending business and securities, and decrease by a total of €16 million in the purely optimistic alternative scenario for both areas.

Concessions and renegotiations (forbearance measures)

In justified exceptional cases, restructuring agreements are concluded with customers. These agreements usually provide for a temporary or permanent reduction in repayment instalments with an extended total loan term, which should ultimately lead to full repayment. In addition, they include the adjustment of interest terms to the new repayment terms and usually provide for a deferral of previous interest claims.

Such concessions may be granted to the borrower due to existing or expected financial difficulties and regularly include favourable terms for the borrower compared to the original agreement. In order to identify these exposures at an early level, all credit exposures in the W&W Group are regularly reviewed for signs of financial difficulties on the part of the borrower. In particular, arrears relevant to reminders are an objective indication of the borrower's financial difficulties.

The implemented forbearance measures also have an impact on the level classification in the expected credit loss model. In line with the forward-looking approach to risk provisioning under IFRS 9, the quantitative criteria for a level change are supplemented by the qualitative transfer criterion with regard to forbearance measures implemented. This ensures that all forbearance measures generally result in a level change from level 1 to level 2 under IFRS 9.

Credit exposures that have a positive credit rating, taking into account an annuity reduction, and that have not yet defaulted are converted directly to the new repayment terms. The effects of the modifications made are not material in the current financial year in the W&W Group (non-substantial modifications).

Nevertheless, it cannot be ruled out that, despite careful creditworthiness checks and targeted measures, a new default may occur. In this case, the customer's creditworthiness will be critically reviewed again on the basis of the current economic circumstances.

In the event of a negative credit rating or loan default, a decision is first made as to whether restructuring the existing loan or converting it into a new loan appears appropriate under the given circumstances. In all other cases, the settlement process for defaulted loans is initiated.

Customer loan agreements with active forbearance measures are assigned to at least level 2. If there is an active default, they are categorised in level 3. Once the default or forbearance measures have been resolved, the loan is transferred back to a better level in accordance with IFRS 9, provided there are no other reasons (e.g. quantitative transfer criteria) that would prevent this.

Hedge accounting

The rules for accounting for economic hedges (hedge accounting) are applied in the Housing division. The objective here is to reflect economic interest rate risk management in the financial statements in accordance with the economic substance of the hedges. Within the framework of fair value hedge accounting, market value fluctuations of financial assets and/or financial liabilities are hedged on an individual transaction and portfolio basis if they are attributable to interest rate risk and may have an impact on the result for the period. For portfolio fair value hedge accounting, the W&W Group applies the provisions of IAS 39 in accordance with the option granted in IFRS 9.6.1.3.

At the beginning of a hedge relationship, the hedging relationship was assessed as highly effective and the risk management objectives and strategy pursued were formally documented. This includes, among other things, a description of the underlying and hedging transactions and the determination of the hedged risk, the frequency and the method for initial and ongoing effectiveness measurement.

The concept of fair value hedge accounting in the Housing division is aligned with the processes and objectives of the W&W Group's risk management, specifically internal interest rate risk management. For further information on the management of market price risks in the W&W Group, please refer to Note 47 and the risk reporting in the management report. Interest rate swaps are used exclusively as hedging instruments in the existing fair value hedges. Fixed-income securities in the category of financial assets are designated as underlying transactions at the individual transaction level and measured at fair value through other comprehensive income, while financial liabilities are designated as measured at amortised cost. The amount to be hedged against interest rate risk is determined mainly using portfolios of building loans and building society deposits. As part of the management of complex interest rate portfolios, which generally consist of a large number of positions with a wide variety of maturity structures, portfolio formation includes, among other things, defining the selection criteria for the financial assets and/or financial liabilities to be included in the respective portfolio, generating the associated cash flows for each portfolio and assigning them to maturity bands to be determined, determining the amount to be hedged from the portfolio, and identifying those derivatives that generate a particularly good compensatory effect in terms of their market value fluctuations induced by interest rate changes. The so-called residual maturity effect is not part of the hedged risk. The maturities of the hedge relationships are based on their respective hedging purpose. While hedges at the individual transaction level are generally agreed for a longer designation period, hedges at the portfolio level are designed for one calendar month. The one-month hedge periods for hedging at the portfolio level mean that the volumes designated on the reporting date do not correspond to the volumes of the individual hedge periods during the reporting period.

The effectiveness of a fair value hedge relationship is demonstrated prospectively in the W&W Group on the basis of the matching, material valuation parameters of underlying and hedging transactions. Effectiveness is measured retrospectively using the cumulative dollar offset method. For portfolio hedges, effectiveness is measured both prospectively and retrospectively using the dollar offset method. Using this method, changes in the fair value of the individual underlying transactions or the amount to be hedged in an underlying transaction portfolio that are related to the hedged risk are measured using the discounted cash flow method and compared with changes in the fair value of the corresponding hedging instruments. If the ratio is between 80% and 125%, the hedge relationship is considered highly effective in accordance with IAS 39.AG105. Effectiveness is reviewed and documented regularly, at least on the reporting date. For portfolio hedges, this is done monthly at the end of each month. This corresponds to the length of the one-month hedge period and applies to both prospective and retrospective analysis. For the purpose of prospective effectiveness measurement, market value fluctuations are considered on the basis of various interest rate scenarios for each portfolio (market data shifts). The retrospective effectiveness test is performed on the basis of the interest rate-induced changes in fair value that actually occurred during the hedge period.

The valuation outputs from underlying and hedging transactions measured as part of the retrospective effectiveness test are recognised in profit or loss under the item „Result from hedges“. The book value of an individually hedged underlying transaction measured at amortised cost is adjusted by the gains and losses attributable to the hedged risk. These hedge adjustments are recognised in profit or loss over the remaining term of the underlying transaction. The carrying amount of an underlying transaction in the category of financial assets at fair value through other comprehensive income remains at fair value, with only the gains and losses attributable to the hedged risk being recognised in profit or loss during the hedge period and amortised over the remaining term of the underlying transaction in other comprehensive income. In the case of portfolio hedges, the hedge-related carrying amount

adjustments are accumulated in a separate line item. These are presented as separate adjusting items under asset-side portfolio hedge adjustments on the balance sheet item Financial assets at amortised cost or as portfolio hedge adjustments on the liabilities side within the balance sheet item Liabilities. The separate line items are amortised on a straight-line basis over the remaining term of the underlying transactions hedged in the portfolio from the date on which the hedge is terminated. Any change in the fair value of the derivative used as a hedging instrument is recognised in profit or loss under the balance sheet item Positive or negative market values from hedges. Information relating to underlying and hedging transactions, the cumulative amount of hedge adjustments and interest-induced changes in the fair value is presented in Note 37.

Possible causes of ineffectiveness that are likely to affect the hedge during its maturity are generally differences between expected and actual revaluations. If the relationship between the interest rate-induced changes in value of the underlying and hedging transactions moves outside the specified tolerance range, the hedge can no longer be assessed as highly effective and is retroactively terminated at the beginning of the hedge period. In the case of portfolio hedges, derecognition of underlying transactions designated in the portfolio may also affect the effectiveness and amortisation of the separate line item positions created. As part of the monthly portfolio fair value hedge process, unscheduled disposals in the underlying transaction portfolios are determined by comparing the future cash flows resulting from the underlying transactions at the beginning and end of the respective hedge period. In this context, new business actually concluded since the beginning of the period is regularly deducted from the cash flow at the end of the period.

Genuine securities repurchase agreements and securities lending transactions

Securities repurchase agreements are contracts whereby securities are transferred in return for payment of an amount, but at the same time it is agreed that these securities must be transferred back to the repurchase agreement provider at a later date in return for payment of an amount agreed in advance.

Securities pledged in repo transactions continue to be reported in the repo seller's balance sheet in accordance with the previous categorisation, as the opportunities and risks related to ownership of the repo object are retained. At the same time, the repo seller recognises a financial liability in the amount received. If there is a difference between the amount received on transfer and the amount to be paid on subsequent retransfer, this is allocated to income over the maturity of the liability using the effective interest rate method. Current income is reported in the consolidated income statement in accordance with the rules for the relevant securities category.

Securities lending transactions are accounted for in the same way as genuine securities repurchase transactions. Securities lent continue to be recognised in the balance sheet within the corresponding category. Securities borrowed, on the other hand, are not recognised in the balance sheet. If securities borrowed are resold, the obligation to return them is recognised in financial liabilities at fair value through profit or loss. A corresponding liability is recognised for cash collateral received, and a corresponding receivable is recognised for cash collateral provided. If securities are provided as collateral, they continue to be accounted for by the collateral provider. Expenses and income from securities lending transactions are recognised in the consolidated income statement on a term-matched basis.

Detailed information on the scope of genuine securities repurchase agreements and securities lending transactions carried out by the W&W Group can be found in the notes to the consolidated financial statements under Note 39 „Transfers of financial assets and collateral provided and received“.

Principles for the recognition, measurement and presentation of insurance contracts

Classification and aggregation level

All insurance contracts and reinsurance contracts concluded by companies of the W&W Group transfer significant insurance risk and are accounted for in accordance with the principles of IFRS 17 Insurance Contracts. A distinction is made between insurance contracts issued, which include both primary insurance contracts and active reinsurance contracts, and reinsurance contracts held. In isolated cases, products and services within the W&W Group that have

both financial and insurance characteristics are not subject to accounting under IFRS 17. This is mainly relevant for policy loans and premium deposits, which continue to be accounted for under IFRS 9.

The primary insurance business is also divided into contracts with direct and indirect profit participation. This division forms the basis for assigning corresponding contract groups to the various IFRS 17 measurement models described below. Insurance contracts with direct profit participation must cumulatively meet the following three criteria:

- the policyholders are contractually entitled to participate in a clearly identified pool of underlying benchmarks;
- the company expects to pay the policy holder an amount that corresponds to a material share of the income from the fair value of the underlying benchmarks; and
- the company expects that a material portion of the amounts payable to policy holders will vary depending on changes in the fair value of the underlying benchmarks.

In the W&W Group, the entire portfolio of primary life insurance business and large parts of the health insurance business meet the above criteria and are classified as directly participating business. IFRS 17 does not specify a specific threshold for assessing the second criterion. In the W&W Group, this is considered to be met by the MindZV (life insurance) and KVAV (health insurance) because policy holders are entitled to at least 50% of the income from the various sources of profit.

For accounting and valuation purposes, the W&W Group aggregates insurance contracts at segment level – life insurance, health insurance and property/casualty insurances – in accordance with the requirements of the standard on so-called accounting units (level of aggregation). As such, groups of insurance contracts (GICs) are formed within the portfolios that are subject to similar risks and are managed together. In life insurance, portfolios are formed on the basis of biometric risk and investment risk, with a distinction being made between conventional and unit-linked tariffs. In health insurance, all insurance contracts are based on the same underwriting risk – the state of health of the insured person. Portfolios are therefore formed on the basis of joint management. The key factors here are joint reporting, premium adjustments, the AUZ (actuarial corporate interest rate) procedure, profit sharing and the option to change tariffs. In property/casualty insurance, portfolios are based on the reserve valuation categories, which also form the basis for accounting in accordance with Solvency II and HGB. Various criteria are used here, including product features such as guarantees, underwriting logic, claims settlement patterns and the risk profile of policy holders. For an illustration of the portfolios formed, please refer to the tables on the expected maturity structure of cash flows in Note 50.

Within the portfolios, insurance contracts are divided into three profitability groups and annual cohorts. Contracts in the same group may generally be no more than one year apart in terms of their underwriting date. At the life and health insurance level, the W&W Group does not form annual cohorts for insurance contract groups with direct profit participation, in accordance with the exemption in EU Regulation (EU) 2021/2036 of 19 November 2021. In life and health insurance, insurance contracts are divided into different profitability groups based on the results of profit tests and the initial assessment. Insurance contracts for which the premium calculation or the level of benefits for policy holders with different risk characteristics is subject to legal or regulatory restrictions (e.g. unisex tariffs) are classified in the same profitability groups. In property/casualty insurance, the differentiating features of the various claims profiles and sales channels with varying commission rates are taken into account when dividing contracts into different profitability groups.

Recognition and valuation

The initial recognition of a group of issued insurance contracts takes place at the earliest possible date of the beginning of the coverage period of this GIC or the date of the first premium payment due in the GIC or the date of the first premium payment if there is no due date. The coverage period represents the period during which the company provides insurance contract services and for which premiums are paid within the contract boundaries. For onerous contract groups, initial recognition also takes place at the point in time when it becomes known that the group will become onerous. The initial recognition date for a group of held reinsurance contracts depends on the start of their coverage periods or the initial recognition date of the underlying onerous insurance contracts. Notwithstanding this,

the initial recognition of reinsurance contracts with proportional coverage (such as quota share reinsurance contracts) is deferred to the date on which an underlying insurance contract is recognised for the first time if this date is after the start of the coverage period of the reinsurance contracts concerned.

Under IFRS 17, each group of insurance contracts is generally measured using the general measurement model, also known as the building block approach (BBA). Accordingly, the principles set out below apply equally to initial and reinsurance contracts. Special rules apply to insurance contracts with direct profit participation, for which IFRS 17 provides for a modification of the BBA, known as the variable fee approach (VFA), and to the application of the BBA to held reinsurance contracts, which will be discussed below where applicable. Under certain conditions, an approximation method known as the premium allocation approach (PAA) is also permitted.

Measurement using the general measurement model

The general measurement model of IFRS 17 follows the principle of fulfilling insurance contract obligations. Consistent with the principles of IFRS 15, revenue is recognised on the basis of the services rendered in the respective reporting period. Accordingly, the book value of a GIC, which represents a technical liability at the end of a reporting period, consists of the following measurement components:

- the **liability for remaining coverage**, which comprises the fulfilment cash flows relating to future insurance cover and the contractual service margin (CSM); and
- the **liability for incurred claims**, which reflects the fulfilment cash flows relating to expected costs and claims payments for insurance claims and benefits that have already occurred over the course of the settlement period.

Correspondingly, a technical asset from retained reinsurance consists of the following components:

- the **asset for remaining coverage** and
- the **asset for incurred claims**.

The **settlement value** is determined in the BBA as the present value of expected future cash flows, taking into account an explicit risk adjustment for non-financial risks. When determining expected future cash flows, the W&W Group takes into account all cash flows that are within the contract boundaries and are therefore directly related to the fulfilment of contractual obligations. These include, in particular, payments to policy holders, commission payments and other payments for the purpose of contract fulfilment. The W&W Group also treats cash flows in connection with intermediaries as future cash flows within the insurance contract boundaries in accordance with the IFRS Interpretations Committee (IFRS IC) decision of 12 September 2023. The estimates of cash flows within the contract boundaries also include the cash flows of the investment components. According to IFRS 17, these represent the amounts to which the policy holder is entitled under all circumstances, including the expiry of the contract. Only if there is a scenario with economic substance in which the policy holder does not receive any benefits there is no investment component. In the W&W Group, investment components are only present in the primary insurance contracts of the life insurance business. These are regularly closely related to the underlying insurance contract and are therefore not accounted for separately. In addition, the costs attributable to underwriting must be projected into the future. The cost payment flows used to determine the liability for remaining coverage include future claims settlement, contract administration and acquisition costs. Service commissions are considered separately as part of administrative costs, as are investment management costs for business with direct profit participation. In contrast, provisions for outstanding insurance claims only include provisions for claims settlement costs.

The **risk adjustment for non-financial risks** represents the compensation required to bear the uncertainty arising from non-financial risks relating to the amount and timing of actuarial cash flows in the fulfilment of insurance contracts.

The **contractual service margin** limits the unrealised profit for insurance contracts issued and distributes it over the coverage period in accordance with the basic principle of IFRS 17, depending on the provision of services. The initial recognition of a GIC that is not expected to be loss-making is therefore recognised directly in profit or loss. In contrast, the expected loss from a transaction that is expected to be loss-making at initial recognition is recognised directly in profit or loss. The CSM cannot assume a negative value for insurance contracts issued. In this case, it is recognised in

the balance sheet at a value of zero and a corresponding loss component is formed, which is gradually reduced over the coverage period. In contrast, the CSM in retained reinsurance corresponds to the net costs or net profit initially expected from the reinsurance contract at initial recognition. As part of subsequent measurement, the CSM is adjusted for the effects of new business, changes in the settlement value in relation to future benefits, interest accrual based on the interest rate at the time of initial recognition and, where applicable, the effects of any exchange rate differences. The CSM is then recognised in profit or loss on a pro rata basis for the benefits provided during the reporting period on the basis of the so-called units of coverage.

Further details on the projection of future cash flows and the determination of discount rates, units of coverage and risk adjustments for non-financial risks can be found in the section on the use of judgements and estimates. The valuation of insurance contracts at the date of initial application of IFRS 17 is also explained there.

Valuation using the variable fee approach

The special feature of measurement under the VFA compared to the BBA is the additional adjustment of the CSM for changes in the company's share of the fair value of the underlying benchmarks. This is considered part of the variable fee that the company retains in return for fulfilling its obligations to the policy holder over the coverage period of the insurance contract. The settlement value is determined on a market-consistent basis within the framework of a risk-neutral valuation based on the contractual options and guarantees. Since benchmarks generally generate higher returns, differences arise in relation to the risk-neutral valuation in the VFA. These are taken into account in the CSM in the amount of the company's share, which leads to a systematic increase in the variable fee. In order to appropriately recognise the service provided, the company's share of the expected excess return for the past reporting period is therefore reversed through profit or loss as part of the subsequent measurement.

The benchmarks underlying the contracts with direct profit participation in the W&W Group's life and health insurance business are presented in Note 44 at their fair values. A special constellation exists when the underlying benchmark is an investment in a fully consolidated subsidiary undertaking. The net assets are therefore not measured at fair value in the consolidated financial statements (after consolidation), but result from the measurement of individual assets and liabilities of the subsidiary undertaking in accordance with the relevant IFRS standards. In this case, the fair value of the investment or share in related companies is used as the underlying benchmark. The difference between net assets and the fair value of the investment is recognised in the W&W Group in other comprehensive income, taking into account the so-called other comprehensive income option in accordance with IFRS 17.89(b) (see further explanation of the option under the section Use of judgements and estimates). Valuation inconsistencies resulting from the combined application of IFRS 9 and IFRS 17 are therefore not recognised in the consolidated income statement, but in other comprehensive income.

Valuation using the premium allocation approach

In accordance with IFRS 17, the PAA may be applied as an approximation method to insurance contract groups for the measurement of the liability for remaining coverage if:

- this simplification leads to approximately the same results for the group as the measurement using the BBA, or
- the coverage period of each contract in the group does not exceed one year.

When using the PAA, the liability for remaining coverage is simplified and reported via the provision for unearned premiums.

Application of the valuation approaches described above in the W&W Group

In the W&W Group, insurance contracts issued in the life and health insurance segments are almost exclusively measured in accordance with the VFA regulations, as these are classified as directly profit-participating business. The PAA is applied in health insurance to a portfolio of short-term contracts in primary insurance and in the reinsurance segment. The reinsurance business in the life insurance sector is valued using the BBA. In the property/casualty insurance sector, insurance contracts issued with a term of several years are generally valued using the BBA. With a few exceptions permitted by the standard, the primary insurance and reinsurance contracts valued using the PAA have a coverage period of one year or less.

Leasing

Leasing is a contract or part of a contract that entitles the lessee to use an asset for a specified period of time in return for payment. At the start of the contract, it must be assessed whether the contract establishes or includes a lease. This is the case if the contract entitles the lessee to control the use of an identified asset for a specified period of time in return for payment.

IFRS 16 does not apply to intangible assets.

W&W Group as tenant

An asset for the right of use granted and a lease liability are generally recognised in the consolidated balance sheet at the same amount on the commitment date. The capitalised rights of use are measured according to the same principles as other similar assets owned by the W&W Group.

The fair value model is applied to rights of use within investment property in life and health insurance. According to this model, annual changes in fair value are recognised in profit or loss in the valuation output. There is no scheduled impairment. If the lease liabilities already recognised separately are not taken into account in the valuation of investment property held by a tenant, they are added to determine the book value of the investment property.

All other capitalised rights of use are subjected to systematic impairments until the end of the contract in accordance with the acquisition cost model and tested for impairment at each reporting date. If the recoverable amount is lower than the book value of the right of use, an impairment loss is recognised. If the reasons for recognising an impairment loss no longer apply, a review is carried out to determine whether the impairment loss should be reversed. Scheduled impairments and impairment losses are recognised in the sub-item Impairments in general administrative expenses.

Lease liabilities are measured at amortised cost using the effective interest rate method. For this purpose, the present value is determined on the basis of the lease payments not yet made for the right to use the underlying asset by discounting the lease payments at the interest rate underlying the lease. As this interest rate cannot be readily determined, the company's own marginal borrowing rate is used. This is determined on the basis of an alternative borrowing in the form of an observable yield over a period corresponding to the maturity of the respective lease. In addition, the tenant's credit risk is taken into account in the interest rate, taking into consideration the maturity and credit rating.

Lease payments are divided into financing costs and repayment portions, with the financing costs being recognised in the current financial result (as interest expenses in the interest result). The repayment reduces the financial liability.

The W&W Group reports its rights of use in the same balance sheet item as its own underlying assets, i.e. under tangible assets and under investment property.

Lease liabilities are reported as a separate sub-item under liabilities in the consolidated balance sheet.

Short-term leases with a maturity of up to one year and leases where the underlying asset is of low value are recognised as administrative expenses in the profit and loss account on a straight-line basis over the maturity of the respective lease.

W&W Group as lessor

Each lease is classified by the lessor as either an operating lease or a finance lease. The classification is made at the beginning of the lease and is only reassessed if there is a change in the lease.

The lessor classifies a lease as a finance lease if substantially all the risks and rewards related to ownership are transferred to the tenant. The leased asset held at the time the contract is entered into is derecognised and a receivable from the tenant in the amount of the net investment in the lease is recognised under other receivables. Lease payments are allocated between repayment of the receivable and finance income. The derecognition and impairment requirements of IFRS 9 are applied to the receivable.

If the lessor classifies a lease as an operating lease, the assets underlying the lease are capitalised in the corresponding balance sheet item, depending on the characteristics of these assets. Income from operating leases is generally recognised on a straight-line basis over the lease term in the item Other current income. Costs, including impairments, incurred in connection with operating leases are recognised as expenses in the item Other current income in the consolidated income statement. The depreciation rates for depreciable leased assets correspond to those of similar assets. Capitalised leased assets are reviewed for impairment at each reporting date. If the reasons for recognising an impairment loss no longer exist, a review is carried out to determine whether the impairment loss should be reversed.

Disclosures concerning selected items in the consolidated balance sheet

Cash and cash equivalents

This item includes cash on hand, current account deposits with credit institutions that are available at any time without notice period, and balances with central banks and foreign postal giro offices with a maturity of less than three months. These items are measured at amortised cost.

Non-current assets held for sale and discontinued operations

A non-current asset is classified as held for sale if its book value is expected to be recovered principally through a sale transaction rather than through continuing use.

These assets are reported in the balance sheet under the item Non-current assets held for sale and discontinued operations. Related liabilities are reported in the balance sheet under the item Liabilities from non-current assets held for sale and discontinued operations. Expenses and income from individual assets or disposal groups held for sale are not reported separately in the profit and loss account, but are included in the normal items.

Non-current assets classified as held for sale are measured at the lower of their book value and fair value less the cost of disposal. If the book value exceeds the fair value less the cost of disposal, the difference is recognised as an expense in the period in which it arises. No scheduled impairment is recognised for assets held for sale.

The cost of disposal is the additional cost directly attributable to the disposal of an asset (a disposal group), with the exception of financing costs and income tax expenses.

The classification criteria as held for sale are only considered to be met if the sale is highly probable and the asset or disposal group is immediately saleable in its current condition. In principle, it can be expected that the planned sale will take place within one year of the date of classification.

Financial assets at fair value through profit or loss

In the W&W Group, this item is mainly composed of equity instruments, fund units and capital investments for the account and risk of life insurance policyholders. In addition, this item includes the positive market values of derivative financial instruments that are not accounted for as hedging instruments under hedge accounting. Overall, these are financial assets that are assigned to the „Other/Trading“ business model or correspond to the „Holding“ or „Holding and Selling“ business models and do not pass the SPPI test.

Initial recognition and subsequent measurement are at fair value. Changes in fair value and currency translations are recognised in the valuation output, interest components in the current financial result and transaction costs in the commission result.

Financial assets at fair value through other comprehensive income

In the W&W Group, this item is primarily composed of bearer bonds, subordinated bonds, debenture bonds and registered bonds. These debt instruments are assigned to the „hold and sell“ business model and meet the SPPI criteria.

They are initially recognised at fair value plus or minus directly attributable transaction costs. Fees that are not part of the effective interest rate are recognised in the commission result at the time they are received. In subsequent measurements, changes in fair value are recognised in other comprehensive income without affecting profit or loss. At the same time, risk provisions for expected credit losses, as described in the section on risk provision (expected credit loss), are recognised and reversed in other comprehensive income with an effect on profit or loss. Transaction costs, premiums and discounts are amortised using the effective interest method. Interest components are recognised in the current financial result, while currency effects are recognised in the valuation output. The recycling of changes in value recognised in equity is recognised in the result from disposals when the debt instrument is disposed of.

Financial assets at amortised cost

In the W&W Group, this item mainly includes debt instruments that are assigned to the „hold“ business model and meet the SPPI criteria. This includes building loans with a focus on secured construction financing loans for retail customers as well as bearer bonds, debenture bonds and registered bonds. Other receivables are also included. These mainly comprise receivables from credit institutions, customers and affiliated companies, as well as financial receivables that were made in the context of non-management-related business and are generally reimbursed within twelve months.

The acquisition cost at the time of acquisition corresponds to the fair value plus or minus transaction costs directly attributable to the acquisition or issue. Fees that are not part of the effective interest rate are recognised in the commission result at the time they are received. In addition, an impairment loss for expected credit losses is recognised in profit or loss in accordance with the section on risk provision (expected credit loss). In subsequent measurement, the acquisition costs are amortised through profit or loss using the effective interest rate method to recognise the transaction costs, premiums and discounts. Interest components are presented in the current financial result, while foreign currency expenses and income are recognised in the valuation output.

This item also includes the asset-side portfolio hedge adjustment. This represents a carrying amount adjustment resulting from the interest rate-induced measurement of financial assets hedged under the portfolio fair value hedge at amortised cost in accordance with IAS 39. Further details are provided in the section on hedge accounting.

Positive market values from hedges

This item includes the positive market values of derivative financial instruments that are recognised as hedging instruments in hedge accounting. Initial recognition and subsequent measurement are carried out at fair value in accordance with the specific rules for hedge accounting (see the relevant section).

Technical assets

The insurance assets on the asset side of the balance sheet comprise portfolios of insurance contracts that represent assets from the perspective of the W&W Group as at the reporting date, with insurance contracts issued and held reinsurance contracts being reported separately.

For the accounting principles applicable to technical assets, please refer to the section on principles for the recognition, measurement and disclosure of insurance contracts.

Investment property

The item Investment property comprises land and buildings as well as rights of use from leases (see the section on leasing) that are held to generate rental income and/or for the purpose of increasing their value.

Investment property is measured at cost upon acquisition. For subsequent measurements, the fair value model is applied to all investment property in life and health insurance. Accordingly, annual changes in the fair value of the properties are recognised in profit or loss as a valuation output. No scheduled impairment is recognised.

Investment properties held by Group companies outside of life and health insurance continue to be measured at cost, less scheduled impairments based on usage and, where applicable, impairment losses (cost model).

Each part of a property with a significant acquisition value in relation to the value of the entire property is subject to separate scheduled impairments. A distinction is made between at least the shell and interior/technical components.

The individual useful lives of the shell and interior/technical components are estimated by architects and engineers from the real estate division of the W&W Group and amount to a maximum of 80 years (previous year: 80) for residential properties and a maximum of 50 years (previous year: 50) for commercial properties. A maximum useful life of 25 years (previous year: 25) is assumed for the interior construction/technical systems component.

The scheduled impairment of the two components, shell construction and interior fittings/technology, is calculated on a straight-line basis over the expected remaining useful lives. The rights of use of investment properties are impaired on a straight-line basis over the expected useful life of up to 99 years (previous year: 99 years). The expected useful life corresponds to the term of the contract.

The impairment test for investment property that is not measured at fair value is carried out in two steps. First, an assessment is made at the reporting date to determine whether there are any indications of impairment. If this is the case, the estimated recoverable amount is then determined as the net selling price (fair value less the cost of disposal). If this value is below the amortised cost, an impairment loss is recognised in the corresponding amount. In addition, an assessment is made at the reporting date as to whether there are any indications that an impairment loss recognised in previous periods for a property no longer exists or may have decreased. If such an indication exists, the recoverable amount is also determined and, if necessary, the book value is adjusted to the recoverable amount, taking into account the amortised cost. Impairment losses or reversals of impairment losses on investment properties are recognised in the consolidated income statement under valuation output.

The measurement procedure for determining the fair value of investment properties is based primarily on a discounted cash flow method with detailed planned cash inflows and outflows. Significant unobservable input parameters are used in this process.

As part of the determination of fair value, the expected future cash inflows (rent, other income) and cash outflows (maintenance, non-allocable operating costs, vacancy costs, re-letting costs) are planned in detail for a ten-year forecast period.

Inflows and outflows are considered individually, i.e. each rental agreement and each construction measure is planned separately. Similarly, vacancy periods, brokerage costs, etc. in the commercial sector are calculated separately for each

rental unit. For residential properties, market-based assumptions about changes in the average rents of all residential units over are used as a basis for the forecast period; due to the similarity of the rental units, individual planning is generally not carried out.

In particular, the following significant unobservable input parameters are used:

- The adjusted capitalisation rate is the interest rate on a risk-free financial investment plus a risk premium. The risk premium for properties ranges between 209 (previous year: 210) basis points (e.g. for residential properties in prime locations) and 580 (previous year: 597) basis points (e.g. for retail locations without recognisable advantages/strengths). This results in an adjusted capitalisation rate of between 4.84% (previous year: 4.35%) and 8.55% (previous year: 8.22%), although there may be deviations from this interest rate range in individual cases due to specific property or location characteristics.
- An inflation rate of 2.50% p.a. (previous year: 2.50%) is used to determine the rent increase or change in average rents during the forecast period. On this basis, a property-specific and contract-compliant forecast of rent development is made for commercial properties, depending on the location, the site, the age of the building and the type of use. For residential properties, the expected change in local comparative rents is used as a basis. In addition, for newly let residential properties, an assumption regarding the frequency of tenant changes per annum is taken into account based on empirical values. In the residential properties segment, an average expected rent increase of between 1.00% (previous year: 1.00%) and 2.75% (previous year: 2.75%) per annum is assumed.

The initial valuation of investment properties is carried out with the involvement of external appraisers. Ongoing valuations are carried out by commercial and technical staff (portfolio managers, controllers, architects and engineers) from the real estate department. Management assumptions are taken into account in the valuation. For real estate investments under external management, fair value is determined regularly by external appraisers.

The fair values of the properties of Group companies outside of life and health insurance reported in the notes to the consolidated financial statements are basically determined using the procedure described above.

Financial liabilities at fair value through profit or loss

This item includes the negative market values of derivative financial instruments that are not recognised as hedging instruments under hedge accounting.

Changes in fair value and results from currency translation are recognised in the valuation output, while interest components are recognised in the current financial result.

Liabilities

This item includes financial liabilities from the measurement category measured at amortised cost. These are mainly liabilities to customers, liabilities evidenced by certificates and liabilities to credit institutions. The acquisition cost at the time of acquisition corresponds to the fair value plus or minus transaction costs directly attributable to the acquisition or issue. In subsequent measurement, the book value is amortised through profit or loss using the effective interest method to recognise the transaction costs, premiums and discounts. Interest components are presented in the current financial result. Fees that are not part of the effective interest rate are recognised in the commission result at the time of receipt.

This item also includes lease liabilities, which are initially recognised at the present value of the lease payments not yet made at that point in time. Subsequent measurement is at amortised cost plus interest expense and less the repayment portion of the lease payments made.

Furthermore, the liability-side portfolio hedge adjustment is presented under this item. This is a carrying amount adjustment resulting from the interest-induced measurement of financial liabilities designated as part of the portfolio fair value hedge in accordance with IAS 39. Further details are provided in the section on hedge accounting.

Negative market values from hedges

This item includes the negative market values of derivative financial instruments that are recognised as hedging instruments in hedge accounting. Initial recognition and subsequent measurements are carried out at fair value in accordance with the specific rules for hedge accounting (see the relevant section).

Technical liabilities

The insurance liabilities on the liabilities side of the balance sheet comprise portfolios of insurance contracts that represent liabilities from the perspective of the W&W Group as at the reporting date, with insurance contracts issued and held reinsurance contracts being reported separately.

For the accounting principles applicable to technical liabilities, please refer to the section on principles for the recognition, measurement and disclosure of insurance contracts.

Other provisions

Provisions for pensions

The W&W Group's occupational pension scheme takes the form of both defined contribution and defined benefit plans. Prior to the restructuring of the company pension scheme in 2002, all employees of the Wüstenrot companies (Wüstenrot Bausparkasse AG, Wüstenrot Immobilien GmbH, Wüstenrot Haus- und Städtebau GmbH and Gesellschaft für Markt- und Absatzforschung mbH) were granted defined benefit pension commitments. At Württembergische Versicherung AG, Württembergische Lebensversicherung AG and Württembergische Krankenversicherung AG, defined contribution plans (Württembergische pension fund) were granted as basic provision. In addition, managers and members of the Executive Board or managing directors received defined benefit plans. At Wüstenrot & Württembergische AG, W&W Informatik GmbH and W&W Asset Management GmbH, both defined benefit and defined contribution plans were granted. The various defined benefit plans within the Group are predominantly salary- and length of service-dependent and are partly structured as fixed-amount commitments. For new entrants between 2002 and 2017, basic pension provision is financed uniformly across the Group via ARA Pensionskasse AG (defined contribution plans). For new hires from 2018 onwards, the basic pension provision is implemented uniformly across the Group via direct insurance policies with Württembergische Lebensversicherung AG (defined contribution plans). Until 2019, executives and members of the Executive Board or Managing Directors received pension commitments (defined contribution plans) that are reinsured by ARA Pensionskasse AG. For new hires from 2020 onwards, members of the Executive Board and managing directors receive insurance-linked pension commitments (defined contribution plans) that are reinsured by Württembergische Lebensversicherung AG. In addition, all employees have the option of receiving a pension commitment in the form of a capital commitment by converting future earnings, which is reinsured by Württembergische Lebensversicherung AG. Furthermore, since 2020, full-time representatives of Württembergische Versicherung AG have been offered insurance-linked pension commitments (defined contribution plans) that are reinsured by Württembergische Lebensversicherung AG.

Obligations arising from pension commitments are measured using the single premium method on the basis of actuarial reports. This takes into account both the pensions and acquired entitlements known on the reporting date and the expected future increases in salaries and pensions. In accordance with IAS 19.83, the interest rate for the measurement of pension provisions is to be determined at each reporting date on the basis of the yields on senior fixed-interest industrial bonds. The currency and terms of the underlying industrial bonds must correspond to the currency and expected maturities of the obligations to be fulfilled.

Actuarial gains and losses from experience adjustments and changes in actuarial assumptions are recognised in the reserve for pension commitments after taking deferred taxes into account in the period in which they arise and are included in other comprehensive income.

Expenses and income from pension commitments are reported in the consolidated income statement under personnel expenses (service cost). The service cost to be accounted for retrospectively is recognised immediately in full in personnel expenses.

The assets carried over to an external pension fund represent plan assets, which are offset against existing defined benefit obligations at their fair value.

Provisions for other long-term employee benefits

Other long-term employee benefits include, in particular, commitments for early retirement, partial retirement agreements, the granting of benefits on the occasion of service anniversaries and other social benefits. Actuarial gains and losses arising in connection with the accounting for other long-term employee benefits are recognised in profit or loss.

For information on the corresponding discount rates, please refer to Note 19.

Miscellaneous provisions

Miscellaneous provisions are measured and recognised at the expected settlement amount if there are legal or constructive obligations to third parties based on past transactions or events, and the outflow of resources is probable. The settlement amount is determined on the basis of the best possible estimate. Other provisions are recognised if they can be reliably determined. They are not offset against reimbursement claims. The obligations determined are discounted at market interest rates that correspond to the risk and the period until settlement, provided that the resulting effects have materiality.

Provisions for restructuring are recognised if a detailed formal restructuring plan has been approved and the material restructuring measures contained therein have been publicly announced or the implementation of the restructuring plan has already begun.

Provisions for the reimbursement of closing fees are recognised if, based on certain contractually agreed criteria (e.g. loan waiver), home loan savings contracts give rise to an obligation to reimburse the closing fees to building society customers. Assuming the maximum claim for reimbursement of closing fees earned up to the reporting date in the event of loan forgiveness by building society customers, a present value calculation is performed on the basis of a probability-oriented update of statistical data from the past, which represents the best possible estimate of the current obligation. Uncertainties in determining the future amount of the obligation arise in particular from the assumptions made regarding the input parameters used, such as statistical data, termination behaviour or the loan waiver rate.

Provisions for interest bonus options are recognised as liabilities if the home loan savings contracts concluded contain an obligation to pay interest bonuses to building society customers. Based on the bonus entitlements earned up to the reporting date that could potentially be paid out, a present value calculation is performed on the basis of a probability-oriented projection, which represents the best possible estimate of the current obligation. Uncertainties in determining the future amount of the obligation may arise primarily from the assumptions made regarding the input parameters used, such as termination behaviour or bonus utilisation behaviour.

Other provisions include, for example, provisions for anticipated losses from pending transactions, which are recognised when a pending transaction results in an excess liability.

There are no assets for expected reimbursements in connection with other provisions recognised in the balance sheet.

Subordinated capital

Subordinated liabilities and profit participation capital are combined in subordinated capital. Subordinated capital is initially recognised at fair value. The acquisition cost at the time of acquisition corresponds to the fair value plus or minus transaction costs directly attributable to the acquisition or issue. Fees that are not part of the effective interest rate are recognised in the commission result at the time of receipt. In subsequent measurement, the balance sheet item is amortised through profit or loss using the effective interest rate method to recognise the transaction costs, premiums and discounts. Interest components are presented in the current financial result.

Equity

This item comprises paid-in capital, generated capital and non-controlling interests in equity.

Paid-in capital consists of subscribed capital and capital reserves. Subscribed capital consists of fully paid-up registered shares with no par value. Outstanding contributions to subscribed capital must be deducted from the latter. Capital reserves are calculated from the premium (agio) achieved on the issue of shares in excess of their calculated value.

Generated capital consists of retained earnings and other reserves. Retained earnings comprise statutory reserves and retained earnings. Other reserves include

- the reserve for financial assets measured at fair value through other comprehensive income,
- the reserve from financial assets accounted for using the equity method,
- the reserve from technical financial income or expenses (IFRS 17 OCI option) and
- the reserve for pension commitments.

The reserve for financial assets measured at fair value through other comprehensive income includes unrealised gains and losses from the measurement of financial assets measured at fair value through other comprehensive income. The reserve for financial assets accounted for using the equity method includes unrealised gains and losses from the measurement of financial assets accounted for using the equity method. The reserve for technical financial income or expenses comprises those amounts that, after allocation of technical financial income or expenses, are recognised in the consolidated income statement as a portion recognised in profit or loss and as a portion recognised in other comprehensive income in accordance with the IFRS 17 OCI option. For a more detailed explanation of the IFRS 17 OCI option, please refer to the section on the use of judgements and estimates. The reserve for the pension commitment comprises the actuarial gains and losses from defined benefit plans.

The aforementioned components of other reserves are recognised taking deferred taxes into account.

Non-controlling interests in equity comprise the shares of non-Group third parties in the equity of subsidiary undertakings.

Other balance sheet items

Intangible assets

Software, brand names, copyrights and other intangible assets are allocated to the item Intangible assets. An intangible asset exists if the following requirements are met: (a) existence of an asset, (b) identifiability of the asset, (c) no physical substance and (d) non-monetary nature.

All intangible assets have a limited useful life and are measured at amortised cost (cost model) and amortised on a straight-line basis over their estimated useful life. An unscheduled impairment loss must be recognised if, in accordance with IAS 36, the recoverable amount is lower than the book value. The recoverable amount is the higher of value in use or fair value less the cost of disposal.

Software developed in-house that is likely to generate future economic benefits for the Group and can be measured reliably is capitalised at its production cost and subject to straight-line impairments over its estimated useful life. The production costs of internally developed software include all directly attributable costs necessary to develop, produce and prepare the asset so that it is ready for its intended use.

Research and development costs that are not subject to capitalisation are treated as expenses for the period. If the acquisition or production of software extends over a period of more than one year, the directly attributable borrowing costs incurred until completion are capitalised as part of the production costs of the qualifying asset.

Software developed in-house or purchased is generally impaired on a straight-line basis over a period of three to five years (previous year: three to five years). Standard software in particular is sometimes used beyond this period. This continues until a product undergoes a material extension or re-licensing or can no longer be used for technical reasons.

Brand names are depreciated on a straight-line basis over a useful life of 20 (previous year: 20) years, and other acquired intangible assets are depreciated on a straight-line basis over a maximum useful life of 15 (previous year: 15) years.

Scheduled depreciation and impairment losses on intangible assets are recognised in general administrative expenses under the item „Depreciation and amortisation“.

Tangible assets

Tangible assets include owner-occupied properties, operating and office equipment, and rights of use from leases. The W&W Group reports rights of use in the same balance sheet item in which its own underlying assets are reported.

Own-use properties comprise land and buildings used by Group companies.

Own-use property (including rights of use) in life and health insurance, which is based on insurance contracts with direct profit participation as a benchmark, is measured in accordance with IAS 16.29A using the fair value model in accordance with IAS 40. For the purposes of this option, insurance contracts also include investment contracts with discretionary profit participation.

All other tangible assets are measured using the cost model at acquisition or production cost, less scheduled impairments based on usage and, where applicable, impairment losses.

Own-use property is measured using the same measurement methods as those used for investment property. Reference is therefore also made to the corresponding explanations. Rights of use for own-use property outside of life and health insurance are subject to straight-line impairments over a period of up to twelve (previous year: twelve) years.

Operating and office equipment is depreciated on a straight-line basis over its estimated useful life. The useful life is generally up to 13 years (previous year: 13), but in individual cases may also be up to a maximum of 50 years (previous year: 50). Purchased EDP equipment is subject to straight-line impairments over an estimated useful life of generally up to a maximum of seven years (previous year: seven).

The economic useful life is regularly reviewed in the course of preparing the financial statements. Any adjustments to be made are recognised as a correction to the scheduled impairment over the remaining useful life of the respective asset.

At each reporting date, the asset is also reviewed for indications of impairment. If this is the case, the recoverable amount is determined by comparing the book value with the recoverable amount (higher of fair value less the cost of disposal and value in use). If a tangible asset does not generate cash inflows that are largely independent of the cash inflows from other tangible assets or groups of tangible assets, the impairment test is not performed at the level of the individual tangible asset, but at the level of the cash-generating unit to which the tangible asset is allocated. If an impairment loss has to be recognised, it corresponds to the amount by which the book value exceeds the lower recoverable amount of the tangible assets or, if applicable, the cash-generating unit. If the fair value less cost of disposal cannot be determined, the recoverable amount corresponds to the value in use. The value in use is determined as the present value of the projected cash flows from continued use. As soon as there are indications that the reasons for any impairment loss no longer exist, a review is carried out to determine whether the impairment loss should be reversed.

Scheduled impairment and impairment losses on owner-occupied property outside of life and health insurance and operating and office equipment are recognised in general administrative expenses under the item Impairments and amortisation.

Inventories

Inventories are measured and recognised at the lower of cost and net realisable value.

Production costs are determined on the basis of direct costs and directly attributable overheads. The amount of production costs is determined by the costs incurred up to the point of operational completion (production-related full cost approach). The acquisition or production costs of non-replaceable and special inventories are determined by individual allocation. Certain acquisition or production costs of replaceable inventories are determined using the first-in, first-out (FIFO) method or the average method.

The net realisable value corresponds to the estimated sales proceeds achievable in the normal course of business, less estimated completion and distribution costs.

Current tax assets, deferred tax assets, current tax liabilities and deferred tax liabilities

Current tax assets and liabilities are recognised at the amount that is most probable or corresponds to the expected value. Deferred tax assets and liabilities are recognised on the basis of temporary differences between the carrying amounts of assets and liabilities in the consolidated balance sheet in accordance with IFRS and the tax balance sheet values in accordance with local tax regulations of the Group companies. Deferred taxes are calculated using the respective country-specific tax rates that are valid or announced on the reporting date. Deferred taxes are recognised for tax loss carryforwards if their future usability is probable according to planning calculations. The recoverability of deferred tax assets arising from temporary differences and loss carryforwards is reviewed at each reporting date. Deferred tax assets and deferred tax liabilities are reported on a net basis. Deferred tax assets and deferred tax liabilities relating to OECD Pillar 2 are not recognised.

In connection with the „Act on an Immediate Tax Investment Programme to Strengthen Germany as a Business Location“, which, among other things, provides for a reduction in corporation tax by one percentage point per annum from 2028 to 10% in 2032, deferred tax items are measured taking into account the tax rates applicable at the time of the expected reversal of the temporary differences. The effect on expenses in the 2025 financial year amounts to around €38 million. In addition, there is an effect on equity in other comprehensive income of around €38 million that does not affect profit or loss.

Off-balance-sheet business

Irrevocable loan commitments

Irrevocable loan commitments are firm commitments under which the W&W Group must provide loans on predetermined terms. They are stated at their nominal value. If, as at the reporting date, a contractual obligation to a third party is likely to result in an excess liability, a provision is recognised in the balance sheet item Other provisions.

Risk provisions for loan commitments are determined in accordance with the provisions of IFRS 9. Accordingly, an impairment loss for expected credit losses for off-balance sheet business is recognised as an expense under Other provisions. Further details can be found in the section on risk provisions (Expected Credit Loss).

Contingent liabilities

Contingent liabilities are, on the one hand, possible obligations resulting from past events whose existence is conditional on the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of the W&W Group.

On the other hand, contingent liabilities are present obligations based on past events but not recognised because either the outflow of resources with economic benefits associated with the settlement of the obligation is not probable or because the amount of the obligation cannot be estimated with sufficient reliability.

Contingent liabilities are not recognised in the balance sheet.

If the outflow of resources is not improbable, information on these contingent liabilities is provided in the notes to the consolidated financial statements (Note 57 Contingent assets, contingent liabilities and other commitments). If contingent liabilities are assumed in the context of business combinations, they are recognised in the balance sheet at fair value at the acquisition date.

Fiduciary transactions

Fiduciary transactions are generally characterised by a trustee acquiring property, assets or receivables in their own name on behalf of the trustor and managing the trust property in the trustor's interests and in accordance with their instructions. The trustee acts in their own name on behalf of a third party.

Fiduciary assets and liabilities are reported off-balance sheet in the notes. For details of the type and scope of fiduciary assets and liabilities within the W&W Group, please refer to the detailed presentation in Note 40 Fiduciary transactions.

Disclosures concerning selected items in the consolidated income statement

Financial result

The financial result of the W&W Group comprises the following components:

- current financial result (including net interest income, dividends),
- result from risk provision,
- valuation output,
- the result from disposals
- technical financial result (net).

The current financial result includes interest income and expenses, dividend income, income from financial assets accounted for using the equity method and income from investment property. Interest income and expenses in the IFRS 9 categories 'Financial assets measured at amortised cost' and 'Financial assets at fair value through other comprehensive income' are recognised on an accrual basis using the effective interest rate method.

The net income from risk provision includes all income and expenses relating to lending, securities trading and other business.

The following gains and losses are recognised in the valuation result:

- Valuation gains and losses on financial assets and liabilities measured at fair value through profit or loss, such as equity securities, investment fund units, derivative financial instruments and fixed-income financial instruments that do not pass the SPPI test.
- Interest-induced valuation gains and losses on building society provisions measured at present value.
- The results from hedges include the results from underlying and hedging transactions of fair value hedges. In addition, the effects on profit or loss from the ineffective portion of the hedge and from the reversal of the cash flow reserve are recognised here.
- Impairments/reversals of impairment losses on financial assets accounted for using the equity method.
- Impairments/reversals of impairment losses on investment property.
- Foreign exchange gains and losses on all financial instruments and all other capital investments from valuation and disposal are recognised in the currency results.

Gains and losses on disposal of all financial assets and liabilities not measured at fair value through profit or loss and all other capital investments are reported in the result from disposals (assets measured at amortised cost, assets measured at fair value through other comprehensive income, assets accounted for using the equity method, investment property outside of life and health insurance, receivables, liabilities and subordinated capital). In accordance with IFRS 9, financial assets must be remeasured at the time of derecognition. As a result, all gains and losses arising from the derecognition of financial assets measured at fair value through profit or loss are generally recognised in the valuation output.

The net technical financial result includes technical financial income or expenses from insurance contracts issued (gross) and from held reinsurance contracts. These result from the effects of the time value of money and financial risks, as well as from changes in these factors. For insurance contracts with direct profit participation, the amount that eliminates valuation inconsistencies with the expenses and income of the underlying benchmarks reported in the income statement is also reported in the technical financial result. Both this amount for insurance contracts with direct profit participation and the effects attributable to changes in financial assumptions from insurance contracts without direct profit participation are determined in accordance with the other comprehensive income option. The OCI option is described in more detail in the section on judgements.

The financial result does not include any costs for the management of the financial instruments contained therein. These costs are reported under commission and general administrative expenses. For insurance contracts with direct profit participation, the expenses for the management of capital investments are included in the technical result.

Technical result (net)

The technical result (net) comprises technical expenses and income from insurance contracts issued and the net result from reinsurance contracts held.

Technical income is reported as changes in the liability for remaining coverage in relation to benefits paid during the reporting period. These changes comprise

- the technical expenses expected for the period, excluding investment components,
- changes in the risk adjustment for non-financial risks in relation to benefits provided in the current period,
- the pro rata release of the contractual service margin (CSM) recognised in profit or loss over the coverage period, and
- other changes, including experience adjustments relating to premiums that do not relate to future benefits.

In addition, the portion of the premium used to amortise acquisition costs is recognised within technical income.

Technical expenses include incurred claims during the reporting period, excluding investment components paid out and other technical expenses, as well as the amortisation of acquisition costs. In addition, technical expenses include changes in the provision for incurred but not reported insurance claims, which comprises the settlement value in relation to past benefits, losses from groups of loss-making contracts and reversals of such losses.

Commission result

The commission result includes commission income and expenses, unless these are taken into account in the calculation of the effective interest rate.

Commission income and expenses result in particular from banking/building society and investment business or consulting/brokerage activities (excluding insurance business). Commission expenses are recognised at the time the service is received. Expenses for the conclusion and management of insurance contracts are reported within the technical result (see Note 30). Commission income from the conclusion of building society contracts is recognised in profit or loss at the time the service is provided in accordance with IFRS 9.

Commission income from banking/home loan savings business, advisory/brokerage activities (excluding insurance business) and investment business is recognised as revenue from contracts with customers in accordance with IFRS 15 (see Note 54). Such revenue arises when it is based on the provision of services to customers, whereby the service is an end result of ordinary business activities. Revenue is recognised when existing performance obligations are fulfilled by transferring control over the subject matter of the contract or the service.

General administrative expenses

General administrative expenses in the W&W Group comprise personnel expenses and materials expenses as well as scheduled depreciation and impairment losses on tangible assets and intangible assets.

The allocation of the W&W Group's expenses to material and personnel expenses is based on the principles of the total cost method.

Expenses of insurance undertakings that are included in this item and at the same time are included in the technical result as components due to their insurance-related nature are reported as deductions attributable to the technical result. These are expenses for the administration of insurance contracts, the management of capital investments (insofar as business measured according to the variable fee approach (VFA) is concerned), the conclusion of insurance contracts and the settlement of insurance claims, surrenders and refunds.

Other operating result

Other operating income includes income and expenses from real estate management and urban development. A material component of this is the property development business. Income from this business is recognised on a period-based basis in accordance with the progress of performance, which is measured by the respective construction progress of the residential units already bound by purchase agreements, and taking into account the contractually agreed advance payments received. Furthermore, in accordance with IAS 2, the associated residential units under construction or not yet handed over to customers are recognised under inventories at the acquisition and production costs incurred and derecognised against other operating expenses in line with revenue recognition. This also includes changes in inventories from the property development business and other expenses and income from real estate and urban development services.

In addition, expenses and income from the addition and reversal of provisions, income and expenses for disposals, including owner-occupied properties, tangible assets and intangible assets, as well as other income and expenses are included.

Income taxes

Actual income taxes are calculated based on the respective national tax results and regulations for the financial year. In addition, the actual taxes reported in the financial year also include adjustment amounts for probable tax payments or refunds for periods that have not yet been finally assessed. Uncertain tax treatments are taken into account by determining the amount from the most probable value or the expected value of tax refunds or tax claims.

Income tax expense or income is reported in the consolidated income statement as income taxes and broken down into current and deferred taxes in the notes (Note 34).

The W&W Group is generally affected by the OECD Pillar 2 regulations, which came into force on 1 January 2024. Wüstenrot & Württembergische AG, Kornwestheim, is to be regarded as the ultimate parent company within the meaning of the regulations. Income taxes relating to OECD Pillar 2 are reported in the notes (Note 34).

Disclosures concerning the cash flow statement

For the Group's consolidated cash flow statement, all cash flows are assessed on the basis of the business models of the various Group units – primarily the business models of the home loan and savings banks and insurance undertakings – to determine the extent to which they are attributable to operating activities or arise from investing or financing activities.

Cash flow from operating activities mainly includes all payments from lending and deposit business as well as insurance business from insurance contracts issued and reinsurance contracts held. It also includes tax payments and cash flows from receivables and liabilities from the Group's operating business.

Cash flow from investing activities includes cash inflows and outflows from investments in intangible assets and tangible assets for both the building society business and all insurance business. Investments in capital investments result in cash inflows and outflows from mortgage lending by insurance companies, real estate investments, shares and participations or assets accounted for using the equity method, various investment funds, fixed-income securities, registered bonds and debenture bonds. Strategic investments in non-consolidated subsidiary undertakings and other business units also generate cash flows that are attributable to cash flow from investing activities.

Cash flow from financing activities includes cash flows resulting from transactions with the shareholders of the parent undertaking and non-controlling interests in the equity of subsidiaries. , cash flow from financing activities also includes cash flows resulting from subordinated bonds issued for corporate financing and payments to settle lease liabilities of consolidated companies.

Overall, the consolidated cash flow statement is of little significance for the Group. It is not used for liquidity and financial planning or for management purposes.

Currency translation

The functional currency and reporting currency of W&W AG is the euro.

Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Monetary assets and liabilities that differ from the functional currency of the respective Group companies are translated into the functional currency at the reference rate of the European Central Bank (ECB) on the reporting date. Non-monetary items that are measured at fair value are also translated into the functional currency at the ECB reference rate on the reporting date. Other non-monetary assets and liabilities are measured at the exchange rate on the date of the transaction (historical exchange rate).

Translation differences arising from monetary items are generally recognised in the consolidated income statement. For non-monetary items measured at fair value, translation differences are recognised in line with their valuation outputs.

Utilization of discretionary judgements and estimates

Exercise of discretionary judgement in applying accounting policies

The application of accounting policies is subject to various discretionary decisions by management, which can have a material impact on W&W's consolidated financial statements. Discretion is exercised in relation to the application of hedge accounting rules in accordance with IAS 39 and in relation to assets held for sale.

Management also exercises discretion in the application of accounting policies in that the cost model is applied to tangible assets, including owner-occupied properties outside of life and health insurance. In contrast, owner-occupied properties in life and health insurance are measured using the fair value model.

Furthermore, a discretionary decision is made when applying accounting policies for investment property. In life and health insurance, these are measured using the fair value model. For investment property held outside life and health insurance, the cost model is applied.

In connection with determining control of certain public funds, discretionary decisions are sometimes necessary to determine the role of the external fund manager as principal or agent. In these cases, the contractual provisions are used to assess whether the external fund manager is to be classified as principal or agent. Material indicators used to assess the consolidation requirement include the decision-making power of the fund manager, including any participation rights of investors, the existing termination rights of investors with regard to the fund manager and their structure, and the extent of participation in the fund's performance, particularly through the holding of shares.

When accounting for leases, the determination of the maturity of the respective lease is subject to judgement, particularly in the case of open-ended contracts for leased properties. To determine the maturity of open-ended contracts, a period is estimated during which termination would be uneconomical for the tenant.

In connection with the accounting for financial instruments in accordance with IFRS 9 and the accounting for insurance contracts in accordance with IFRS 17, the management of the W&W Group has made the following significant discretionary decisions that have a material impact on the amounts in the consolidated financial statements.

Exercise of discretionary judgements with the application of IFRS 9 „Financial Instruments“

Business model

The allocation to one of the business models is made at the time of recognition of the financial asset and depends on how the companies of the W&W Group manage a group of financial assets in order to achieve a specific business objective. Discretionary judgements are required when assessing which business model applies and how the allocated portfolios are determined. Both quantitative and qualitative factors are taken into account. The qualitative factors assess the manner in which the financial assets are reported to the Executive Board of the respective group company and how the risks are managed. The quantitative factors relate primarily to the frequency and value of sales.

Financial assets acquired with the intention of realising cash flows by collecting contractually agreed payments over the term of the instrument are explicitly identified within the W&W Group at the time of purchase and are managed and reported in a separate portfolio.

Sales from the hold business model are not detrimental within the W&W Group in the following cases:

- Sales due to a higher default risk:
Various conditions must be met in order to assess whether the sale of an instrument is necessary to minimise potential credit losses due to a material deterioration in credit quality. These conditions are suitable for a harmless sale due to a higher default risk.
- Sales due to a sale close to the maturity date:
Within the W&W Group, it can be assumed that sales with a specific remaining term at the time of sale qualify as harmless sales. In each individual case, it must also be examined to what extent the proceeds from the sales approximate the remaining cash flows.
- Sales due to irregularity:
From the perspective of the W&W Group and in accordance with IFRS 9, sales that are infrequent, based on one-off, non-recurring events over which the company has no control and which cannot reasonably be expected to recur, are not considered detrimental to the hold business model.
- Sales due to lack of significance:
When reviewing significance, the W&W Group applies both portfolio-related and earnings-related criteria.

SPPI test (solely payments of principal and interest)

In principle, the contractual cash flows of financial assets are reviewed on an individual contract basis. For reasons of materiality, the W&W Group uses clustering for highly standardised portfolios. In this top-level clustering, the W&W Group first identifies the most material financial assets that are taken into account in the SPPI analysis. Clustering is based either on specific contract structures or portfolio characteristics.

If SPPI-detrimental characteristics are present, the W&W Group examines whether these have only a minor impact on the contractual cash flows and are therefore insignificant (*de minimis*). If the effect is greater than *de minimis*, a discretionary decision is also made as to whether the impacts on contractual cash flows can be classified as extremely rare, highly unusual and highly improbable (not genuine), so that it does not affect the categorisation of the financial asset. Furthermore, contracts with cancellation options meet the SPPI criterion if, at the time of redemption, payments are made in an amount equal to the market value of the outstanding contractual cash flows. Further information on the SPPI test can be found in the section on the principles of recognition, measurement and disclosure of financial instruments.

Fair value option

When financial assets or liabilities are initially recognised, the financial asset or liability may be voluntarily measured at fair value on a permanent basis in order to avoid or significantly reduce an accounting mismatch. Currently, there are no holdings in the W&W Group to which this fair value option is applied.

Financial investments in equity instruments

For certain financial investments in equity instruments, it is possible to make an irrevocable choice upon initial recognition to recognise changes in value permanently in equity without affecting profit or loss (there is no so-called recycling to the consolidated income statement). The W&W Group does not currently make use of this option.

Calculation of the risk provision

The discretionary decisions made to determine the expected credit loss under the expected credit loss model of IFRS 9 can be found in the section on accounting policies under the heading „Risk provision (expected credit loss)“.

Exercise of discretion in the course of the application of IFRS 17 Insurance Contracts

Valuation at the transition date

When the initial application of IFRS 17 took place on 1 January 2023, full retrospective application using the full retrospective approach (FRA) was the transition approach to be applied in principle, unless this proved impracticable for the company concerned within the meaning of IFRS. For insurance contracts that have been in place for some time, data availability is not comparable to that of recently concluded contracts, which is why the W&W Group applied not only the FRA but also the modified retrospective approach (MRA) to the portfolio available at the transition date of 1 January 2022. Within the framework of the MRA, the W&W Group made use of permitted simplifications in the identification and classification of groups of insurance contracts (GIC), in the valuation of the CSM or the loss component for contracts with and without direct profit participation at the transition date, and in the allocation of technical financial income or expenses to components affecting profit or loss and components not affecting profit or loss. The fair value approach (FVA) provided as an alternative to the MRA in the event of the FRA being unworkable was not used in the W&W Group.

In the life insurance segment, the MRA was applied to the primary insurance portfolio existing at the transition date and measured using the VFA. The information available at the transition date of 1 January 2022 was used to define the GIC, and no annual cohorts were formed in accordance with IFRS 17.C10. For the initial measurement of technical liabilities at the year-end reporting dates from 2019 to 2021, the existing yield curves at the beginning of each year were used for discounting. The valuation of the CSM within the framework of the MRA took place on 31 December 2019 and was further developed for the purposes of subsequent measurements at the transition date. For the GIC in the area of health insurance, the MRA was applied except for short-term tariffs according to the type of non-life insurance and the reinsurance contracts held. The procedure for forming GIC was the same as in the area of life insurance. For short-term tariffs, however, the feasibility of the FRA was unrestricted. The determination of the CSM or the loss component for insurance contracts with direct profit participation in life and health insurance was carried out in accordance with IFRS 17.C17 and its simplification options. By exercising the OCI option described below in this section, the technical financial income or expenses for contracts with direct profit participation are divided into those affecting profit or loss and those not affecting profit or loss. The OCI amount at the transition date was set at the value recognised for the underlying benchmarks at the transition date.

For the accounting of composite insurance contracts, a distinction was made between different contract portfolios based on the existence of remaining coverage. Contracts without remaining coverage that were underwritten more than one year apart were measured as a GIC within the corresponding portfolio using the MRA in accordance with IFRS 17.C10. For the sake of simplicity, illiquidity was taken into account in the calculation of the yield curve for the period from 2017 to the transition date. For the years prior to 2017, the arithmetic mean of the illiquidity premium from 2017 to 2022 was used in accordance with the relief provided by IFRS 17.C13. The FRA was applied to contracts with existing remaining coverages. Irrespective of this, methodological simplifications were made in determining the cost and loss ratios, in risk adjustment and in testing for loss-making.

Projection of future cash flows

All reasonable and reliable information available on the respective valuation date is used to determine the expected future cash flows. The estimates continue to correspond to the W&W Group's current assessment of future developments that could have a significant impact on cash flows. Expectations regarding future legislative changes that would alter or replace an existing obligation or create new obligations from existing contracts are only taken into account once they have come into force.

For the life insurance business, the W&W Group considers stochastic modelling techniques to be appropriate, whereby future cash flows are projected under a large number of possible economic scenarios for market variables (such as interest rates and stock returns). These techniques are used to take into account the market-standard options and guarantees contained in life insurance in particular. Cash flows are allocated to underwriting activities, other fulfilment activities and other activities using process cost accounting methods. Cash flows attributable to underwriting and other fulfilment activities are allocated to groups of contracts using methods that are systematically appropriate and consistently applied to all costs with similar characteristics. The projection is based on assumptions from the current perspective of the company and its divisions, which relate, among other things, to the calculation bases (interest rates,

biometrics and costs), policyholder behaviour when exercising contractual option rights (such as premium dynamics, lump-sum settlements, call and pension commencement, cancellation) and internal business management. These assumptions are consistent with those of the ORSA (Own Risk and Solvency Assessment) under Solvency II, unless IFRS 17 requires deviations from them.

A deterministic projection is used in the area of health insurance. The value of the options and guarantees customary in the German health insurance business is essentially already taken into account through appropriate premium structuring, which is why stochastic modelling is not necessary. Furthermore, in health insurance, a modification of the contract that would have to be modelled as new business in accordance with the annual cohort rule is simplified by means of a tariff change probability in the course of the premium adjustment.

In property/casualty insurance, cash flows are determined on the basis of premium amounts and due dates from individual contract information and, if necessary, adjusted on the basis of empirical observations. Actuarial methods and economic business models are used to estimate cash flows from future claims or from incurred claims. Basic claims, major claims and claims from natural events (such as storms, earthquakes, floods and hail) are modelled separately in order to appropriately reflect the differences in amount and frequency. Annual parameterisation is carried out using established actuarial methods. The simulated expected loss ratios of the risk model are validated by means of back testing.

With regard to the modelling of acquisition costs, the W&W Group simplifies matters by assuming that these are incurred together with the first premium. This means that no corresponding receivables are capitalised before the initial recognition of an allocated GIC. Instead, the acquisition costs are taken into account directly in the estimates of cash flows at the time of initial recognition in the CSM without offsetting in accordance with IFRS 17.38(c)(i) and are systematically distributed over the coverage period of the GIC in the profit and loss account. The option under IFRS 17.59(a) to recognise acquisition costs directly in the income statement is exercised in the W&W Group for GICs that contain insurance contracts with a coverage period of no more than one year and are measured using the PAA.

Yield curve

When estimating the yield curve, the W&W Group uses the bottom-up approach, which is based on a liquid risk-free yield curve derived from market-traded interest rates on securities. From the last liquid point onwards, the yield curve is determined by calculating the weighted average between the interest rates still observed on the market and the interest rates extrapolated using the Smith-Wilson method to the ultimate forward rate. The ultimate forward rate reflects the long-term expected interest rate, which only changes in the event of significant changes in long-term expectations. The so-called illiquidity premium is added to this base yield curve, which reflects the different liquidity characteristics of the securities underlying the base yield curve and the insurance contracts. For this purpose, a liquidity measure is defined that distinguishes between liquid and illiquid securities. The premium for the illiquidity of insurance contracts is calculated as the product of a liquidity spread based on the capital investments underlying the insurance contracts and an application ratio that reflects the illiquidity of the insurance contracts. The W&W Group uses fixed-for-floating swaps as securities for deriving the base interest rate curve. The 6-month Euribor (for euros) and a corresponding reference interest rate for foreign currencies (US dollars and British pounds) are initially used as the underlying instrument for the fixed-for-floating swap. Interest rates are provided for fixed interest periods of up to 120 years. Any fixed interest rates required during the year are determined by interpolating the interest rates in annual tranches. For fixed interest rates of up to two years, fixed interest rates in 6-month tranches are added in order to use market data to the greatest extent possible in accordance with IFRS 17.B78(a).

When applying the PAA, the discounting of future cash flows to determine the provision for outstanding insurance claims in accordance with IFRS 17.59(b) may be waived if the claims are settled within a maximum of one year after the occurrence of the loss. This option was exercised for short-term portfolios of health insurance contracts that are measured using the PAA. The regulation does not apply to property/casualty insurance. The portfolios in the health and property/casualty insurance segments measured using the PAA do not contain any significant financing component, so there is no need to adjust the liabilities for remaining coverage for the time value of money and the effects of financial risks in accordance with IFRS 17.56.

The following table shows the (base) yield curve used on the respective reporting date:

(Base) yield curve

	1 year		5 years		10 years		15 years		20 years	
In %	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EUR	2.01	2.21	2.45	2.15	2.81	2.25	3.02	2.31	3.12	2.25
GBP	3.55	4.47	3.67	4.11	4.00	4.10	4.26	4.22	4.39	4.27
USD	3.42	4.17	3.42	4.03	3.76	4.06	4.02	4.11	4.14	4.10

The (base) yield curve shown is adjusted for the illiquidity premium. This ranged from 0.53% to 0.76% for life and health insurance companies (previous year: 0.47% to 0.70%) and from 0.39% to 0.50% for property/casualty insurance companies (previous year: 0.43% to 0.50%).

Quantification of the risk adjustment for non-financial risks

When quantifying the risk adjustment, the W&W Group adopts its own perspective in accordance with the requirements of IFRS 17 and takes into account the risks identified as underwriting risks in line with its own risk and solvency assessment (ORSA). The legal entities individually apply the calculation methods and allocation procedures appropriate to their risks and the timing requirements for calculation. Diversification effects between the entities are not taken into account. The risk adjustment is first determined at the level of the legal entities, so that diversification effects between the GICs formed are taken into account directly. The risk adjustment is then allocated to the GICs – regularly on a proportional or volume basis using the undiversified risk capital of the individual groups. The capital cost method was chosen as the method for calculating the risk adjustment. This method calculates the necessary one-year risk capital at the 99.5% quantile on each valuation date in order to meet future obligations arising from insurance contracts. The cost of capital, which is determined on the basis of the company's individual capital costs, is applied to this risk capital and used to calculate the present value in order to determine the risk adjustment. For life and health insurance, the projection of risk capital from Solvency II is used, with necessary adjustments made due to specific requirements of IFRS 17. In property/casualty insurance, the company's own economic model is used.

Using a confidence level method, the corresponding confidence level as at the reporting date and for the previous year was in the range of 95% to 100% for life and health insurance and 75% to 80% for property/casualty insurance.

Changes in risk adjustments for non-financial risks must generally be allocated between the technical result and technical financial income or expenses (such as the effects of changes in the discount rate). However, IFRS 17.81 allows the change in risk adjustment to be reported in full in the technical result. The W&W Group makes use of this option in life and health insurance.

Coverage units

CSM is implemented on the basis of so-called coverage units. These are determined in the W&W Group in the respective area depending on the product. For insurance contracts with direct profit participation, the coverage unit in life insurance consists of two components – the investment service and the insurance service. The investment service is measured as an investment-related service based on the amount of capital investments under management. For the insurance service, either the risk capital or the insured pension is used, depending on the type of insurance cover. The weighting between the two components is determined for each insurance tariff as an expert estimate and reviewed annually. A detailed analysis of the product-specific characteristics serves as the basis for this. The weighting is then combined on the basis of the statistical sums insured for the entire portfolio. In health insurance, the premiums earned are defined as the measure for insurance and investment-related services. In addition, the

company's share of the expected excess return for the past reporting period is taken into account in the reversal of the CSM in life and health insurance. For contracts without direct profit participation, the premiums earned are used as the coverage unit. For retained reinsurance, the coverage unit of the underlying primary insurance business is used as a guide, taking into account the coverage ratio. The expected reversal of the CSM remaining at the reporting date is presented in Note 43 using appropriate time bands.

OCI option

The so-called Other Comprehensive Income option in accordance with IFRS 17.89(b) provides VFA portfolios with the option of allocating technical financial income or expenses between the consolidated income statement and other comprehensive income. Accordingly, the amount is to be recognised in the consolidated income statement, eliminating the measurement inconsistencies with the expenses and income recognised in the income statement for the underlying benchmarks. The remaining amount is recognised in other comprehensive income without affecting profit or loss. In the W&W Group, the OCI option was applied to all VFA portfolios. An analogous option applies in accordance with IFRS 17.88(b) for the effects attributable to changes in financial assumptions from insurance contracts without direct profit participation. In the BBA, the portion recognised in profit or loss results from the change in present value due to the update using the locked-in yield curve at the initial recognition date. Present value adjustments resulting from changes in discount factors are recognised in other comprehensive income without affecting profit or loss. For PAA portfolios, the allocation is made according to the same principle, but the locked-in yield curve at the time of the loss is used to determine the portion recognised in profit or loss. In order to limit volatility in the income statement, the W&W Group applies the OCI option described above to all portfolios within the scope of the IFRS 17 valuation models used in life and property/casualty insurance. For the analysis of technical financial income or expenses, please refer to Note 44.

Accounting estimates and assumptions

Principles

The preparation of the consolidated financial statements in accordance with IFRS requires estimates and assumptions that affect the carrying amounts of assets and liabilities, income and expenses, and the disclosure of contingent liabilities. The application of some of the accounting principles described in the chapter on accounting policies requires material estimates based on complex and subjective judgements and assumptions, which may relate to issues that involve uncertainty.

The estimation methods used and the decision on the appropriateness of the assumptions require good judgement and the decision-making authority of management in order to determine the appropriate values. Estimates and assumptions are also based on experience and expectations regarding future events that appear reasonable under the circumstances. The values are determined as reliably as possible, taking all relevant information into account. Existing uncertainties are taken into account appropriately in the valuation in accordance with the respective standards. However, actual results may differ from estimates as new information must be taken into account when determining values. Estimates and the assumptions on which they are based are therefore reviewed on an ongoing basis. The effects of changes in estimates are recognised in the period in which the change in estimate occurs.

General estimates and assumptions for accounting purposes are described in the section on accounting policies. Specific and one-off items, on the other hand, are explained in more detail in the relevant items or notes. Accounting principles whose application is based to a significant extent on estimates and assumptions and which are considered material for the W&W Group are presented below.

Determining the fair value of assets and liabilities

Fair value is a market-based rather than a company-specific valuation measure. Observable market transactions or market information are available for some assets and liabilities, but may not be available for others. However, the objective of determining fair value is the same in both cases: to estimate the price that the company would receive in an ordinary transaction between market participants on the measurement date when selling an asset or that would be payable when transferring a liability.

Determining the fair value of assets and liabilities whose prices are quoted in an active market requires only a limited amount of management judgement. Similarly, fewer subjective judgments or estimates are required for assets and liabilities that are measured using industry-standard models whose input parameters are quoted in active markets.

If no observable market transactions or market information are available, fair value is determined using a valuation technique that maximises the use of market-observable valuation parameters.

The degree of subjective judgement and estimates required by management is greater for those assets and liabilities that are measured using specialised and complex models and for which some or all of the input parameters are not observable. The values determined in this way are significantly influenced by the assumptions made.

Further information on the fair value measurement of financial instruments, investment property and owner-occupied properties in life and health insurance can be found in Note 37 – Fair value measurement disclosures.

Impairments and reversals of impairments

The impairment rules for financial assets within the scope of IFRS 9 can be found in the section on accounting policies under risk provision (expected credit loss). The assumptions and estimates made in determining the risk provision for financial assets are also explained there.

All other (non-financial) assets held by the W&W Group are reviewed at regular intervals for objective evidence of impairment. Additional reviews are carried out if events or changes in circumstances indicate that the value of assets may have decreased.

Details of the methodological approach used to review the existence of impairments or reversals of impairments in accordance with IAS 36 for investment property, intangible assets and tangible assets are described in the sections of the same name in the chapter on accounting policies.

In addition to the assessments to be made when reviewing the existence of impairments, the amount of impairments to be recognised is subject to further estimation uncertainties. These result in particular from assumptions and estimates regarding the timing of future cash flows and their amount at that time, which in turn are based on empirical values regarding the probabilities of occurrence and estimates of future developments and sustainable prospects of success. In addition, in the course of the impairment test, estimates are made regarding the costs of disposal and the development of market-based discount factors.

The assumptions and estimates made may be subject to changes over time, which may lead to impairments or reversals of impairments in future periods.

In line with the procedure for identifying impaired assets, reversals of impairment losses are recognised when there are sufficiently objective criteria that indicate a sustainable recovery in value and, in addition, it is permissible to recognise a reversal of impairment losses in accordance with the applicable standard.

Valuation of other provisions

Provisions for pensions and other long-term employee benefits

When calculating provisions for pensions and other long-term employee benefits, assumptions and estimates are necessary with regard to premises such as the actuarial interest rate, salary increases, future pension increases, mortality and disability.

For further quantitative information, please refer to Note 19 Other provisions.

Other provisions

The amount recognised as a provision represents the best possible estimate of the expenditure required to settle the present obligation at the reporting date. The recognition and measurement of provisions are determined by the assumptions made regarding the probability of occurrence, expected payments and the underlying discount rate. For the estimates underlying the provisions for interest bonus options, please refer to the accounting policies for other provisions.

If the criteria for recognising provisions are not met, the corresponding obligations are reported as contingent liabilities (see Note 57) unless they are improbable.

Further information on all types of provisions mentioned can be found in Note 19 Other provisions.

Income taxes

Income taxes are subject to estimates. These are described in the section on accounting policies and here in the sections „Income taxes“ and „Current tax assets, deferred tax assets, tax liabilities and deferred tax liabilities“.

Consolidation

Consolidation principles

The W&W consolidated financial statements are based on the annual financial statements of Wüstenrot & Württembergische AG, the consolidated subsidiary undertakings, including structured entities (public funds, special funds and certain investments in alternative investment funds), and the consolidated joint ventures and associated companies, prepared in accordance with uniform accounting and valuation methods.

Reporting date

The consolidated financial statements are prepared as of the reporting date of the parent undertaking's financial statements, 31 December 2025.

Subsidiary undertakings

Subsidiary undertakings are all companies that are directly or indirectly controlled by W&W AG. Control exists if W&W AG has the power to govern the company's activities, has a right to the significant variable returns from the company and can use its power to influence the amount of the significant variable returns.

Subsidiary undertakings also include consolidated structured entities within the meaning of IFRS 12. These are companies that are designed in such a way that voting rights or similar rights are not the dominant factor in determining control. At W&W AG, these include public and special funds that are characterised in particular by narrowly defined business activities, such as a specific investment strategy and limited investor rights (no voting rights).

Public and special funds are consolidated if, despite the lack of voting rights, they are directly or indirectly controlled by W&W AG on the basis of contractual agreements governing the relevant activities.

Subsidiary undertakings, including directly and indirectly controlled public and special funds, are included in the scope of consolidation. Inclusion begins at the time controlling influence is obtained and ends when it ceases to exist. Consolidation is carried out using the acquisition method in accordance with IFRS 10.B86 in conjunction with IFRS 3. The carrying amount of the parent undertaking's investment in each subsidiary undertaking is offset against the proportionate equity in each subsidiary undertaking.

The shares attributable to non-group third parties in the acquired proportionate net assets of subsidiary undertakings are reported under the item Non-controlling interests in equity in the consolidated balance sheet and the consolidated statement of changes in equity. The shares of non-group members in the profits and losses and in the total result of the companies included in the consolidated financial statements are reported under the item „Result attributable to non-controlling interests“ in the consolidated income statement and the consolidated statement of comprehensive income.

The shares attributable to third parties outside the Group in public and special funds are reported in the consolidated balance sheet under Other liabilities (Note 16). Shares in the profits and losses of third parties outside the Group are reported in the consolidated income statement under Other operating income (Note 33).

Intragroup receivables and liabilities as well as expenses, income and interim results are adjusted as part of debt consolidation, expense and income consolidation and the elimination of interim results.

Joint ventures and associated companies

A joint venture is a joint agreement in which the parties that have joint control have rights to the net assets of the agreement. Joint ventures are accounted for using the equity method.

Associated companies are companies that are neither subsidiary undertakings nor joint ventures and over which the Group is able to exercise significant influence without having control. Significant influence is generally based on a direct or indirect share of voting rights of between 20 and 50% in the company. If the voting rights held are less than 20%, it is assumed that no significant influence exists, unless this influence can be clearly demonstrated. Associated companies are included in the consolidated financial statements from the date on which significant influence is obtained and are accounted for using the equity method. Inclusion ends when significant influence ceases to exist.

Under the equity method, the effects on earnings and the book value of the financial asset generally correspond to the Group's share of the company's earnings and net assets. Upon acquisition, shares in associated companies and joint ventures are included in the consolidated financial statements at their acquisition cost. In subsequent periods, the book values of the shares increase or decrease in line with the W&W Group's share of the investee's profit or loss for the period. The components of the consolidated statement of comprehensive income relating to unrealised gains and losses are reported within other reserves under the reserve from financial assets accounted for using the equity method within the consolidated statement of changes in equity.

Scope of consolidation

W&W AG is the parent undertaking of the W&W Group. As at the reporting date, the scope of consolidation was as follows:

	Domestic	Foreign	Total
Subsidiary undertakings			
Included as at 31 December 2025	20	7	27
Included as at 31 December 2024	20	5	25
Structured entities (public and special funds)			
Included as at 31 December 2025	23	13	36
Included as at 31 December 2024	21	13	34
Associated companies accounted for using the equity method			
Included as at 31 December 2025	1	–	1
Included as at 31 December 2024	1	–	1

The individual companies are listed in the shareholding list.

Changes in the scope of consolidation

Additions and disposals in the scope of consolidation

The special funds LBBW AM-High Yield Corporate Bonds Fonds WV, Stuttgart, and LBBW AM-High Yield Corporate Bonds Fonds WK, Stuttgart, were included in the scope of consolidation. The two property companies held for investment purposes, REI HoldCo ES, S.L., Madrid, and REI PropCo I ES, S.L., Madrid, were also consolidated for the first time.

Interests in subsidiary undertakings, including consolidated structured entities

Restrictions on disposal

Statutory, contractual or regulatory restrictions and the protective rights of non-controlling interests may limit the ability of the Group, the parent undertaking or a subsidiary undertaking to access assets and transfer them to or from other companies within the Group without hindrance and to settle the Group's debts.

Since the adoption of the Life Insurance Reform Act (LVRG) in August 2014, the subsidiary undertakings Württembergische Lebensversicherung AG and Allgemeine Rentenanstalt Pensionskasse AG have been subject to a statutory distribution restriction pursuant to Section 139 (2) sentence 3 German Act on the Supervision of Insurance Undertakings (VAG), depending on any guarantee needs pursuant to Section 139 (4) VAG. As at 31 December 2025, there was no distribution ban on this basis, as there were no guarantee needs for Württembergische Lebensversicherung AG and Allgemeine Rentenanstalt Pensionskasse AG.

As a credit institution, the subsidiary undertaking Wüstenrot Bausparkasse AG has to comply with extensive regulatory requirements. For example, the liquidity coverage ratio (LCR) represents the short-term resilience of a credit institution's liquidity risk profile in a 30-day liquidity stress scenario. The calculation compares the volume of high-quality liquid assets that could be used to obtain liquidity over a period of 30 days with the total volume of net cash outflows in stress situations over the same period resulting from actual and contingent risks. The LCR of Wüstenrot Bausparkasse AG as at 31 December 2025 is 457.22% (previous year: 688.82%).

The following restrictions apply within the Group with regard to the usability of assets:

- Assets in secured financing, e.g. repurchase transactions, securities lending transactions and other forms of secured lending.
- Assets in collateralisation or margin agreements, e.g. to hedge derivative transactions.
- Assets in the cover pools of outstanding German covered bonds.
- The assets of the consolidated investment funds are often subject to restrictions on transferability.
- The assets of the consolidated insurance companies are primarily used to meet obligations to policy holders.
- Regulatory requirements and central bank requirements may restrict the Group's ability to transfer assets to or from other companies within the Group.

With regard to the restricted assets and liabilities recognised in the consolidated financial statements, reference is also made to Note 39 Transfers of financial assets, collateral provided and received, and netting of financial assets and liabilities.

Interests in non-consolidated structured entities

Due to its business activities, the W&W Group holds shares in non-consolidated structured entities that are either structured as investment funds (public or special funds) or as alternative investment companies in the legal form of a corporation or partnership. These structured entities serve to meet the various customer needs with regard to investing in different assets. Group companies mainly assume the role of an investor, and in some cases also the function of a fund manager or custodian.

Structured entities are entities that are designed in such a way that voting rights or similar rights are not the dominant factor in determining control. The W&W Group includes structured entities which, despite holding more than 50% of the voting rights, are not controlled within the meaning of IFRS 10. Similarly, there are structured entities which, with a share of more than 20%, are not included in the consolidated financial statements as associated companies. The lack of control or influence is due, for example, to the fact that the companies are managed outside the Group or that the management and supervisory bodies are made up of persons outside the Group. Classification as a structured entity is also based on some or all of the following characteristics:

- limited activities,
- narrow and precisely defined purpose,
- insufficient equity to enable the structured entity to finance its activities without subordinate financial support,
- financing in the form of multiple contractually bound instruments issued to investors that result in credit concentrations or concentrations of other risks (tranches).

As at the reporting date, no other structured entities with shareholdings or structured entities promoted by W&W without shareholdings were identified apart from shares in investment funds and alternative investment companies.

Interests in investment funds

The book values, investment strategy, maximum risk of loss and scope in relation to non-consolidated investment funds as at 31 December 2025 were as follows:

2025

	Equity funds	Bond funds	Real estate funds	Other funds	Funds of unit-linked life insurance policies ³	Total
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Recognised assets (fund units held)						
Financial assets at fair value through profit or loss	21	84	34	825	4,622	5,586
Total	21	84	34	825	4,622	5,586
Maximum risk of loss ¹	21	84	34	825	4,622	5,586
Total scope of fund assets as at the reporting date ²	10,302	100	697	13,649	339,407	364,155

¹ The maximum risk of loss is determined on the basis of the fund units held and, where applicable, capital contributions that have not yet been called in and guarantees.

² Some funds are included in several fund categories. In such cases, the total amount is allocated to the fund category with the highest value.

³ Capital investments are made on behalf of and at the risk of the policy holders.

2024

	Equity funds	Bond funds	Real estate funds	Other funds	Funds of unit-linked life insurance policies ³	Total
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Recognised assets (fund units held)						
Financial assets at fair value through profit or loss	20	91	34	874	3,902	4,921
Total	20	91	34	874	3,902	4,921
Maximum risk of loss ¹	20	91	34	874	3,902	4,921
Total scope of fund assets as at the reporting date ²	8,364	254	767	24,148	308,428	341,961

¹ The maximum risk of loss is determined on the basis of the fund units held and, where applicable, capital contributions that have not yet been called in and guarantees.

² Some funds are included in several fund categories. In such cases, the total amount is allocated to the fund category with the highest value.

³ Capital investments are made on behalf of and at the risk of the policy holders.

Non-consolidated investment funds are financed through the issue of redeemable share certificates. The book value of the shares corresponds to their fair value. The types of income that the W&W Group has received from these holdings are mainly dividend income and income from the fair value measurement of investment fund units. The amount of current income and the amount of the valuation output depend in particular on the general market performance of the respective asset class and on the individual investment decisions made by the respective fund management.

Interests in alternative investments, including private equities

The alternative investment companies are invested in the field of alternative energy generation from wind power, photovoltaics, biomass and hydropower. In addition, there are investments in the field of private equity, such as venture capital financing. The scope or size is determined primarily on the basis of fair value. The book value of shares in alternative investments, including private equities, corresponds to the fair value in the balance sheet item Financial assets at fair value through profit or loss – Investments in alternative investments and amounts to €3,467 million (previous year: €3,685 million). This book value corresponds to the maximum risk of loss. Financing is provided through the issue of redeemable share certificates.

As a shareholder, the W&W Group receives variable returns mainly in the form of distributions from alternative investments, including private equities. In addition, the investments are subject to value fluctuations. The variable returns depend on the general market development of the respective industry and also on the individual business decisions made by the respective investment company.

Segment reporting

Segment information is prepared in accordance with IFRS 8 Operating Segments on the basis of internal reporting system, which the chief operating decision maker uses regularly to assess the business performance of the segments and make decisions on the allocation of resources to the segments (known as the management approach). The Chief Operating Decision Maker in the W&W Group is the Management Board.

The reportable segments are identified on the basis of products and services as well as regulatory requirements. In this regard, individual business segments are combined in the Life and Health insurance segment. The products and services with which the reportable segments generate income are listed below. There is no dependence on individual major customers.

Residential

The reportable Housing segment consists of one business segment and comprises building society and banking products primarily for private customers in Germany, e.g. home loan savings contracts, advance and bridge financing loans, and other building loans such as mortgage lending.

Life and health insurance

The reportable Life and Health insurance segment consists of various business segments that all have similar economic characteristics and are comparable in terms of all aggregation criteria under IFRS 8. In particular, the group of persons, the sales channels, the regulatory framework, the underlying actuarial mathematics and the type of product are subject to comparable economic characteristics.

The reportable Life and Health insurance segment offers a wide range of life and health insurance products for individuals and groups, including traditional and unit-linked life and pension insurance, term life insurance, occupational disability insurance, private comprehensive health insurance and supplementary health insurance and long-term care insurance.

Property/casualty insurance

The reportable property/casualty insurance segment offers a comprehensive range of insurance products for private and corporate customers, including motor, liability, accident, legal expenses, residential building, household contents, transport and technical insurance.

All other segments

All other business activities of the W&W Group, such as central group functions, asset management activities and property development activities, have been grouped under All other segments as they are not directly related to the other reportable segments. This also includes shares in subsidiary undertakings of W&W AG that are not consolidated in All other segments (e.g. Wüstenrot Bausparkasse AG, Württembergische Lebensversicherung AG, Württembergische Versicherung AG and Württembergische Krankenversicherung AG) because they are allocated to another segment (Housing, Life and Health insurance, Property/Casualty insurance).

W&W AG is the reinsurer of Württembergische Versicherung AG and passes on the majority of the risks it assumes to the reinsurance market. The externally held reinsurance business (retrocession) is reported in accordance with the management approach of IFRS 8 in the property/casualty insurance reporting segment. The segment information for property/casualty insurance thus fully reflects the technical risk profile of property/casualty insurance, taking into account the externally held reinsurance contracts.

Consolidation/reconciliation

The consolidation/reconciliation column shows the consolidation measures required to reconcile the figures to the Group figures.

As in previous years, the performance of each individual segment is measured by the segment result in accordance with IFRS. Transactions between segments are conducted at arm's length.

Valuation principles

The valuation principles for segment reporting correspond to the accounting and valuation methods used in the IFRS consolidated financial statements, with the following exceptions. In line with internal Group reporting and management, IFRS 16 is not applied to internal Group operating leases. The shares in the subsidiary undertakings of W&W AG that are not consolidated in All other segments are measured at fair value through other comprehensive income (in other comprehensive income, which is not transferred to the consolidated income statement).

Segment income statement

		Housing	Life and health insurance	
	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
in € million				
Current financial result	214	281	947	963
Result from credit risk adjustments	-58	-31	2	7
Valuation output	7	12	141	417
Result from disposals	5	37	-60	-76
Net technical financial result	-	-	-1,035	-1,313
Financial result	168	299	-5	-2
of which result from financial assets accounted for using the equity method	-	-	3	-
Technical result (net)	-	-	122	101 ⁶
Commission result	-18	-10	-	-
General administrative expenses (gross)	-341	-338	-265	-254
General administrative expenses attributable to the technical result	-	-	233	215
General administrative expenses (net)	-341	-338	-32	-39
Other operating income	35	62	-1	3
Segment result from continuing operations before income taxes	-156	13	84	63⁶
Income taxes	39	3	-65	-21 ⁶
Segment result after taxes	-117	16	19	42⁶
Other disclosures				
Total revenue ²	1,104	1,086	2,311	2,298 ⁶
of which with other segments	30	26	8	26
of which with external customers	1,074	1,060	2,303	2,272 ⁶
Interest income	895	871	554	601
Interest expenses	-681	-590	-19	-26
Scheduled depreciation	-21	-17	-	-
Impairment losses ³	-	-	-	-
Reversals of impairment losses ³	-	-	-	-
Material non-cash items	227	89	260	778
Segment assets ⁴	35,624	34,462	30,805	32,050 ⁶
Segment liabilities ⁴	34,448	33,096	30,089	31,317 ⁶
Financial assets accounted for using the equity method ⁴	-	-	33	30

1 The consolidation/reconciliation column contains the consolidation effects between the segments, the reconciliation of segment-internal valuations to the Group valuation and rounding effects.

2 Interest, dividend, commission and rental income as well as income from the property development business and technical income.

3 Impairments and reversals of impairments relate to intangible assets, tangible assets, and investment property.

4 Values as at 31 December 2025 and 31 December 2024, respectively.

5 Previous year's figure adjusted.

6 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“

Property/casualty insurance		Total for reportable segments		All other segments		Consolidation/reconciliation ¹		Group	
1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
110	87	1,271	1,331	108	103	-52	-38	1,327	1,396
-3	-3	-59	-27	-1	-	-	-	-60	-27
-27	12 ⁵	121	441 ⁵	-	56	-25	-25 ⁵	96	472
-6	1	-61	-38	-3	-	-2	-	-66	-38
-49	-55	-1,084	-1,368	-	-	45	41	-1,039	-1,327
25	42⁵	188	339⁵	104	159	-34	-22⁵	258	476
-1	-6 ⁵	2	-6 ⁵	-	2	4	5 ⁵	6	1
308	-118	430	-17 ⁶	1	1	1	-1	432	-17 ⁶
-13	-9	-31	-19	36	40	-30	-33	-25	-12
-479	-500	-1,085	-1,092	-86	-76	-	5	-1,171	-1,163
433	442	666	657	-	-	-	-	666	657
-46	-58	-419	-435	-86	-76	-	5	-505	-506
-1	6	33	71	16	5	3	9	52	85
273	-137⁵	201	-61^{5,6}	71	129	-60	-42⁵	212	26⁶
-63	40	-89	22 ⁶	-1	-12	-1	-1	-91	9
210	-97⁵	112	-39^{5,6}	70	117	-61	-43⁵	121	35⁶
3,083	2,900	6,498	6,284 ⁶	216	212	-192	-188	6,522	6,308 ⁶
20	21	58	73	134	126	-192	-199	-	-
3,063	2,879	6,440	6,211 ⁶	82	86	-	11 ⁵	6,522	6,308 ^{5,6}
87	82	1,536	1,554	53	54	-42	-49	1,547	1,559
-29	-28	-729	-644	-32	-29	54	63	-707	-610
-5	-4	-26	-21	-51	-54	1	1	-76	-74
-4	-6 ⁵	-4	-6 ⁵	-18	-35	4	6 ⁵	-18	-35
-	-	-	-	-	-	-	-	-	-
-152	-13 ⁵	335	854 ⁵	114	31	25	-62 ⁵	474	823
5,040	4,860 ⁵	71,469	71,372 ^{5,6}	5,852	5,611	-4,777	-4,707 ⁵	72,544	72,276 ⁶
2,433	2,507	66,970	66,920 ⁶	1,802	1,590	-1,189	-1,156	67,583	67,354 ⁶
43	44 ⁵	76	74 ⁵	-	-	-10	-14 ⁵	66	60

Information by region (Group)

	Sales revenues with external customers ¹		Non-current assets ²	
	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	31.12.2025	31.12.2024
in € million				
Germany	6,521	6,306 ^{3,4}	2,868	3,239
Other countries	1	2	–	1
Total	6,522	6,308^{3,4}	2,868	3,240

1 Revenue was allocated according to the country in which the operating units are based.

This comprises interest, dividend, commission and rental income as well as income from property development business and technical income.

2 Non-current assets include investment property, intangible assets and tangible assets.

3 Previous year's figure adjusted.

4 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Notes concerning the consolidated balance sheet

(1) Cash and cash equivalents

in € million	31.12.2025	31.12.2024
Deposits with central banks	117	88
Current account deposits	996	909
Cash and cash equivalents	1,113	997

(2) Financial assets at fair value through profit or loss

in € million	31.12.2025	31.12.2024
Equity investments excluding alternative investments	653	538
Investments in alternative investments	3,467	3,685
Shares	438	391
Investment fund units	964	1,019
Fixed-income financial instruments that do not pass the SPPI test	1,774	1,975
Derivative financial instruments	65	28
Capital investments on behalf of and at the risk of life insurance policyholders	4,622	3,902
Financial assets at fair value through profit or loss	11,983	11,538

Capital investments for the account and risk of life insurance policyholders mainly comprise fund units and, to a lesser extent, related derivatives such as index options.

(3) Financial assets at fair value through other comprehensive income

in € million	31.12.2025	31.12.2024
Subordinated securities and receivables	1,004	881
Senior debenture bonds and registered bonds	3,408	3,727
Senior fixed-income securities	18,940	19,201
Financial assets at fair value through other comprehensive income	23,352	23,809

Risk provision per class for debt instruments mandatorily measured at fair value through other comprehensive income

in € million	31.12.2025	31.12.2024
Subordinated securities and receivables	-1	-1
Senior debenture bonds and registered bonds	-3	-3
Senior fixed-income securities	-26	-26
Risk provision	-30	-30

(4) Financial assets measured at amortised cost

The following table shows a more detailed breakdown of the book values of assets measured at amortised cost by risk provision in order to improve the depth of information:

in € million	31.12.2025	31.12.2024
Subordinated securities and receivables	250	218
Credit institutions	127	126
Other financial undertakings	86	57
Other companies	37	35
Senior debenture bonds and registered bonds	71	72
Building loans	30,116	28,401
Loan under a building savings contract	2,698	2,255 ¹
Advance and bridge financing loans	20,320	19,085
Other building loans	7,098	7,061 ¹
Other receivables	1,330	2,249
Asset-side portfolio hedge adjustment	224	422
Financial assets measured at amortised cost	31,991	31,362

¹ Previous year's figure adjusted.

Excluding risk provisions, loans and advances to credit institutions included in other receivables amounted to €874 million (previous year: €1,742 million), of which €565 million (previous year: €1,469 million) are due daily and €309 million (previous year: €273 million) are not due daily.

The fair value of the assets measured at amortised cost can be found in the measurement hierarchy overview in Note 37.

Risk provision per class for financial assets measured at amortised cost

in € million	31.12.2025	31.12.2024
Building loans	-145	-108
Other receivables	-40	-41
Risk provision	-185	-149

(5) Positive market values from hedges

in € million	31.12.2025	31.12.2024
Fair value hedges	-	2
Hedging of interest rate risk	-	2
Positive market values from hedges	-	2

(6) Technical assets

in € million	Asset for Remaining Coverage		Asset for incurred claims		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Insurance contracts issued, the assets are	57	59¹	-9	-8	48	51¹
Life and health insurance	57	59 ¹	-9	-8	48	51 ¹
Reinsurance contracts held that are assets	2	-8	198	297	200	289
Life and health insurance	21	11	10	10	31	21
Property/casualty insurance	-19	-19	188	287	169	268
Technical assets	59	51¹	189	289	248	340¹

1 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Further explanations are provided in Note 18 Technical liabilities.

(7) Financial assets accounted for using the equity method

in € million	2025	2024
Carrying amount as at 1.1.	60	89
Change in scope of consolidation	-	-23
Dividend payments	-	-5
Proportionate annual results	6	1
Other changes	-	-2
Carrying amount as at 31.12.	66	60

The following table shows, among other things, the total assets, liabilities, revenues and annual results of the respective companies as well as the corresponding shares attributable to the W&W Group for all financial assets accounted for using the equity method that were held during the reporting period and the previous year:

	BWK GmbH Unternehmens- beteiligungsgesellschaft	V-Bank AG
Purpose of investment	Strategic investment	Strategic investment
Headquarters	Stuttgart, Germany	Munich, Germany
Reporting date	31 December	31 December

	BWK GmbH Unternehmens- beteiligungsgesellschaft		V-Bank AG		Total	
in € million	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Capital share ratio in %	35.00	35.00				
Assets	200	183	–	–	200	183
Debts	11	11	–	–	11	11
Net assets (100%)	189	172	–	–	189	172
Group share of net assets	66	60	–	–	66	60
Carrying amount of financial assets accounted for using the equity method	66	60	–	–	66	60

	BWK GmbH Unternehmens- beteiligungsgesellschaft		V-Bank AG		Total	
in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2024 to 30.06.2024 ¹	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024 ¹
Revenue	53	40	–	50	53	90
Annual result (100%)	17	–4	–	13	17	9
Other comprehensive income (100%)	–	–	–	2	–	2
Total result (100%)	17	–4	–	15	17	11
Group share of net profit	6	–1	–	2	6	1
Group share of other comprehensive income	–	–	–	–	–	–
Group share of total result	6	–1	–	2	6	1
Dividends received	–	5	–	–	–	5

1 V-Bank figures only included until 30 June 2024.

Despite holding less than 20% of the voting rights, V-Bank AG had a significant influence due to its representation on the supervisory body of the investee company. With the loss of a seat on the Supervisory Board as of 1 July 2024, significant influence within the meaning of IAS 28 no longer exists. Consequently, since that date, the investment has been accounted for on a profit-or-loss basis at fair value in accordance with IFRS 9.

No publicly quoted market prices are available for the shares of associated companies in the W&W Group accounted for using the equity method.

(8) Investment property

As at 31 December 2025, there were restrictions on the sale of investment property amounting to €90 million (previous year: €93 million). There were no restrictions on the availability of income and proceeds from sales.

As at 31 December 2025, there were contractual obligations to acquire and construct investment properties amounting to €22 million (previous year: €78 million). There were no material contractual obligations to develop investment properties or for repairs, maintenance or improvements.

Investment property measured using the cost model

The fair value of investment property measured using the cost model amounted to €202 million at the end of the year (previous year: €238 million).

in € million	2025	2024
Gross carrying amounts as at 1.1.	273	287
Additions	4	11
Disposals	-10	-17
Reclassifications	-5	-8
As at 31.12.	262	273
Cumulative depreciation and impairment losses Balance as at 1.1.	-116	-126
Additions Impairments (scheduled)	-2	-2
Disposals	3	7
Reclassifications	6	5
As at 31.12.	-109	-116
Net carrying amounts Balance as at 1 January	157	161
Net carrying amounts as at 31.12.	153	157

Additions included capitalised production costs of €4 million (previous year: €10 million).

Investment property measured at fair value

in € million	2025	2024
As at 1.1.	2,309	2,408
Additions	96	93
Disposals	-144	-61
Consolidation effects	-129	-60
Net gains or losses from fair value measurement	-34	-64
Reclassifications	-	-7
As at 31.12.	2,098	2,309

Additions included capitalised production costs of €12 million (previous year: €13 million).

(9) Intangible assets

			Remaining amortisation period (years)
in € million	31.12.2025	31.12.2024	
Software	101	112	1–5
Brand names	3	5	2
Other acquired intangible assets	6	7	1–15
Intangible assets	110	124	-

Changes to intangible assets 2025

	External procured software	Internally developed software	Brand names	Other acquired intangible assets	Total
in € million					
Gross carrying amounts as at 1.1.	491	3	32	25	551
Additions	32	–	–	–	32
Disposals	–66	–	–	–	–66
As at 31.12.	457	3	32	25	517
Cumulative amortisation and impairment losses as at 1.1.	–379	–3	–27	–18	–427
Additions: amortisation (scheduled)	–27	–	–2	–1	–30
Additions: impairments losses	–16	–	–	–	–16
Disposals	66	–	–	–	66
As at 31.12.	–356	–3	–29	–19	–407
Net carrying amounts as at 1.1.	112	–	5	7	124
Net carrying amounts as at 31.12.	101	–	3	6	110

Changes to intangible assets 2024

	External procured software	Internally developed software	Brand names	Other acquired intangible assets	Total
in € million					
Gross carrying amounts as at 1.1.	447	3	32	15	497
Additions	44	–	–	–	44
Change in scope of consolidation	–	–	–	10	10
As at 31.12.	491	3	32	25	551
Cumulative amortisation and impairment losses as at 1.1.	–320	–3	–26	–15	–364
Additions: amortisation (scheduled)	–24	–	–1	–	–25
Additions: impairments losses	–35	–	–	–3	–38
As at 31.12.	–379	–3	–27	–18	–427
Net carrying amounts as at 1.1.	127	–	6	–	133
Net carrying amounts as at 31.12.	112	–	5	7	124

Due to the premature discontinuation of a software project in the Property/Casualty insurance segment, the acquisition costs of the related intangible assets in the low double-digit million range were fully impaired.

There is a brand transfer and usage agreement between Wüstenrot Holding AG and W&W AG. The book value of the resulting intangible asset amounted to €3 million as at 31 December 2025 (previous year: €5 million). This has a limited useful life and is amortised on a straight-line basis over 20 years. The remaining useful life is two years. The capitalised brand name was offset by a financial liability to Wüstenrot Holding AG as at 31 December 2025 in the amount of €1 million (previous year: €4 million).

Total research and development expenditure recognised in the consolidated income statement for the 2025 financial year amounted to €45 million (previous year: €34 million).

Commitments to acquire intangible assets amounted to €7 million (previous year: €7 million). These related to software licences from W&W Informatik GmbH.

(10) Tangible assets

In the area of tangible assets, there were commitments to acquire tangible assets, which mainly resulted from the acquisition of hardware in the amount of €7 million (previous year: €1 million).

Tangible assets measured at amortised cost

in € million	Own-use properties		Plant and equipment		Total	
	2025	2024	2025	2024	2025	2024
Gross carrying amounts as at 1.1.	704	723	131	116	835	839
Additions	12	12	12	21	24	33
Disposals	-8	-	-15	-6	-23	-6
Reclassifications	5	-31	-	-	5	-31
As at 31.12.	713	704	128	131	841	835
Cumulative depreciation and impairment losses as at 1.1.	-223	-225	-88	-76	-311	-301
Additions: depreciation (scheduled)	-28	-29	-17	-17	-45	-46
Additions: impairments	-2	-	-	-	-2	-
Disposals	8	-	15	5	23	5
Reclassifications	-6	31	-	-	-6	31
As at 31.12.	-251	-223	-90	-88	-341	-311
Net carrying amounts as at 1.1.	481	498	43	40	524	538
Net carrying amounts as at 31.12.	462	481	38	43	500	524

Tangible assets measured at fair value

in € million	Own-use properties	
	2025	2024
As at 1.1.	9	-
Net gains or losses from fair value measurement	-2	-1
Reclassifications	-	10
As at 31.12.	7	9

(11) Inventories

Inventories amounting to €40 million (previous year: €50 million) originate from the property development business and primarily comprise land and buildings held for sale as well as land with unfinished buildings. The book value of inventories, which were measured at the lower of fair value less the cost of disposal, amounts to €7 million (previous year: €8 million).

Value adjustments of €2 million (previous year: €13 million) were made to inventories in the reporting year. Expenses for the consumption of inventories in the reporting period amounted to €21 million (previous year: €23 million). In the reporting year, €14 million (previous year: €14 million) of inventories were pledged as collateral for liabilities.

(12) Current tax assets

Current tax assets relate to current tax receivables and are expected to be realised in the amount of €46 million (previous year: €13 million) within twelve months.

(13) Deferred tax assets

Deferred tax assets were recognised in connection with the following items:

in € million	31.12.2025	31.12.2024
Financial assets/liabilities measured at fair value through profit or loss	128	86
Financial assets measured at fair value through other comprehensive income	1,806	1,889
Financial assets measured at amortised cost	353	366 ¹
Positive and negative market values from hedges	1	7
Investment property	34	40
Liabilities	15	31
Technical assets/liabilities	–	9
Provisions for pensions and other obligations	115	145
Other balance sheet items	67	78
Tax loss carryforward	18	22
Deferred tax assets before netting effects	2,537	2,673¹
Netting effects	–1,748	–1,741 ¹
Deferred tax assets after netting effects	789	932

¹ Previous year's figure adjusted.

The portion of changes in deferred tax assets for individual items that does not affect profit or loss is shown in the consolidated statement of comprehensive income. Changes affecting profit or loss for individual items are presented in Note 34.

Deferred taxes on provisions for pensions and other obligations were recognised in the amount of €131 million (previous year: €169 million) was recognised directly in the pension commitment reserve.

Deferred tax assets of €87 million (previous year: €313 million) and deferred taxes on tax loss carryforwards of €11 million (previous year: €9 million) are expected to be realised within twelve months.

No deferred taxes were recognised on deductible tax loss carryforwards relating to corporation tax and trade tax amounting to €3 million (previous year: €3 million), as it is not expected that these will be utilised in the medium term.

(14) Other assets

Other assets mainly comprise prepaid expenses for leasing and maintenance costs.

(15) Financial liabilities measured at fair value through profit or loss

The category Financial liabilities at fair value through profit or loss includes derivatives amounting to €51 million (previous year: €237 million). Of this amount, €39 million (previous year: €11 million) related to interest rate transactions, €8 million (previous year: €224 million) to currency transactions and €4 million (previous year: €2 million) to equity/index transactions.

(16) Liabilities

in € million	31.12.2025	31.12.2024
Liabilities evidenced by certificates	4,810	3,365
Liabilities to credit institutions	2,700	1,271
Deposits from home loan savings business	4	4
Other liabilities to credit institutions	2,696	1,267
Liabilities to customers	25,855	27,468
Deposits from home loan savings business and savings deposits	19,676	19,815
Other liabilities to customers	6,179	7,653
Lease liabilities	34	44
Miscellaneous liabilities	451	474
Other liabilities	273	311
Sundry liabilities	178	163
Passive portfolio hedge adjustment	-509	-397
Liabilities	33,341	32,225

Of the other liabilities to credit institutions included in liabilities to credit institutions, €8 million (previous year: €9 million) were due on demand and €2,688 million (previous year: €1,258 million) were not due on demand. These liabilities not due on a daily basis include securities lending and open market transactions as well as margin liabilities.

Of the other liabilities from liabilities to customers, €2,482 million (previous year: €4,975 million) were due daily and €3,697 million (previous year: €2,678 million) had an agreed maturity.

Other liabilities reported under other liabilities include trade payables of €81 million (previous year: €85 million) and other financial liabilities of €183 million (previous year: €217 million). Other liabilities are mainly composed of liabilities in the area of human resources amounting to €89 million (previous year: €70 million) and non-controlling interests in fully consolidated public and special funds amounting to €86 million (previous year: €90 million).

The fair value of the respective liabilities can be found in the measurement hierarchy overview in Note 37.

(17) Negative market values from hedges

in € million	31.12.2025	31.12.2024
Fair value hedges	-	1
Hedging of interest rate risk	-	1
Negative market values from hedges	-	1

(18) Technical liabilities

	Liability for Remaining Coverage		Liability for Incurred Claims		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
in € million						
Insurance contracts issued that are liabilities	29,027	29,864¹	2,427	2,409	31,454	32,273¹
Life and health insurance	28,722	29,539 ¹	216	183	28,938	29,722 ¹
Property/casualty insurance	305	325	2,211	2,226	2,516	2,551
Reinsurance contracts held that are liabilities	2	1	-	-	2	1
Property/casualty insurance	2	1	-	-	2	1
Technical liabilities	29,029	29,865¹	2,427	2,409	31,456	32,274¹

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Further details can be found in the section on insurance contracts.

(19) Other provisions

	31.12.2025	31.12.2024
in € million		
Provisions for pensions	1,113	1,189
Provisions for other long-term employee benefits	23	26
Provisions for pensions and other long-term employee benefits	1,136	1,215
Miscellaneous provisions	448	505
Risk provision for issued loan commitments and financial guarantees	2	1
Other provisions	1,586	1,721

Provisions for pensions and other long-term employee benefits

Provisions for pensions

The development of the present value of pension benefits is shown below:

Projected pension obligation

	Present value of pension commitments		Fair value of plan assets		Net liability (net asset) of defined benefit pension plans / recognised pension provision	
	2025	2024	2025	2024	2025	2024
in € million						
As at 1.1.	1,441	1,468	252	261	1,189	1,207
Income and expenses recognised in the consolidated income statement	59	55	9	7	50	48
Current service cost	13	11	–	–	13	11
Interest expense/income	46	44	–	–	46	44
Actuarial gains (–)/losses (+) recognised in other comprehensive income	–63	–6	4	3	–67	–9
Pension payments (utilisation)	–79	–76	–20	–19	–59	–57
As at 31.12.	1,358	1,441	245	252	1,113	1,189

There was no past service cost to be recognised in either the current or the previous financial year. The present value of future pension costs as at 1 January and 31 December of each financial year corresponds to the carrying amount of the pension provision.

Current service costs are reported in the consolidated income statement under general administrative expenses. Interest expenses are recognised in current earnings.

The plan assets eligible for offsetting in connection with the outsourcing of pension commitments are composed as follows:

List of plan assets by investment class

in € million	31.12.2025	31.12.2024
Cash and cash equivalents	7	20
Shares	20	20
Investment fund units	33	33
Senior debenture bonds and registered bonds	50	50
Senior fixed-income securities	135	129
Financial assets	245	252

With the exception of shares and derivatives, there were no prices available for other assets that could be read on an active market.

The following significant actuarial assumptions are used to determine the pension provisions for defined benefit plans:

In %	2025	2024
Actuarial interest rate	3.80	3.30
Pension trend	2.00	2.00
Projected benefit obligation trend	3.00	3.00
Salary trend	3.00	3.00
Inflation trend	2.00	2.00
Biometrics	Heubeck mortality tables 2018 G	Heubeck mortality tables 2018 G

Sensitivity analysis

Changes in assumptions would have had the following effects on defined benefit obligations (DBO); the sensitivities are calculated independently of one another:

Present value of defined benefit pension commitments

		31.12.2025		31.12.2024	
		Present value	Change	Present value	Change
		in € million	In %	in € million	in %
Discount rate	+50 bp	1,282	-5.3	1,357	-5.6
	-50 bp	1,433	5.9	1,528	6.3
Pension/inflation trend	+25 bp	1,380	1.9	1,468	2.1
	-25 bp	1,328	-1.9	1,408	-2.0
Salary/projected benefit obligation trend	+25 bp	1,356	0.2	1,441	0.2
	-25 bp	1,351	-0.2	1,435	-0.2
Life expectancy	By one more year	1,397	3.2	1,489	3.6

With regard to biometrics, the effects of an increase in life expectancy by one year are shown. This is achieved approximately by a 10% reduction in mortality probabilities.

There are no exceptional company- or plan-specific risks. The development of the obligations is shown by annual forecasts for the current and the following three financial years.

Internal financing via pension provisions without explicit plan assets is a deliberate and proven strategy for financing pension obligations. This ensures sufficient risk compensation. There is no liquidity problem.

The weighted average maturity of the benefit obligations (Macaulay duration) is 11.5 (previous year: 12.3) years.

The contributions to the pension plan expected for the next annual reporting period amount to €10 million.

Provisions for other long-term employee benefits

For the measurement of other long-term employee benefits, discount rates corresponding to the shorter maturities of the obligations were used (e.g. commitments for early retirement 2.60% (previous year: 2.50%), partial retirement agreements 2.60% and 2.70% (previous year: 2.50% and 2.60%), anniversary bonuses 3.00% (previous year: 2.70%).

Miscellaneous provisions 2025

	For restructuring	For the refunding of closing fees in the event of a loan waiver	For the interest bonus option	Other	Total
<i>in € million</i>					
As at 1.1.	2	20	440	43	505
Additions	3	1	45	9	58
Use	-1	-2	-92	-7	-102
Release	-	-2	-3	-7	-12
Interest effect	-	-	-1	-	-1
As at 31.12.	4	17	389	38	448

Miscellaneous provisions 2024

	For restructuring	For the refunding of closing fees in the event of a loan waiver	For the interest bonus option	Other	Total
<i>in € million</i>					
As at 1.1.	2	24	541	68	635
Additions	4	1	37	13	55
Use	-	-2	-119	-24	-145
Release	-1	-6	-48	-9	-64
Interest effect	-	1	16	-	17
Reclassification	-3	-	-	-7	-10
Change in scope of consolidation	-	2	13	2	17
As at 31.12.	2	20	440	43	505

There are irrevocable payment obligations in favour of the German Banks' Compensation Scheme and the Restructuring Fund for Credit Institutions (SRF), for which cash collateral amounting to €58.5 million has been provided. The cash collateral provided relates to irrevocable payment obligations to the deposit guarantee scheme and to contributions to the SRF. Wüstenrot Bausparkasse AG continues to assume that the pledged collateral is economically usable. The judgment of the Court of Justice of the European Union handed down on 13 November 2025 concerned the repayment terms for collateral provided by the SRF in the event of a credit institution's exit from the Single Resolution Mechanism and is not applicable to Wüstenrot Bausparkasse AG. The payment obligations are only recognised as liabilities once certain conditions are met, such as the surrender of the banking licence or a demand for payments by the Single Resolution Board (SRB) following participation in resolution measures. As it is currently assumed that business operations will continue under the banking licence and no payments have been demanded by the SRB or other

resolution schemes, no liability is currently recognised. As at the balance sheet date, it is assumed that Wüstenrot Bausparkasse AG will be called upon in the event of a material resolution event; therefore, the basis for recognising a provision exists. An analysis has shown that the resulting discounted amount is immaterial.

The development of risk provisions for loan commitments is presented in Note 48.

The expected maturity of the amounts recognised in the balance sheet is broken down as follows:

2025

	Up to 1 year	1 to 5 years	Over 5 years	Indefinite maturity	Total
in € million					
Miscellaneous provisions for restructuring	1	3	–	–	4
Miscellaneous provisions for the refunding of closing fees in the event of loan waiver	2	7	8	–	17
Miscellaneous provisions for interest bonus option	117	177	95	–	389
Other	26	9	3	–	38
Miscellaneous provisions	146	196	106	–	448

2024

	Up to 1 year	1 to 5 years	Over 5 years	Indefinite maturity	Total
in € million					
Miscellaneous provisions for restructuring	2	–	–	–	2
Miscellaneous provisions for the refunding of closing fees in the event of loan waiver	2	6	12	–	20
Miscellaneous provisions for interest bonus option	128	196	116	–	440
Other	27	10	6	–	43
Miscellaneous provisions	159	212	134	–	505

(20) Tax liabilities

The tax liabilities relate to current taxes and are expected to be realised within twelve months in the amount of €102 million (previous year: €136 million).

(21) Deferred tax liabilities

Deferred tax liabilities were recognised in connection with the following items:

in € million	31.12.2025	31.12.2024
Financial assets/liabilities measured at fair value through profit or loss	41	23
Financial assets measured at amortised cost	69	149 ¹
Positive and negative market values from hedges	60	34
Investment property	108	156
Financial assets accounted for using the equity method	1	1
Liabilities	172	175
Technical assets/liabilities	1,568	1,495 ²
Other balance sheet items	62	55
Deferred tax liabilities before netting effects	2,081	2,088^{1,2}
Netting effects	-1,748	-1,741 ¹
Deferred tax liabilities after netting effects	333	347²

1 Previous year's figure adjusted.

2 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

The portion of changes in deferred tax liabilities for individual items that does not affect profit or loss is shown in the consolidated statement of comprehensive income. Changes affecting profit or loss for individual items are presented in Note 34.

Deferred tax liabilities amounting to €110 million (previous year: €274 million) are expected to be realised within twelve months.

Differences arising from the OECD Pillar 2 regulations were not taken into account in the recognition and measurement of deferred taxes in accordance with IAS 12.

(22) Sundry liabilities

This item mainly comprises contractual liabilities of €0 million (previous year: €1 million) and government grants for assets of €5 million (previous year: €4 million).

(23) Subordinated capital

Subordinated capital is reported in the report on liquidity risks (Note 50), taking into account existing early repayment options before maturity.

in € million	Book value		Fair value	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Subordinated liabilities	700	404	674	353
Profit participation capital	–	2	–	2
Subordinated capital	700	406	674	355

In October 2025, W&W AG issued another subordinated bond with a volume of €300 million. The purpose of the debt security is to provide Tier 2 capital. With this emission, W&W AG took advantage of the favourable market conditions at the time of issue to optimise the capital structure of the W&W Group from both a regulatory and a rating perspective. The maturity is 20 years, provided that the subordinated bond is redeemed on the scheduled maturity date. Early redemption is possible at the issuer's discretion after 10 years at the earliest. The issue price was 98.722%. The bond

coupon is 4.983% for the first ten years. Thereafter, the bond will bear interest at a variable rate based on the 3-month Euro Interbank Offered Rate, taking into account a premium of 3.4% per annum.

(24) Equity

in € million	31.12.2025	31.12.2024
W&W shareholders' share of paid-in capital	1,486	1,486
W&W shareholders' share of retained earnings	3,443	3,403 ¹
Non-controlling interests in equity	32	33
Equity	4,961	4,922¹
1 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.		

It is proposed that the net profit of W&W AG for the 2025 financial year, amounting to €74 million, be appropriated as follows: Distribution of a dividend of €0.65 on each no-par value share entitled to profit participation. This would correspond to a total distribution of €61 million.

On 22 May 2025, the Annual General Meeting of W&W AG resolved to distribute a dividend of €0.65 (previous year: €0.65) per share from the net profit for the financial year of €80 million (previous year: €80 million). Based on the number of shares entitled to dividends, this corresponds to a distribution of €61 million (previous year: €61 million). Of the remaining amount, €18 million (previous year: €18 million) was allocated to other reserves and €1 million (previous year: €1 million) was carried forward to new account.

Share capital

The subscribed capital is divided into 93,749,720 registered no-par value shares in circulation, which are fully paid up. Legally, these are ordinary shares. In addition, W&W AG still holds 0 (previous year: 101,879) treasury shares as at 31 December 2025.

This gives rise to voting and dividend rights, the right to a share of the liquidation proceeds and subscription rights. There are no preferential rights or restrictions.

Change in the number of shares outstanding

	2025	2024
As at 1.1.	93,647,841	93,715,385
Repurchase for employee share programme	–	–150,000
Issue to employees	71,607	82,136
Return to the market	30,272	320
As at 31.12.	93,749,720	93,647,841

Authorised capital

Pursuant to Section 5 (5) of the Articles of Association of W&W AG, the Executive Board is authorised until 13 May 2029, with the approval of the Supervisory Board, to increase the company's share capital by issuing new registered shares against cash and/or non-cash contributions, either once or several times, but by a maximum total of €100 million. Shareholders are entitled to a statutory subscription right in this regard.

Contingent capital

By resolution of the Annual General Meeting on 14 May 2024, the Executive Board was authorised until 13 May 2029 to issue options, convertible bonds, profit participation rights, profit bonds or a combination of these instruments. Section 5 (6) of the Articles of Association stipulates that the share capital of W&W AG may be conditionally increased by up to a nominal amount of €240 million, divided into up to 45,889,102 registered no-par value shares.

Non-controlling interests in equity

Non-controlling interests in equity are broken down as follows:

in € million	31.12.2025	31.12.2024
Interest in consolidated net profit	–	2
Share of other reserves (OCI)	1	–
Other shares	31	31
Non-controlling interests in equity	32	33

The following table provides information about Württembergische Lebensversicherung AG, in which non-controlling shareholders hold interests. The figures are balance sheet values and income statement values determined in accordance with International Financial Reporting Standards for the individual company.

in € million	31.12.2025	31.12.2024
Percentage share of non-controlling interests	5.11	5.11
Assets (100%)	28,300	29,260
Liabilities (100%)	27,691	28,686
Net assets (100%)	609	574
Carrying amount of non-controlling interests in net assets	31	29
Revenue	1,404	1,394
Net profit (100%)	9	35
Other comprehensive income (100%)	46	34
Total comprehensive income (100%)	55	68
Net income/expense for the year allocated to non-controlling interests	3	3
Dividends paid to non-controlling interests	1	1
Cash flows (100%)	–86	65

Employee share programme

In the first half of 2025, another employee share programme was implemented, in which all eligible employees of the W&W Group companies were able to purchase up to 40 (previous year: 40) shares in W&W AG at a discounted price of €8.88 (previous year: €8.48), a reduction of €5.00 (previous year: €5.00). Employees are required to hold these shares for at least three years. The purchase price was determined on 24 March 2025 at the XETRA closing price. Personnel expenses of €0.4 million (previous year: €0.4 million) were incurred in connection with the employee share programme. The development of treasury shares for the employee share programme is shown in the table „Development of shares in circulation“ in the sub-section „Share capital“.

Notes concerning the consolidated income statement

(25) Current financial result

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Interest income	1,547	1,559
Subordinated securities and receivables	43	34
Fixed-income financial instruments that do not pass the SPPI test	82	83
Derivative financial instruments	55	135
Senior debenture bonds and registered bonds	66	72
Senior fixed-income securities	524	512
Building loans	678	576
Other receivables	99	147
Interest expenses	-707	-610
Liabilities evidenced by certificates	-83	-56
Liabilities from deposits and other liabilities	-354	-276
Lease liabilities	-1	-1
Miscellaneous liabilities	-2	-2
Subordinated capital	-14	-18
Derivative financial instruments	-198	-200
Other	-55	-57
Dividend income	360	316
Other current result	127	131
Income from financial assets accounted for using the equity method	6	1
Result from investment property	121	130
Current financial result	1,327	1,396

The interest expenses listed correspond essentially to the financing expenses of the W&W Group.

The result from investment property includes income from rentals and leases (operating leases) amounting to €125 million (previous year: €137 million). It also includes directly attributable operating expenses for repairs, maintenance and administration, as well as impairments and amortisation. These amount to €25 million (previous year: €30 million) to investment property from which rental income was generated; €2 million (previous year: €1 million) is attributable to investment property that did not generate rental income.

(26) Result from risk provision

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Income from risk provision	67	75
Release of risk provision	59	67
Senior debenture bonds and registered bonds	–	1
Senior fixed-income securities	10	18
Building loans	48	47
Other receivables	1	1
Release of provisions in the lending business, for irrevocable loan commitments	2	2
Write-ups/additions to written-off securities and receivables	6	6
Expenses from risk provision	–127	–102
Additions to risk provision	–124	–100
Subordinated securities and receivables	–1	–
Senior debenture bonds and registered bonds	–	–1
Senior fixed-income securities	–9	–9
Building loans	–92	–66
Other receivables	–22	–24
Additions to provisions in the lending business, for irrevocable loan commitments	–3	–2
Result from risk provision	–60	–27

(27) Valuation result

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Result from financial assets/liabilities measured at fair value through profit or loss	509	618
Equity investments, shares, investment fund units and investments in alternative investments	49	147
Senior fixed-income securities	–	1
Derivative financial instruments	17	58
Capital investments on behalf of and at the risk of life insurance policyholders	426	385
Fixed-income financial instruments that do not pass the SPPI test	17	27
Result from discounting building society provisions	12	–32
Result from hedges¹	–75	–38
Result from properties measured at fair value	–36	–65
Currency result	–314	–11
Equity investments, shares, investment fund units and investments in alternative investments	–215	103
Fixed-income financial instruments that do not pass the SPPI test	–88	47
Senior fixed-income securities	–518	274
Other receivables	–35	21
Derivative financial instruments	597	–481
Capital investments for the account and risk of life insurance policyholders	–55	26
Liabilities	–	–1
Valuation result	96	472

1 Balance sheet hedge accounting (basic and hedging transactions).

Due to geopolitical changes and the associated decline in the exchange rate of the US dollar against the euro, the currency result decreased significantly. The currency losses on US dollar securities are offset by gains from derivative financial instruments that were concluded to economically hedge currency risks.

(28) Result from disposals

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Income from disposals	51	78
Subordinated securities and receivables	1	1
Senior debenture bonds and registered bonds	–	3
Senior fixed-income securities	46	61
Investment property	4	13
Expenses for disposals	–117	–116
Subordinated securities and receivables	–1	–1
Senior debenture bonds and registered bonds	–1	–1
Senior fixed-income securities	–115	–114
Result from disposals	–66	–38

(29) Technical financial income or expenses

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Life and health insurance		
Technical financial result (net)	–991	–1,271
Technical financial result (gross)	–991	–1,271
Technical financial income from insurance contracts issued	683	578 ¹
Technical financial expenses from insurance contracts issued	–1,674	–1,849 ¹
Technical financial result from reinsurance contracts held	–	–
Technical financial income from reinsurance contracts held	1	1
Technical financial expenses from reinsurance contracts held	–1	–1
Property/casualty insurance		
Technical financial result (net)	–48	–56
Technical financial result (gross)	–51	–60
Technical financial income from insurance contracts issued	10	5
Technical financial expenses from insurance contracts issued	–61	–65
Technical financial result from reinsurance contracts held	3	4
Technical financial income from reinsurance contracts held	3	4
Technical financial income or expenses	–1,039	–1,327

¹ Previous year's figure adjusted.

(30) Technical result

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Life and health insurance		
Technical result (net)	122	101¹
Technical result (gross)	135	115 ¹
Technical income	1,339	1,296 ¹
Technical expenses	-1,204	-1,181 ¹
Result from reinsurance contracts held	-13	-14
Property/casualty insurance		
Technical result (net)	310	-118
Technical result (gross)	407	-75
Technical income	2,930	2,768
Technical expenses	-2,523	-2,843
Result from reinsurance contracts held	-97	-43
Technical result (total)	432	-17¹

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

(31) Commission result

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Commission income	195	205
from banking/home loan savings business	151	160
from consulting/brokerage activities	33	38
from investment business	10	4
from other business	1	3
Commission expenses	-220	-217
from banking/home loan savings business	-159	-168
from consulting/brokerage activities	-32	-14
from investment business	-9	-11
from other business	-20	-24
Commission result	-25	-12

Transactions in financial instruments not measured at fair value through profit or loss resulted in commission income of €151 million (previous year: €160 million) and commission expenses of €162 million (previous year: €168 million) in the reporting period.

(32) General administrative expenses

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
General administrative expenses (net)	-505	-506
General administrative expenses (gross)	-1,171	-1,163
Personnel expenses	-677	-633
Wages and salaries	-530	-490
Social security contributions	-103	-94
Expenses for company pension schemes	-27	-32
Other	-17	-17
Materials expenses	-402	-420
Depreciation, amortisation and write-downs	-92	-110
Own-use properties	-30	-29
Operating and office equipment	-15	-13
Intangible assets	-45	-64
Other	-2	-4
General administrative expenses attributable to the technical result	666	657

€24 million (previous year: €28 million) in contributions were paid for defined contribution plans in the reporting period. In addition, employer contributions to the statutory pension insurance scheme amounted to €45 million (previous year: €44 million).

General administrative expenses include €6 million (previous year: €7 million) in personnel expenses for partial retirement and early retirement.

(33) Other operating income

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Other operating income	88	130
Income from real estate and urban development	25	27
Release of provisions	20	20
Miscellaneous income	43	83
Other operating expenses	-36	-45
Expenses from real estate management and urban development	-18	-27
Additions to provisions	-4	-7
Miscellaneous expenses	-11	-7
Other taxes	-3	-4
Other operating result	52	85

(34) Income taxes

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Current taxes on income and earnings for the reporting period	-17	-104
Current taxes relating to other periods	5	-
Deferred taxes	-79	113
Income taxes	-91	9

Deferred taxes recognised in profit or loss were recognised in connection with the following items:

Deferred taxes

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Financial assets/liabilities measured at fair value through profit or loss	39	7
Financial assets at fair value through other comprehensive income	1	-5
Financial assets measured at amortised cost	70	-25
Available-for-sale financial assets	-	2
Positive and negative market values from hedges	-32	-
Liabilities	-12	50
Technical assets/liabilities	-111	110
Provisions for pensions and other obligations	-2	-10
Other balance sheet items	-28	-11
Tax loss carryforward	-4	-5
Deferred taxes	-79	113

The following reconciliation shows the relationship between the expected income taxes and the income taxes actually reported in the consolidated financial statements:

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Consolidated net income from continuing operations before income taxes	212	26¹
Consolidated tax rate in %	27.40	29.70
Expected income taxes	-58	-8
Tax rate changes	-38	-
Tax rate differences of Group companies	-6	-
Effects of tax-free income	6	37
Effects of non-deductible expenses	-6	-4
Non-recurring effects (actual and deferred)	7	-9
Other	4	-7
Income taxes	-91	9
1 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.		

The expected tax rate for Group companies used in the reconciliation statement includes corporation tax, trade tax and the solidarity surcharge and amounts to 27.40% (previous year: 29.70%).

No deferred tax liabilities were recognised on temporary differences of €79 million (previous year: €101 million) in connection with shares in subsidiaries, branches and associated companies, as the timing of the reversal of the temporary difference is taxable and it is not probable that these temporary differences will reverse in the foreseeable future.

(35) Earnings per share

Basic earnings per share are calculated as the quotient of consolidated net income and the weighted average number of shares:

		1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Earnings attributable to shareholders of W&W AG	in €	120,882,539	32,973,639 ¹
Number of shares at the beginning of the financial year	Shares	93,647,841	93,715,385
Treasury shares held at the reporting date	Shares	–	–101,879
Weighted average number of shares	Shares	93,724,250	93,664,727
Basic (and diluted) earnings per share	in €	1.29	0.35¹

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

There are currently no dilutive potential shares. Diluted earnings per share therefore correspond to basic earnings per share.

Notes concerning the consolidated statement of comprehensive income

(36) Unrealised gains/losses

	Financial assets at fair value through other comprehensive income	
in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Recognised in other comprehensive income	–935	–174
Reclassified to the consolidated income statement	92	55
Unrealised gains/losses (gross)	–843	–119

As at 1 January 2019, the W&W Group reclassified senior debenture bonds and registered bonds as well as senior bearer bonds from the ‘hold’ business model to the ‘hold and sell’ business model. The holdings were reclassified from the category of financial assets measured at amortised cost with a book value of €1,900 million to the category of financial assets measured at fair value through profit or loss (OCI) with a book value/fair value of €2,206 million and recognised unrealised gains of €305 million gross in OCI. The business model was adjusted as a result of the change in objectives (in particular due to the sale of Wüstenrot Bank AG Pfandbriefbank) to generate regular income in future from both cash flows and the sale of financial assets. There were no reclassifications in the reporting year.

Notes concerning financial instruments and fair values

(37) Information on fair value measurement

Fair value is defined as the price that the W&W Group would receive on the valuation date in an ordinary transaction between market participants when selling an asset or would have to pay when carrying over a liability. Fair value is therefore a market-based and not a company-specific valuation measure. The W&W Group uses different valuation methods for the different classes.

In principle, the classification for the measurement of fair value in accordance with IFRS 13 corresponds to the classification used for the purposes of the extended disclosures for financial instruments in accordance with IFRS 7. An extension is created by including non-current assets held for sale and discontinued operations as well as, analogously, liabilities from non-current assets held for sale and discontinued operations, investment property and owner-occupied properties in order to cover the relevant assets and liabilities.

For reasons of comparability, consistency and quality of valuation, assets and liabilities measured at fair value in the consolidated balance sheet are classified hierarchically, taking into account the significance of the factors influencing the valuation. The input parameters used in the measurement procedures to determine fair value are assigned to three levels, and this assignment is applied to all assets and liabilities that are measured at fair value on a regular basis, on a one-off basis or for the purposes of preparing the notes to the financial statements. The uniform standards and principles set out below apply in this regard. Conceptually, the hierarchy is based on the input factors available on the market. It gives the highest priority to prices quoted on active markets for identical assets and liabilities and adopted unchanged (input parameters level 1) and the lowest priority to unobservable input parameters (level 3). If the fair value cannot be reliably determined, the book value is used as an approximation to determine the fair value. In this case, the financial instruments in question are classified in level 3.

The level to which the asset or liability is assigned in its entirety is selected on the basis of the lowest input factor in the hierarchy that is significant for determining the fair value as a whole. For this purpose, the significance of an input factor is assessed in relation to the fair value as a whole. To assess the significance of an individual input factor, the specific characteristics of the asset or liability are analysed and reviewed regularly during the reporting period.

A change in the relevant input factors may result in reclassifications between levels at that point in time. Assets or liabilities classified in Level 1 are reclassified to level 2 if the previously identified active market on which they are quoted ceases to exist. The material characteristics of an active market are regular trading frequency and sufficient trading volume to ensure reliable price information. A price review process ensures that valuation prices are monitored on a daily basis. In the event of price anomalies, the quality of the price supply is analysed and, in the event of a lack of market liquidity, the classification is adjusted. Similarly, a reclassification from level 2 to level 1 is possible if an active market can be identified.

Reclassifications to level 3 are made when fair value can no longer be measured on the basis of observable input parameters. If, on the other hand, these are identified for assets or liabilities that were previously grouped in level 3, a change to level 1 or level 2 must be made if reliable price quotations are available on an active market or if input parameters observable on the market are available.

There were no reclassifications between levels in the reporting period. In the comparative period, there was a reclassification in investments without alternative investments and a reclassification of three investments in alternative investments due to the planned sale of level 3 to level 2, as an observable transaction price was available. There were no other reclassifications between levels in the comparative period.

Unchanged quoted exchange or market prices are used as level 1 inputs for financial instruments in the balance sheet items Financial assets at fair value through profit or loss and Financial liabilities at fair value through profit or loss. These are primarily listed equities and derivative financial instruments such as futures that are traded on a regulated market.

The valuation methods used to determine fair value in levels 2 and 3 include generally accepted valuation models such as the present value method, in which expected future cash flows are discounted using the current interest rates applicable to the corresponding remaining term, credit risks and markets. Here, too, valuation prices and incoming market parameters are monitored daily as part of the price review process.

This valuation method is used to measure securities and receivables with agreed cash flows in the balance sheet items Financial assets at fair value through profit or loss, Financial liabilities at fair value through profit or loss and Financial assets at fair value through other comprehensive income. It can also be used to determine the fair value of financial assets measured at amortised cost. The present value method is therefore used primarily to determine the fair value of other building loans. It is also used to measure unlisted derivative financial instruments such as interest rate swaps and non-optional forward transactions (e.g. forward exchange transactions) in level 2 in the balance sheet items Financial assets and Financial liabilities measured at fair value through profit or loss and in the balance sheet items Positive market values and Negative market values from hedges. Fund units and capital investments on behalf of and at the risk of life insurance policyholders are also mainly allocated to level 2. The last available redemption price of the underlying investment certificate is used for the measurement. In the balance sheet item Liabilities, the acquisition cost or the present value is regularly used to measure fair value and is almost exclusively allocated to levels 2 and 3.

The valuation method used to determine the fair value of investment property and owner-occupied property in life and health insurance is based primarily on a discounted cash flow method using unobservable input parameters. For this reason, these properties are assigned to level 3 of the measurement hierarchy.

The material valuation models and parameters used to measure the fair value of individual assets and liabilities in levels 2 and 3 are presented in the following overview:

Overview of the valuation models used in the levels 2 and 3

Class	Valuation models	Main parameters
Non-current assets held for sale and discontinued operations	In accordance with the respective balance sheet items	
Financial assets at fair value through profit or loss		
Equity investments without alternative investments	Income approach Approximation method Net asset value method	Discount rate, future net cash inflows
Investments in alternative investments	Present value method Approximation method Adjusted net asset value method	Discount rate, future net cash inflows
Shares	Approximation method Adjusted net asset value method	
Investment fund units	repurchase price Approximation method Adjusted net asset value method	
Fixed-income financial instruments that do not pass the SPPI test	Approximation method	
Derivative financial instruments	Present value method Black-Scholes model Libor market model, Hull-White model	Exchange rates (spot and forward), yield curves Quoted prices/index, volatilities, yield curves, strike price and remaining term Yield curves, volatilities
Senior fixed-income securities	Present value method	Liquidity and credit spreads, yield curves
Capital investments on behalf of and at the risk of life insurance policyholders	Surrender value Black-Scholes model Adjusted net asset value method	Index weighting, volatility
Investment property held for financial investment in life and health insurance	Present value method	Discount rate, future net cash inflows
Financial assets measured at fair value through other comprehensive income		
Subordinated securities and receivables	Present value method	Liquidity and credit spreads, yield curves
Senior debenture bonds and registered bonds	Present value method	Liquidity and credit spreads, yield curves
Senior fixed-income securities	Present value method	Liquidity and credit spreads, yield curves
Financial assets measured at amortised cost		
Subordinated securities and receivables	Present value method	Liquidity and credit spreads, yield curves
Senior debenture bonds and registered bonds	Present value method	Liquidity and credit spreads, yield curves
Building loans		
Loan under a building savings contract and advance and bridge financing loans	Acquisition costs	
Other building loans	Present value method	Yield curves
Other receivables	Acquisition costs Amortised cost	Nominal values
Investment property (life and health insurance)	Present value method Multiplier method	Discount rate, future net cash inflows net rent, multiplier
Owner-occupied properties in life and health insurance	Present value method	Discount rate, future net cash inflows
Positive market values from hedges	Present value method	Yield curves
Financial liabilities at fair value through profit or loss		
Derivative financial instruments	Present value method Black-Scholes model Libor market model, Hull-White model	Exchange rates (spot and forward), yield curves Quoted prices/index, volatilities, yield curves, strike price and remaining term Yield curves, volatilities

Overview of the valuation models used in the levels 2 and 3

Class	Valuation models	Main parameters
Liabilities		
Liabilities evidenced by certificates	Present value method	Credit spreads, yield curves
Liabilities to credit institutions	Acquisition costs Approximation method	
Liabilities to customers	Acquisition costs	
Lease liabilities	Present value method	Discount rate, Future net cash outflows
Other liabilities		
Other liabilities	Acquisition costs	Nominal values
Other liabilities ¹	Acquisition costs/settlement amount	Nominal values
Negative market values from hedges	Present value method	Yield curves
Subordinated capital	Present value method	Credit spreads, yield curves

1 Liabilities that are allocated to the class in the consolidated balance sheet on the basis of transferability in accordance with IFRS 7, but are not subject to the scope of IFRS 7 / IFRS 9.

The fair values of non-exchange-traded options are calculated using generally accepted option pricing models appropriate for the respective types and underlying assets of options and the generally accepted assumptions on which they are based. The value of options is determined in particular by the value of the underlying asset and its volatility, the agreed strike price, interest rate or index, the risk-free interest rate and the remaining term of the contract. They are allocated to the class of derivative financial instruments within the balance sheet items financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss.

The fair values of the classes of financial instruments derived from the balance sheet items Financial assets measured at amortised cost, Liabilities and Subordinated capital, whose fair values are only disclosed in the notes to the consolidated financial statements, are also measured using the present value method.

Level 3 of the balance sheet item Financial assets at fair value through profit or loss is characterised by unlisted shares and investments, including investments in alternative investments. The fair value is determined primarily on the basis of the net asset value (NAV). The NAV, which is determined mainly on a quarterly basis, rarely on a monthly or semi-annual basis in accordance with industry standards, is provided by the fund managers, then reviewed by risk controlling units and, if necessary, adjusted for outstanding performance-related remuneration claims. This also applies to indirect real estate investments that are allocated to investments without alternative investments. For investments not allocated to alternative investments or real estate investments, fair value is regularly determined from the proportionate equity in the current financial statements. If no information is available, amortised cost is used as an approximation of fair value.

For investment property outside of life and health insurance, the DCF method is primarily used, with the aid of cash flows at tenant or property level and the specific internal rate of return for the real estate asset class as the discount rate. The occupancy rate on the valuation date is taken into account. Due to changes in the general conditions, an investment property under development is valued in the financial year using the multiplier method based on the expected annual net rent, in contrast to the previous year.

The building loans consist mainly of „loans under a building savings contract as well as advance and bridge financing loans“. In this sub-item, non-interest-induced valuation effects cannot be reliably assessed due to the numerous customer options contained in a home loan savings contract and the related valuation volatilities, so that the book value is used as an approximation for determining the fair value. For the sub-item Other building loans, on the other hand, the fair value is determined using the DCF method. Building society deposits, in turn, are allocated to the balance sheet item Liabilities to customers and are also measured at amortised cost, which is also considered an approximate value for the fair value.

Across all classes, the liquidity and credit spreads observable on the financial market are regularly taken into account when measuring interest-bearing financial instruments on the assets side (level 2). The valuation spread is determined by comparing reference curves with the corresponding risk-free money market and swap curves for the financial instrument. Term-dependent spreads are used for valuation, which also take into account the quality of the issuer within the different issuer groups within a rating class. The yield curves and rating- and term-dependent spreads provided by market data providers are updated automatically on an intraday basis. The discount curve is always currency-specific. Swaps secured by framework agreements are valued using term-specific yield curves in a multi-curve approach.

The valuation outputs are significantly influenced by the underlying assumptions, in particular by the determination of cash flows and discount factors.

The following table, Measurement Hierarchy 2025 (items measured at fair value), shows all assets and liabilities that were measured at fair value. It shows the levels applied in the respective balance sheet items.

For accounting purposes, only those financial instruments that fall into the categories are evaluated at fair value in the W&W Group

- Financial assets/liabilities measured at fair value through profit or loss,
- Financial assets at fair value through other comprehensive income and
- Positive/negative market values from hedges.

The disclosures in the 2025 measurement hierarchy table (items not measured at fair value) include those financial instruments and non-financial assets and liabilities for which the fair value is disclosed in the notes.

Valuation hierarchy 2025
(items measured at fair value)

	Level 1	Level 2	Level 3	Fair value/ book value
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Financial assets at fair value through profit or loss	403	7,281	4,299	11,983
Equity investments excluding alternative investments	–	5	648	653
Investments in alternative investments	–	–	3,467	3,467
Other financial undertakings	–	–	3,416	3,416
Other companies	–	–	51	51
Shares	393	–	45	438
Investment fund units	–	884	80	964
Fixed-income financial instruments that do not pass the SPPI test	–	1,735	39	1,774
Derivative financial instruments	10	55	–	65
Interest rate derivatives	1	–	–	1
Currency derivatives	–	42	–	42
Equity/index derivatives	9	13	–	22
Capital investments on behalf of and at the risk of life insurance policyholders	–	4,602	20	4,622
Financial assets at fair value through other comprehensive income	–	23,352	–	23,352
Subordinated securities and receivables	–	1,004	–	1,004
Senior debenture bonds and registered bonds	–	3,408	–	3,408
Credit institutions	–	1,973	–	1,973
Other financial undertakings	–	119	–	119
Other companies	–	47	–	47
Public budgets	–	1,269	–	1,269
Senior fixed-income securities	–	18,940	–	18,940
Credit institutions	–	5,588	–	5,588
Other financial undertakings	–	1,488	–	1,488
Other companies	–	1,609	–	1,609
Public budgets	–	10,255	–	10,255
Positive market values from hedges	–	–	–	–
Investment property in life and health insurance	–	–	2,098	2,098
Own-use properties in life and health insurance	–	–	7	7
Total assets	403	30,633	6,404	37,440
Financial liabilities measured at fair value through profit or loss	–	51	–	51
Derivative financial instruments	–	51	–	51
Interest rate derivatives	–	39	–	39
Currency derivatives	–	8	–	8
Equity/index-related derivatives	–	4	–	4
Negative market values from hedges	–	–	–	–
Total equity and liabilities	–	51	–	51

Valuation hierarchy 2024
(items measured at fair value)

	Level 1	Level 2	Level 3	Fair value/ book value
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Financial assets at fair value through profit or loss	361	6,829	4,348	11,538
Equity investments excluding alternative investments	–	5	533	538
Investments in alternative investments	–	29	3,656	3,685
Other financial undertakings	–	–	3,597	3,597
Other companies	–	29	59	88
Shares	351	–	40	391
Investment fund units	–	930	89	1,019
Fixed-income financial instruments that do not pass the SPPI test	–	1,949	26	1,975
Derivative financial instruments	10	18	–	28
Interest rate derivatives	1	–1	–	–
Currency derivatives	–	6	–	6
Equity/index-related derivatives	9	13	–	22
Capital investments on behalf of and at the risk of life insurance policyholders	–	3,898	4	3,902
Financial assets at fair value through other comprehensive income	–	23,809	–	23,809
Subordinated securities and receivables	–	881	–	881
Senior debenture bonds and registered bonds	–	3,727	–	3,727
Credit institutions	–	2,085	–	2,085
Other financial undertakings	–	122	–	122
Other companies	–	59	–	59
Public budgets	–	1,461	–	1,461
Senior fixed-income securities	–	19,201	–	19,201
Credit institutions	–	5 202	–	5 202
Other financial undertakings	–	1,434	–	1,434
Other companies	–	1,642	–	1,642
Public budgets	–	10,923	–	10,923
Positive market values from hedges	–	2	–	2
Investment property held in life and health insurance	–	–	2,309	2,309
Own-use properties in life and health insurance	–	–	9	9
Total assets	361	30,640	6,666	37,667
Financial liabilities at fair value through profit or loss	1	236	–	237
Derivative financial instruments	1	236	–	237
Interest rate derivatives	1	10	–	11
Currency derivatives	–	224	–	224
Equity/index derivatives	–	2	–	2
Negative market values from hedges	–	1	–	1
Total equity and liabilities	1	237	–	238

Valuation hierarchy 2025
(items not measured at fair value)

	Level 1	Level 2	Level 3	Fair value	Book value
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Financial assets measured at amortised cost	–	7,880	23,556	31,436	31,991
Subordinated securities and receivables	–	254	–	254	250
Senior debenture bonds and registered bonds	–	71	–	71	71
Building loans	–	6,624	23,157	29,781	30,116
Other receivables	–	931	399	1,330	1,330
Asset-side portfolio hedge adjustment	n/a	n/a	n/a	n/a	224
Investment property outside of life and health insurance	–	–	202	202	153
Total assets	–	7,880	23,758	31,638	32,144
Liabilities	–	7,132	26,607	33,739	33,341
Liabilities evidenced by certificates	–	4,747	–	4,747	4,810
Liabilities to credit institutions	–	1,416	1,282	2,698	2,700
Liabilities to customers	–	960	24,849	25,809	25,855
Lease liabilities	–	–	34	34	34
Miscellaneous liabilities	–	9	442	451	451
Other liabilities	–	8	265	273	273
Sundry liabilities ¹	–	1	177	178	178
Liability-side portfolio hedge adjustment	n/a	n/a	n/a	n/a	–509
subordinated capital	–	674	–	674	700
Total equity and liabilities	–	7,806	26,607	34,413	34,041

¹ Liabilities that are allocated to the class in the consolidated balance sheet in accordance with IFRS 7 on the basis of transferability, but are not subject to the scope of IFRS 7 / IFRS 9.

Valuation hierarchy 2024
(Items not measured at fair value)

	Level 1	Level 2	Level 3	Fair value	Book value
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Financial assets measured at amortised cost	–	8,701	21,914	30,615	31,362
Subordinated securities and receivables	–	220	–	220	218
Senior debenture bonds and registered bonds	–	73	–	73	72
Building loans	–	6,555	21,520	28,075	28,401
Other receivables	–	1,853	394	2,247	2,249
Asset-side portfolio hedge adjustment	n/a	n/a	n/a	n/a	422
Investment property outside of life and health insurance	–	–	238	238	157
Total assets	–	8,701	22,152	30,853	31,519
Liabilities	–	4,418	28,060	32,478	32,225
Liabilities evidenced by certificates	–	3,266	–	3,266	3,365
Liabilities to credit institutions	–	313	934	1,247	1,271
Liabilities to customers	–	831	26,617	27,448	27,468
Lease liabilities	–	–	44	44	44
Miscellaneous liabilities	–	8	465	473	474
Other liabilities	–	7	303	310	311
Sundry liabilities ¹	–	1	162	163	163
Liability-side portfolio hedge adjustment	n/a	n/a	n/a	n/a	–397
Subordinated capital	–	355	–	355	406
Total equity and liabilities	–	4,773	28,060	32,833	32,631

¹ Liabilities that are allocated to the class in the consolidated balance sheet on the basis of transferability in accordance with IFRS 7, but are not subject to the scope of IFRS 7 / IFRS 9.

In addition, cash and cash equivalents are measured at amortised cost. Due to their short maturity, the fair value corresponds to the book value, which is why they are not presented in the measurement hierarchy. Including cash and cash equivalents, the book value of financial assets measured at amortised cost totals €33,104 million (previous year: €32,359 million). In the balance sheet items Liabilities and Subordinated Capital, the book value of the measurement category Financial Liabilities measured at amortised cost amounts to €33,828 million (previous year: €32,424 million). These book values include the asset-side portfolio hedge adjustment and the liability-side portfolio hedge adjustment.

Level 3 development for assets measured at fair value through profit or loss

	Interests without alternative investments	Interests in alternative investments (other financial companies)	Interests in alternative investments (other companies)
in € million			
As at 1.1.2024	422	3,352	75
total comprehensive income for the period	30	81	14
Income recognised in the consolidated income statement ¹	48	230	19
Expenses recognised in the consolidated income statement ¹	-18	-149	-5
Purchases / additions	21	936	8
Sales / disposals	-6 ³	-772	-10
Reclassifications	-	-	-
Reclassifications from level 3	-6 ³	-	-29
Change in scope of consolidation	72	-	-
As at 31.12.2024	533	3,597	58
Income recognised in the consolidated income statement at year-end ²	48	230	5
Expenses recognised in the consolidated income statement at year-end ²	-3	-147	-5
As at 1.1.2025	533	3,597	58
total comprehensive income for the period	-13	-205	-5
Income recognised in the consolidated income statement ¹	26	159	2
Expenses recognised in the consolidated income statement ¹	-39	-364	-7
Purchases / additions	145	794	1
Sales / disposals	-17	-770	-3
Change in scope of consolidation	-	-	-
As at 31.12.2025	648	3,416	51
Income recognised in the consolidated income statement at year-end ²	25	159	2
Expenses recognised in the consolidated income statement at year-end ²	-18	-363	-7

¹ Expenses and income are mainly included in the valuation output in the consolidated income statement.

² Expenses and income recognised in net income for assets still held at the end of the reporting period.

³ Previous year's figure adjusted.

Financial assets measured at fair value through profit or loss							Total
Shares	Investment fund units	Fixed-income financial instruments that do not pass the SPPI test	Capital investments for the account and risk of life insurance policyholders	Investment property in life and health insurance	Own-use properties in life and health insurance		
37	1	40	8	2 408	-		6,343
3	5	-	-8	-64	-1		60
3	5	-	-	152	1		458
-	-	-	-8	-216	-2		-398
-	85	-	12	93	-		1,155
-	-2	-14	-8	-61	-		-873 ³
-	-	-	-	-7	10		3
-	-	-	-	-	-		-35 ³
-	-	-	-	-60	-		12
40	89	26	4	2,309	9		6,665
4	5	-	-	152	1		445
-	-	-	-8	-216	-2		-381
40	89	26	4	2,309	9		6,665
5	3	-	-4	-34	-2		-255
5	3	-	1	41	-		237
-	-	-	-5	-75	-2		-492
-	-	13	22	96	-		1,071
-	-12	-	-2	-144	-		-948
-	-	-	-	-129	-		-129
45	80	39	20	2,098	7		6,404
5	3	-	-	41	-		235
-	-	-	-5	-75	-2		-470

Description of the processes of valuation used and the effects of alternative assumptions for assets and liabilities measured at fair value in level 3

The income approach, the adjusted net asset value approach and the approximation approach are regularly used in the process of valuation to determine fair value.

In the Group-wide income approach, future net cash inflows and distributions are discounted by Controlling on the basis of internal plan values and estimates, using risk parameters derived from the market.

The adjusted net asset value method is based on the net asset value, whose individual investments are determined outside the Group using recognised valuation methods such as the DCF, multiplier and income value methods. The valuations are regularly based on the IPEV Valuation Guidelines. The proportionate net assets are adjusted for outstanding performance-related remuneration claims of the fund manager, among other things. The W&W Group then performs a plausibility check and validation of the net asset values supplied by the relevant fund companies and, if necessary, reviews the respective material portfolio companies held by the fund companies. In addition, the book values, fair values, distributions, payment obligations and additional payment obligations are monitored. An exception to the external supply of the proportionate net assets is made for self-valued real estate investments that are allocated to investments without alternative investments.

Under the heading of valuation methods, the W&W Group regularly uses amortised cost and proportionate equity to measure fair value.

Level 3 securities are primarily composed of unlisted shares in investments, including alternative investments, which include private equity, private debt and infrastructure projects. The fair values of these level 3 holdings are usually determined by the management of the respective company. For the majority of all externally valued shares, amounting to €3,666 million (previous year: €3,878 million), the fair value is determined on the basis of the net asset value. Of the aggregate amount of externally valued shares using net asset value, €124 million (previous year: €144 million) is mainly attributable to investments in real estate companies and €3,542 million (previous year: €3,734 million) to investments in alternative investments and investment fund units. The net asset value of these externally valued shares is determined on the basis of specific information that is not publicly available and to which the W&W Group has no access. A sensitivity analysis is therefore not possible in this case.

The W&W Group itself carries out net asset value valuations amounting to €396 million (previous year: €271 million) for real estate investments that are not classified as alternative investments. The value of the properties included therein is determined on the basis of income-based present value methods. These recognised valuation methods are based on discount rates of 4.5 to 7.7% (previous year: 4.6 to 7.8%), which significantly determine the fair value of the property. A change in discount rates of +100 basis points assumed in a sensitivity analysis leads to a reduction in fair value to €368 million (previous year: €256 million), while a change in discount rates of -100 basis points leads to an increase to €425 million (previous year: €291 million).

The most significant valuation parameters for the shares valued using the income approach, amounting to €100 million (previous year: €73 million), are the risk-adjusted discount rate and future net cash inflows. A change in discount rates of +100 basis points assumed in a sensitivity analysis leads to a reduction in fair value to €87 million (previous year: €64 million), while a change in discount rates of -100 basis points leads to an increase to €119 million (previous year: €85 million). A change in the cash flows included in the valuation of +10% leads to an increase in fair value to €110 million (previous year: €81 million), while a change of -10% leads to a reduction to €90 million (previous year: €66 million).

During the reporting period, the valuation procedure was changed for three self-valued shares in investments without alternative investments. All three investments commenced or continued to prepare for operational business activities in the current financial year. As a result, improved information is now available for determining the fair value. These investments were therefore valued for the first time using the income approach instead of at amortised cost as previously.

Furthermore, the W&W Group measures investment property at €2,098 million (previous year: €2,309 million) and owner-occupied property at €7 million (previous year: €9 million) in life and health insurance using the present value method. For both, the risk-adjusted discount rate and future net inflows are the most significant valuation parameters. A change in discount rates of +100 basis points assumed in a sensitivity analysis for investment property leads to a reduction in fair value of €163 million (previous year: €171 million) million, while a change in discount rates of -100 basis points would lead to an increase of €180 million (previous year: €188 million). A change in the cash flows included in the valuation of +10% leads to an increase in fair value of €210 million (previous year: €223 million), while a change of -10% leads to a reduction of €207 million (previous year: €223 million). A change in discount rates of +/- 100 basis

points and in the cash flows included in the valuation of +/- 10% assumed in a sensitivity analysis for owner-occupied properties in life and health insurance has only an insignificant effect on the presentation of the W&W Group's net assets, financial position and results of operations.

In addition, in exceptional cases, the amortised cost is considered an appropriate approximation of fair value for certain shares. In this case, too, a sensitivity analysis is not applicable due to the lack of specific parameters used.

All changes in the category of financial assets at fair value through profit or loss in level 3 are reflected in the consolidated income statement. However, there are no financial assets at fair value through other comprehensive income in level 3.

The valuation methods used are listed in the following table (Quantitative information on level 3 fair value measurements).

Quantitative information about level 3 fair value measurements

	Fair value		Valuation methods	Unobservable input factors	Range in %	
	31.12.2025	31.12.2024			31.12.2025	31.12.2024
in € million						
Financial assets at fair value through profit or loss	4,299	4,348				
Interests without alternative investments	648	533				
	100	73	Income approach	Discount rate, future net cash inflows	7.9-9.47	8.0-9.83
	29	47	Approximation method	n/a	n/a	n/a
	519	413	Net asset value method	n/a	n/a	n/a
Interests in alternative investments	3,467	3,656				
Other financial companies	3,416	3,597				
	4	7	Closing procedure	n/a	n/a	n/a
	3,412	3,590	Adjusted net asset value method ¹	n/a	n/a	n/a
Other companies	51	59	Adjusted net asset value method ¹	n/a	n/a	n/a
Shares	45	40	Approximation method	n/a	n/a	n/a
Investment fund units	80	89	Adjusted net asset value method ¹	n/a	n/a	n/a
Fixed-income financial instruments that do not pass the SPPI test	39	26	Approximation method	n/a	n/a	n/a
Capital investments for the account and risk of holders of life insurance policies	20	4				
	6	2	Black-Scholes model	Index weighting, volatility	n/a	n/a
	14	2	Adjusted net asset value method ¹	n/a	n/a	n/a
Investment property in life and health insurance	2,098	2,309	Present value method	Discount rate, future net cash inflows	4.84-8.55	4.35 ² -8.22
Own-use properties in life and health insurance	7	9	Present value method	Discount rate, future net cash inflows	2.24-6.75	3.96-6.73

¹ The net asset values provided are determined for the individual investments outside the Group using recognised valuation methods such as the DCF, multiplier and income value methods. The valuations are regularly based on the IPEV Valuation Guidelines. As a large number of investments are included in the calculation of the net asset value and the information on the valuation methods and parameters used (including, for example, the adjustment for outstanding performance-related remuneration claims of the fund manager) is not available in full or is inconsistent, no range is provided.

² Previous year's figure adjusted.

(38) Disclosures concerning hedges

The fair value hedge accounting in the W&W Group is described in the section on accounting and valuation methods.

Disclosures concerning hedges

in € million	Fair value hedges	
	Hedging of interest rate risk through interest rate swaps	
	31.12.2025	31.12.2024
Nominal values from hedges	6,175	17,405
Up to 1 year	1,050	280
1–5 years	1,741	5,863
Over 5 years	3,384	11,262
Positive market values from hedges	–	2
Negative market values from hedges	–	1
Change in fair value	30	–5

The hedging instruments are reported under the balance sheet items Positive market values from hedges and Negative market values from hedges.

Disclosures concerning hedged items

in € million	Fair value hedges			
	Hedging of interest rate risk through interest rate swaps			
	Existing hedges		Terminated hedges	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Book values from hedges				
Assets	2,357	1,647	–	–
Liabilities	2,069	2,426	–	–
Cumulative changes attributable to the hedged risk				
Assets	142	301	–1	–1
Liabilities	595	515	20	32
Change from hedged risk	39	88	–	–

The underlying transactions are included in the following balance sheet items:

- Financial assets at fair value through other comprehensive income,
- Financial assets measured at amortised cost,
- Liabilities.

The valuation output in the consolidated income statement includes €18 million (previous year: €15 million) in expenses from ineffective portions of changes in the fair value of underlying and hedging transactions attributable to the hedged interest rate risk in the current reporting period.

(39) Transfers of financial assets, collateral provided and received, and netting of financial assets and liabilities

In the reporting period and in the previous year, financial assets were transferred that were not or not fully derecognised. In the W&W Group, this relates exclusively to securities that were sold under securities repurchase transactions or securities that were lent under securities lending transactions. These securities are classified as financial assets at fair value through other comprehensive income and remain subject to the risks of the corresponding class.

Repurchase agreements in the context of securities repurchase transactions are characterised by the fact that securities are transferred in return for payment of an amount, but at the same time it is agreed that these securities must be returned to the repurchase seller at a later date in return for payment of an amount agreed in advance. In addition to the purchase price, collateral is provided or received depending on the market value of the securities sold under repurchase agreements. In securities lending transactions, securities are lent in return for cash or non-cash collateral. At the end of the loan period, the securities must be returned to the lender. Securities sold under repurchase agreements or loaned continue to be reported in the W&W Group's balance sheet in accordance with the previous categorisation – financial assets at fair value through other comprehensive income. The W&W Group has limited power of disposal over these securities. At the same time, a financial liability in the amount of the received monetary amount is recognised as a liability. Non-cash collateral is recognised only if the W&W Group is authorised to resell or pledge it without the issuer being in default in payment. This is not the case.

The relationship between the securities sold under repurchase agreements and the associated liabilities is as follows:

Transfers of financial assets

in € million	Book value			
	Repurchase agreements		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Financial assets at fair value through other comprehensive income	1,123	13	1,123	13
Senior fixed-income securities	1,123	13	1,123	13
Total	1 123	13	1,123	13
Related liabilities	1 123	13	1,123	13
Net position	–	–	–	–

As in the previous year, no securities had been accepted under reverse repo transactions and subsequently passed on as at 31 December 2025.

There were also no other business transactions in which the W&W Group retained ongoing commitments from the carryover.

Assets pledged as collateral

Financial assets pledged as collateral 2025

	Transferred financial assets	Ccollateral provided but not utilised	Total
in € million	31.12.2025	31.12.2025	31.12.2025
Financial assets at fair value through other comprehensive income	1,123	482	1,605
Senior fixed-income securities	1,123	482	1,605
Total	1,123	482	1,605

Financial assets pledged as collateral 2024

	Transferred financial assets	Ccollateral provided but not utilised	Total
in € million	31.12.2024	31.12.2024	31.12.2024
Financial assets at fair value through other comprehensive income	13	319	332
Senior fixed-income securities	13	319	332
Total	13	319	332

The majority of the collateral provided but not utilised consists of securities deposited with Clearstream International S.A. and the Deutsche Bundesbank under standard market collateral agreements. As in the previous year, no securities were pledged from the trust account at Clearstream International S.A. for settlement and custody services for issued German covered bonds in the past reporting period.

For refinancing funds raised by KfW under special credit programmes, receivables from customers amounting to €1,209 million (previous year: €908 million) were assigned to KfW as collateral. The W&W Group remains exposed to a default risk in relation to the receivables from end borrowers.

The amount of collateral provided for derivatives amounts to €138 million (previous year: €250 million) across the Group. This also includes collateral (initial and variation margin) provided as part of clearing via the central counterparty Eurex Clearing AG.

As in the previous year, no additional cash collateral was provided for the securities repurchase transactions in question, apart from the securities collateral.

As at the reporting date, no loans (previous year: none) were drawn from the Deutsche Bundesbank as part of open market operations. As collateral, the Deutsche Bundesbank requires a correspondingly high level of securities to be held in the Deutsche Bundesbank's securities account. Securities held in the Deutsche Bundesbank's securities account as collateral for loans can be exchanged for other securities accepted by the European Central Bank, provided that the required lending value is not undershot.

Furthermore, the technical liabilities of the German primary insurers of the W&W Group are covered by the assets allocated to the guarantee assets (financial instruments and properties) in accordance with regulatory requirements. The assets allocated to the guarantee assets are primarily available to satisfy the claims of policy holders. The proportionate allocation of the individual assets to the guarantee assets of the individual insurance companies is not disclosed in the IFRS consolidated financial statements.

Assets received as collateral

Assets received as collateral can only be realised in the event of a breach of contract. There are no collateral assets that may be sold or pledged without the owner being in default of payment.

Netting of financial instruments

The W&W Group reports financial assets and financial liabilities at their net amount if the netting criteria of IAS 32.42 are met for the relevant netting agreements under which they are concluded. The W&W Group offsets financial instruments in the balance sheet that are cleared through the central counterparty Eurex Clearing AG.

If netting agreements do not fully meet the netting criteria under IAS 32, they are presented on a non-netted basis on the balance sheet. This is regularly the case if, in the event of default or insolvency of a contracting party and in the normal course of business, the legal right to offset is not always legally enforceable or if offsetting is not provided for. Within the W&W Group, this applies, among other things, to transactions concluded bilaterally under framework agreements without the involvement of a central counterparty. The netting effects subject to these netting agreements are to be disclosed in the notes and are presented below.

The following tables show the derivatives and securities repurchase transactions that are subject to a netting framework agreement. The collateral received or provided by the respective contracting party is also included. When clearing through the central counterparty Eurex Clearing AG, the W&W Group makes use of the option to provide securities collateral for the initial margin.

Netting of financial assets 2025

	Gross amount of financial assets before netting	Amount of financial liabilities to be netted	Recognised net amount of financial assets	Related amounts not netted in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Derivatives (netting legally enforceable)	1,585	-1,585	-	-	-	-
Derivatives (netting not legally enforceable)	61	-	61	-10	-52	-1

Netting of financial liabilities 2025

	Gross amount of financial assets before netting	Amount of financial liabilities to be netted	Recognised net amount of financial assets	Related amounts not netted in the balance sheet		Net amount
				Financial instruments	(Cash) collateral provided	
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Derivatives (netting legally enforceable)	1,586	-1,585	1	-	-77	-76
Derivatives (netting not legally enforceable)	41	-	41	-	-61	-20
Repurchase agreements, securities lending transactions and similar agreements (netting not legally enforceable)	1,123	-	1,123	-1 123	-7	-7

Netting of financial assets 2024

	Gross amount of financial assets before netting	Amount of financial liabilities to be netted	Recognised net amount of financial assets	Related amounts not netted in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Derivatives (netting legally enforceable)	1,246	-1,240	6	-	-	6
Derivatives (netting not legally enforceable)	17	-	17	-3	-13	1

Netting of financial liabilities 2024

	Gross amount of financial assets before netting	Amount of financial liabilities to be netted	Recognised net amount of financial assets	Related amounts not netted in the balance sheet		Net amount
				Financial instruments	(Cash) collateral provided	
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Derivatives (netting legally enforceable)	1,240	-1,240	-	-	-64	-64
Derivatives (netting not legally enforceable)	229	-	229	-5	-186	38
Repurchase agreements, securities lending transactions and similar agreements (netting not legally enforceable)	13	-	13	-13	-	-

(40) Trust business

Trust business not reported on the balance sheet amounted to the following:

in € million	31.12.2025	31.12.2024
Trust assets in accordance with the German Building Code	18	15
Trust assets	18	15
Trust liabilities under the Building Code	18	15
Trust liabilities	18	15

(41) Supplementary disclosures concerning the effect of financial instruments

The net gains and losses per category of financial instruments in the table below comprise gains and losses from disposal, currency translation and measurement, with the result from hedges shown separately. In addition, net gains and losses include income and expenses from risk provision and subsequent recoveries on previously written-off financial instruments. Interest and commission income and expenses as well as dividends are not included.

Net gains/losses

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Financial assets/liabilities at fair value through profit or loss	747	313
Financial assets at fair value through other comprehensive income	-1,429	113¹
of which recognised in other comprehensive income	-843	-119 ¹
recognised in OCI	-935	-174
reclassified to income statement	92	55 ¹
of which recognised in profit or loss	-586	232 ¹
Financial assets at amortised cost	-92	-9
Financial liabilities at amortised cost	-	-1
Result from hedges²	-75	-38

¹ Previous year's figure adjusted.

² Balance sheet hedge accounting (underlying and hedging transactions).

For financial assets and liabilities measured at amortised cost, total interest income amounted to €791 million (previous year: €733 million) and total interest expense amounted to €454 million (previous year: €347 million).

Total interest income for financial assets measured at fair value through other comprehensive income amounted to €619 million (previous year: €608 million).

Currency translation – with the exception of currency translation from financial instruments measured at fair value through profit or loss – resulted in currency gains of €45 million (previous year: €338 million) and currency losses of €598 million (previous year: €42 million).

(42) Recognised gains and losses from derecognition of financial assets at amortised cost

There were no material gains or losses from the derecognition of financial assets at amortised cost in the reporting year.

Notes concerning insurance contracts

(43) Disclosures concerning the amounts recognised

The following tables show a reconciliation from the opening balance to the closing balance for the net book values of insurance contracts issued and reinsurance contracts held. First, a breakdown is provided by liabilities for remaining coverage and provisions for outstanding insurance claims, followed by a breakdown by the measurement components available in accordance with IFRS 17: Estimation of the present value of future cash flows, risk adjustment for non-financial risks and contractual service margin (CSM). The reconciliation is carried out at the level of the reporting segments – life and health insurance and property/casualty insurance – after consolidation. W&W AG's active reinsurance business is included in the disclosures on insurance contracts issued for property/casualty insurance. A separate presentation in the non-reportable segment All other segments was not provided because W&W AG's active reinsurance business is small in scope, is in the process of being wound up and no new business is planned. Further information on the definition and summary of the segments can be found in the section on segment reporting.

Insurance contracts issued by remaining coverage and incurred claims

Life and health insurance 2025

	Liability for Remaining Coverage	Liability for Incurred Claims		Total
	Without loss component ¹	Valuation according to the variable fee approach (VFA)	Valuation according to the premium allocation approach (PAA)	
			Estimation of the present value of future cash flows	
in € million				
Insurance contracts issued that are liabilities 1.1.2025	29,539	182	1	29,722
Insurance contracts issued that are assets 1.1.2025	-59	8	-	-51
Net book values as at 1.1.2025	29,480	190	1	29,671
Technical underwriting result	-2,808	2,670	3	-135
Technical income	-1,339	-	-	-1,339
Insurance contracts measured using the modified retrospective approach (MRA) that existed at the transition date	-1,174	-	-	-1,174
All other insurance contracts	-165	-	-	-165
Technical expenses	287	914	3	1,204
Claims expenses and other technical expenses	93	922	3	1,018
Amortisation of acquisition costs	194	-	-	194
Changes relating to past benefits	-	-8	-	-8
Investment components	-1,756	1,756	-	-
Technical financial income or expenses	217	-	-	217
Total change in profit and loss and other comprehensive income	-2,591	2,670	3	82
Cash flow result	1,833	-2,636	-3	-806
Premiums received	2,118	-	-	2,118
Claims payments and other technical expenses	-92	-2,636	-3	-2,731
Acquisition costs	-193	-	-	-193
Other changes	-57	-	-	-57
Net book values as at 31.12.2025	28,665	224	1	28,890
Insurance contracts issued that are liabilities 31.12.2025	28,722	215	1	28,938
Insurance contracts issued that are assets 31.12.2025	-57	9	-	-48

¹ There was no loss component during the reporting period.

Insurance contracts issued by remaining coverage and incurred claims

Life and health insurance 2024

	Liability for Remaining Coverage	Liability for Incurred Claims		Total
	Without loss component ¹	Valuation according to the variable fee approach (VFA)	Without loss component ¹ Estimated present value of future cash flows	
in € million				
Insurance contracts issued that are liabilities 1.1.2024	29,448	156	1	29,605
Insurance contracts issued that are assets 1.1.2024	-44	7	-	-37
Net book values as at 1.1.2024	29,404	163	1	29,568
Retrospective amendments to insurance contracts issued that are liabilities	20	-	-	20
Retrospective amendments to insurance contracts issued that are assets	-10	-	-	-10
Net book value after amendments as at 1.1.2024	29,414	163	1	29,578
Technical underwriting result	-2,792 ²	2,675	2	-115 ²
Technical income	-1,296 ²	-	-	-1,296 ²
Insurance contracts measured using the modified retrospective approach (MRA) that existed at the transition date	-1,162 ²	-	-	-1,162 ²
All other insurance contracts	-134	-	-	-134
Technical expenses	266 ²	913	2	1,181 ²
Claims expenses and other technical expenses	105	912	3	1,020
Amortisation of acquisition costs	161 ²	-	-	161 ²
Changes relating to past benefits	-	1	-1	-
Investment components	-1,762	1,762	-	-
Technical financial income or expenses	1,123	-	-	1,123
Total change in profit and loss and other comprehensive income	-1,669²	2,675	2	1,008²
Cash flow result	1,799	-2,648	-2	-851
Premiums received	2,059	-	-	2,059
Claims payments and other technical expenses	-104	-2,648	-2	-2,754
Acquisition costs	-156	-	-	-156
Other changes	-64	-	-	-64
Net book values as at 31.12.2024	29,480²	190	1	29,671²
Insurance contracts issued that are liabilities 31.12.2024	29,539²	182	1	29,722²
Insurance contracts issued that are assets 31.12.2024	-59²	8	-	-51²

¹ There was no loss component during the reporting period.

² Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Reinsurance contracts held according to remaining coverage and incurred claims

Life and health insurance 2025

	Asset for Remaining Coverage	Asset for Incurred Claims	
	Excluding loss reimbursement component ¹	Valuation according to the building block approach (BBA)	Total
in € million			
Reinsurance contracts held that are liabilities 1.1.2025	-	-	-
Reinsurance contracts held that are assets 1.1.2025	-11	-10	-21
Net book values 1.1.2025	-11	-10	-21
Result from reinsurance contracts held	24	-11	13
Reinsurance premiums ceded	24	-	24
Amounts recoverable from reinsurers for incurred claims	-	-11	-11
Recoverable reinsurance benefits	-	-11	-11
Technical financial income or expenses	-14	-	-14
Total change in profit or loss and other comprehensive income	10	-11	-1
Cash flow result	-20	11	-9
Reinsurance premiums ceded	-20	-	-20
Reimbursed payments	-	11	11
Net book values 31.12.2025	-21	-10	-31
Reinsurance contracts held that are liabilities 31.12.2025	-	-	-
Reinsurance contracts held that are assets 31.12.2025	-21	-10	-31

¹ There was no loss reimbursement component during the reporting period.

Reinsurance contracts held according to remaining coverage and incurred claims

Life and health insurance 2024

	Asset for Remaining Coverage	Asset for Incurred Claims	
	Excluding loss reimbursement component ¹	Valuation according to the building block approach (BBA)	Total
in € million			
Reinsurance contracts held that are liabilities 1.1.2024	-	-	-
Reinsurance contracts held that are assets 1.1.2024	-27	-10	-37
Net book values 1.1.2024	-27	-10	-37
Result from reinsurance contracts held	24	-10	14
Reinsurance premiums ceded	24	-	24
Amounts recoverable from reinsurers for incurred claims	-	-10	-10
Recoverable reinsurance benefits	-	-10	-10
Technical financial income or expenses	13	-	13
Total change in profit or loss and other comprehensive income	37	-10	27
Cash flow result	-21	10	-11
Reinsurance premiums ceded	-21	-	-21
Reimbursed payments	-	10	10
Net book values 31.12.2024	-11	-10	-21
Reinsurance contracts held that are liabilities 31.12.2024	-	-	-
Reinsurance contracts held that are assets 31.12.2024	-11	-10	-21

¹ There was no loss refund component during the reporting period.

Insurance contracts issued by remaining coverage and incurred claims

Property/casualty insurance 2025

	Liability for Remaining Coverage		Liability for Incurred Claims			Total
	Excluding loss component	Loss component	Valuation according to the building block approach (BBA)	Valuation according to the premium allocation approach (PAA)		
				Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	
in € million						
Insurance contracts issued that are liabilities 1.1.2025	285	40	1,097	1,061	68	2,551
Insurance contracts issued that are assets on 1.1.2025	-	-	-	-	-	-
Net book values 1.1.2025	285	40	1,097	1,061	68	2,551
Technical underwriting result	-2,147	-23	771	975	17	-407
Technical income	-2,930	-	-	-	-	-2,930
All other insurance contracts	-2,930	-	-	-	-	-2,930
Technical expenses	783	-23	771	975	17	2,523
Claims expenses and other technical expenses	615	-40	765	938	8	2,286
Amortisation of acquisition costs	168	-	-	-	-	168
Changes relating to past benefits	-	-	6	37	9	52
Changes relating to future benefits	-	17	-	-	-	17
Technical financial income or expenses	14	-	14	-18	-4	6
of which from exchange rate fluctuations	-	-	-	-4	-1	-5
Total change in profit and loss and other comprehensive income	-2,133	-23	785	957	13	-401
Result from cash flows	2,133	-	-816	-955	-	362
Premiums received	2,857	-	-	-	-	2,857
Claims payments and other technical expenses	-555	-	-816	-955	-	-2,326
Closing costs	-169	-	-	-	-	-169
Other changes	1	2	1	-	-	4
Net book values 31.12.2025	286	19	1,067	1,063	81	2,516
Insurance contracts issued that are liabilities 31.12.2025	286	19	1,067	1,063	81	2,516
Insurance contracts issued that are assets 31.12.2025	-	-	-	-	-	-

Insurance contracts issued by remaining coverage and incurred claims

Property/casualty insurance 2024

	Liability for Remaining Coverage		Liability for Incurred Claims			Total
	Excluding loss component	Loss component	Valuation according to the building block approach (BBA)	Valuation according to the premium allocation approach (PAA)		
				Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	
in € million						
Insurance contracts issued that are liabilities 1.1.2024	245	30	989	968	62	2,294
Insurance contracts issued that are assets on 1.1.2024	-	-	-	-	-	-
Net book values 1.1.2024	245	30	989	968	62	2,294
Technical underwriting result	-1,980	10	971	1,070	4	75
Technical income	-2,768	-	-	-	-	-2,768
All other insurance contracts	-2,768	-	-	-	-	-2,768
Technical expenses	788	10	971	1,070	4	2,843
Claims expenses and other technical expenses	623	-40	917	1,012	9	2,521
Amortisation of acquisition costs	165	-	-	-	-	165
Changes relating to past benefits	-	-	54	58	-5	107
Changes relating to future benefits	-	50	-	-	-	50
Technical financial income or expenses	21	-	33	28	2	84
of which from exchange rate fluctuations	-	-	-	2	-	2
Total change in profit and loss and other comprehensive income	-1,959	10	1,004	1,098	6	159
Result from cash flows	1,999	-	-895	-1,002	-	102
Premiums received	2,794	-	-	-	-	2,794
Claims payments and other technical expenses	-558	-	-895	-1,002	-	-2,455
Closing costs	-237	-	-	-	-	-237
Other changes	-	-	-1	-3	-	-4
Net book values 31.12.2024	285	40	1,097	1,061	68	2,551
Insurance contracts issued that are liabilities 31.12.2024	285	40	1,097	1,061	68	2,551
Insurance contracts issued that are assets 31.12.2024	-	-	-	-	-	-

Reinsurance contracts held according to remaining coverage and incurred claims

Property/casualty insurance 2025

	Asset for Remaining Coverage		Asset for Incurred Claims		Total
	Excluding loss reimbursement component	Loss reimbursement component	Valuation according to the premium allocation approach (PAA)		
			Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	
in € million					
Reinsurance contracts held that are liabilities 1.1.2025	1	-	-	-	1
Reinsurance contracts held, which are assets 1.1.2025	20	-1	-277	-10	-268
Net book value 1.1.2025	21	-1	-277	-10	-267
Result from reinsurance contracts held	123	1	-29	2	97
Reinsurance premiums written	123	-	-	-	123
Amounts recoverable from reinsurers for incurred claims	-	1	-29	2	-26
Recoverable reinsurance benefits	-	-	-11	-	-11
Changes to the recoverable amounts for incurred claims	-	-	-18	2	-16
Technical financial income or expenses	-	-	1	-	1
Total change in profit and loss and other comprehensive income	123	1	-28	2	98
Result from cash flows	-123	-	125	-	2
Reinsurance premiums written	-123	-	-	-	-123
Reimbursed payments	-	-	125	-	125
Net book values 31.12.2025	21	-	-180	-8	-167
Reinsurance contracts held that are liabilities 31.12.2025	2	-	-	-	2
Reinsurance contracts held, which are assets 31.12.2025	19	-	-180	-8	-169

Reinsurance contracts held according to remaining coverage and incurred claims
Property/casualty insurance 2024

	Asset for Remaining Coverage		Asset for Incurred Claims		Total
	Excluding loss reimbursement component	Loss reimbursement component	Valuation according to the premium allocation approach (PAA)		
			Estimation of the present value of future cash flows	Risk adjustment for non-financial risks financial risks	
in € million					
Reinsurance contracts held that are liabilities 1.1.2024	1	-	-	-	1
Reinsurance contracts held, which are assets 1.1.2024	28	-1	-301	-9	-283
Net book value 1.1.2024	29	-1	-301	-9	-282
Result from reinsurance contracts held	182	-	-138	-1	43
Reinsurance premiums written	182	-	-	-	182
Amounts recoverable from reinsurers for incurred claims	-	-	-138	-1	-139
Recoverable reinsurance benefits	-	-	-101	-1	-102
Changes to the recoverable amounts for incurred claims	-	-	-37	-	-37
Technical financial income or expenses	-	-	-6	-	-6
Total change in profit and loss and other comprehensive income	182	-	-144	-1	37
Result from cash flows	-190	-	168	-	-22
Reinsurance premiums written	-190	-	-	-	-190
Reimbursed payments	-	-	168	-	168
Net book values 31.12.2024	21	-1	-277	-10	-267
Reinsurance contracts held that are liabilities 31.12.2024	1	-	-	-	1
Reinsurance contracts held, which are assets 31.12.2024	20	-1	-277	-10	-268

Insurance contracts issued by valuation component

Life and health insurance 2025

	Contractual service margin (CSM) ¹				Total
	Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	Insurance contracts that existed at the transition date and for which the modified retrospective approach (MRA) was applied	All other insurance contracts	
in € million					
Insurance contracts issued that are liabilities 1.1.2025	27,723	288	1,545	164	29,720
Insurance contracts issued that are assets 1.1.2025	-153	5	84	13	-51
Net book values 1.1.2025	27,570	293	1,629	177	29,669
Technical underwriting result	-14	-206	34	51	-135
Changes relating to current benefits	18	-10	-122	-14	-128
Reversal of CSM for services rendered through profit or loss	-	-	-122	-14	-136
Changes in risk adjustment for non-financial risks	-	-10	-	-	-10
Experience-related adjustments	18	-	-	-	18
Changes relating to future benefits	-24	-197	156	65	-
Estimation changes that adjust the CSM	40	-210	156	14	-
Changes due to new business	-64	13	-	51	-
Changes relating to past benefits	-8	1	-	-	-7
Adjustment of the obligation for incurred claims	-8	1	-	-	-7
Technical financial income or expenses expenses	214	-	-	-	214
Total change in profit and loss and other comprehensive income	200	-206	34	51	79
Result from cash flows	-804	-	-	-	-804
Premiums received	2,115	-	-	-	2,115
Claims payments and other technical expenses	-2,728	-	-	-	-2,728
Closing costs	-191	-	-	-	-191
Other changes	-59	-4	7	-	-56
Net book values 31.12.2025	26,907	83	1,670	228	28,888
Insurance contracts issued that are liabilities 31.12.2025	27,068	80	1,578	209	28,935
Insurance contracts issued that are assets 31.12.2025	-161	3	92	19	-47

1 At the transition date, there were no insurance contracts measured using the fair value approach (FVA).

Insurance contracts issued by valuation component

Life and health insurance 2024

	Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM) ¹		Total
			Insurance contracts that existed at the transition date and for which the modified retrospective approach (MRA) was applied	All other insurance contracts	
in € million					
Insurance contracts issued that are liabilities 1.1.2024	27,592	247	1,642	122	29,603
Insurance contracts issued that are assets 1.1.2024	-123	4	75	7	-37
Net book values 1.1.2024	27,469	251	1,717	129	29,566
Retrospective amendments to insurance contracts issued that are liabilities	37	-7	-9	-1	20
Retrospective amendments to insurance contracts issued that are assets	-6	-	-4	-	-10
Net book values after amendments 1.1.2024	27,500	244	1,704	128	29,576
Technical underwriting result	-136 ²	49 ²	-75 ²	49	-113 ²
Changes relating to current benefits	7	-6	-106 ²	-9	-114 ²
Reversal of CSM for services rendered through profit or loss	-	-	-106 ²	-9	-115 ²
Changes in risk adjustment for non-financial risks	-	-6	-	-	-6
Experience-related adjustments	7	-	-	-	7
Changes relating to future benefits	-142 ²	53 ²	31	58	-
Estimation changes that adjust the CSM	-74 ²	39 ²	31	4	-
Changes due to new business	-68	14	-	54	-
Changes relating to past benefits	-1	2	-	-	1
Adjustment of the obligation for incurred claims	-1	2	-	-	1
Technical financial income or expenses expenses	1,123	-	-	-	1,123
Total change in profit and loss and other comprehensive income	987 ²	49 ²	-75 ²	49	1,010 ²
Result from cash flows	-852	-	-	-	-852
Premiums received	2,056	-	-	-	2,056
Claims payments and other technical expenses	-2,751	-	-	-	-2,751
Closing costs	-157	-	-	-	-157
Other changes	-65 ²	-	-	-	-65 ²
Net book values 31.12.2024	27,570 ²	293 ²	1,629 ²	177 ²	29,669 ²
Insurance contracts issued that are liabilities 31.12.2024	27,723 ²	288 ²	1,545 ²	164	29,720 ²
Insurance contracts issued that are assets 31.12.2024	-153 ²	5	84 ²	13 ²	-51 ²

1 At the transition date, there were no insurance contracts measured using the fair value approach (FVA).

2 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

In the technical result for life and health insurance, the expected excess return or change in the company's share of the fair value of the underlying benchmarks for the reporting period was recorded in the amount of direct surplus participation insurance contracts via the reversal of the contractual service margin (CSM) affecting net income, close to the double-digit million range (previous year: mid-single-digit million range). For information on how the expected excess return is taken into account in the valuation using the variable fee approach (VFA), please refer to the section on principles of recognition, measurement and disclosure of insurance contracts.

Reinsurance contracts held by valuation component Life and health insurance 2025

	Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM) ¹	Total
in € million				
Reinsurance contracts held that are liabilities 1.1.2025	-	-	-	-
Reinsurance contracts held, which are assets 1.1.2025	205	-	-226	-21
Net book values 1.1.2025	205	-	-226	-21
Technical underwriting result	4	-	10	14
Changes relating to current benefits	-1	-	15	14
Reversal of CSM recognised in profit or loss	-	-	15	15
Experience-based adjustments	-1	-	-	-1
Changes relating to future benefits	5	-	-5	-
Estimation changes that adjust the CSM	-1	-	1	-
Changes due to new business	6	-	-6	-
Technical financial income or expenses	-13	-	-1	-14
Total change in profit and loss and other comprehensive income	-9	-	9	-
Cash flow result	-10	-	-	-10
Reinsurance premiums ceded	-20	-	-	-20
Reimbursed payments	10	-	-	10
Net book values 31.12.2025	186	-	-217	-31
Reinsurance contracts held that are liabilities 31.12.2025	-	-	-	-
Reinsurance contracts held, which are assets 31.12.2025	186	-	-217	-31

¹ At the transition date, there were no insurance contracts measured using the modified retrospective approach (MRA) or the fair value approach (FVA).

Reinsurance contracts held by valuation component

Life and health insurance 2024

	Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM) ¹	Total
in € million				
Reinsurance contracts held that are liabilities 1.1.2024	–	–	–	–
Reinsurance contracts held, which are assets 1.1.2024	217	–	–254	–37
Net book values 1.1.2024	217	–	–254	–37
Technical underwriting result	–16	–	29	13
Changes relating to current benefits	–2	–	15	13
Reversal of CSM recognised in profit or loss	–	–	15	15
Experience-based adjustments	–2	–	–	–2
Changes relating to future benefits	–14	–	14	–
Estimation changes that adjust the CSM	–19	–	19	–
Changes due to new business	5	–	–5	–
Technical financial income or expenses	14	–	–1	13
Total change in profit and loss and other comprehensive income	–2	–	28	26
Cash flow result	–10	–	–	–10
Reinsurance premiums ceded	–20	–	–	–20
Reimbursed payments	10	–	–	10
Net book values 31.12.2024	205	–	–226	–21
Reinsurance contracts held that are liabilities 31.12.2024	–	–	–	–
Reinsurance contracts held, which are assets 31.12.2024	205	–	–226	–21

¹ At the transition date, there were no insurance contracts measured using the modified retrospective approach (MRA) or the fair value approach (FVA).

Insurance contracts issued by valuation component

Property/casualty insurance 2025

	Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM) ¹	Total
in € million				
Insurance contracts issued that are liabilities 1.1.2025	924	83	338	1,345
Insurance contracts issued that are assets 1.1.2025	–	–	–	–
Net book values 1.1.2025	924	83	338	1,345
Technical result	–405	–	20	–385
Changes relating to current benefits	–126	–28	–250	–404
Reversal of CSM for services rendered through profit or loss	–	–	–250	–250
Changes in risk adjustment for non- financial risks	–	–28	–	–28
Experience adjustments	–126	–	–	–126
Changes relating to future benefits	–300	43	270	13
Estimation changes that adjust the CSM	–20	–	20	–
Estimation changes that do not adjust the CSM	–13	–	–	–13
Changes due to new business	–267	43	250	26
Changes relating to past benefits	21	–15	–	6
Adjustment of the obligation for incurred claims	21	–15	–	6
Technical financial income or expenses	15	1	13	29
Total change in profit and loss and other comprehensive income	–390	1	33	–356
Cash flow result	309	–	–	309
Premiums received	1,596	–	–	1,596
Claims payments and other technical expenses	–1,178	–	–	–1,178
Acquisition costs	–109	–	–	–109
Other changes	5	–	–2	3
Net book values 31.12.2025	848	84	369	1,301
Insurance contracts issued that are liabilities 31.12.2025	848	84	369	1,301
Insurance contracts issued that are assets 31.12.2025	–	–	–	–

1 At the transition date, there were no insurance contracts measured using the modified retrospective approach (MRA) or the fair value approach (FVA).

Insurance contracts issued by valuation component

Property/casualty insurance 2024

	Estimation of the present value of future cash flows	Risk adjustment for non-financial risks	Contractual service margin (CSM) ¹	Total
in € million				
Insurance contracts issued that are liabilities 1.1.2024	840	70	297	1,207
Insurance contracts issued that are assets 1.1.2024	–	–	–	–
Net book values 1.1.2024	840	70	297	1,207
Technical result	–131	10	27	–94
Changes relating to current benefits	83	–20	–231	–168
Reversal of CSM for services rendered through profit or loss	–	–	–231	–231
Changes in risk adjustment for non- financial risks	–	–20	–	–20
Experience adjustments	83	–	–	83
Changes relating to future benefits	–274	36	258	20
Estimation changes that adjust the CSM	–22	3	19	–
Estimation changes that do not adjust the CSM	–4	1	–	–3
Changes due to new business	–248	32	239	23
Changes relating to past benefits	60	–6	–	54
Adjustment of the obligation for incurred claims	60	–6	–	54
Technical financial income or expenses	38	3	14	55
Total change in profit and loss and other comprehensive income	–93	13	41	–39
Cash flow result	177	–	–	177
Premiums received	1,608	–	–	1,608
Claims payments and other technical expenses	–1,260	–	–	–1,260
Acquisition costs	–171	–	–	–171
Other changes	–1	–	–	–1
Net book values 31.12.2024	924	83	338	1,345
Insurance contracts issued that are liabilities 31.12.2024	924	83	338	1,345
Insurance contracts issued that are assets 31.12.2024	–	–	–	–

1 At the transition date, there were no insurance contracts measured using the modified retrospective approach (MRA) or the fair value approach (FVA).

The following tables show an analysis of the technical income recognised in the period for insurance contracts issued to which the building block approach (BBA) and the variable fee approach (VFA) were applied:

Life and health insurance

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Amounts related to changes in the liability for remaining coverage	1,141	1,132¹
Expected technical expenses	934	934
Changes in risk adjustment for non-financial risks	10	6
Reversal of CSM for services rendered through profit or loss	136	115 ¹
Experience-related adjustments and other changes	61	77
Portion of premium allocated to amortisation of acquisition costs	194	161¹
Technical income	1,335	1,293¹

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Property/casualty insurance

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Amounts related to changes in the liability for remaining coverage	1,511	1,427
Expected technical expenses	1,262	1,165
Changes in risk adjustment for non-financial risks	37	32
Reversal of CSM for services rendered through profit or loss	250	231
Experience-related adjustments and other changes	-38	-1
Portion of premium for amortisation of acquisition costs	168	165
Technical income	1,679	1,592

The following tables show the balance sheet impact on the valuation components resulting in the reporting period from the initial recognition of insurance contracts issued or reinsurance contracts held to which the premium allocation approach (PAA) was not applied:

New business – insurance contracts issued Life and health insurance

	Total	of which loss- making contracts
in € million	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025
Estimated present value of future cash outflows	1,505	–
Estimated present value of acquisition costs	151	–
Estimated present value of other future cash outflows	1,354	–
Estimation of the present value of future cash inflows	–1,569	–
Risk adjustment for non-financial risks	13	–
Contractual service margin	51	–
Increase/decrease in the liability for remaining coverage or the asset for future benefits from contracts recognised in the period	–	–

New business – Insurance contracts issued Life and health insurance

	Total	of which loss- making contracts
in € million	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024
Estimated present value of future cash outflows	1,356	–
Estimated present value of acquisition costs	143	–
Estimated present value of other future cash outflows	1,213	–
Estimated present value of future cash inflows	–1,424	–
Risk adjustment for non-financial risks	14	–
Contractual service margin	54	–
Increase/decrease in the liability for remaining coverage or the asset for future coverage from contracts recognised in the period	–	–

New business – Retained reinsurance contracts Life and health insurance

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Estimation of the present value of future cash outflows	13	11
Estimated present value of future cash inflows	-19	-16
Risk adjustment for non-financial risks	-	-
Contractual service margin	6	5
Increase/decrease in the liability for remaining coverage or the asset for future coverage from contracts recognised in the period	-	-

New business – Insurance contracts issued Property/casualty insurance

	Total	of which loss- making contracts
in € million	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025
Estimated present value of future cash outflows	1,578	118
Estimated present value of acquisition costs	173	8
Estimation of the present value of other future cash outflows	1,405	110
Estimated present value of future cash inflows	-1,845	-98
Risk adjustment for non-financial risks	43	6
Contractual service margin	250	-
Increase/decrease in the liability for remaining coverage or the asset for remaining coverage from contracts recognised in the period	26	26

New business – insurance contracts issued Property/casualty insurance

	Total	of which loss- making contracts
in € million	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024
Estimated present value of future cash outflows	1,277	337
Estimated present value of acquisition costs	140	25
Estimated present value of other future cash outflows	1,137	312
Estimated present value of future cash inflows	-1,525	-325
Risk adjustment for non-financial risks	32	11
Contractual service margin	239	-
Increase/decrease in the liability for remaining coverage or the asset for remaining coverage from contracts recognised in the period	23	23

The following table shows when the W&W Group expects to recognise the remaining contractual service margin (CSM) from insurance business in the consolidated income statement as at the reporting date. The CSM represents the present value of the unrealised expected future profits from insurance contracts as at the reporting date. Accordingly, the following settlement amounts do not include the interest income that is implicitly included in the variable fee approach (VFA) implicitly through a risk-neutral revaluation using the current yield curve and in the building block approach (BBA) explicitly using a yield curve determined at initial recognition (locked-in yield curve) after the end of a period. Furthermore, these do not include the company's share of the expected excess return for future periods from insurance contracts with direct profit participation in life and health insurance. This is only taken into account in the subsequent measurement for the respective reporting period that has expired in the CSM and recognised in profit or loss (for further details, see section Initial application of IFRS 17 Insurance Contracts). The reversal amounts shown below should therefore not be interpreted as actual profit from the reversal of the CSM remaining on the reporting date in future periods. Rather, these are adjusted for the components described, among other things.

Expected recognition of the contractual service margin (CSM) through profit or loss Life and health insurance

in € million	Insurance contracts issued		Reinsurance contracts held	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
1 to 5 years	569	504 ¹	-67	-72
5 to 10 years	421	379 ¹	-49	-50
10 to 15 years	300	278 ¹	-36	-37
15 to 20 years	211	204 ¹	-26	-27
More than 20 years	397	441 ¹	-39	-40
Total	1,898	1,806¹	-217	-226

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Expected recognition of contractual service margin (CSM) through profit or loss Property/casualty insurance

in € million	Insurance contracts issued		Reinsurance contracts held	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
1 year or less	148	139	-	-
1 to 2 years	90	84	-	-
2 to 3 years	65	60	-	-
3 to 4 years	43	37	-	-
4 to 5 years	21	16	-	-
5 to 10 years	2	2	-	-
Total	369	338	-	-

(44) Information on technical financial income or expenses

The following table shows the benchmarks underlying the contracts with direct profit participation in life and health insurance. The valuation using the variable fee approach (VFA) is based on the fair values of the underlying benchmarks before consolidation in the W&W Group.

Not all of the earnings effects of the benchmarks shown are included in the financial result.

Benchmarks underlying insurance contracts before consolidation

in € million	31.12.2025	31.12.2024
Cash and cash equivalents	13	103
Shares in related companies	12,034	12,579
Financial assets at fair value through profit or loss	5,870	5,379
Financial assets at fair value through other comprehensive income	8,451	9,202
Financial assets measured at amortised cost	1,822	1,466
Financial assets accounted for using the equity method	43	43
Investment property	1,746	1,985
Other assets	19	21
Benchmarks on the assets side	29,998	30,778
Financial liabilities measured at fair value through profit or loss	35	10
Liabilities	151	167
Other provisions	99	103
Other equity and liabilities	–	1
Subordinated capital	203	253
Equity	723	692
Benchmarks on the liabilities side	1,211	1,226

The following table analyses the components of the total financial result recognised in the consolidated income statement and in other comprehensive income separately for life and property/casualty insurance.

Life and health insurance

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Investment result	252	1,162
of which recognised in profit and loss account	1,030	1,311
Current financial result	947	963
Result from risk provision	2	7
Valuation result	141	417
of which currency result	-268	-7
Result from disposals	-60	-76
of which recognised in other comprehensive income	-778	-149
Technical financial result (net)	-203	-1,136
Technical financial income or expenses from insurance contracts issued (gross)	-217	-1,123
Changes in the fair value of underlying benchmarks	-217	-1,123
of which recognised in profit and loss account	-991	-1,271
of which recognised in other comprehensive income	774	148
Technical financial income or expenses from reinsurance contracts held	14	-13
Changes in the current yield curve and other financial assumptions	17	-1
Effect of using different discount rates (current versus locked-in yield curve)	-3	-12
of which recognised in other comprehensive income	14	-13
Total financial result	49	26
of which recognised in profit and loss account	39	40
of which recognised in other comprehensive income	10	-14

Property/casualty insurance

in € million	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Investment income	120	120
of which recognised in profit and loss account	74	103
Current financial result	110	87
Result from risk provision	-3	-3
Valuation result	-27	18
of which currency result	-21	-2
Result from disposals	-6	1
of which recognised in other comprehensive income	46	17
Technical financial result (net)	-7	-78
Technical financial income or expenses from insurance contracts issued (gross)	-6	-84
Compounding using the locked-in yield curve	-55	-58
Changes in the yield curve and other financial assumptions	42	-9
Effect of using different discount rates (current versus locked-in yield curve)	3	-17
of which recognised in the income statement	-51	-60
of which recognised in other comprehensive income	45	-24
Technical financial income or expenses from reinsurance contracts held	-1	6
Discounting using the locked-in yield curve	3	4
Changes in the current yield curve and other financial assumptions	-3	1
Effect of using different discount rates (current versus locked-in yield curve)	-1	1
of which recognised in profit and loss	3	4
of which recognised in other comprehensive income	-4	2
Total financial result	113	42
of which recognised in profit and loss account	26	47
of which recognised in other comprehensive income	87	-5

(45) Disclosures concerning retrospective application

The following table shows the change in the reserve for financial assets measured at fair value through other comprehensive income that are related to insurance contracts that were not measured using the full retrospective approach (FRA) at the transition date of 1 January 2022.

Changes in the reserve for financial assets at fair value through other comprehensive income

in € million	2025	2024
Opening balance 1.1.	-4,816	-4,851
Changes in fair value not recognised in profit or loss	-404	13
Reclassification to the income statement	1	22
Closing balance 31.12.	-5,219	-4,816

Disclosures concerning risks under financial instruments and insurance contracts

(46) Risk management

The W&W Group has a comprehensive risk management system that consistently links the systems and methods of the individual companies in line with their respective business requirements. The risk management system encompasses all organisational regulations and measures for the (early) detection of risks and for dealing with the risks associated with business activities. Risk management also has the task of protecting the reputation of the W&W Group with its two traditional brands, Wüstenrot and Württembergische, and its digital brand, Adam Riese.

At least once a year, we review the design of our risk management system with regard to any necessary adjustments and document this in the risk strategy, the risk management guidelines, frameworks and work instructions. The principles and organisation remain unchanged from the previous year.

The integrated risk strategy provides the strategic framework for the risk management system of the W&W Group (W&W financial conglomerate), the Solvency II Group (insurance group) and Wüstenrot & Württembergische AG. Within this framework, the risk appetite resulting from the business strategy and risk profile, the overarching risk objectives and the use of consistent standards, methods, procedures and instruments are defined. As an essential component of the shared risk culture, the processes and systems defined in the risk strategy promote the necessary risk awareness.

The organisational and procedural structure defines the individual areas of responsibility of all subordinate committees, as well as their interfaces and reporting lines, thereby ensuring a regular and timely flow of information across all levels of the W&W Group.

In its function as the Supervisory Board of the Executive Board of W&W AG, the Supervisory Board also monitors the adequacy and effectiveness of the risk management system, the implementation of the risk strategy, including risk appetite, and the promotion of a risk culture in practice. To this end, it is regularly informed about the current risk situation. Certain types of transactions require the approval of the Supervisory Board or its Risk and Audit Committee.

The Risk and Audit Committee of W&W AG and the corresponding committees of Wüstenrot Bausparkasse AG, Württembergische Versicherung AG and Württembergische Lebensversicherung AG are regularly provided with the information required by the rules of procedure, in particular the risk reports describing the current risk situation and the control measures initiated.

The Executive Board of W&W AG bears joint responsibility for the proper business organisation of the W&W Group and is the highest decision-making body in risk matters. This also includes ensuring that the group-wide risk management system is implemented, maintained and further developed in an effective and appropriate manner. For example, it defines the principles of risk policy, adopts a risk strategy consistent with the business strategy and decides on the basic risk appetite. The Executive Board of W&W AG is jointly responsible for regularly reviewing, adjusting and adopting this integrated risk strategy and all associated guidelines, including risk appetite. This also includes the development, promotion and integration of an appropriate risk culture. Within the Executive Board of W&W AG, the Chief Risk Officer (CRO) is responsible for risk management.

The Group Board Risk, as the central committee for group-wide coordination of risk management, chaired by the CRO of W&W AG, supports the Executive Board of W&W AG and the Management Board in risk issues. The committee meets once a month, with ad hoc special meetings convened as required. The Group Board Risk monitors the risk profile of the W&W Group, its adequate capitalisation and its liquidity position. In addition, it advises on group-wide standards for risk organisation and the use of uniform methods and instruments in risk management, and proposes these to the Group's Executive Boards for decision or decides on them within the scope of its powers.

The Insurance Risk Board monitors the risk profile in the Insurance division. The BSW Risk Board coordinates risk management at the level of Wüstenrot Bausparkasse AG.

The risk management process in the W&W Group is based on the integrated risk strategy and the control cycle described below.

Risks are systematically identified as part of the annual risk inventory and during ad hoc reviews of the risk situation during the year. Risks are differentiated into insignificant and material risks using defined thresholds. In addition, an assessment is made of the extent to which individual risks can become material due to their interaction or accumulation (risk concentrations). Due to its high penetration within the organisation, the risk inventory contributes significantly to promoting an appropriate risk culture. The systematic recording of claims provides information about new or changing risks in the area of operational risk and thus also contributes to risk identification.

Risk assessment encompasses all methods, processes and systems used to evaluate identified risks in a manner appropriate to the risk. The assessment is largely carried out using stochastic methods and applying the value at risk risk measure. If this method cannot be used for certain risk areas, analytical calculation or regulatory standard methods and expert estimates are used.

To measure risks from an economic perspective, the respective statutory or regulatory confidence levels are used as a basis for a one-year risk horizon, both at group level and at the level of the individual W&W companies:

- For the individual W&W companies subject to insurance supervisory law in accordance with the Solvency II Directive, including W&W AG, this corresponds to a confidence level of 99.5%.
- For Wüstenrot Bausparkasse AG, this corresponds to a confidence level of 99.9%.
- In all other individual companies with an economic risk-bearing capacity model, the minimum requirements of the competent supervisory authority for the confidence level of internal risk modelling must be applied.
- For the W&W Group, risks are reported at a confidence level of 99.5%. The target and minimum ratios for economic risk-bearing capacities at group level are derived from the capital requirements resulting from compliance with the above-mentioned confidence levels in the associated individual companies.

We regularly perform sensitivity analyses as part of risk-specific and cross-risk stress scenarios. Key figure analyses, such as risk (early warning) indicators, supplement the risk assessment toolkit.

The W&W Group's business strategy sets out, among other things, the desired business and earnings development. This results in a corresponding risk profile. The integrated risk strategy defines how to deal with the risk profile. On this basis, the operating business units decide within the scope of their responsibilities whether a risk complies with these specifications and can be taken. Risk management is carried out in accordance with the integrated risk strategy and the guidelines in risk management within the scope of the assigned tasks and responsibilities. Transactions are carried out and the respective exposure is managed operationally by the operational departments within the scope of their responsibilities.

The adequacy of risk capitalisation is managed and assessed in several dimensions, which are fundamentally equal but highlight different objectives and aspects:

- The economic perspective assesses the ability to cover risks, i.e. the sustainable safeguarding of the company's assets to protect customers and senior creditors from losses from an economic perspective.
- The regulatory/normative perspective considers compliance with the minimum regulatory requirements for risk capitalisation in order to be able to continue business operations as planned.

In accordance with the requirements of balance sheet/P&L management, specific balance sheet/P&L-oriented risk models are also applied at the individual company level. While the economic risk-bearing capacity concept and the balance sheet risk models are developed and parameterised internally, the regulatory procedure follows externally specified systems.

Compliance with the risk strategy and risk organisation framework requirements and the effectiveness of risk management are monitored on an ongoing basis. Compliance with the risk-bearing capacity requirements forms the basis for monitoring the risk profile and capitalisation.

Risk limitation serves to limit risks to a maximum permissible level that represents the risk appetite. This is achieved by allocating the risk coverage amount to risk areas, risk types or individual risks, i.e. the targeted allocation of the financial resources available for risk coverage. The available risk capital determines the allocation of risk limits. The fundamental objective of risk capital allocation is to use the available financial resources primarily in areas that are expected to generate an adequate return. Furthermore, for diversification reasons, high concentrations in individual risk areas should be avoided.

In addition to the allocation of risk coverage to individual risk areas, limits are set at the issuer group (borrower unit) level to avoid risk concentrations in relation to individual investment addresses. A risk line system is used for this purpose. Defined information and escalation procedures are in place for line exceedances.

The W&W Group has established suitable indicators for the early detection of negative trends in its risk management system. Where appropriate and possible, threshold values are defined for this purpose. Monitoring is carried out monthly via the dashboard in the Group Board Risk.

The Group Board Risk, the Executive Board of W&W AG and its Supervisory Board are informed promptly and regularly about the risk situation of the various groups and the W&W individual company. As part of regular risk reporting, the risk management function (RMF) and the CRO provide information on the overall risk profile and risk control measures. The risk reports of the W&W Group and W&W AG are part of the risk management system. The quarterly risk report informs the entire management team of those risks that are relevant from the perspective of the RMF and the CRO.

All individual risks classified as having materiality are included in the quarterly risk reports of the W&W Group and W&W AG. About risks that have been classified as having materiality due to their quantitative size but are not critical in terms of their risk content on the reporting date can be informed in abbreviated form in the risk report. This focus in reporting ensures that the management is adequately informed about all risks of materiality. The inclusion or exclusion of additional risks in the quarterly risk report is assessed each quarter on the basis of the current risk situation under the leadership of the RMF.

Once a year, the RMF also reports to the entire management team on the results of the risk inventory, including the significant risk areas, risk types and individual risks. This is done as an appendix to the risk report on the reporting date 30 June, following the annual risk inventory process, in which the materiality of a risk is also determined.

Information that is material from a risk perspective is forwarded immediately to the Group Board Risk, the Executive Board and the Supervisory Board, depending on its criticality, as part of an internal ad hoc risk reporting process. To this end, processes and reporting procedures have been established at Group and individual company level, which also include the requirements for reporting the deterioration of the financial situation to the BaFin. Quantitative criteria based on internal and regulatory parameters are used as thresholds. In addition, ad hoc risk reporting may be carried out if qualitatively material events occur.

The adequacy and effectiveness of the risk management system is reviewed internally at W&W. In particular, the internal audit department also reviews the adequacy and effectiveness of the internal control system and processes in all areas. As part of the annual audits, the early risk detection system at the individual company level and the adequacy and effectiveness of risk management at the home loan and savings bank level and at the W&W financial conglomerate level are reviewed.

Risk concentrations can arise through the accumulation of similar or different risks. Due to the business model of the W&W Group and its individual companies, potential risk concentrations can arise in particular from capital investments and the economic and regional structure of customer business (customer lending business, insurance business). However, due to regulatory requirements and internal creditworthiness requirements, the W&W Group is heavily invested in government bonds and financial services companies at the sector level and in Europe at the regional level, which is typical for the industry. As a result, in addition to the credit risk of individual counterparties, the W&W Group is particularly exposed to the systemic risk of the financial sector and its individual counterparties. Further concentrations exist due to positions deliberately taken in individual asset classes (equities, investments, bonds) through strategic asset allocation.

As a financial conglomerate, the W&W Group is fundamentally dependent on various external factors (e.g. interest rate changes, economic conditions, changes in customer behaviour, digitalisation, regulatory pressure, industry reputation). This concentration is a deliberate risk concentration entered into as part of the business strategy.

Intra-risk concentrations are measured implicitly within the individual risk areas through risk quantification and accompanying stress tests. Risk concentrations within market price risk are limited within the framework of strategic asset allocation by adhering to specific mix ratios across various asset classes. Risk concentrations within counterparty credit risk are limited by a risk line system that caps the investment volume for individual debtor groups.

For further information on risk management in the W&W Group, please refer to the risk reporting in the combined management report.

(47) Market price risks

Interest rate risks

Interest rate risk, as part of interest rate risk and a form of market price risks, describes possible changes in the value of assets and/or liabilities held in interest-bearing securities due to a change in market yield curves. Interest rate risk arises from the market value risk of capital investments in connection with the liability to generate the guaranteed interest rate and the guaranteed surrender values for policyholders. In the event of an interest rate increase or a comparable credit spread widening, this would result in increased expenses on the asset side or have a negative impact on other comprehensive income. In the medium to long term, however, this scenario would have a positive effect on the asset-liability mismatch, as new investments and reinvestments would again be possible at a higher interest rate. By contrast, a fall in interest rates would have a positive effect on earnings in the short term due to the market-based valuation of financial instruments measured at fair value in accordance with IFRS 9. At the same time, medium to long-term risks would arise from the commitments entered into, as new and replacement investments would only be possible at a lower interest rate, which would lead to additional risks from the expansion of the asset-liability mismatch, meaning that reserves might have to be realised in future to meet customer claims.

The exposure of interest-bearing investments amounting to €25,092 million (previous year: €24,920 million) is decisive for the interest rate risk of financial instruments. The interest rate risk of insurance and reinsurance contracts depends in particular on the exposure of technical liabilities. The exposure for life and health insurance amounts to €28,914 million (previous year: €29,701 million) and for property/casualty insurance to €2,516 million (previous year: €2,551 million).

The W&W Group uses financial derivatives to manage interest rate risk. The derivative management instruments used are primarily interest rate swaps, forward purchases and futures. In addition to predominantly hedging interest rate risks, their use also serves to reduce risk concentrations. The overall management of risks arising from financial instruments and insurance contracts is carried out within the framework of asset liability management. This involves managing and monitoring assets from financial instruments and liabilities from insurance contracts in such a way that they correspond to the company's risk profile. We counter the interest rate risk arising from financial instruments and insurance contracts with duration management and a dynamic product and pricing policy, among other things. If the requirements for hedge accounting are met for these economic hedges, these hedges are also reported as such in the IFRS consolidated financial statements for the Housing division. From an economic perspective, our home loan and savings banks hedge asset losses at both the individual transaction level and the portfolio level (fair value hedge).

The effects of a possible change in interest rates of +/- 100 basis points (parallel shift in the yield curve) on the consolidated income statement and other comprehensive income are shown in the table below.

Interest rate risk of +/- 100 basis points: Net effect after deferred taxes

	Change in the consolidated income statement				Change in other comprehensive income			
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
in € million	2025	2025	2024	2024	2025	2025	2024	2024
Insurance and reinsurance contracts	111	- 121	82 ¹	- 90 ¹	1,321	-1,626	1,467	-1,895
Financial instruments	- 104	112	- 97	102	-1,648	2,007	-1,733	2,207
Total	7	- 9	- 16	13	- 326	382	- 266	312

1 Previous year's figure adjusted.

Price change risks of equity instruments

The price change risk of equity instruments includes, on the one hand, general market movements that could adversely affect assets and thus earnings and/or equity and, on the other hand, the specific risk associated with issuer-related aspects. In the W&W Group, the price change risk of equity instruments is mainly influenced by share and participation risks. Equity risk is the risk that losses will result from changes in the prices of open equity positions. Participation risk is the risk that losses will result from negative changes in the value of investments and from the non-payment of dividends or income subsidies.

The price change risk of equity instruments is managed using financial derivatives in the form of share options and futures. Price change risks from shares and investments are also subject to management. For material investments, this includes annual dividend planning, medium-term economic planning, projections during the year and monthly target/actual comparisons. There are also separate risk management and control processes for private equities and alternative investments. This enables the Group to respond to emerging participation risks at an early stage.

The price change risk of financial instruments is mainly material due to equity holdings and exposure from alternative investments amounting to €4,809 million (previous year: €4,856² million). The price change risk of insurance and reinsurance contracts depends in particular on the exposure of technical liabilities in life and health insurance amounting to €28,914 million (previous year: €29,701 million). In life and health insurance, changes in the underlying benchmarks (especially in capital investments) have an impact on the technical result. Developments are influenced in particular by equity positions, investments and alternative investments held by Württembergische Versicherung AG and Württembergische Lebensversicherung AG. In addition, equity positions and investments held by W&W AG and corresponding positions in fund portfolios have an impact on the technical result. Detailed information on the underlying benchmarks with their respective fair values is presented in Note 44 .

² Previous year's figure adjusted.

The following overview shows the impact that a 10% increase or decrease in the market values of equity instruments would have on the consolidated income statement

Price change risk +/- 10%: Net effect after deferred taxes

	Change in the consolidated income statement				Change in the other comprehensive income			
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
in € million	2025	2025	2024	2024	2025	2025	2024	2024
Insurance and reinsurance contracts	- 269	268	- 236 ¹	235 ¹	-	-	-	-
Financial instruments	358	- 356	346 ¹	- 343 ¹	-	-	-	-
Total	89	- 88	109¹	- 109¹	-	-	-	-

1 Previous year's figure adjusted.

Currency risks

Currency risk describes potential losses arising from changes in exchange rates. The extent of this risk depends on the size of the open positions and the potential for exchange rate fluctuations in the currency concerned.

Derivative financial instruments are used as part of strategic asset allocation to manage currency risks arising from financial instruments. These risks are mitigated in particular by forward exchange transactions. We hedge technical liabilities in foreign currencies with suitable capital investments in the same currency, so that the high degree of congruence between these positions and the comparatively low volume means that currency risks are limited.

The currency risk shown results from both asset and liability positions and only includes monetary assets, i.e. cash and cash equivalents and claims denominated in monetary amounts, as well as obligations that must be settled with a fixed or determinable monetary amount. Currency risks from equity instruments (non-monetary assets) are not included. The open foreign currency exposure of €207 million (previous year: €491³ million) is decisive for the exchange rate risk of financial instruments. The exchange rate risk of insurance and reinsurance contracts depends in particular on the exposure of the technical liabilities in property/casualty insurance of the business written up to and including 2007 by the establishment in the United Kingdom in the amount of €27 million (previous year: €36 million).

The effects of an increase or decrease in the material exchange rates on the consolidated income statement and other comprehensive income are shown in the following table.

³ Previous year's figure adjusted.

Currency risk +/- 10% USD / +/- 5% GBP: Net effect after deferred taxes

	Change in the consolidated income statement				Change in other comprehensive income			
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
in € million	2025	2025	2024	2024	2025	2025	2024	2024
Insurance and reinsurance contracts US dollar	- 2	2	-2	2	-	-	-	-
Financial instruments US dollar	18	- 15	52 ¹	- 49 ¹	-	-	-	-
Total US dollar	16	- 13	50¹	- 47¹	-	-	-	-
Insurance and reinsurance contracts British pounds	-	-	-	-	-	-	-	-

1 Previous year's figure adjusted.

Overall, the presentation shows that currency risks are of only minor importance in line with the strategic positioning of our overall investment portfolio.

(48) Counterparty credit risks

We understand counterparty credit risks to be potential losses that may arise from the default or deterioration in the creditworthiness of borrowers or debtors, as well as from the deterioration in collateral.

Counterparty credit risks can arise from the default or change in creditworthiness of securities (counterparty credit risk for capital investments), from the default of business partners in the customer lending business (counterparty credit risk in the customer lending business) and from the default of other debtors, in particular our counterparties in reinsurance (other counterparty credit risk).

We limit counterparty credit risks by carefully selecting issuers and reinsurance partners and by diversifying our investments. In doing so, we take into account the investment regulations applicable to the respective business segments. Our contractual partners and securities and debt instruments are primarily limited to those with good investment-grade credit ratings.

Our strategic focus on residential construction loans rules out individual loans that could jeopardise our portfolio due to the high level of granularity and the predominant collateralisation by real estate liens. Upper limits have been set for Wüstenrot Bausparkasse AG's customer lending business and municipal lending business in order to avoid potential risk concentrations from large-volume individual risks.

The W&W Group monitors the risks arising from the default of receivables from policy holders, intermediaries and reinsurers using computer-assisted outstanding debt controls. For underwriting assets from reinsurance contracts held and insurance contracts issued, their book values reflect the maximum default risk. As at the reporting date, reinsurance contracts held that are assets amounted to €200 million (previous year: €289 million) million; measured in terms of the reinsurers' share of loss reserves, 96.7% (previous year: 97.2%) of these relate almost exclusively to reinsurers in the reinsurance market with impeccable credit ratings in the investment grade range. For further information on risk management in the W&W Group, please refer to Note 47.

Breakdown of risk provision for financial assets at amortised cost 2025

	Opening balance as at 1.1.2025	Reclassifi- cations from level 1	Reclassifi- cations from level 2	Reclassifi- cations from level 3	Allocation for newly issued/ acquired financial assets	Additions for financial assets held in the portfolio
in € million						
Building loans	-108	-	-	-	-11	-79
Level 1	-8	1	-1	-	-3	-3
Level 2	-41	-1	9	-2	-5	-29
Level 3	-59	-	-8	2	-3	-47
Other receivables	-41	-	-	-	-	-23
Level 1	-33	19	-	-	-	-18
Level 2	-1	-	-	-	-	-
Level 3	-7	-19	-	-	-	-5
Risk provision for financial assets at amortised cost	-149	-	-	-	-11	-102

Breakdown of risk provision for financial assets at amortised cost 2024

	Opening balance as at 1.1.2024	Reclassifi- cations from level 1	Reclassifi- cations from level 2	Reclassifi- cations from level 3	Allocation for newly issued/ acquired financial assets	Additions for financial assets held in the portfolio
in € million						
Building loans	-90	-	-	-	-9	-56
Level 1	-8	1	-	-	-2	-2
Level 2	-36	-1	7	-2	-4	-25
Level 3	-46	-	-7	2	-3	-29
Other receivables	-46	-	-	-	-1	-17
Level 1	-38	21	-	-	-1	-16
Level 2	-1	-	-	-	-	-
Level 3	-7	-21	-	-	-	-1
Risk provision for financial assets at amortised cost	-136	-	-	-	-10	-73

Additions/releases due to changes in models/risk parameters	Release of financial assets held in the portfolio	Release of derecognised financial assets due to repayment, modification or sale	Consumption/ reclassification (write-off)	Interest effects	Closing balance as at 31.12.2025
1	37	5	6	4	-145
-	3	-	-	-	-11
-	18	2	-	-	-49
1	16	3	6	4	-85
-	1	-	23	-	-40
-	-	-	-	-	-32
-	-	-	-	-	-1
-	1	-	23	-	-7
1	38	5	29	4	-185

Additions/releases due to changes in models/risk parameters	Release of financial assets held in the portfolio	Release of derecognised financial assets due to repayment, modification or sale	Consumption/ reclassification (write-off)	Interest effects	Closing balance as at 31.12.2024
-1	36	5	3	4	-108
-1	4	-	-	-	-8
-	18	2	-	-	-41
-	14	3	3	4	-59
-	-	1	22	-	-41
-	-	1	-	-	-33
-	-	-	-	-	-1
-	-	-	22	-	-7
-1	36	6	25	4	-149

Breakdown of risk provision for financial assets at fair value through other comprehensive income 2025

	Opening balance as at 1.1.2025	Allocation for newly issued/acquired financial assets	Allocation for financial assets held in the portfolio
in € million			
Subordinated securities and receivables	-1	-	-
Level 1	-1	-	-
Senior debenture bonds and registered bonds	-3	-	-
Level 1	-3	-	-
Senior fixed-income securities	-26	-8	-2
Level 1	-22	-6	-2
Level 2	-4	-2	-
Risk provision for financial assets at fair value through other comprehensive income	-30	-8	-2

Breakdown of risk provision for financial assets at fair value through other comprehensive income 2024

	Opening balance as at 1.1.2024	Allocation for newly issued/acquired financial assets	Allocation for financial assets held in the portfolio
in € million			
Subordinated securities and receivables	-1	-	-
Level 1	-1	-	-
Senior debenture bonds and registered bonds	-3	-	-
Level 1	-3	-	-
Senior fixed-income securities	-33	-5	-4
Level 1	-22	-5	-4
Level 2	-11	-	-
Risk provision for financial assets at fair value through other comprehensive income	-37	-5	-4

	Release of financial assets held in the portfolio	Release of derecognised financial assets due to repayment, modification or sale	Allocations to the scope of consolidation	Ending balance as at 31.12.2025
	-	-	-	-1
	-	-	-	-1
	-	-	-	-3
	-	-	-	-3
	3	7	-	-26
	3	6	-	-21
	-	1	-	-5
	3	7	-	-30

	Release of financial assets held in the portfolio	Release of derecognised financial assets due to repayment, modification or sale	Allocations to the scope of consolidation	Ending balance as at 31.12.2024
	-	-	-	-1
	-	-	-	-1
	-	-	-	-3
	-	-	-	-3
	7	10	-1	-26
	2	8	-1	-22
	5	2	-	-4
	7	10	-1	-30

Breakdown for provision for off-balance sheet business 2025

	Opening balance as at 1.1.2025	Allocation for newly issued/ acquired financial assets	Allocation for currently held financial assets
in € million			
Irrevocable loan commitments	-1	-2	-1
Level 1	-1	-1	-
Level 2	-	-1	-1
Provision for off-balance sheet business	-1	-2	-1

Breakdown for provision for off-balance sheet business 2024

	Opening balance as at 1.1.2024	Allocation for newly issued/ acquired financial assets	Allocation for currently held financial assets
in € million			
Irrevocable loan commitments	-2	-1	-
Level 1	-1	-1	-
Level 2	-1	-	-
Provision for off-balance sheet business	-2	-1	-

	Release of financial assets held in the portfolio	Release of derecognised financial assets due to repayment, modification or sale	Ending balance as at 31.12.2025
	-1	-1	-2
	-	-1	-1
	-1	-	-1
	-1	-1	-2

	Release of financial assets held in the portfolio	Release of derecognised financial assets due to repayment, modification or sale	Ending balance as at 31.12.2024
	1	1	-1
	-	1	-1
	1	-	-
	1	1	-1

The accrued interest income on impaired assets was reported as an interest effect.

Newly issued building loans amounting to €4,444 million (previous year: €4,338 million) led to an increase in risk provisions of €11 million (previous year: €9 million). Repayments of €2,685 million (previous year: €2,869 million) enabled €5 million (previous year: €6 million) to be released from the risk provision.

Newly acquired senior fixed-income securities, which are measured at fair value through profit or loss in the amount of €4,465 million (previous year: €3,397 million), led to an increase in risk provisions of €8 million (previous year: €5 million). Due to disposals and scheduled repayments of €3,647 million (previous year: €3,444 million), €7 million (previous year: €9 million) was released from the risk provision.

Changes in the contractual cash flows of financial assets that did not result in derecognitions were only made to an insignificant extent.

The gross book value of financial assets that have been changed since initial recognition at a time when risk provisions were measured at the amount of expected credit losses over the maturity and for which risk provisions were converted to the amount of expected 12-month credit losses in the reporting period amounts to €2 million (previous year: €2 million).

For assets written off in the reporting year despite being assessed as irrecoverable, we are continuing to endeavour to obtain contractually agreed amounts of €8 million (previous year: €3 million).

Effects of collateral on the amount of expected credit losses in 2025

	Non-impaired assets			Impaired assets		
	Gross book value before collateral held	Reduction of the maximum default risk through collateral held	Net book value	Gross book value before collateral held	Reduction of the maximum default risk through collateral held	Net book value
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Financial assets at fair value through other comprehensive income	30,036	–	30,036	–	–	–
Subordinated securities and receivables	999	–	999	–	–	–
Senior debenture bonds and registered bonds	4,387	–	4,387	–	–	–
Senior fixed-income securities	24,650	–	24,650	–	–	–
Financial assets at amortised cost	31,357	26,182	5,175	555	468	87
Subordinated securities and receivables	250	–	250	–	–	–
Senior debenture bonds and registered bonds	71	–	71	–	–	–
Building loans	29,706	26,182	3,524	555	468	87
Mortgage-backed building loans	26,099	26,099	–	467	467	–
Other secured building loans	83	83	–	1	1	–
Unsecured building loans	3,524	–	3,524	87	–	87
Other receivables	1,330	–	1,330	–	–	–
Irrevocable loan commitments	1,155	–	1,155	6	–	6

Effects of collateral on the amount of expected credit losses in 2024

	Non-impaired assets			Impaired assets		
	Gross book value before collateral held	Reduction of the maximum default risk through collateral held	Net book value	Gross book value before collateral held	Reduction of the maximum default risk through collateral held	Net book value
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Financial assets at fair value through other comprehensive income	29,657	–	29,657	–	–	–
Subordinated securities and receivables	890	–	890	–	–	–
Senior debenture bonds and registered bonds	4,565	–	4,565	–	–	–
Senior fixed-income securities	24,202	–	24 202	–	–	–
Financial assets at amortised cost	30,645	24,849	5,796	403	341	62
Subordinated securities and receivables	218	–	218	–	–	–
Senior debenture bonds and registered bonds	72	–	72	–	–	–
Building loans	28,106	24,849	3,257	403	341	62
Mortgage-backed building loans	24,797	24,797	–	340	340	–
Other secured building loans	52	52	–	1	1	–
Unsecured building loans	3,257	–	3,257	62	–	62
Other receivables	2,249	–	2,249	–	–	–
Irrevocable loan commitments	960	–	960	4	–	4

The building loans are primarily secured by senior mortgages.

Furthermore, the loans and advances on insurance policies are fully secured by life insurance policies.

There were no significant changes in the quality of collateral during the financial year.

Due to sufficient collateralisation, no risk provisions were recognised in the financial year for gross book values of €16 million (previous year: €9 million).

Irrevocable loan commitments relate primarily to building loans, most of which are secured by mortgages or other collateral.

For financial instruments to which the impairment provisions of IFRS 9 do not apply, their book value reflects the maximum default risk. This includes all assets that are measured at fair value through profit or loss.

The following table shows the gross book values broken down by external and internal rating classes.

Gross book values by external rating class per level in 2025

	AAA	AA	A	BBB	BB	B or worse	Total
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Financial assets at fair value through other comprehensive income	5,174	9,431	10,962	2,490	841	1,138	30,036
Subordinated securities and receivables	–	143	655	200	–	1	999
Level 1	–	143	655	200	–	1	999
Senior debenture bonds and registered bonds	1,240	1,881	934	282	–	50	4,387
Level 1	1,240	1,881	934	282	–	50	4,387
Senior fixed-income securities	3,934	7,407	9,373	2,008	841	1,087	24,650
Level 1	3,934	7,407	9,373	2,008	789	1,039	24,550
Level 2	–	–	–	–	52	48	100
Financial assets at amortised cost	–	21	162	77	–	61	321
Subordinated securities and receivables	–	21	152	77	–	–	250
Level 1	–	21	152	77	–	–	250
Senior debenture bonds and registered bonds	–	–	10	–	–	61	71
Level 1	–	–	10	–	–	61	71
Total	5,174	9,452	11,124	2,567	841	1,199	30,357

Gross book values by external rating class per level in 2024

	AAA	AA	A	BBB	BB	B or worse	Total
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Financial assets at fair value through other comprehensive income	4,993	11,813	7,739	2,682	1,017	1,413	29,657
Subordinated securities and receivables	–	98	606	185	–	1	890
Level 1	–	98	606	185	–	1	890
Senior debenture bonds and registered bonds	1,267	2,163	795	282	–	58	4,565
Level 1	1,267	2,163	795	282	–	58	4,565
Senior fixed-income securities	3,726	9,552	6,338	2,215	1,017	1,354	24,202
Level 1	3,726	9,552	6,338	2,215	919	1,342	24,092
Level 2	–	–	–	–	98	12	110
Financial assets at amortised cost	–	13	135	80	–	62	290
Subordinated securities and receivables	–	13	125	80	–	–	218
Level 1	–	13	125	80	–	–	218
Senior debenture bonds and registered bonds	–	–	10	–	–	62	72
Level 1	–	–	10	–	–	62	72
Total	4,993	11,826	7,874	2,762	1,017	1,475	29,947

Gross book values by internal rating class per level in 2025

	Internal rating: A1-A2	Internal rating: B1-B2	Internal rating: C1-C2	Internal rating: D-H	Internal rating: I-M	Internal rating: worse than M	Total
in € million	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2025
Financial assets at amortised cost	5,305	13,527	4,681	5,565	459	724	30,261
Building loans – secured by real estate	4,545	11,756	4,058	5,180	401	626	26,566
Level 1	4,545	11,750	4,024	4,392	3	–	24,714
Level 2	–	6	34	788	398	159	1,385
Level 3	–	–	–	–	–	467	467
Building loans – secured elsewhere	6	33	23	20	1	1	84
Level 1	6	33	22	16	–	–	77
Level 2	–	–	1	4	1	–	6
Level 3	–	–	–	–	–	1	1
Building loans – unsecured	754	1,738	600	365	57	97	3,611
Level 1	754	1,732	578	227	–	–	3,291
Level 2	–	6	22	138	57	10	233
Level 3	–	–	–	–	–	87	87
Irrevocable loan commitments¹	52	168	222	701	10	8	1,161
Level 1	52	168	221	693	1	–	1,135
Level 2	–	–	1	8	9	2	20
Level 3	–	–	–	–	–	6	6
Total	5,357	13,695	4,903	6,266	469	732	31,422

1 Nominal

Gross book values by internal rating class per level in 2024

	Internal rating: A1-A2	Internal rating: B1-B2	Internal rating: C1-C2	Internal rating: D-H	Internal rating: I-M	Internal rating: worse than M	Total
in € million	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024	31.12.2024
Financial assets at amortised cost	5,044	13,029	4,382	5,082	489	483	28,509
Building loans – secured by real estate	4,377	11,351	3,815	4,744	440	410	25,137
Level 1	4,377	11,347	3,777	4,033	3	–	23,537
Level 2	–	4	38	711	437	70	1,260
Level 3	–	–	–	–	–	340	340
Building loans – secured elsewhere	6	24	9	12	1	1	53
Level 1	6	24	8	10	–	–	48
Level 2	–	–	1	2	1	–	4
Level 3	–	–	–	–	–	1	1
Building loans – unsecured	661	1,654	558	326	48	72	3,319
Level 1	661	1,649	538	216	1	–	3,065
Level 2	–	5	20	110	47	10	192
Level 3	–	–	–	–	–	62	62
Irrevocable loan commitments¹	41	135	155	615	11	7	964
Level 1	41	135	155	608	1	–	940
Level 2	–	–	–	7	10	3	20
Level 3	–	–	–	–	–	4	4
Total	5,085	13,164	4,537	5,697	500	490	29,473

1 Nominal.

(49) Underwriting risks**Life and health insurance****Presentation of the insurance portfolio**

The W&W Group operates life and health insurance business. Life insurance comprises endowment and term life insurance as well as pension insurance and occupational disability insurance. In addition to comprehensive health insurance, the health insurance portfolios comprise a broad product portfolio in supplementary health and supplementary long-term care insurance. Life and health insurance is essentially comprised of long-term contracts with discretionary profit participation. Unit-linked endowment and pension insurance policies are covered by fund units attributable to the insurance policies.

Risks of the insurance portfolio and the risk management system

Life and health insurance is characterised by the long-term nature of the obligations entered into, which is why tariffs are calculated on the basis of cautious assumptions. Risks mainly consist of biometric risk and cancellation risk. In health insurance, there is also the risk of rising healthcare costs.

Biometric risks such as mortality, longevity and disability are subject to both short-term fluctuation and error risks as well as longer-term trends. These risks are continuously monitored through actuarial analyses and reviews. The findings are taken into account in product development through appropriate actuarial modelling.

The cancellation risk describes the adverse change in the value of insurance liabilities resulting from changes in the level or volatilities of cancellation or renewal rates for insurance contracts. Cancellation behaviour is monitored on an ongoing basis. In the event of significant changes, factors in the risk assessment are reviewed and adjusted as necessary.

The risk of rising healthcare costs also leads to an adverse change in the value of insurance liabilities in health insurance. The change in healthcare costs is measured by medical inflation. This is continuously monitored and taken into account in the pricing of new business and in the adjustment of premiums for existing policies.

In the event of a change in risk and/or interest rate expectations, the impact on earnings is significantly reduced by adjusting the future profit participation of policy holders or, in the case of health insurance, by the possibility of adjusting premiums. The risks are limited by appropriate passive reinsurance contracts concluded with reinsurance companies with investment grade credit ratings.

Sensitivity analysis

In life and health insurance, sensitivity analyses for relevant underwriting risks are also carried out to supplement the calculations as at the reporting date. For this purpose, the sensitivities listed in the following table are assumed in the company model and their impact on the consolidated income statement is examined. There is no further impact on equity.

The exposure in life and health insurance is mainly reflected in the liability for remaining coverage and amounts to €28,665 million as at 31 December 2025 (previous year: €29,480 million) million before taking into account retained reinsurance (gross) and €28,644 million (previous year: €29,469 million) after taking into account the reinsurers' share (net). The breakdown of the liability for remaining coverage by type of insured risk is presented in the section on risk concentrations.

The following tables summarise the analyses after deferred taxes.

Life and health insurance 2025

in € million	Changes in the consolidated income statement	
	Gross, before reinsurance held	Net, after reinsurance held
Area of life insurance		
Mortality increases by 15%	-	-
Mortality falls by 20%	-1	-1
Cancellations increase by 50%	-	-
Cancellations decrease by 50%	-	-
Disability (increases by 35% in 2025; by 25% from 2026 onwards)	-3	-
Area of health insurance		
Medical inflation rises by 1 percentage point	-2	-2
Medical inflation falls by 1 percentage point	2	2

Life and health insurance 2024

in € million	Changes in the consolidated income statement	
	Gross, before reinsurance held	Net, after reinsurance held
Area of life insurance		
Mortality increases by 15%	2	2
Mortality falls by 20%	-4	-4
Cancellations increase by 50%	5	5
Cancellations decrease by 50%	-6	-6
Disability (increases by 35% in 2024; by 25% from 2025 onwards)	-4	-1
Area of health insurance		
Medical inflation rises by 1 percentage point	-1	-1
Medical inflation falls by 1 percentage point	1	1

Risk concentrations

Technical risk concentrations in life and health insurance result from regional risk concentrations and from contracts with high sums insured for individual insured persons.

Life insurers counteract the emergence of regional risk concentrations by distributing their insurance products nationwide. The risk concentration arising from individual insured persons (cluster risk) is reduced by passive reinsurance contracts with reinsurers in the investment grade segment.

Remaining risk concentrations arise from the respective insured risks, which are illustrated below by a corresponding breakdown of the liability for remaining coverage.

Provision for remaining coverage by type of insured risk Life and health insurance

in € million	31.12.2025	31.12.2024
Area of life insurance (net, after reinsurance held)	27,007	27,972
Liability for remaining coverage (gross, before reinsurance held)	27,028	27,983
Mainly survival risk (conventional)	14,916	15,927
Predominantly death risk (conventional)	6,063	6,874
Mainly disability (conventional and unit-linked)	387	286
Mainly survival risk and death risk (unit-linked)	5,662	4,896
Share of reinsurers	-21	-11
Area of health insurance (net, after reinsurance held)	1,637	1,497¹
Liability for remaining coverage (gross, before reinsurance held)	1,637	1,497 ¹
Liability for remaining coverage (gross, before reinsurance held)	28,665	29,480¹
Reinsurers' share	-21	-11
Liability for remaining coverage (net, after reinsurance held)	28,644	29,469¹

1 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Property/casualty insurance

Presentation of the insurance portfolio

In the property/casualty insurance segment, Württembergische Versicherung AG operates primary insurance business for private and corporate customers (industry and commerce) with a focus on the domestic market. Württembergische Versicherung AG insures risks in the traditional lines of motor insurance, accident insurance, legal expenses insurance, liability insurance, residential building and contents insurance, property insurance, transport and technical insurance, and credit and suretyship insurance.

W&W AG coordinates reinsurance matters in the area of property/casualty insurance. W&W AG is the reinsurer of Württembergische Versicherung AG and passes on the risks in full to the reinsurance market, with the exception of two intra-group reinsurance transfers.

W&W AG has a multi-level reinsurance programme. On the one hand, there are line-specific reinsurance solutions that aim to reduce the impact of large individual claims on the balance sheet. These solutions also include facultative individual reinsurance to cover particularly unusual or high-risk risks. In addition, there are cross-line reinsurance policies that protect the company against excessive burdens from natural events or accumulation events in which several portfolio risks are affected by damage at the same time.

The risk-mitigating effect of the reinsurance structure outlined above is regularly reviewed and optimised in the internal risk model, taking into account risk policy requirements from the Group strategy.

Risks of the insurance portfolio and the risk management system

Underwriting risks arise from uncertainty about the future development of claims and costs arising from insurance contracts that have been concluded, as a result of which unexpected claims and benefit obligations can lead to a negative earnings situation. Underwriting risks can be caused by random, error and change risks.

In the area of property insurance, underwriting risks are predominantly short-term in nature, as claims can usually be settled quickly. In the case of serious personal injury in the areas of general liability and motor vehicle liability insurance, as well as in accident insurance, the risks are also subject to exogenous developments such as medical progress and the related life expectancy. They are also influenced by developments in statutory compensation and liability regulations.

Risks are underwritten exclusively on the basis of actuarial and statistical analyses. This means that Württembergische Versicherung AG has factored sufficient safety margins into its tariffs to cover risk fluctuations.

Sensitivity analysis

Unexpected developments in claims or costs can have an impact on the income statement and equity.

Underwriting risks are measured by performing loss scenario analyses to quantify fluctuations in both the amount and number of future losses and in the settlement of incurred claims.

The relevant risk variable is determined by the technical liabilities of property/casualty insurance. As at 31 December 2025, these amounted to €2,211 million (previous year: €2,226 million) before reinsurance and €2,023 million (previous year: €1,939 million) after reinsurance.

The following tables summarise the analyses after deferred taxes.

Property/casualty insurance 2025

in € million	Changes in the consolidated income statement		Change in other comprehensive income	
	Gross, before reinsurance held	Net, after reinsurance held	Gross, before reinsurance held	Net, after reinsurance held
Loss ratio rises by 5%	-119	-113	6	6
Loss ratio falls by 5%	109	102	-6	-6

Property/casualty insurance 2024

in € million	Changes in the consolidated income statement		Change in other comprehensive income	
	Gross, before reinsurance held	Net, after reinsurance held	Gross, before reinsurance held	Net, after reinsurance held
Loss ratio rises by 5%	-117	-108	4	4
Loss ratio falls by 5%	114	105	-4	-4

Risk concentrations

Risk concentrations primarily result from high local market shares and the risks insured in the various lines of business. To illustrate the existing risk concentrations, the provision for outstanding insurance claims is broken down below by type of insured risk. This reveals a broadly diversified mix of lines of business, which helps to reduce risk exposure.

Provision for outstanding insurance claims by type of insured risk Property/casualty insurance

in € million	31.12.2025	31.12.2024
Motor	1,038	999
General liability	266	258
General accident	183	178
Legal expenses	164	156
Residential buildings and household contents	176	218
Property insurance	247	278
Other	137	139
Provision for outstanding insurance claims (gross, before reinsurance held)	2,211	2,226
Reinsurers' share	-188	-287
Provision for outstanding insurance claims (net, after reinsurance held)	2,023	1,939

For further information on risk management in the W&W Group, please refer to Notes 46 and 47.

Claims development

The loss triangles shown below illustrate the settlement history of the provision for outstanding insurance claims in the property/casualty insurance segment.

Expected total claims (gross, undiscounted) show the claims development before retained reinsurance. The reinsurers' share is deducted in the reconciliation to expected total claims (net, undiscounted). In accordance with the option available under IFRS 17.C28, we have refrained from presenting previously unpublished information on the development of claims that occurred more than five years before the end of the 2024 financial year.

**Expected total claims
(gross, undiscounted)**

[illegible]

**Expected total loss
(net, undiscounted)**

[illegible]

(50) Liquidity risks

Liquidity risk is the risk that a company will be unable to obtain the funds necessary to meet its obligations. Liquidity risks can also arise if an asset cannot be sold at its fair value within a short period of time or if cash and cash equivalents can only be obtained on less favourable terms than expected. Liquidity risks thus consist of the risk of insolvency, market liquidity risk and refinancing risk. The consolidated liquidity plan forms the basis for managing liquidity risk at group level. The consolidated liquidity plan is based on the liquidity plans of the individual companies. A traffic light system is used to monitor liquidity fluctuations and ensure minimum liquidity.

The remaining maturity breakdown of selected financial instruments is shown below:

Breakdown of residual term to maturity of financial assets 2025

	Up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Indefinite maturity	Total
in € million						31.12.2025
Financial assets at fair value through profit or loss	65	12	558	1,204	–	1,839
Fixed-income financial instruments that do not pass the SPPI test	30	3	537	1,204	–	1,774
Derivative financial instruments	35	9	21	–	–	65
Financial assets at fair value through other comprehensive income	479	406	3,597	18,870	–	23,352
Subordinated securities and receivables	27	13	47	917	–	1,004
Senior debenture bonds and registered bonds	54	88	674	2,592	–	3,408
Senior fixed-income securities	398	305	2,876	15,361	–	18,940
Financial assets at amortised cost	1,507	767	8,446	20,690	357	31,767
Subordinated securities and receivables	6	4	29	211	–	250
Senior debenture bonds and registered bonds	1	1	69	–	–	71
Building loans	453	747	8,273	20,372	271	30,116
Other receivables	1,047	15	75	107	86	1,330
Positive market values from hedges	–	–	–	–	–	–
Total	2,051	1,185	12,601	40,764	357	56,958

Breakdown of residual term to maturity of financial assets 2024

	Up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Indefinite maturity	Total
in € million						31.12.2024
Financial assets at fair value through profit or loss	35	244	649	1,075	–	2,003
Fixed-income financial instruments that do not pass the SPPI test	32	240	628	1,075	–	1,975
Derivative financial instruments	3	4	21	–	–	28
Financial assets at fair value through other comprehensive income	575	434	3,662	19,138	–	23,809
Subordinated securities and receivables	19	13	90	759	–	881
Senior debenture bonds and registered bonds	121	64	635	2,907	–	3,727
Senior fixed-income securities	435	357	2,937	15,472	–	19,201
Financial assets at amortised cost	2,284	894	7,731	19,647	384	30,940
Subordinated securities and receivables	7	58	32	121	–	218
Senior debenture bonds and registered bonds	1	7	64	–	–	72
Building loans	369	823	7,621	19,347	241	28,401
Other receivables	1,907	6	14	179	143	2,249
Positive market values from hedges	–	–	1	1	–	2
Total	2,894	1,572	12,043	39,861	384	56,754

The following overview shows the future contractually agreed gross payments at the earliest possible date for the financial instruments held as at the reporting date:

Contractually agreed cash flows from financial instruments 2025

	Up to 3 months	3 months to 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	Over 20 years	Total
in € million								31.12.2025
Financial liabilities at fair value through profit or loss	48	1	2	-	-	-	-	51
Derivatives financial liabilities at fair value through profit or loss	48	1	2	-	-	-	-	51
Liabilities	4,606	21,169	4,812	3,537	52	4	28	34,208
Liabilities evidenced by certificates	31	-	3,066	1,690	23	-	-	4,810
Liabilities to credit institutions	1,291	378	143	1,278	8	3	7	3,108
Liabilities to customers	3,081	20,729	1,582	564	19	-	-	25,975
Deposits from the home loan savings business and other savings deposits	-	19,623	-	-	-	-	-	19,623
Savings deposits with agreed termination period	53	-	-	-	-	-	-	53
Other deposits	3,028	1,106	1,582	564	19	-	-	6,299
Lease liabilities	3	9	14	4	1	1	10	42
Other liabilities	200	53	7	1	1	-	11	273
Subordinated capital	27	-	192	124	87	640	-	1,070
Participation rights capital	-	-	-	-	-	-	-	-
Subordinated liabilities	27	-	192	124	87	640	-	1,070
Irrevocable loan commitments	1,151	5	5	-	-	-	-	1,161
Total	5,832	21,175	5,011	3,661	139	644	28	36,490

Contractually agreed cash flows from financial instruments 2024

	Up to 3 months	3 months to 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	Over 20 years	Total
in € million								31.12.2024
Financial liabilities at fair value through profit or loss	476	4	169	207	225	-	-	1,081
Derivatives financial liabilities at fair value through profit or loss	476	4	169	207	225	-	-	1,081
Liabilities	6,820	20,873	2,871	2,182	68	6	36	32,856
Liabilities evidenced by certificates	358	-	2,194	1,047	32	-	-	3,631
Liabilities to credit institutions	249	30	220	768	6	3	7	1,283
Liabilities to customers	6,033	20,716	437	360	26	-	-	27,572
Deposits from the home loan savings business and other savings deposits	-	19,751	-	-	-	-	-	19,751
Savings deposits with agreed termination period	64	-	-	-	-	-	-	64
Other deposits	5,969	965	437	360	26	-	-	7,757
Lease liabilities	4	13	14	6	3	3	18	61
Other liabilities	176	114	6	1	1	-	11	309
Subordinated capital	13	-	137	45	50	318	13	576
Participation rights capital	2	-	-	-	-	-	-	2
Subordinated liabilities	11	-	137	45	50	318	13	574
Irrevocable loan commitments	941	13	10	-	-	-	-	964
Total	8,349	20,890	3,824	2,301	264	324	49	36,001

The following overview shows the expected maturity structure of the undiscounted cash flows (balance of incoming and outgoing cash flows) from the insurance contracts in the portfolio remaining within the contract limits as at the reporting date. The positive amounts in the table represent cash outflows and the negative balances represent cash inflows from the corresponding portfolios. Cash flows relating to the liability for remaining coverage for insurance contract groups measured using the premium allocation approach (PAA) are not taken into account in the following analysis.

The presentation of the expected maturity structure reflects the long-term nature of insurance contracts in life and health insurance. In property/casualty insurance, on the other hand, the maturities of most insured risks are expected to occur within the next five years due to the generally rapid settlement of claims. Exceptions to this are liability, accident and legal expenses insurance, which take longer to settle.

Expected maturity of undiscounted cash flows from insurance contracts

Life and health insurance 2025

	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
in € million							31.12.2025
Area of life insurance							
Cash flows (gross, before reinsurance held)	1,230	1,038	1,040	1,056	1,004	79,168	84,536
Insurance contracts issued that are liabilities	1,230	1,038	1,040	1,056	1,004	79,168	84,536
Predominantly survival risk (conventional)	732	619	640	670	629	37,512	40,802
Predominantly death risk (conventional)	573	568	538	501	469	6,346	8,995
Predominantly disability risk (conventional and unit-linked)	-81	-93	-91	-84	-79	1,765	1,337
Mainly survival risk and death risk (unit-linked)	6	-56	-47	-31	-15	33,545	33,402
Cash flows from reinsurance contracts held	20	11	11	11	10	231	294
Reinsurance contracts held that are assets	20	11	11	11	10	231	294
Cash flows (net, after reinsurance held)	1,250	1,049	1,051	1,067	1,014	79,399	84,830
Area of health insurance							
Cash flows (gross, before reinsurance held)	-63	-103	-112	-105	-100	8,506	7,023
Insurance contracts issued that are liabilities	-72	-96	-106	-97	-92	8,860	8,397
Insurance contracts issued that are assets	9	-7	-6	-8	-8	-354	-374
Cash flows (net, after reinsurance held)	-63	-103	-112	-105	-100	8,506	8,023
Cash flows (gross, before reinsurance held)	1,167	935	928	951	904	87,674	92,559
Cash flows (net, after reinsurance held)	1,187	946	939	962	914	87,905	92,853

Expected maturity of undiscounted cash flows from insurance contracts

Life and health insurance 2024

	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
in € million							31.12.2024
Area of life insurance							
Cash flows (gross, before reinsurance held)	1,140	1,053	1,024	1,032	1,086	62,285	67,620
Insurance contracts issued that are liabilities	1,140	1,053	1,024	1,032	1,086	62,285	67,620
Predominantly survival risk (conventional)	602	609	596	619	682	30,721	33,829
Predominantly death risk (conventional)	653	609	568	542	511	6,444	9,327
Predominantly disability risk (conventional and unit-linked)	-85	-98	-94	-88	-85	1,165	715
Mainly survival risk and death risk (unit-linked)	-30	-67	-46	-41	-22	23,955	23,749
Cash flows from reinsurance contracts held	21	12	11	11	10	232	297
Reinsurance contracts held that are assets	21	12	11	11	10	232	297
Cash flows (net, after reinsurance held)	1,161	1,065	1,035	1,043	1,096	62,517	67,917
Area of health insurance							
Cash flows (gross, before reinsurance held)	-63	-99	-99	-88	-93¹	5,896¹	5,454¹
Insurance contracts issued that are liabilities	-69	-92	-92	-83	-86 ¹	6,162 ¹	5,740 ¹
Insurance contracts issued that are assets	6	-7	-7	-5	-7	-266 ¹	-286 ¹
Cash flows (net, after reinsurance held)	-63	-99	-99	-88	-93¹	5,896¹	5,454¹
Cash flows (gross, before reinsurance held)	1,077	954	925	944	993¹	68,181¹	73,074¹
Cash flows (net, after reinsurance held)	1,098	966	936	955	1,003¹	68,413¹	73,371¹

1 Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

Expected maturity of undiscounted cash flows from insurance contracts Property/casualty insurance 2025

	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
in € million							31.12.2025
Cash flows (gross, before reinsurance held)	609	257	176	147	169	937	2,295
Insurance contracts issued that are liabilities	609	257	176	147	169	937	2,295
Motor	339	108	77	60	54	544	1,182
General liability	43	24	22	21	26	96	232
General accident	–	10	12	12	13	122	169
Legal expenses	14	18	20	21	22	68	163
Residential buildings and household contents	–9	–8	6	16	30	45	80
Property insurance	168	56	28	19	18	27	316
Other	54	49	11	–2	6	35	153
Cash flows from reinsurance contracts held	–82	–25	–13	–8	–9	–72	–209
Reinsurance contracts held that are assets	–82	–25	–13	–8	–9	–72	–209
Cash flows (net, after reinsurance held)	527	232	163	139	160	865	2,086

Expected maturity of undiscounted cash flows from insurance contracts Property/casualty insurance 2024

	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
in € million							31.12.2024
Cash flows (gross, before reinsurance held)	677	296	185	167	148	822	2,295
Insurance contracts issued that are liabilities	677	296	185	167	148	822	2,295
Motor	337	100	72	56	48	499	1,112
General liability	42	23	21	35	22	77	220
General accident	–11	6	9	12	13	117	146
Legal expenses	9	15	17	19	20	60	140
Residential buildings and household contents	53	19	12	18	20	18	140
Property insurance	171	94	41	22	17	17	362
Other	76	39	13	5	8	34	175
Cash flows from reinsurance contracts held	–165	–30	–17	–12	–8	–71	–303
Reinsurance contracts held that are assets	–165	–30	–17	–12	–8	–71	–303
Cash flows (net, after reinsurance held)	512	266	168	155	140	751	1,992

The following table explains the relationship between the amounts payable on demand and the book values of the corresponding portfolios of insurance contracts issued by the W&W Group as at the reporting date. The amounts payable on demand result from life and health insurance and mainly comprise surrender rights and lump-sum settlement options, including guaranteed minimum benefits.

Amounts payable on demand

	Amount payable on demand		Book value of the portfolio	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
in € million				
Area of life insurance	21,995	21,720	27,213	28,135
Insurance contracts issued that are liabilities	21,995	21,720	27,213	28,135
Mainly survival risk (conventional)	9,838	9,668	15,023	16,013
Predominantly death risk (conventional)	6,005	6,507	6,111	6,916
Mainly disability risk (conventional and unit-linked)	917	911	388	287
Mainly survival risk and death risk (unit-linked)	5,235	4,634	5,691	4,919
Area of health insurance	305	279	1,674	1,534¹
Insurance contracts issued that are liabilities	305	279	1,674	1,534¹

¹ Previous year's figure adjusted, see section „Amendment in accordance with IAS 8“.

For further information on risk management in the W&W Group, please refer to Note 46 and Note 47.

Capital management

As the holding company, W&W AG manages the W&W Group's equity capital. On the one hand, it receives dividends and profit transfers and, on the other hand, it carries out equity capital measures such as capital increases and reductions and grants loans to Group companies.

The objectives of capital management are the efficient allocation and adequate return on IFRS equity. To ensure this, earnings claims are derived for the individual subsidiary undertakings based on a minimum return on the respective IFRS equity.

As at 31 December 2025, the W&W Group's equity calculated in accordance with IFRS amounted to €4,961 million (previous year: €4,922 million). The changes in the individual components of equity are presented in Note 24 Equity.

Further objectives of equity management are, on the one hand, to ensure risk-bearing capacity on the basis of the W&W Group's economic risk-bearing capacity models and, on the other hand, to meet the regulatory minimum capital requirements resulting from, among other things, the provisions of the Capital Requirements Regulation (CRR), the German Banking Act (KWG), the Insurance Supervision Act (VAG) and the Financial Conglomerates Supervision Act (FKAG).

A further requirement for capital adequacy is that the W&W Group as a whole, as well as the individual subsidiary undertakings and W&W AG, have sufficient regulatory equity. As part of its efficient equity management, the W&W Group also uses subordinated capital to meet regulatory solvency requirements.

Internally, the W&W Group has set target solvency ratios for insurance companies and credit institutions in risk classes 1 and 2, as well as for the Solvency II Group and the financial conglomerate, which exceed the current legal requirements in order to ensure that the groups and individual companies remain highly stable.

Further details on our capital management and its objectives are provided in the risk report of the combined management report.

(51) Regulatory solvency

W&W AG, the insurance companies and the credit and financial services institutions of the W&W Group are subject to supervision at company level by the German Federal Financial Supervisory Authority (BaFin) and the Deutsche Bundesbank in accordance with the Insurance Supervision Act (VAG), CRR, KWG, IFRS, WpIG, FKAG and the regulations in the country of domicile of a supervised foreign company of the W&W Group. This supervision gives rise to requirements regarding the capital resources of these companies. For Wüstenrot Bausparkasse AG, as a major credit institution, supervision by the European Central Bank (ECB) supplements national supervision.

W&W AG ensures that all supervised subsidiary undertakings have at least the own funds they need to meet regulatory requirements. In this respect, equity and subordinated capital in accordance with regulatory standards form the basis of this capital management.

At Wüstenrot Bausparkasse AG, subordinated liabilities are included in regulatory capital in accordance with Regulation (EU) No. 575/2013.

The subordinated liabilities of W&W AG are included in regulatory capital in accordance with Section 89 (3) No. 2 of the Insurance Supervision Act (VAG).

As at the reporting date, Wüstenrot Bausparkasse AG had met the regulatory capital requirements. The total capital ratio of Wüstenrot Bausparkasse AG as at 31 December 2025, as determined, was 19.3% (previous year: 18.3%), exceeding the regulatory minimum requirement of 14.25% (previous year: 14.20%). The regulatory coverage ratios of the insurance undertakings belonging to the Group are expected to be well above 100% as of the reporting date; the final results will be published in the second quarter of 2026 in the reports on solvency and financial condition (SFCR). The ratios calculated as at 31 December 2024 were reported to BaFin in the second quarter of 2025. They amounted to 388.5% for Wüstenrot & Württembergische AG, 191.0% for Württembergische Lebensversicherung AG and 183.0% for Württembergische

Versicherung AG. The transitional provision at Württembergische Lebensversicherung AG was recalculated at the request of BaFin on the reporting date of 1 January 2024. This resulted in an amount to be recognised of zero.

In addition to supervision at the level of individual companies, the companies of the W&W Group are subject to sectoral supervision by BaFin at the consolidated level. W&W AG and its insurance undertakings form a Solvency II Group. Furthermore, BaFin has classified the W&W Group as a financial conglomerate.

W&W AG forms a solvency II Group together with the insurance undertakings of the W&W Group. The regulatory coverage ratio is expected to be well above 100% as of the reporting date; the final results will be published in the second quarter of 2026 in the Solvency and Financial Condition Report (SFCR). The previous year's ratio was reported to BaFin in the second quarter of 2025 and stood at 180.9%.

As the superordinate undertaking of the financial conglomerate, W&W AG must ensure that the regulatory requirements for financial conglomerates are met. These requirements include, among other things, that the W&W Group's financial conglomerate must have sufficient own funds at all times to meet the minimum regulatory requirements. The coverage ratio is expected to be well above 100% as of the reporting date. In the previous year, the coverage ratio as of 31 December 2024 was 166.5%.

Internal calculations based on data for 2025 and on planning for 2026 and 2027 show that the regulatory requirements for own funds in the financial conglomerates and in the Solvency II Group can also be met in the future.

(52) Risk-bearing capacity models

We refer to our presentation in the risk report of the combined management report.

(53) External rating

Please refer to the combined management report for the current ratings of the W&W Group.

Other disclosures

(54) Revenue from contracts with customers

Breakdown of revenue

The following table shows a breakdown of revenues by type of revenue and a reconciliation to the respective reporting segment.

2025

	Housing	Life and health insurance	Property/ casualty insurance	All other segments	Consolidation/ reconciliation	Total
in € million	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025
Commission revenues	62	–	14	48	–73	51
from home loan savings business	7	–	–	–	–	7
from brokerage activities	47	–	14	10	–38	33
from investment business	5	–	–	37	–32	10
from other business	3	–	–	1	–3	1
Other operating income	23	8	–	34	–6	59
Proceeds from the sale of inventories (property development business)	–	–	–	18	–	18
Proceeds from disposal of tangible assets	–	–	–	–	–	–
Other income	28	8	–	16	–6	46
Impairment of receivables from building society customers	–5	–	–	–	–	–5
Result from disposals	–	138	2	–	–	140
Proceeds from disposal of investment property	–	138	2	–	–	140
Total	85	146	16	82	–79	250
Type of revenue recognition						
Time-based	80	138	16	55	–74	215
Period-related	5	8	–	27	–5	35
Total	85	146	16	82	–79	250

2024

	Housing	Life and health insurance	Property/ casualty insurance	All other segments	Consolidation/ reconciliation	Total
in € million	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024	1.1.2024 to 31.12.2024
Commission revenues	59	–	15	51	–73	52
from home loan savings business	7	–	–	–	–	7
from brokerage activities	48	–	15	15	–40	38
from investment business	–	–	–	34	–30	4
from other business	4	–	–	2	–3	3
Other operating income	12	5	2	34	–6	47
Proceeds from the sale of inventories (property development business)	–	–	–	20	–	20
Proceeds from disposal of tangible assets	–	–	–	–	–	–
Other income	17	5	2	14	–6	32
Impairment of receivables from building society customers	–5	–	–	–	–	–5
Result from disposals	–	61	23	–	–10	74
Proceeds from disposal of investment property	–	61	23	–	–10	74
Total	71	66	40	85	–89	173
Type of revenue recognition						
Time-based	67	61	38	56	–83	139
Period-related	4	5	2	29	–6	34
Total	71	66	40	85	–89	173

Performance obligations**Commission revenue from home loan savings business**

In the home loan savings business, commission revenues mainly comprise fees from the administration of home loan savings contracts, such as account management fees and fees from payment transactions. The fees received from account management are recognised in profit or loss on an accrual basis over the performance period in the course of the continuous provision of services. Other fees are recognised as commission revenues on a transaction basis upon fulfilment of the one-off performance obligation.

Commission revenue from brokerage activities

Commission revenues from brokerage activities for own and third-party banking/building society products and third-party insurance products are recognised in profit or loss on a time-based basis upon fulfilment of the respective brokerage service. Portfolio commissions for brokerage services for investment fund units are recognised in profit or loss on a time-based basis in accordance with contractual fulfilment as commission revenues.

Commission revenue from investment business

Commission revenue from investment business comprises, in particular, income from financial portfolio management, portfolio commissions received and income from consulting services. The income is recognised on a time basis when the services are rendered.

Proceeds from the disposal of inventories (property development business)

In the property development business, sales proceeds mainly arise from the construction and sale of residential units. These proceeds are recognised in profit or loss on a time basis in accordance with the construction progress of the residential unit sold and the contractually agreed advance payments received. Furthermore, in accordance with IAS 2, the associated residential units under construction or not yet handed over to customers are recognised in inventories at the acquisition or production costs incurred and derecognised against other operating expenses in line with revenue recognition. In the case of new construction, the property developer has a five-year warranty obligation for the respective residential unit after acceptance. The related warranty provision is measured and recognised at the expected settlement amount. The amount is regularly determined on the basis of experience-based, best possible estimates of expenditure.

Proceeds from the disposal of investment property

Proceeds from the sale of investment property are recognised at the time of transfer of ownership and relate exclusively to properties owned by personal insurers.

Contract balances

Receivables from customer contracts consist mainly of fee receivables from building society customers in the amount of €13 million (previous year: €13 million) and receivables from the property development business in the amount of €5 million (previous year: €5 million) and are included in the balance sheet item Financial assets measured at amortised cost (sub-item Other receivables). Impairment losses on receivables from building society customers amounted to €5 million (previous year: €5 million).

Furthermore, business activities in the other business segments do not result in any contractual assets or contractual liabilities.

Transaction price allocated to the remaining performance obligations

At the end of the reporting period, some customer contracts in the property development business had not yet been fully fulfilled, as the expected construction period for the completion of residential units is generally slightly more than one year. This does not result in a material aggregate amount for the unfulfilled or partially unfulfilled performance obligations.

Significant discretionary decisions

No significant discretionary decisions were made.

Contract costs

Contract costs arise only in the property development business in the form of sales commissions paid for the sale of building plots and self-built residential units. These contract costs are capitalised and amortised pro rata over the period of service provision. As at the reporting date, contract costs amounted to €0 million (previous year: €0 million). The amount of amortisation was €0 million (previous year: €1 million).

(55) Gains and losses from currency translation

Currency translation – with the exception of currency translation from financial instruments that are recognised at fair value through profit or loss – resulted in total currency gains of €45 million (previous year: €337 million) and currency losses of €598 million (previous year: €43 million).

These currency gains and losses are largely offset by opposing effects from currency derivatives. These are economically hedged against the gains and losses reported here. Detailed figures can be found in the note 27 on valuation outputs (currency results – derivative financial instruments).

(56) Leasing**W&W Group as lessee**

The W&W Group leases properties, motor vehicles and EDP equipment for its own use, as well as investment property.

The majority of the properties used for own purposes have indefinite maturities. Some have extension options. Price adjustment clauses are also agreed on the basis of the consumer price index. There are generally no purchase options. The EDP equipment and motor vehicles have fixed maturities of up to three years. The investment properties have maturities of up to 99 years.

The owner-occupied properties include, in particular, the building of the former Aachener Bausparkasse AG, which was sold with transfer of ownership in the 2022 financial year and then leased back for further owner-occupancy (sale and leaseback transaction). The basic lease term for the building of the former Aachener Bausparkasse AG is five years. Unless terminated at least six months before expiry, the lease is extended by one year at a time. Beyond that, no repurchase option, contingent rent payments or restrictions have been agreed. The property is used within the Group.

The lease agreement for the property at Friedrich-Scholl-Platz 1 in Karlsruhe, which is recognised under owner-occupied properties and was sold with transfer of ownership in the 2011 financial year and then leased back for further owner-occupancy (sale and leaseback transaction), was terminated on 31 December 2025.

Rights of use that meet the definition of investment property are included in the item Investment property (see Note 8). The following overview shows the change in rights of use within tangible assets in the consolidated balance sheet.

Right-of-use assets in 2025

	Own-use property ¹	Motor vehicles	EDP equipment	Total
in € million	2025	2025	2025	2025
Carrying amounts as at 1.1.	24	2	1	27
Additions	12	–	1	13
Scheduled depreciation	– 11	–1	–1	–13
Net gains or losses from fair value measurement ¹	– 2	–	–	–2
As at 31.12.	23	1	1	25

1 Owner-occupied properties (including rights of use) in life and health insurance are measured at fair value in accordance with IAS 16.29A.

Right-of-use assets in 2024

	Own-use property ¹	Motor vehicles	EDP equipment	Total
in € million	2024	2024	2024	2024
Carrying amounts as at 1.1.	29	4	1	34
Additions	8	–	1	9
Scheduled depreciation	– 11	– 2	–1	–14
Net gains or losses from fair value measurement	– 2	–	–	–2
As at 31.12.	24	2	1	27

1 Owner-occupied property (including rights of use) in life and health insurance is measured at fair value in accordance with IAS 16.29A.

Interest expense from lease liabilities amounting to €1 million (previous year: €1 million) was recognised in the consolidated income statement. The expense for leases of low-value assets amounting to €1 million (previous year: €1 million) related to bike leasing for employees.

A cash outflow from leases amounting to €18 million (previous year: €19 million) was recognised in the cash flow statement.

For an analysis of the maturity of lease liabilities, please refer to Note 50 on liquidity risks.

W&W Group as lessor

Operating leases as a lessor exist for investment properties. The agreed rental agreements often have indefinite maturities. In some cases, however, specific maturities with a fixed base rental period are agreed. For commercial properties, price adjustment clauses based on the consumer price index are regularly agreed. For residential properties, such agreements are in place for residential properties newly acquired since 2012 and for high-quality renovated residential portfolios.

Rental income amounts to €125 million (previous year: €137 million).

Undiscounted minimum lease payments

in € million	Lessor – operating leases	
	31.12.2025	31.12.2024
Up to 1 year	87	97
1 to 2 years	73	82
2 to 3 years	66	78
3 to 4 years	56	70
4 to 5 years	50	58
Over 5 years	363	413
Total	695	798

There are no finance leases as lessor.

(57) Contingent assets, contingent liabilities and other obligations

in € million	31.12.2025	31.12.2024
Contingent liabilities	1,783	1,685
from the insurance companies' protection fund	411	278
From guarantees and warranty agreements	10	10
From capital contributions not yet called in	1,337	1,314
from contractual obligations to acquire and construct investment properties	22	81
Other contingent liabilities	3	2
Other commitments	1,161	964
Irrevocable loan commitments	1,161	964
Total	2,944	2,649

German life insurers are required to be members of a protection fund in accordance with Section 221 of the Insurance Supervision Act (VAG). ARA Pensionskasse AG has joined the protection fund for life insurers (Protektor Lebensversicherungs-AG) as a voluntary member in accordance with Section 221 (2) VAG. The protection fund for life insurers levies annual contributions of up to 0.2‰ of the total net technical provisions on the basis of the Ordinance on the Financing of the Protection Fund for Life Insurers (SichLVFinV) until guarantee assets amounting to 1‰ of the total

net technical provisions have been built up. The Group has no future obligations arising from this. The protection fund may also levy special contributions amounting to a further 1% of the total net technical provisions; this corresponds to an obligation of €41 million (previous year: €28 million).

After taking over the insurance contracts, the health insurers' protection fund may levy special contributions of up to 2% of the total net technical provisions in order to fulfil its tasks. This results in an obligation to pay €4 million (previous year: €3 million).

In addition, the life insurers and the pension fund of the W&W Group have undertaken to make financial resources available to the protection fund or, alternatively, to Protektor Lebensversicherungs-AG if the protection fund's resources are insufficient in the event of a restructuring. The obligation amounts to 1% of the total net technical provisions, taking into account the contributions already made to the protection fund at that time. Including the above-mentioned payment obligations from contributions to the protection fund, the total obligation as at the reporting date amounts to €366 million (previous year: €247 million).

Irrevocable loan commitments are residual obligations from loans and overdraft facilities that have been committed but not yet drawn down or not drawn down in full. Due to the short maturities, there is only a low interest rate risk for irrevocable loan commitments.

Under an investment advisory agreement between BF.capital GmbH and W&W Asset Management Ireland DAC, W&W Asset Management GmbH is obliged to make a compensation payment to BF.capital GmbH to make up the minimum advisory fee if this fee is not reached. The probability of this claim being made is considered to be extremely low.

Due to its membership in the Verein Verkehrsofferhilfe e. V. (Association for Traffic Victims), the W&W Group is obliged to provide this association with the funds necessary to carry out its purpose, in accordance with its share of the contribution income that the member companies generated from their own motor vehicle liability insurance business in the penultimate calendar year.

Employees who joined one of the sponsoring undertakings of the Württembergische pension fund (WürttPK) before 1 January 2002 were eligible for membership. As a legally independent and regulated pension fund, WürttPK is subject to supervision by the Federal Financial Supervisory Authority. The benefits provided by WürttPK are financed by contributions from members and subsidies from the sponsoring undertakings. Württembergische Versicherung AG and Württembergische Lebensversicherung AG are currently sponsoring undertakings and are obliged to provide subsidies in accordance with the articles of association. In accordance with the business plan, administration is carried out free of charge by the sponsoring undertakings. In addition, there may be subsidiary liability under the Occupational Pensions Act.

With regard to the calculations of current tax assets and tax liabilities made as of the reporting date, a different opinion on the part of the tax authorities cannot be ruled out. Furthermore, the outcome of pending out-of-court and court tax proceedings cannot be determined or predicted. This area may give rise to additional liabilities and receivables to be recognised in the balance sheet, the occurrence of which is not highly probable, so that no liabilities and receivables have been recognised accordingly.

Württembergische Lebensversicherung AG has indemnified Versorgungseinrichtung Karlsruhe e. V. (VeK) and AVM - Arbeitnehmer Vorsorge Management – überbetriebliche Unterstützungskasse e. V. against claims for damages due to an error in the processing of insurance contracts by the sponsoring undertakings.

Waiver of recourse and declaration of indemnification

In accordance with the existing waiver of recourse and declaration of indemnification, the company waives any recourse claims against the representative in the event of a claim due to a consulting error on the part of the representative in connection with the brokerage of an insurance product distributed by it or subsequent support, provided that there is no intentional conduct and the damage is not covered by liability insurance. The company also grants exemption from liability in the event of an advisory error with regard to the representative's own liability when brokering insurance or financial services products of an insurance company of the W&W Group, a cooperation partner of one of these insurance companies or in the course of further advice for one of these companies or cooperation partners. The minimum sum insured is limited to €200 thousand per claim and a total of €300 thousand per year; in the case of damage in connection with errors in advice in insurance brokerage, the sum insured is limited to €1,300 thousand per claim or €1,925 thousand per year.

(58) Related party disclosures

Parent company

The ultimate controlling company is Wüstenrot & Württembergische AG, Kornwestheim.

Transactions with related parties

Natural persons who are considered related parties in accordance with IAS 24 are members of management in key positions (Management Board and Supervisory Board of W&W AG) and their close family members.

Transactions with related parties of W&W AG were carried out in the ordinary course of business of the Group companies. These were primarily material in terms of business relationships in the areas of home loan savings business and personal and property insurance.

All transactions were conducted at arm's length.

As at 31 December 2025, receivables from related parties amounted to €706 thousand (previous year: €474 thousand). Liabilities to related parties amounted to €535 thousand (previous year: €1,088 thousand) as at the reporting date. In the financial year 2025, interest income from related parties resulting from loans granted amounted to €12 thousand (previous year: €12 thousand), and interest expenses for savings deposits from related parties amounted to €23 thousand (previous year: €18 thousand). For insurance in the areas of personal and property insurance, contributions from related parties amounted to €91 thousand (previous year: €82 thousand) in the 2025 financial year. Contributions made by related parties to the company pension scheme amounted to €551 thousand (previous year: €613 thousand). Benefits received from related parties from the company pension scheme amounted to €264 thousand (previous year: €255 thousand).

Transactions with related companies

Subsidiary undertakings of W&W AG and other related companies

Various service agreements exist between the W&W Group and subsidiary undertakings of W&W AG as well as other companies affiliated with W&W AG, including in the area of capital investment management. There is a brand transfer and usage agreement between Wüstenrot Holding AG and W&W AG. As at 31 December 2025, this agreement resulted in a financial liability of €765 thousand (previous year: €3,524 thousand) to Wüstenrot Holding AG. W&W AG pays Wüstenrot Holding AG a constant annual annuity amount (interest and repayment) of €2,500 thousand plus statutory value added tax.

Other related parties include the non-profit Wüstenrot Stiftung Gemeinschaft der Freunde Deutscher Eigenheimverein e. V., Wüstenrot Holding AG, WS Holding AG, Wüstenrot Förder GmbH and the pension fund of Württembergische VVaG as a plan for post-employment benefits employment in favour of employees.

The transactions were carried out at arm's length.

The outstanding balances from transactions with related parties as at the reporting date were as follows:

in € thousand	31.12.2025	31.12.2024
Financial assets from related parties	266,946	282,144
Subsidiary undertaking	240,182	255,436 ¹
Other related parties	26,764	26,708
Financial liabilities to related companies	44,270	38,909
Subsidiary undertaking	14,986	14,397 ¹
Associated companies	318	403
Other related parties	28,966	24,109 ¹

¹ Previous year's figure adjusted.

As at the reporting date, outstanding transactions with related parties of W&W AG in its capacity as the parent company amounted to €686 thousand (previous year: €605 thousand) on the assets side and €12,141 thousand (previous year: €14,725⁴ thousand) on the liabilities side.

Income and expenses from transactions with related companies were as follows:

in € thousand	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Income from transactions with related parties	63,370	63,781¹
Subsidiary undertaking	60,230	60,809
Associated companies	151	71
Other related parties	2,989	2,901
Expenses from transactions with related companies	-71,487	-81,415¹
Subsidiary undertaking	-50,024	-54,168 ¹
Associated companies	-4,120	-5,209 ¹
Other related parties	-17,343	-22,038

¹ Previous year's figure adjusted.

Income from transactions with related parties of W&W AG in its capacity as the parent company amounted to €1,111 thousand (previous year: €1,128 thousand) in the reporting period, while expenses amounted to €939 thousand (previous year: €852 thousand).

(59) Disclosures concerning the remuneration of the Executive Board and Supervisory Board

Remuneration of the Executive Board

The following information contains the disclosures required by Section 314 (1) Nos. 6 a)-c) of the HGB.

in € thousand	31.12.2025	31.12.2024
Remuneration of members of the Executive Board	2,906	3,604
Remuneration of former members of the Executive Board	1,787	1,713
Remuneration for surviving dependants	623	661
Pension commitments to former members of the Executive Board	19,172	20,142

The total remuneration was reviewed by the Supervisory Board and is commensurate with the duties and performance of the members of the Executive Board and the situation of the Group.

No loans were granted to members of the Executive Board by the Group. No contingent liabilities were entered into in favour of the members of the Executive Board. No subscription rights or other share-based remunerations were granted to the Executive Board.

Remuneration of the Supervisory Board

For the 2025 financial year, the members of the Supervisory Board of Wüstenrot & Württembergische AG received total remuneration of €697 thousand (previous year: €826 thousand) from the company. Of this amount, €92 thousand (previous year: €153 thousand) is attributable to other Supervisory Board mandates within the Group. Supervisory Board members of Wüstenrot & Württembergische AG who left during the financial year received pro rata remuneration of €10 thousand (previous year: €92 thousand) from the company for the financial year 2025.

Expenses and the value added tax attributable to Supervisory Board remuneration (if subject to value added tax) are reimbursed to the members of the Supervisory Board. However, they are not included in the expenses stated.

⁴ Previous year's figure adjusted.

Advances and loans to active members of the Supervisory Board of the W&W Group amounted to €660 thousand (previous year: €25 thousand) as at the reporting date. The loans and loans under a building savings contract were granted by Group companies, with agreed interest rates ranging from 1.05% to 7.9%. Loans amounting to €22 thousand (previous year: €68 thousand) were repaid by active members of the Supervisory Board. No contingent liabilities were entered into in favour of these persons.

There are no subscription rights or other share-based remunerations for members of the Supervisory Board in the W&W Group. No provisions for current pensions or entitlements had to be made for Supervisory Board members or their surviving dependants.

Total remuneration for persons in key positions

The total remuneration for persons in key management positions (Management Board and Supervisory Board of Wüstenrot & Württembergische AG) amounted to €7,064 thousand (previous year: €7,957 thousand). Of this amount, €5,862 thousand (previous year: €6,591 thousand) is attributable to short-term benefits, €670 thousand (previous year: €740 thousand) to post-employment benefits, other long-term benefits €532 thousand (previous year: €626 thousand), and benefits upon termination of employment €0 thousand (previous year: €0 thousand).

(60) Number of employees

The W&W Group employed an average of 7,598 (previous year: 7,565) permanent employees over the last twelve months. This average is calculated as the arithmetic mean of the quarter-end figures on the reporting dates between 31 March 2025 and 31 December 2025 and the same period of the previous year, and is distributed across the individual segments as follows:

Number of employees on average per year by segment

	31.12.2025	31.12.2024
Housing	2,109	2,095
Life and health insurance	586	584
Property/casualty insurance	3,896	3,877
All other segments	1,007	1,009
Total	7,598	7,565

(61) Auditor's fees

The Supervisory Board of Wüstenrot & Württembergische AG has commissioned EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Cologne, to audit the consolidated financial statements. A total of €5,908 thousand (previous year: €5,511 thousand) was spent on the services of the auditing company for the financial year in the W&W Group. Of this amount, €5,387 thousand (previous year: €5,188 thousand) was attributable to audit services, €405 thousand (previous year: €232 thousand) to other assurance services, €0 (previous year: €0) to tax advisory services and €116 thousand (previous year: €91 thousand) to other services.

The fee for **audit services provided** by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Cologne, relates to the audit of the consolidated and financial statements of W&W AG and other permissible services directly related to the audit. In addition, the auditing company carried out statutory and voluntary audits of the financial statements of various subsidiaries as well as statutory audits in accordance with the Securities Trading Act, the Insurance Supervision Act, the Stock Corporation Act and other legal provisions.

The **other assurance services** include audits in accordance with the General Terms and Conditions of the Deutsche Bundesbank, the audit of the sustainability report and other audits in accordance with the Securities Trading Act, the Securities Institutions Act or other industry-specific laws, as well as an assurance service with the issuance of a comfort letter in connection with a bond issue.

Other services include various types of technical support, primarily on current and future regulatory issues and in the area of IT. In addition, a tool solution is provided for the structured preparation of regulatory and legislative developments.

(62) Events after the reporting date

On 28 February 2026, the attack by the USA and Israel on Iran led to an escalation in the Middle East conflict, which had an impact on the energy, commodity and capital markets. The war in Iran had no impact on the IFRS consolidated financial statements as at 31 December 2025, as the war broke out at the end of February 2026 and thus had a value-determining character.

The W&W Group does not hold any investment portfolios in Iran. Investment portfolios are held in countries bordering Iran, Israel and countries on the Arabian Peninsula, but these play only a minor role in the overall investment exposure. Based on the current situation, no significant direct impact of the war in Iran is expected with regard to existing exposures, even in sectors exposed to the war (e.g. tourism, raw materials and logistics). However, further indirect effects on capital investments, e.g. due to global economic implications, cannot be ruled out. The further course of the Iran war will be closely monitored as part of established processes.

The W&W Group operates primary insurance business in personal and composite insurance for private and commercial customers in its core strategic market of Germany. Our portfolio of insurance contracts also includes transport insurance policies that provide risk coverage in global goods traffic. Naturally, such contractual relationships can also be affected by armed conflicts, such as those in Iran. However, these insurance contracts represent a relatively small portion of the portfolio, accounting for less than 2% of Württembergische Versicherung AG's revenue in accordance with IFRS. Based on current information, there are therefore no significant direct effects of the war in Iran on insurance technology. However, depending on the duration and development of the war in Iran, possible negative effects on the W&W Group cannot be ruled out at this point in time.

Furthermore, there were no material reportable events after the reporting date.

(63) Corporate Governance Code

The Executive Board and Supervisory Board of the listed company Wüstenrot & Württembergische AG, Kornwestheim, have issued a statement of compliance with the German Corporate Governance Code in accordance with Section 161 of the AktG and made it permanently available to shareholders on the W&W Group's websites at www.ww-ag.com → Investor Relations → Publications → Further publications.

(64) Group affiliation

Wüstenrot & Württembergische AG, Kornwestheim, is the parent undertaking of the W&W Group. The consolidated financial statements of the W&W Group are published in the annual report and then forwarded to the authority responsible for maintaining the company register for entry in the company register.

(65) List of shareholdings pursuant to Section 315e (1) in conjunction with Section 313 (2) of the German Commercial Code (HGB)

The list of shareholdings of the W&W Group as at 31 December 2025 is presented below. The exemption provided for in section 313 (3) sentence 4 HGB in conjunction with section 313 (2) no. 4 HGB was applied.

Name and registered office of the company	Share of capital in %	Consolidation type ¹
Wüstenrot & Württembergische AG, Kornwestheim		F
Affiliated companies		
Germany		
3B Boden-Bauten-Beteiligungs-GmbH, Kornwestheim	100.00	F
Adam Riese GmbH, Stuttgart ²	100.00	F
Allgemeine Rentenanstalt Pensionskasse AG, Stuttgart	100.00	F
Altmark Insurance Brokers Ltd, Stuttgart	100.00	M
Altmark Insurance Brokerage GmbH, Stuttgart	100.00	M
Wüstenrot home loan and savings bank, Ludwigsburg	100.00	M
Participation GmbH of Württembergische, Stuttgart	100.00	M
Feuersee Entwicklungsgesellschaft Limited Partnership, Kornwestheim	100.00	F
Gerber GmbH & Co. KG, Kornwestheim	100.00	F
GMA Gesellschaft für Markt- und Absatzforschung mbH, Ludwigsburg	100.00	M
IVB - Institute for Pension Consulting, Risk and Financing Analysis GmbH, Karlsruhe	100.00	M
KLV BAKO Dienstleistungs-GmbH, Karlsruhe	95.80	M
KLV BAKO Vermittlungs-GmbH, Karlsruhe	80.40	M
W&W Asset Management GmbH, Ludwigsburg	100.00	F
W&W brandpool GmbH, Stuttgart	100.00	F
W&W Informatik GmbH, Ludwigsburg ²	100.00	F
W&W Interaction Solutions GmbH, Munich	100.00	M
W&W Service GmbH, Stuttgart ²	100.00	F
WHS Entwicklungs-GmbH, Kornwestheim	100.00	M
WL Renewable Energies Management Ltd., Stuttgart	100.00	M
WL Renewable Energy GmbH & Co. KG, Kornwestheim	100.00	F
WL Sustainable Energy GmbH & Co. KG, Kornwestheim	100.00	F
Württemberg Academy GmbH, Stuttgart	100.00	M
Württembergische Immobilien GmbH, Kornwestheim	100.00	F
Württembergischer Kö 43 GmbH, Stuttgart	89.90	M
Württembergische Krankenversicherung AG, Kornwestheim	100.00	F
Württembergische Lebensversicherung AG, Kornwestheim	94.89	F
Württembergische Logistik I GmbH & Co. KG, Kornwestheim	100.00	M
Württembergische Rechtsschutz Schaden-Service-GmbH, Stuttgart	100.00	M
Württembergische Versicherung AG, Kornwestheim	100.00	F
Württembergische Vertriebspartner GmbH, Stuttgart	100.00	M
Württembergische Verwaltungsgesellschaft mbH, Stuttgart	100.00	M
Württfeuer Beteiligungs-GmbH, Stuttgart	100.00	F

List of shareholdings (continued)

Name and registered office of the company	Share of capital in %	Consolidation type ¹
WürttLeben Alternative Investments GmbH, Stuttgart	100.00	F
WürttVers Alternative Investments GmbH, Stuttgart	100.00	F
Wüstenrot Bausparkasse AG, Kornwestheim	100.00	F
Wüstenrot Energieberatung GmbH, Kornwestheim	100.00	M
Wüstenrot Grundstücksverwertungs-GmbH, Ludwigsburg	100.00	M
Wüstenrot Haus- und Städtebau GmbH, Ludwigsburg	100.00	F
Wüstenrot Immobilien GmbH, Ludwigsburg	100.00	M
Second residential properties GmbH & Co. KG of Württembergische, Kornwestheim	100.00	M
Finland		
Real Estate Ltd. Porkkalankatu 5, Helsinki	100.00	F
France		
REI Holding Management France I SAS, Paris	100.00	F
REI PropCo France I SCI, Paris	100.00	F
Württembergische France Immobiliere SARL, Strasbourg	100.00	M
Württembergische France Strasbourg SARL, Strasbourg	100.00	M
Ireland		
W&W Asset Management Ireland DAC, Dublin	100.00	F
W&W Investment Managers DAC, Dublin	100.00	F
Austria		
G6 Zeta Errichtungs- und VerwertungsGmbH & Co OG, Vienna	99.90	M
Kellerwirt Holding GmbH, Brixlegg	100.00	M
Kellerwirt Mountain Health Resort GmbH, Brixlegg	100.00	M
Mount Med Resort Betriebs GmbH, Wildschönau	100.00	M
SAMARIUM drei GmbH & Co OG, Vienna ³	100.00	M
Spain		
REI HoldCo ES, S.L., Madrid	100.00	F
REI PropCo I ES, S.L., Madrid	100.00	F

Structured entities (subject to consolidation)

Germany		
LBBW AM-69, Stuttgart	100.00	F
LBBW AM-76, Stuttgart	100.00	F
LBBW AM-AROS, Stuttgart	100.00	F
LBBW AM Emerging Markets Bonds Fund 1, Stuttgart	100.00	F
LBBW AM Emerging Markets Bonds Fund 2, Stuttgart	100.00	F
LBBW AM Emerging Markets Bonds Fund 3, Stuttgart	100.00	F
LBBW AM-EQS, Stuttgart	100.00	F
LBBW AM High Yield Corporates Bonds Fund, Stuttgart	97.75	F
LBBW AM High Yield Corporate Bonds Fund WK, Stuttgart	100.00	F
LBBW AM High Yield Corporate Bonds Fund WV, Stuttgart	100.00	F
LBBW AM REA Fund, Stuttgart	100.00	F

List of shareholdings (continued)

Name and registered office of the company	Share of capital in %	Consolidation type ¹
LBBW AM-Südinvest 160, Stuttgart	100.00	F
LBBW AM-Südinvest HW EMB, Stuttgart	83.21	F
LBBW AM US Municipals 1, Stuttgart	100.00	F
LBBW AM US Municipals 2, Stuttgart	86.30	F
LBBW AM US Municipals 3, Stuttgart	100.00	F
LBBW AM-USD Corp. Bonds Fund 1, Stuttgart	100.00	F
LBBW AM-USD Corp. Bonds Fund 2, Stuttgart	100.00	F
LBBW AM-USD Corp. Bonds Fund 3, Stuttgart	100.00	F
LBBW AM-WSV, Stuttgart	100.00	F
LBBW AM-WV Corp. Bonds Fund, Stuttgart	100.00	F
LBBW AM-WWAG Corp. Bonds Fund, Stuttgart	100.00	F
W&W Real Estate International 1, Frankfurt am Main	100.00	F
Ireland		
ARP Alternative Investment Fund I, Dublin	100.00	F
ARP Alternative Investment Fund II, Dublin	100.00	F
The W&W Global Income Fund ICAV – The W&W AG Alternative Investment Fund, Dublin	100.00	F
The W&W Global Income Fund ICAV – The W&W Infrastructure Fund, Dublin	100.00	F
The W&W Global Income Fund ICAV – The W&W Private Debt Fund, Dublin	100.00	F
W&W Flexible Premium, Dublin	100.00	F
W&W Flexible Premium II, Dublin	100.00	F
W&W Global Strategies South East Asian Equity Fund, Dublin	99.92	F
WK Alternative Investment Fund I, Dublin	100.00	F
WK Alternative Investment Fund II, Dublin	100.00	F
WL Alternative Investment Fund I, Dublin	100.00	F
WV Alternative Investment Fund I, Dublin	100.00	F
WV Alternative Investment Fund II, Dublin	100.00	F

Joint ventures**Germany**

ver.di Service GmbH, Berlin	40.10	M

Associated companies**Germany**

BF.capital GmbH, Stuttgart	35.00	M
BWK GmbH Unternehmensbeteiligungsgesellschaft, Stuttgart	35.00	E
riparo gmbh, Holzgerlingen	25.00	M

¹ Explanations of company and consolidation types:

F = Companies included in the consolidated financial statements on a full consolidation basis.

E = Companies included in the consolidated financial statements using the equity method.

M = Not included in the consolidated financial statements due to immateriality.

² W&W Service GmbH, Stuttgart, W&W Informatik GmbH, Ludwigsburg, and Adam Riese GmbH, Stuttgart, are exempt from their obligation under Section 264(3) of the HGB to prepare, have audited and disclose a management report in accordance with the regulations applicable to corporations.

³ SAMARIUM drei GmbH & Co OG, Vienna, is a structured entity.

List of shareholdings (continued)

Name and registered office of the company	Share of capital in %	Currency	Reporting date	Equity ¹	Earnings after taxes ¹
Other participating interests of 5% or more					
Germany					
Adveq Opportunity II Zweite GmbH i.L., Frankfurt am Main ²	29.31	€	31.12.2024	195,124	-502
Adveq Technology V GmbH, Frankfurt am Main ²	16.50	€	31.12.2024	731,008	-331,183
Immomio GmbH, Hamburg	13.33	€	31.12.2024	6,796,720	-5,531,723
Keleya Digital-Health Solutions GmbH, Berlin	9.97	€	31.12.2023	-1,409,190	-1,242,846
V-Bank AG, Munich	15.00	€	31.12.2024	148,368,606	31,118,556
United Kingdom of Great Britain and Northern Ireland					
Partners Group Emerging Markets 2007, L.P., Edinburgh ²	9.38	US\$ ³	31.12.2024	2,036,000	-120,000

¹ The figures refer to the latest available annual financial statements as of the reporting date.

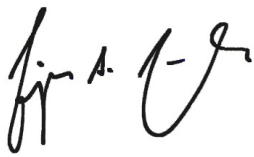
² These companies are structured entities.

³ Exchange rate as at 31 December 2024: US\$/€: 1.1038900/1.0000.

W&W Group Responsibility statement

To the best of our knowledge, and in accordance with applicable accounting principles, the consolidated financial statements present a true and accurate view of the Group's net assets, financial position and financial performance, and the Group management report provides a true and accurate presentation of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

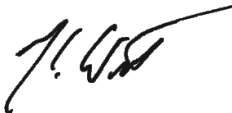
Kornwestheim, 25 March 2026



Jürgen A. Junker



Matthias Bogk



Jens Wieland

W&W Group

Independent auditor's report

To Wüstenrot & Württembergische AG, Kornwestheim

Report on the audit of the consolidated financial statements and the combined management report

Audit opinions

We have audited the consolidated financial statements of Wüstenrot & Württembergische AG, Kornwestheim, and its subsidiaries (the Group) – comprising the consolidated balance sheet as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2025, as well as the notes to the consolidated financial statements, including material information on accounting policies. In addition, we have audited the combined management report of Wüstenrot & Württembergische AG, Kornwestheim, for the financial year from 1 January to 31 December 2025. We have not audited the content of the Group corporate governance statement pursuant to Section 315d of the German Commercial Code (HGB) contained in the section on corporate governance in the combined management report or the group sustainability report in accordance with German legal requirements. We have not reviewed the content of the information provided by the company outside the combined management report to which cross-references are made in the section entitled "Corporate Governance Statement" in the combined management report.

In our opinion, based on the findings of our audit

- the accompanying consolidated financial statements comply in all material respects with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as applicable in the EU and the additional German legal requirements pursuant to Section 315e (1) HGB, and, in compliance with these requirements, gives a true and fair view of the net assets and financial position of the Group as at 31 December 2025 and of its results of operations for the financial year from 1 January to 31 December 2025, and
- the accompanying combined management report as a whole provides a suitable view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and suitably presents the opportunities and risks of future development. We do not express an opinion on the above Group management statement and the above group sustainability report, nor on the content of the above information outside the annual report to which cross-references are made.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the regularity of the consolidated financial statements and the combined management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; hereinafter "EU Audit Regulation") in compliance with the German principles of proper auditing established by the Institute of Public Auditors (IDW). Our responsibilities under these regulations and principles are further described in the section "Responsibilities of the auditor for the audit of the consolidated financial statements and the combined management report" in our audit opinion. We are independent of the Group companies in accordance with European and English commercial and professional regulations and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of public interest entities. We have also fulfilled our other German professional obligations in accordance with these requirements and the ISEBA Code. In addition, we declare in accordance with Article 10(2)(f) of the EU Audit Regulation that we have not provided any prohibited non-audit services

in accordance with Article 5(1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the combined management report.

Key audit matters in connection with the audit of the consolidated financial statements

Matters of particular importance are those matters that, in our professional judgement, were most significant in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were considered in the context of our audit of the consolidated financial statements as a whole and in forming our opinion on them; we do not provide a separate opinion on these matters.

Below, we describe the matters we consider to be particularly important:

Valuation of unlisted capital investments and derivative financial instruments

Reasons for determining these matters to be particularly important

The Group holds unlisted capital investments, which include in particular registered bonds and debenture bonds, as well as unlisted derivative financial instruments.

For registered bonds and debenture bonds as well as unlisted derivative financial instruments, fair values are determined using recognised market-standard valuation methods, in particular discounted cash flow methods, unless quoted prices for identical financial instruments listed on active markets (measurement hierarchy level 1) are available. In addition, other recognised instrument-specific valuation methods are also used. The input factors used are primarily based on valuation parameters observable on the market (in particular yield curves, risk premiums and volatilities) (measurement hierarchy level 2). To a lesser extent, valuation parameters not observable on the market (measurement hierarchy level 3) are also used.

Due to the discretion involved in determining the valuation methods and parameters used in model-based valuation, as well as the significant proportion of the Group's total assets and the related risk of a material misstatement in the consolidated financial statements, this is a particularly important audit matter.

Audit approach

As part of our audit, we first analysed the processes for valuing unlisted capital investments and derivative financial instruments for risks of error and tested the material controls implemented in the process. The focus was on controls that ensure the accuracy of the portfolio data and the appropriateness of the valuation parameters used.

We methodically reviewed the valuation methods used for the valuation of registered bonds, debenture bonds and derivative financial instruments.

Furthermore, for a sub-portfolio of these financial instruments, we examined the discretionary valuation parameters observable on the market to determine whether they were within a range observable on the market. In this context, we verified the valuation parameters used by comparing them with publicly available valuation parameters for a risk-oriented selection of financial instruments. Where parameters were not observable on the market, we performed our own calculations of fair values using independently determined valuation-relevant parameters for risk-oriented selected individual cases and a sample of registered bonds, debenture bonds and derivative financial instruments. We compared the results with the valuations of the Group's legal representatives.

As part of our audit, we engaged our own specialists with knowledge of financial mathematics.

Our audit procedures did not give rise to any objections to the valuation of unlisted capital investments and derivative financial instruments.

Reference to related disclosures

The disclosures on the valuation of unlisted investments and derivative financial instruments are included in note "(37) Disclosures on fair value measurement" to the notes to the consolidated financial statements.

Estimation of expected future cash flows in the context of the valuation of technical liabilities for issued life insurance contracts

Reasons for determining this as a particularly important audit matter

The valuation of technical liabilities for life insurance contracts issued is carried out in accordance with the requirements of IFRS 17 using the variable fee approach, as these are contracts with direct profit participation. The estimation of expected future cash flows is of materiality for the valuation of these contracts.

The expected future cash flows comprise all expected cash flows within the contract boundaries to fulfil the contractual obligations, such as premium payments, guaranteed benefit payments taking into account profit participation, and administrative and acquisition costs. They represent the material part of the input factors included in and estimated for the measurement of technical liabilities from life insurance contracts. IFRS 17 requires a company-specific best estimate of all expected future cash flows to determine the probability-weighted expected value of the entire range of possible outcomes. All information that is available without undue cost or effort must be taken into account.

The estimation of expected future cash flows involves a considerable degree of discretion. Expected future cash flows are projected using complex stochastic models, taking into account a variety of possible scenarios and using assumptions about the future development of economic and non-economic variables. Expected future management decisions, which are made depending on the development of the portfolio of capital investments and insurance contracts, are also reflected in the scenarios as management rules. The projection is made separately for the different life insurance tariffs and regularly covers a long time horizon.

Due to the complexity associated with estimating expected future cash flows, the related uncertainty and the scope for discretion, there is a risk that the measurement of technical liabilities from life insurance contracts could lead to a material misstatement in the consolidated financial statements. For this reason, we have identified this matter as a particularly important audit matter.

Audit approach

As part of our audit, we analysed the processes for determining the expected future cash flows for life insurance contracts for risks of error and tested the controls implemented in these processes in order to assess the estimation of the expected future cash flows and their complete and correct recognition. This also includes the process of applying the actuarial model, taking into account the defined management rules, and the derivation of company-specific assumptions (biometrics, policyholder behaviour and costs) based on portfolio data.

We verified the appropriateness of the actuarial model for determining cash flows. In particular, we analysed the simplifications contained in the models and the appropriate implementation of a risk-oriented selection of further developments of the model. In addition, for a risk-oriented selection of data, we examined whether this data had been correctly and completely entered into the model calculation by comparing it with the portfolio management systems and whether the parameters used were within an appropriate range of the valuation parameters we determined or derived. In addition, we assessed the assumptions used in the model for their traceability and verified the validations carried out in this context by the Group's legal representatives for a risk-oriented selection. For the assumed capital market scenarios, we verified the appropriateness of the scenario generator used and analysed the validation results. We also examined the management rules and their derivation for traceability. We then analysed the determined expected future cash flows for anomalies.

In addition, we verified whether fixed and variable overheads were allocated to the groups of insurance contracts using systematic and rational methods.

We employed our own actuaries as part of our audit.

Our audit procedures did not give rise to any objections to the estimation of expected future cash flows in the context of the measurement of technical liabilities for issued life insurance contracts.

Reference to related disclosures

The disclosures on the measurement of technical liabilities in life insurance are included in the notes to the consolidated financial statements in the section "Accounting and valuation methods, insurance contracts".

Estimation of expected future cash flows in the context of the valuation of technical liabilities in property/casualty insurance

Reasons for determining this as a particularly important audit matter

Insurance contracts are measured in accordance with IFRS 17, with the contract portfolio in property/casualty insurance being accounted for using the building block approach and short-term contracts using the premium allocation approach. The estimation of expected future cash flows is of materiality for the measurement of these contracts.

The estimation of expected future cash flows includes all expected cash flows within the contract boundaries to fulfil the contractual obligations, such as premium and claim payments as well as administrative and acquisition costs. They represent the material part of the input factors included in and to be estimated for the measurement of technical liabilities from property and casualty insurance contracts. IFRS 17 requires a company-specific best estimate of all expected future cash flows to determine the probability-weighted expected value of the entire range of possible outcomes. All information that is available without undue cost or effort must be taken into account.

The estimation of expected future cash flows involves a significant degree of discretion. These cash flows are projected using complex actuarial models. Expected future claims payments are estimated on the basis of historical observations for the company's own portfolio (settlement patterns) and, where necessary, with reference to external reference data and taking into account expert assessments. Modelling is carried out on a line-of-business basis and, where necessary, separately for basic and major claims. Key assumptions here are the line-of-business-specific final loss ratios and assumptions about the distribution of major claims.

Due to the complexity associated with estimating expected future cash flows, the related uncertainty and the scope for discretion, there is a risk that the measurement of technical liabilities could lead to a material misstatement in the consolidated financial statements. For this reason, we have identified this matter as a particularly important audit matter.

Audit approach

As part of our audit, we analysed the processes for determining future cash flows for risks of error and tested the design and effectiveness of the controls implemented in these processes to ensure that future cash flows are estimated and recorded completely and correctly. This also includes the process of deriving company-specific assumptions based on historical claims development and assumptions regarding administrative and claims settlement costs, as well as the review and further development of the actuarial models used.

We performed our own claims projections to assess the valuation of the obligation for incurred claims on the basis of mathematical and statistical methods for risk-oriented selected lines of business. We compared the best estimate we determined in this process with the technical liabilities formed by the Group's legal representatives and, on this basis, assessed the overall adequacy of the technical liabilities. We also examined whether the parameters used were within an appropriate range of the valuation parameters we determined or derived.

We examined the assumptions used to measure the expected future claims payments regarding the final loss ratios for a selection of lines of business, taking into account the individual characteristics of the contracts, to determine whether they were comprehensible. We then analysed the determined future cash flows, including over time, for any anomalies.

In addition, we verified whether fixed and variable overheads were allocated to the groups of insurance contracts using systematic and rational methods.

We employed our own actuaries as part of our audit.

Our audit procedures did not give rise to any objections to the estimation of expected future cash flows in the context of the measurement of technical liabilities in property/casualty insurance.

Reference to related disclosures

Information on the measurement of technical liabilities is included in the notes to the consolidated financial statements in the section "Accounting and valuation methods, insurance contracts".

Valuation of provisions for home loan savings business (interest bonus provisions)

Reasons for determining this as a particularly important audit matter

Provisions for building society business include, in particular, provisions for expected expenses from interest subsidies (interest bonus provisions) if the conditions specified in the General Terms and Conditions for Home Loan Savings Contracts (ABB) for each tariff are met. The amount of the provisions to be recognised is determined on the basis of historical data (empirical projection) and, if the data history is insufficient, on the basis of expert estimates.

Provisions for building society business (interest bonus provisions) are subject to a high degree of uncertainty and require assumptions and estimates to be made regarding the relevant valuation parameters and future customer behaviour. Furthermore, the valuation model is accordingly complex. These circumstances may have a significant impact on the recognition and amount of the provision and thus on net assets and financial performance. We have therefore determined that the measurement of building society provisions (interest bonus provisions) is a particularly important audit matter.

Audit approach

As part of our audit, we first analysed the process for determining building society provisions to identify risks of error, and tested the key controls implemented within that process. The focus was on controls designed to ensure the accuracy of the data and the appropriateness of the valuation parameters used.

We methodically reviewed the valuation model used for the calculation and examined whether the material estimation parameters were taken into account in the model.

To validate the estimation parameters, we analysed the annual comparison of the actual development of the financial year with the estimates made for the previous year (target/actual comparison).

We also verified the mathematical accuracy of the calculations made to determine the amount of provisions.

Based on selected tariffs, we examined whether the data underlying the calculation of the provision ratios and bonus potential is complete. We also verified whether all relevant tariffs are included in the valuation model.

As part of our audit of the model, we engaged our own specialists who have particular expertise in the field of building society mathematics.

Our audit procedures did not give rise to any objections to the valuation of the building society provisions (interest bonus provisions).

Reference to related disclosures

The company's disclosures on the valuation of building society provisions (interest bonus provisions) are contained in the section "Accounting and valuation methods – Other provisions" of the notes to the consolidated financial statements.

Other information

The Supervisory Board is responsible for the Supervisory Board report. The legal representatives and the Supervisory Board are responsible for the declaration pursuant to Section 161 of the AktG on the German Corporate Governance Code, which is part of the Group's corporate governance statement. Otherwise, the legal representatives are responsible for the other information. The other information comprises the above-mentioned Group Declaration on Corporate Governance and the report on equality and equal pay in accordance with the German Pay Transparency Act. Furthermore, the other information comprises the group sustainability report, a version of which we obtained prior to issuing this audit opinion. The other information also includes other components intended for the annual report, a version of which we obtained prior to issuing this audit opinion, in particular:

- the letter to shareholders,
- the presentation of the Management Board and the Supervisory Board,
- the overview of key figures, financial calendar, glossary,
- the responsibility statement,
- the report of the Supervisory Board and
- the six pages of images entitled "Focus on our customers",

but not the consolidated financial statements, the information in the combined management report included in the content audit, or our related audit opinion.

Our audit opinions on the consolidated financial statements and the combined management report do not extend to the other information, and accordingly we do not express an audit opinion or any other form of audit conclusion on this information.

In connection with our audit, we are responsible for reading the other information and assessing whether it

- contains material inconsistencies with the consolidated financial statements, the combined management report or our knowledge obtained during the audit, or
- appears to be otherwise materially misstated.

Responsibility of the Executive Board and the Supervisory Board for the consolidated financial statements and the combined management report

The legal representatives are responsible for preparing the consolidated financial statements in accordance with IFRS accounting standards as applicable in the EU and the additional German legal requirements pursuant to Section 315e (1) HGB, and for ensuring that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. Furthermore, the legal representatives are responsible for the internal controls they have determined to be necessary to enable the preparation of consolidated financial statements that are free from material misstatements due to fraudulent acts (i.e. manipulation of accounting and damage to assets) or errors.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. They are also responsible for disclosing matters related to the Group's ability to continue as a going concern, if relevant. In addition, they are responsible for accounting on a going concern basis, unless the Group intends to liquidate or cease trading, or there is no realistic alternative to doing so.

In addition, the legal representatives are responsible for preparing the combined management report, which as a whole provides a suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements, complies with German legal requirements and suitably presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a combined management report in accordance with the applicable German legal requirements and to provide sufficient appropriate evidence for the statements in the combined management report.

The Supervisory Board is responsible for monitoring the Group's accounting process for the preparation of the consolidated financial statements and the combined management report.

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

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides a suitable view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the findings of our audit, complies with German legal requirements and suitably presents the opportunities and risks of future development, and to issue an audit opinion that includes our audit opinions on the consolidated financial statements and the combined management report.

Reasonable assurance is a high level of assurance, but not a guarantee, that an audit conducted in accordance with Section 317 of the HGB and the EU Audit Regulation, taking into account the German principles of proper auditing established by the Institute of Public Auditors in Germany (IDW), will always detect a material misstatement. Misstatements can result from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and the combined management report.

During the audit, we exercise professional judgement and maintain a critical attitude.
In addition

- we identify and assess the risks of material misstatement in the consolidated financial statements and in the combined management report due to fraudulent acts or errors, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the overriding of internal controls.
- we gain an understanding of the internal controls relevant to the audit of the consolidated financial statements and the arrangements and measures relevant to the audit of the combined management report in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls or these arrangements and measures;
- we assess the appropriateness of the accounting policies applied by the legal representatives and the reasonableness of the estimated values presented by the legal representatives and related disclosures;
- we draw conclusions about the appropriateness of the going concern accounting principle applied by the legal representatives and, based on the audit evidence obtained, whether there is any material uncertainty in connection with events or circumstances that could cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the combined management report or, if such disclosures are inadequate, to modify our auditor's report. We base our conclusions on the audit evidence obtained up to the date of our audit opinion. However, future events or circumstances may mean that the Group is no longer able to continue as a going concern.
- we assess the presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in such a way that the consolidated financial statements, in compliance with IFRS as adopted by the EU and the additional German legal requirements applicable pursuant to Section 315e (1) HGB, they give a true and fair view of the net assets, financial position and results of operations of the Group;
- we plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the accounting information of the companies or business segments within the Group as a basis for our audit opinions on the consolidated financial statements and the combined management report. We are responsible for directing, supervising and reviewing the audit activities performed for the purpose of auditing the consolidated financial statements. We bear sole responsibility for our audit opinions;

- we assess the consistency of the combined management report with the consolidated financial statements, its compliance with legal requirements and the picture it conveys of the Group's position;
- we perform audit procedures on the forward-looking statements presented by the legal representatives in the combined management report. On the basis of sufficient appropriate audit evidence, we in particular verify the significant assumptions underlying the forward-looking statements made by the legal representatives and assess the appropriateness of the derivation of the forward-looking statements from these assumptions. We do not express a separate audit opinion on the forward-looking statements or the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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

We provide a statement to those charged with governance that we have complied with relevant independence requirements and discuss with them any relationships and other matters that may reasonably be thought to bear on our independence, and the safeguards applied.

We determine which of the matters discussed with those charged with governance were most significant in the audit of the consolidated financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in the auditor's report, unless laws or regulations preclude public disclosure of the matter.

Other statutory and other legal requirements

Note on the audit of the electronic reproductions of the consolidated financial statements and the combined management report prepared that were prepared for the purposes to Section 317 (3a) HGB

Audit opinion

In accordance with Section 317 (3a) HGB, we have conducted an audit with reasonable assurance to determine whether the representations of the consolidated financial statements and the combined management report contained in WW_AG_KLB+KA_ESEF-2025-12-31.zip file and prepared for disclosure purposes (hereinafter also referred to as "ESEF documents") comply in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this review only covers the conversion of the information in the consolidated financial statements and the combined management report into the ESEF format and therefore does not cover the information contained in these reproductions or any other information contained in the above-mentioned file.

In our opinion, the representations of the consolidated financial statements and the combined management report contained in the above-mentioned attached file and prepared for disclosure purposes comply in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format. We do not express any audit opinion whatsoever about the information included in those reproductions or about the information included in the aforementioned electronic file that goes beyond this audit opinion and our audit opinions concerning the attached consolidated financial statements and the attached combined management report for the financial year from 1 January to 31 December 2025 that are included in the foregoing "Report on the audit of the consolidated financial statements and of the combined management report".

Basis for the audit opinion

We conducted our audit of the representations of the consolidated financial statements and the combined management report contained in the above-mentioned file in accordance with Section 317 (3a) of the HGB and in compliance with the IDW Auditing Standard: Audit of electronic representations of financial statements and management reports prepared for disclosure purposes in accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibility in this regard is described in more detail in the section "Responsibility of the Group Auditor for the Audit of ESEF Documents". Our auditing practice has applied the requirements of the IDW Quality Management Standard: Requirements for Quality Management in Auditing Practices (IDW QMS 1 (09.2022)).

Responsibility of the Executive Board and the Supervisory Board for the ESEF documents

The legal representatives of the Group are responsible for preparing the ESEF documents containing the electronic representations of the consolidated financial statements and the combined management report in accordance with section 328 (1) sentence 4 no. 1 HGB and for tagging the consolidated financial statements in accordance with section 328 (1) sentence 4 no. 2 HGB.

Furthermore, the legal representatives of the Group are responsible for the internal controls they deem necessary to enable the preparation of ESEF documents that are free from material – intentional or unintentional – violations of the requirements of Section 328 (1) HGB regarding the electronic reporting format.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the accounting process.

Responsibility of the Group statutory auditor for the audit of the ESEF documents

Our objective is to obtain reasonable assurance as to whether the ESEF documents are free from violations of the requirements of Section 328 (1) HGB that are of materiality. During the audit, we exercise professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material – intentional or unintentional – non-compliance with the requirements of Section 328 (1) HGB, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinion;
- gain an understanding of the internal controls relevant to the audit of the ESEF documents in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls;
- we assess the technical validity of the ESEF documents, i.e. whether the file contained in the ESEF documents complies with the requirements of Delegated Regulation (EU) 2019/815, as amended on the reporting date, for the technical specifications for this file;
- we assess whether the ESEF documents enable an XHTML reproduction of the audited consolidated financial statements and the audited combined management report with identical content.
- we assess whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815, as amended on the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML representation.

Further disclosures pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditors at the Annual General Meeting on 22 May 2025. We were appointed by the Chairman of the Risk and Audit Committee of the Supervisory Board on 6 June 2025. We have been acting as group auditors for Wüstenrot & Württembergische AG without interruption since the 2020 financial year.

We declare that the audit opinions contained in this audit report are consistent with the additional report to the Risk and Audit Committee of the Supervisory Board in accordance with Article 11 EU Audit Regulation (audit report).

Other matter – Use of the audit report

Our audit opinion should always be read in conjunction with the audited consolidated financial statements and the audited combined management report as well as the audited ESEF documents. The consolidated financial statements and combined management report converted into ESEF format – including the versions to be posted in the company register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not replace them. In particular, the ESEF note and our audit opinion contained therein may only be used in conjunction with the audited ESEF documents provided in electronic form.

Responsible public auditor

The public auditor responsible for the audit is Dr Markus Horstkötter.

Cologne, 26 March 2026

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Lösken

Public auditor

Horstkötter

Public auditor

Annual financial statements

Contents

Balance sheet	422
Income statement	426
Notes	428
Notes concerning the annual financial statements	428
Notes concerning assets	435
Notes concerning equity and liabilities	439
Notes to the income statement	444
Other mandatory disclosures	448
Annex to the notes	455
Responsibility statement	459
Independent auditor's report	460
Report of the Supervisory Board	468

Wüstenrot & Württembergische AG

Financial statements

Balance sheet

Assets

In € thousand	see Note no. ¹	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2024
A. Capital investments						
I. Land, land rights and buildings, including buildings on third-party land	1			428,746		440,905
II. Investments in affiliated companies and shareholdings	2					
1 Shares in affiliated companies			1,600,937			1,595,083
2 Loans to affiliated companies			632,000			564,000
3 Participating interests			7,224			14,264
				2,240,161		2,173,347
III. Other capital investments						
1 Shares, units or shares in investment funds and other variableyield securities	3		949,751			963,876
2 Bearer bonds and other fixed-income securities			471,605			418,852
3 Other loans	4					
a) registered bonds		39,940				62,464
b) Promissory notes and loans		103,452				122,399
			143,392			184,863
4 Deposits with credit institutions	5		340,881			52,381
thereof with affiliated companies €210,000 thousand (previous year: €46,100 thousand)						
5 Other capital investments			87			87
				1,905,716		1,620,059
IV. Deposits from reinsurance accepted				411		595
					4,575,034	4,234,906
B Receivables						
I. Amounts receivable on reinsurance business				52,162		70,556
II. Other receivables	6			192,908		130,282
thereof due from affiliated companies €155,787 thousand (previous year: €121,805 thousand)						
					245,070	200,838
Carryover					4,820,104	4,435,744

¹ See the respective number in the notes.

Assets

In € thousand	see Note No.	31.12.2025	31.12.2025	31.12.2025	31.12.2025	31.12.2024
Carryover					4,820,104	4,435,744
C. Other assets						
I Property, plant and equipment and inventories				4,278		4,587
II Current accounts with banks, cheques and cash				10,980		24,566
					15,258	29,153
D Accrued income and prepaid expenses						
I Accrued interest and rent				11,737		11,143
II Other accrued income and prepaid expenses	7			6,388		2,660
					18,125	13,803
E. Excess of plan assets over pension liabilities	8				1,759	972
Total assets					4,855,246	4,479,672

Equity and liabilities

In € thousand	see Note no.	31.12.2025	31.12.2025	31.12.2025	31.12.2024
A. Equity					
I Share capital ¹	9	490,311			490,311
thereof less accounting value of treasury shares		-			533
			490,311		489,778
II. Capital reserve	10		996,739		992,255
III. Retained earnings	11				
Other revenue reserves		800,622			714,577
			800,622		714,577
IV. Unappropriated surplus	12		74,450		79,758
				2,362,122	2,276,368
B. Subordinated liabilities	13			600,000	300,000
C. Technical provisions					
I Provision for unearned premiums					
1. Gross amount		22,623			23,053
			22,623		23,053
II. Provision for future policy benefits					
1. Gross amount		15			14
			15		14
III. Provision for outstanding insurance claims					
1. Gross amount		567,942			644,259
2. thereof less portion for ceded reinsurance business		141,075			225,157
			426,867		419,102
IV. Claims equalisation reserve and similar provisions			94,220		74,901
V Other technical provisions					
1. Gross amount		4,699			3,799
2. thereof less portion for ceded reinsurance business		-2,434			-2,259
			7,133		6,058
				550,858	523,128
Carryover				3,512,980	3,099,496

¹ Disclosures concerning authorised and contingent capital can be found in the notes.

Equity and liabilities

In € thousand	see Note no.	31.12.2025	31.12.2025	31.12.2025	31.12.2024
Carryover				3,512,980	3,099,496
D Other provisions					
I Provisions for pensions and similar obligations	14		1,155,574		1,173,196
II. Tax provisions			33,955		36,812
III. Miscellaneous provisions	15		15,662		17,270
				1,205,191	1,227,278
E. Deposits retained from ceded reinsurance business	16			16,187	18,093
F. Other liabilities					
I Amounts payable on reinsurance business			5,293		24,146
thereof owed to affiliated companies 0 (previous year: €17,598 thousand)					
II Liabilities to credit institutions			-		35
III Miscellaneous liabilities	17		115,595		110,624
thereof owed to related companies €107,179 thousand (previous year: €102,136 thousand) of which from taxes €1,280 thousand (previous year: €2,256 thousand)					
				120,888	134,805
Total equity and liabilities				4,855,246	4,479,672

Income statement

In € thousand		see Note no.	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
I. Technical account						
1. Earned premiums, net of reinsurance						
(a) Gross premiums written			540,807			601,082
(b) Premiums ceded to reinsurers			119,844			216,681
				420,963		384,401
(c) Change in the provision for unearned premiums			430			-1,293
				430		-1,293
					421,393	383,108
2 Income from technical interest, net of reinsurance					-	-538
3 Other technical income, net of reinsurance					470	445
4 Claims expenses, net of reinsurance						
(a) Claims payments						
(aa) Gross amount			348,028			413,786
(bb) Reinsurers' portion			96,041			156,981
				251,987		256,805
(b) Change in provisions for outstanding insurance claims	18					
(aa) Gross amount			-75,664			-35,034
(bb) Reinsurers' portion			-84,952			-35,285
				9,288		251
					261,275	257,056
5 Change in other net technical provisions						
(a) Net provision for future policy benefits				-1		-1
(b) Other net technical provisions				-1,075		-947
					-1,076	-948
6 Expenses for insurance business, net of reinsurance	19					
(a) Gross expenses for the insurance business				160,724		151,957
(b) Thereof less received commissions and profit sharing received from reinsurance business				7,728		31,295
					152,996	120,662
7 Other technical expenses, net of reinsurance					3,410	2,632
8. Subtotal					3,106	1,717
9 Change in the claims equalisation reserve and similar provisions					-19,319	1,889
10 Technical result, net of reinsurance					-16,213	3,606
Carryover					-16,213	3,606

In € thousand		see Note no.	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2025 to 31.12.2025	1.1.2024 to 31.12.2024
Carryover					-16,213	3,606
II Non-technical account						
1	Income from capital investments					
(a)	Income from participating interests		66,716			64,217
	thereof from affiliated companies €66,579 thousand (previous year: €63,627 thousand)					
(b)	Income from other capital investments	20	64,792			65,536
	thereof from affiliated companies €45,672 (previous year: €45,537 thousand)					
(c)	Income from write-ups	21	3,620			4,705
(d)	Gains on disposal of capital investments	22	7,628			49,702
(e)	Income from profit pools, profit transfer agreements and partial profit transfer agreements		127,265			77,641
				270,021		261,801
2	Capital investment expenses					
(a)	Capital investment management expenses, interest expenses and other capital investment expenses		7,356			8,261
(b)	Write-downs on capital investments	23	14,931			16,441
(c)	Losses from the disposal of capital investments	24	1,229			5,197
(d)	Cost of loss absorption		226			-
				23,742		29,900
				246,279		231,902
					246,279	231,902
3	Other income	25		67,305		67,546
4.	Other expenses	26		134,074		129,776
					-66,769	-62,230
5	Result from normal business operations				163,297	173,278
6.	Income taxes	27		17,240		38,505
7	Other taxes			428		14
					17,668	38,519
8	Net income for the year				145,629	134,759
9.	Retained earnings carried forward from the previous year				821	999
10	Allocations to retained earnings					
	Other retained earnings				72,000	56,000
11	Unappropriated surplus				74,450	79,758

Notes

Notes concerning the annual financial statements

Accounting policies: Assets

Wüstenrot & Württembergische AG prepares its annual financial statements and management report in accordance with the statutory requirements of the German Commercial Code (HGB), the German Stock Corporation Act (AktG), the German Insurance Supervision Act (VAG) and the German Accounting Regulation for Insurance Undertakings (RechVersV).

Land, land-type rights and buildings, including buildings on third-party land

Assets recognised under the item „Land, land-type rights and buildings“ are measured at cost less scheduled straightline depreciation or at fair value, whichever is lower.

Unscheduled write-downs are taken only in the event of expected permanent impairment, and the lower fair value is recognised (moderate lower-of-cost-or-market rule). If the reasons for a lower carrying amount no longer exist, the asset is written up to a maximum of its historical depreciated cost.

Shares in affiliated companies

Shares in affiliated companies are measured at cost. Pursuant to Section 341b (1) in conjunction with Section 253 (3) sentence 5 of the German Commercial Code (HGB), unscheduled write-downs to the lower fair value are taken only in the event of expected permanent impairment (moderate lower-of-cost-or-market rule). If the reasons for a lower carrying amount no longer exist, the asset is written up to a maximum of its historical cost.

Loans to affiliated companies

The item „Loans to affiliated companies“ may include bearer bonds, registered bonds, promissory notes and loans. For accounting and valuation, please refer to the notes on the following balance sheet items.

Participating interests

Participating interests are measured at cost. In accordance with Section 341b (1) HGB in conjunction with Section 253 (3) sentence 5 HGB, unscheduled write-downs to the lower fair value are only made in the event of a probable permanent impairment (moderate lower of cost or market rule). If the reasons for a lower valuation no longer apply, a write-up is made up to a maximum of its historical cost.

Shares, units or shares in investment funds and other variable-yield securities

Shares, units or shares in investment funds and other non-fixed-income securities are recognised at the average acquisition cost of a security, less any unscheduled impairments in accordance with the strict lower of cost or market principle pursuant to Section 341b (2) HGB in conjunction with Section 253 (4) HGB. If the reasons for a lower valuation no longer apply, a write-up is made up to a maximum of its historical cost.

Securities within this item that are intended to serve business operations on a permanent basis are recognised in accordance with the provisions of Section 341b (2) 2nd half-sentence HGB in conjunction with Section 253 (3) sentence 5 HGB and measured at amortised cost or the lower fair value in accordance with the moderate lower of cost or market rule. Unscheduled write-downs are only recognised if the impairment is expected to be permanent. Classification as a fixed asset is generally decided on a case-by-case basis. In the case of special funds of fixed assets

with unrealised losses, the respective fund is valued by looking through to the underlying material individual securities. In this case, fixed-income securities with only temporary unrealised losses are generally valued at their amortised cost, and shares and derivatives at their market values. As a result, the higher of the current redemption price of the fund units and the fair value determined in the review is impaired. If the reasons for a lower valuation no longer exist, a corresponding write-up is made up to a maximum of its historical cost.

Bearer bonds and other fixed-income securities

Bearer bonds and other fixed-income securities are recognised at the average cost of a security, less any unscheduled write-downs in accordance with the strict lower of cost or market principle pursuant to Section 341b (2) HGB in conjunction with Section 253 (4) HGB, and measured taking into account the requirement to recognise reversals of impairment losses.

Securities within this item that are intended to serve business operations on a permanent basis are recognised in accordance with the provisions of Section 341b (2) 2nd half-sentence HGB in conjunction with Section 253 (3) sentence 5 HGB and measured at the lower of cost or fair value in accordance with the moderate lower of cost or market principle.

To determine permanent impairments, credit analyses are carried out for issuers whose rating has deteriorated by two or more notches or whose emissions have unrealised losses of at least 10.0%. For this purpose, permanence is assessed using company-related or environment-related trigger criteria. Critical issuers are also dealt with by the Group Credit Committee. If, based on the creditworthiness analyses, it can no longer be assumed that the securities will be repaid in accordance with the contract, a write-down is recorded to the lower fair value.

Other loans

The item Other loans includes registered bonds, promissory note receivables and loans. These receivables are measured in accordance with the regulations applicable to non-current assets.

Notwithstanding this, registered bonds are recognised at their nominal value less repayments made in accordance with Section 341c (1) of the HGB. Premium and discount amounts are distributed linearly over the maturity.

Promissory note receivables and loans are measured at amortised cost in accordance with Section 341c (3) HGB by distributing the difference between the acquisition cost and the repayment amount over the remaining term using the effective interest rate method.

In the case of registered bonds, promissory notes and loans, credit analyses are carried out to determine permanent impairments for issuers whose rating has deteriorated by two or more notches or whose issues have an unrealised loss of at least 10%. If, based on the creditworthiness analyses, it can no longer be assumed that the securities will be repaid in accordance with the contract, they are subject to write-downs to the lower fair value. In addition, flat-rate value adjustments are made on a portfolio basis for registered bonds, using empirical data from recent years.

Deposits with credit institutions

Deposits with credit institutions are recognised at their nominal amounts.

Other capital investments

Other capital investments are measured at cost.

Deposits from reinsurance accepted

Deposits from reinsurance accepted are recognised at nominal values.

Receivables

Amounts receivable on reinsurance business are recognised at nominal values. In addition, amounts receivables include receivables measured using the probability of default of the S&P rating model and for which collective impairments were taken.

The default risk of reinsurers was recognised in the form of collective impairment not only for amounts receivables on reinsurance business, but the portion relating to reinsurers' shares in technical provisions for insurance claims was also deducted on the liabilities side.

Other receivables are measured at cost or at nominal amounts. Individual and general value adjustments are made for identifiable risks and deducted from assets.

There is a cash pool agreement between Wüstenrot & Württembergische AG and other Group companies.

Under the agreement, Wüstenrot & Württembergische AG acts as the „cash pool manager“ and other Group companies as „cash pool participants“.

The settlement balances from this agreement are recognised as receivables.

Other assets

Property, plant and equipment are valued at cost, less scheduled straight-line impairments over their normal useful lives. Assets with a net cost of up to €800 are written off in full in the year of acquisition.

Current balances with credit institutions, cheques and cash on hand are stated at their nominal amounts.

Other assets are stated at their nominal amounts or at cost less depreciation.

Accrued income and prepaid expenses

Accrued interest and rent are stated at their nominal amounts. The premiums included in other prepaid expenses and deferred income have been accrued and spread over the scheduled term as planned.

Positive difference from asset offsetting

The positive difference from asset offsetting relates to a surplus from the offsetting of claims from reinsurance policies measured at fair value against obligations from phased-in early retirement agreements. The insolvency-protected claims from reinsurance policies were measured at the actuarial reserve plus the irrevocably promised profit participation, which, in accordance with the strict lower of cost or market principle, corresponds to the amortised cost in accordance with Section 253 (4) sentence 4 HGB (German Commercial Code) and, in the absence of other measurement methods, corresponds to the fair value within the meaning of Section 253 (4) of the German Commercial Code (HGB) and thus, in the absence of other valuation methods, correspond to the fair value within the meaning of Section 255 (4) sentence 4 HGB.

Deferred tax assets

No use is made of the option to recognise deferred taxes based on tax relief arising in accordance with Section 274 (1) sentence 2 HGB.

Differences arising from the minimum tax law or foreign minimum tax laws were not taken into account in the recognition and measurement of deferred taxes in accordance with Section 274 (3) HGB.

Derivatives

Forward exchange transactions were concluded for the economic hedging of foreign currency investments. These are measured using the discounted cash flow method. Provisions are recognised for imminent losses from these transactions.

Acquired option rights are measured at cost in the amount of the option premium, less impairments in accordance with the strict lower of cost or market principle, taking into account the requirement to reverse impairments. Option premiums for sold options are recognised as other liabilities as long as the obligation to perform under the option exists. If there is a threat of an excess liability from option writing positions, this is taken into account by creating provisions for contingent losses.

Determination of fair value

The fair values of land, land rights and buildings are determined using the discounted cash flow method and reviewed on an ongoing basis.

The fair value was determined in the first two years after completion (last construction phase) on the basis of the net asset value method, as it could be assumed that the fair value largely corresponded to the book value (net asset value less scheduled depreciation) due to the short holding period after completion.

As use progressed, a change was made from the net asset value method to the income value method at the end of 2025. The income value determined serves as a comparative value for assessing possible impairment. The change in the valuation method did not result in any impairment or depreciation.

We base the fair value of capital investments in related companies and participations on the capitalised earnings value or a fair value determined using the net asset value method, and in individual cases also on cost, the liquidation value or the share of equity.

The fair value of alternative investment funds is generally determined on the basis of the pro rate net asset value, taking into account any interim capital updates, distributions and performance fees.

Interests or shares in investment funds are valued at the last available redemption price.

The market values of other capital investments are based on the last available stock market price or a market value determined using recognised, standard financial mathematical models.

Currency translation

We generally value capital investments in foreign currencies in accordance with the rules of individual valuation and the lower of cost or market principle. Subsequent measurements are carried out at the ECB's average spot exchange rate.

Bank balances denominated in foreign currencies are valued at the ECB's average spot exchange rate on the reporting date.

For remaining terms of one year or less, gains and losses from translation are recognised in profit or loss in accordance with Section 256a of the HGB.

Exchange rate gains and losses on capital investments in foreign currencies are reported under income from write-ups and gains on the disposal of capital investments or impairments and losses on the disposal of capital investments.

Exchange rate gains and losses from current bank balances in foreign currencies are reported under other income and other expenses.

Accounting policies: Equity and liabilities

Subordinated liabilities

Subordinated liabilities are recognised in the amount needed to satisfy the obligation.

Technical provisions

Provision for unearned premiums

The provision for unearned premiums in assumed business is recognised in accordance with the information provided by the prior insurers and in compliance with supervisory rules.

Liability for remaining coverage

The liability for remaining coverage for accident insurance with premium refunds and for life insurance business was set in accordance with the information provided by the prior insurers.

Provision for outstanding insurance claims

The provisions for outstanding insurance claims for the assumed business are calculated based on information provided by the prior insurers, supplemented where necessary by our own findings.

Claims equalisation reserve and similar provisions

The claims equalisation reserve was formed in accordance with the appendix to Section 29 of the RechVersV.

The provision for nuclear facilities and the major risk provision for product liability insurance for pharmaceutical risks are created in accordance with Section 30 RechVersV.

Other technical provisions

Other technical provisions were formed in accordance with the information provided by the prior insurers, supplemented where necessary by our own findings.

The reinsurers' share of the technical provisions was calculated in accordance with the contractual agreements.

Provisions for pensions and similar obligations

Provisions for pensions and similar obligations are calculated in accordance with actuarial principles. The settlement amount in accordance with the German Accounting Law Modernisation Act (BilMoG) is determined on the basis of the projected unit credit method and reported as the present value of the acquired entitlement. The following actuarial assumptions apply to the determination of these provisions:

In %	31.12.2025	31.12.2024
Actuarial interest rate	2.05	1.90
Trend in pensions	2.00	2.00
Trend in salaries	3.00	3.00
Fluctuation: area of salaried employees	3.50	3.50
Fluctuation: area of individual contracts	1.00	1.00
Biometrics	Heubeck mortality tables 2018 G	Heubeck mortality tables 2018 G

Persuant to Section 253 (2) sentence 1 of the German Commercial Code (HGB), the discount rate is set at the average market interest rate of the past ten years. The discount rates published by the Deutsche Bundesbank as at 31 October 2025 with a ten-year average interest rate were adjusted by extrapolating the interest rate as at 31 October 2025 for the months of November and December 2025, thereby determining the interest rate as at 31 December 2025.

The simplification rule pursuant to Section 253 (2) sentence 2 HGB is applied. In the case of reinsurance policies, IDW accounting guideline IDW RH FAB 1.021 was applied using the cover capital method and the liability priority principle.

In accordance with the netting requirement under Section 246 (2) HGB, the pledged reinsurance policies are taken into account at their fair value (cover assets). This consists of the coverage capital plus irrevocably promised profit participation.

Tax provisions and miscellaneous provisions

Miscellaneous provisions and tax provisions were recognised in the amount needed to satisfy the obligation. Provisions with a term of more than one year were generally determined at the required settlement amount in accordance with Section 253 (1) sentence 2 HGB, taking into account future price and cost increases. The price and cost increases are based on the inflation rate and were taken into account over the respective maturity of the provision.

The discount rate used to discount other provisions corresponds to the average interest rate published by the Bundesbank in accordance with the RückAbzinsV (Discount Rate Regulation) for the last seven years with a correspondingly assumed remaining term. Gains or losses from discounting or crediting, changes in the discount rate or interest effects of a changed estimate of the remaining term are reported as interest income and interest expense under other income or other expenses.

Tax interest accrued up to the reporting date is reported under other provisions.

Tax provisions are recognised in the amount need to satisfy the obligation. If they are non-current, they are compounded at an interest rate of 6.0% p.a. for interest periods up to 31 December 2018 in accordance with IDS RS HFA 34 pursuant to Section 233a of the German Fiscal Code (AO). For interest periods from 1 January 2019, the interest rate was legally set at 1.8% p.a. in 2022 in accordance with the ruling of the Federal Constitutional Court. Tax provisions were discounted using the Deutsche Bundesbank discount rate in line with the expected maturity.

For legal obligations under the phased-in early retirement agreements in effect on the reporting date, a provision is recognised in the amount of the present value of future top-up payments (salary and additional pension contributions) and agreed compensation payments due to reduced pension insurance entitlements and the performance deficit from work performed in advance by the employee. The provision is discounted according to the individual maturities using the corresponding interest rates published by the Bundesbank in accordance with the RückAbzinsV (Discounting Regulation). Furthermore, a salary trend of 3.10% p.a. is taken into account in the valuation. Biometric factors are reflected in the calculation of the provision by means of a flat-rate discount of 2.0%. In addition, in accordance with Section 285 No. 25 HGB in conjunction with Section 246 (2) sentence 2 HGB, pledged reinsurance policies are taken into account at their fair value, which corresponds to the acquisition costs, and offset against the phased-in early retirement liabilities as cover assets. The fair value consists of the cover capital plus irrevocably promised profit participation.

Provisions based on social regulations and for anniversary bonuses were calculated using the projected unit credit method with the required settlement amount pursuant to Section 253 (1) sentence 2 HGB, using the Heubeck 2018 G mortality tables, interest rate 1.91%. Staff turnover and future salary increases were taken into account. Deposit liabilities from reinsurance business and other liabilities.

Deposit retained from ceded reinsurance business and other liabilities

Deposit liabilities and other liabilities are recognised at their settlement amount.

Other liabilities

Liabilities were recognised at their settlement amount.

There is a cash pool agreement between Wüstenrot & Württembergische AG and other Group companies. Under the agreement, Wüstenrot & Württembergische AG acts as the „cash pool manager“ and other Group companies as „cash pool participants“. The settlement balances from this agreement are recognised as liabilities.

Currency translation

We translate balance sheet items relating to foreign insurance business into euros at the ECB's average spot exchange rate on the reporting date. The corresponding expenses and income are recognised in the profit and loss account at the respective ECB's average spot exchange rate on the settlement date.

Technical translation gains or losses are reported in the general section of the profit and loss account under other income and other expenses.

Recording of income and expenses on an accrual basis

Non-group active reinsurance business is recognised in the following year on a deferred basis, as the information required for accounting purposes from the cedants for the current settlement year is not available at the time the balance sheet is prepared. Business accepted from affiliated companies is recognised in the reporting year.

Notes concerning assets

A. Capital investments

The development of capital investments is presented in the notes under „Individual disclosures concerning assets“.

I. Land, land-type rights and buildings, including buildings on third-party land (1)

As at the reporting date, our real estate holdings comprised three (previous year: three) properties with a book value of €428,746 thousand (previous year: €440,905 thousand), of which €423,596 thousand (previous year: €434,407 thousand) relates to the campus.

No properties were sold in the reporting year.

The underlying useful lives for the properties are currently 40 years.

II. Capital investments in affiliated companies and participating interests (2)

Information on shareholdings is provided in accordance with Section 285 No. 11 of the German Commercial Code (HGB) in conjunction with Section 271 (1) HGB in the table „list of shareholdings“. The list includes all companies in which W&W AG holds at least 5.0% of the interests.

III. Other capital investments

1. Shares, interests or shares in investment assets and other variable-yield securities (3)

Structure of the portfolio

In € thousand	31.12.2025	31.12.2024
Equities	1,269	1,174
Interests or shares in investment assets	948,482	962,702
Total	949,751	963,876

3. Other loans (4)

Structure of the portfolio

In € thousand	31.12.2025	31.12.2024
Registered bonds	39,940	62,464
Promissory notes and loans	103,452	122,399
Total	143,392	184,863

4. Deposits with credit institutions (5)

At the end of the reporting year, we had invested overnight and term deposits of €340,881 thousand (previous year: €52,381 thousand), of which €210,000 thousand (previous year: €46,100 thousand) was with affiliated companies.

Fair value of capital investments

Valuation reserves

	Carrying amount	Fair value	Valuation reserves ¹	Carrying amount	Fair value	Valuation reserves ¹
In € thousand	31.12.2025	31.12.2025	31.12.2025	31.12.2024	31.12.2024	31.12.2024
Land, land-type rights and buildings, including buildings on third-party land	428,746	411,130	-17,616	440,905	440,905	-
Shares in affiliated companies	1,600,937	3,541,708	1,940,771	1,595,083	3,492,047	1,896,964
Loans to affiliated companies	632,000	642,168	10,168	564,000	575,506	11,506
Investments	7,224	7,224	-	14,264	16,516	2,252
Shares, units or shares in investment funds and other non-fixed-income securities	949,751	1,034,030	84,279	963,876	1,031,453	67,577
Bearer bonds and other fixed-income securities	471,605	381,501	-90,104	418,852	336,735	-82,117
Other loans						
Registered bonds	39,940	38,002	-1,938	62,464	60,585	-1,879
Promissory notes and loans	103,452	100,533	-2,919	122,399	117,885	-4,514
Deposits with credit institutions	340,881	340,654	-227	52,381	52,384	3
Other capital investments	87	87	-	87	87	-
Deposits from reinsurance accepted	411	411	-	595	596	1
Total	4,575,034	6,497,448	1,922,414	4,234,906	6,124,699	1,889,793
Carrying amount of all capital investments, in %			42.02			44.62

¹ Net perspective, balance of valuation reserves and hidden liabilities.

The figures provided above include the following amounts for securities serving a long-term investment:

	Carrying amount	Fair value	Carrying amount	Fair value
In € thousand	31.12.2025	31.12.2025	31.12.2024	31.12.2024
Shares, units or shares in investment funds and other variable-yield securities	-	-	2,433	2,433
Bearer bonds and other fixed-income securities	369,851	279,692	390,988	308,864
Total	369,851	279,692	393,421	311,297

Section 285, no. 18 of the German Commercial Code (HGB) – disclosures concerning capital investments recognised at greater than fair value

Loans to affiliated companies with a carrying amount of €208,000 thousand were not amortised in the amount €9,043 thousand, as these are temporary impairments that are interest-induced.

Write-downs of €90,229 thousand were avoided for bearer bonds of €362,748 thousand, as these are likely to be only temporary impairments due to the creditworthiness of the issuers and are solely interest-induced. The securities are held for the long term in order to ensure redemption at par value.

In the case of other loans (registered bonds and promissory note loans), the market values are €6,336 thousand below the book value of €100,452 thousand. No impairments were made as, given the creditworthiness of the issuers, this is only expected to be a temporary impairment caused solely by interest rates. Scheduled interest and principal payments are expected.

Disclosures pursuant to Section 285, no. 19 of the German Commercial Code (HGB) concerning derivative instruments not recognised at fair value

Derivative financial instrument/grouping	Type	Nominal	Fair value	Measurement method applied	Carrying amount and item ¹
		in € thousand	in € thousand		in € thousand
Currency-related transactions	Forward exchange transaction	66,356	20	Discounted cash flow method	-

¹ Derivatives are pending transactions that are not recognised in the balance sheet. Option premiums paid are an exception. The negative balance sheet items correspond to the loss provision formed.

Derivatives are the focus of this table if their book values on the reporting date do not correspond to their fair value. Derivatives are transactions to be settled at a future date, the value of which is based on the change in value of an underlying asset due to the agreed contractual terms. Acquisition costs are generally not incurred or are only incurred to a minor extent.

If the book value of a derivative corresponds to its fair value on the reporting date, it is still included in the table if the balance sheet value is based on the impairment principle or results from the creation of a loss provision.

Disclosures pursuant to Section 285, no. 26 of the German Commercial Code (HGB) concerning shares, units or shares in investment funds

Fund name	Investment objective	Certificate value pursuant to § 36 InvG	Carrying amount	Difference vs. carrying amount	Distribution made for the financial year
		in € thousand	in € thousand	in € thousand	in € thousand
LBBW AM-76	Mixed funds (up to 70% equity share)	389,708	361,034	28,674	0
LBBW AM-EMB3	Bond funds	90,490	80,183	10,307	0
LBBW AM-W&W AG Corporate Bonds Fund	Bond fund	94,986	84,500	10,485	0
LBBW AM-USD CORP.BD FDS 3	Bond fund	48,599	48,599	0	2,025
LBBW AM-US Municipals 2	Bond fund	26,870	26,870	-	1,289
W&W Flexible Premium II Fund B	Mixed funds (up to 70% equity exposure)	18,135	18,135	-	-
Do-RM Special Situations Total Return	Mixed funds (up to 70% equity exposure)	4,956	4,956	-	-
Total		673,744	624,277	49,466	3,314

All funds are without restriction with regard to the possibility of daily redemption or the three-month notice period for full redemption of all units.

B. Receivables

II. Other receivables (6)

in € thousand	31.12.2025	31.12.2024
Receivables from clearing transactions with affiliated companies and companies in which a participating interest is held	18,556	34,937
Receivables under profit and loss transfer agreements	127,265	77,641
Receivables from the tax office	37,020	8,268
Assets that have been pledged, deposited or assigned for the purposes of security ¹	9,966	9,226
Miscellaneous other receivables	101	208
Total	192,908	130,282

¹ Thereof reinsurance policies with affiliated companies for insolvency insurance of pension commitments €9,966 thousand (previous year: €9,226 thousand).

D. Accrued income and prepaid expenses

II. Other accrued income and prepaid expenses (7)

This item includes a discount of €5,911 thousand (previous year: €2,246 thousand) from subordinated liabilities and a premium from the acquisition of registered bonds of €0.3 thousand (previous year: €52 thousand).

E. Excess of plan assets over pension liabilities (8)

Assets that serve to cover liabilities from pension obligations or similar long-term obligations and that are excluded from access by all other creditors must be offset against the provisions for these obligations. If the fair value of these assets exceeds the carrying amount of the provisions, an item entitled „Asset difference from asset offsetting“ must be reported on the assets side of the balance sheet. The offsetting of claims from reinsurance policies of €3,312 thousand (previous year: €3,151 thousand) against the partial amounts of the phase-in earlier retirement provisions for outstanding obligations of €1,552 thousand (previous year: €2,178 thousand) in accordance with Section 246 (2) sentence 3 HGB results in an asset difference of €1,759 thousand (previous year: €972 thousand). A distribution restriction pursuant to Section 268 (8) sentence 3 HGB does not apply, as the fair value of the reinsurance policy corresponds to the amortised cost.

Notes concerning equity and liabilities

A. Equity

Employee share programme

In the first half of 2025, another employee share program was implemented, in which all eligible employees of the W&W Group's subsidiaries were able to purchase up to 40 (previous year: 40) shares at a discounted price of €8.88 (previous year: €8.48), a reduction of €5.00 (previous year: €5.00). Employees are required to hold these shares for at least three (previous year: three) years (lock-up period). The purchase price was determined on 24 March 2025 at the XETRA closing price.

Employees acquired a total of 71,607 (previous year: 82,136) employee shares at an acquisition price. This corresponds to an amount of €375 thousand or 0.08% of the relevant share capital. After the programme expired, 30,272 (previous year: 320) shares were returned to the market. As a result, W&W AG did not hold any treasury shares as at 31 December 2025.

Change in number of shares outstanding

	2025	2024
As at 1.1.	93,647,841	93,715,385
Repurchase for employee share ownership programme	-	-150,000
Issuance to employees	71,607	82,136
Sale on the stock exchange	30,272	320
As at 31.12.	93,749,720	93,647,841

I. Share capital (9)

According to the Articles of Association, the subscribed capital remains unchanged at €490,311 thousand and is divided into 93,749,720 fully paid-up registered no-par value shares, each with a notional value of €5.23. of the share capital. None of these shares are held in the company's own portfolio. This results in a share capital totalling €490,311 thousand on the balance sheet.

Legally, these are ordinary shares.

These shares carry voting and dividend rights, a right to a share in the liquidation proceeds and subscription rights. There are no preferential rights or restrictions.

Share capital

	in € thousand
As at 31.12.2024	489,778
Sale to employees 71,607 treasury shares (average selling price: €8.88)	375
Sale on the stock exchange 30,272 own shares (average selling price: €13.88)	158
As at 31.12.2025	490,311

II. Capital reserve (10)

As at the reporting date, the capital reserve amounted to €996,739 thousand (previous year: €992,255 thousand) and relates to the premium from the capital contribution of €271,896 thousand (previous year: €271,896 thousand) and other additional payments of €725,869 thousand (previous year: €725,869 thousand), less €1,026 thousand (previous year: €5,510 thousand) as the balance of the differences between the calculated value and the multi-year difference between the acquisition costs and the proceeds from the sale of treasury shares transferred to the capital reserve.

In the past, the employee discount from the employee share programme was charged to capital reserves. In future, the employee discount granted will be recognised as personnel expense. Therefore, the amount withdrawn from capital reserves in previous years was allocated to retained earnings.

Capital reserve

In € thousand

Balance as at 31.12.2024	992,255
Sale to employees 71,607 treasury shares (average selling price: €8.88)	261
Sale on the stock exchange: 30,272 treasury shares (average selling price: €13.88)	268
Reclassification of employee share discount to retained earnings	3,955
Balance as at 31.12.2025	996,739

III. Retained earnings (11)

Retained earnings

In € thousand

31.12.2025

Balance as at 31.12.2024	714,577
Allocation by the Annual General Meeting from the 2024 unappropriated surplus	18,000
Allocation from for 2025 net profit	72,000
Reclassification of employee share discount from capital reserves	-3,955
Balance as at 31.12.2025	800,622

IV. Unappropriated surplus (12)

Unappropriate surplus amounted to €74,450 thousand (previous year: €79,758 thousand). This includes a profit carryforward from the previous year of €821 thousand (previous year: €999 thousand).

Proposal for the appropriation of the unappropriated surplus

The unappropriated surplus amounts to €74,449,545.13. We propose that it be appropriated as follows:

in €	31.12.2025
Dividend of €0.65 per share	60,937,318.00
Allocations to other retained earnings	13,000,000.00
Carry forward to new account	512,227.13
Total	74,449,545.13

The proposed appropriation of profits assumes that, at the time of the resolution on the appropriation of profits at the Annual General Meeting, there will be no treasury shares held directly by the company as at 31 December 2025 that are not entitled to dividends in accordance with Section 71b of the AktG. The number of shares entitled to dividends may change before the Annual General Meeting. In this case, a correspondingly modified proposal for the appropriation of profits will be submitted to the Annual General Meeting, which, assuming an unchanged distribution of €0.65 per share entitled to receive dividends, provides for correspondingly adjusted amounts for the total amount distributed and for retained earnings.

B. Subordinated liabilities (13)

In September 2021, W&W AG issued a subordinated bond with a volume of €300,000 thousand and a maturity of 20 years. The issue price was 99.103%. The interest rate for the subordinated bond is 2.125% for the first ten years, after which the bond will bear a variable interest rate.

In October 2025, another subordinated bond with a volume of €300,000 thousand and a maturity of 20 years was issued. The issue price was 98.722%. The interest rate for the subordinated bond is 4.983% for the first ten years, after which the bond will bear a variable interest rate.

D. Other provisions

I. Provisions for pensions and similar obligations (14)

In addition to the pension provisions for Wüstenrot & Württembergische AG and employees of the former Württembergische Feuerversicherung AG and Gemeinschaft der Freunde Wüstenrot GmbH, the pension provisions for eight (previous year: eight) subsidiary undertakings are reported here. In return for a one-off compensation payment amounting to the then current value, Wüstenrot & Württembergische AG has declared its joint liability for their pension commitments and has assumed responsibility for the fulfilment of these pension commitments in its internal relationship with these companies. The income and expenses arising from the change in these pension commitments are settled annually with the subsidiaries in cash. As at the reporting date, pension provisions amounted to €1,155,574 thousand (previous year: €1,173,196 thousand). This amount includes the netting of the asset value from reinsurance policies of €4,463 thousand (previous year: €4,893 thousand).

III. Other provisions (15)

in € thousand	31.12.2025	31.12.2024
Phased-in early retirement	880	1,121
Expenses for the annual financial statements	1,824	1,752
Holiday obligations and flexi-time credits	2,667	2,653
Bonuses and performance incentives	4,561	3,770
Outstanding invoices from goods and services on real estate	2,210	4,769
Expenses for omitted maintenance on real estate holdings	65	161
Employee anniversary obligations	208	224
Legal risks	458	451
Interest expense pursuant to Section 233a of the German Fiscal Code (AO)	1,607	1,217
Provision for sureties	239	305
Contributions to the employers' liability insurance scheme, compensatory levy for disabled persons, etc.	887	752
Derivatives	56	95
Total	15,662	17,270

The item „Benefits for phased-in early retirement“ includes the portion of the provision that is not fully funded by reinsurance to protect against insolvency.

Reinsurance policies pledged for the value of assets from phased-in early retirement agreements, which are not accessible to any other creditors and are used exclusively to settle debts arising from these phased-in early retirement obligations, are offset against these. The same applies to expenses and income from discounting and from the assets to be offset. The pledged reinsurance policies are taken into account at their fair value. This consists of the actuarial reserve plus irrevocably promised profit participation.

The item „Benefits for phased-in early retirement“ as at 31 December 2025 is calculated as follows:

in € thousand	31.12.2025	31.12.2024
Settlement amount of earned entitlements	2,432	3,299
Of which can be offset against reinsurance	1,552	2,178
Carrying amount	880	1,121

E. Deposits retained from ceded reinsurance business (16)

Retained deposits have an indefinite term. Depending on individual claims developments and capital market conditions, the term may exceed five years.

F. Other liabilities

III. Miscellaneous liabilities (17)

Miscellaneous liabilities

In € thousand	31.12.2025	31.12.2024
Loans taken out from affiliated companies	100,500	99,500
Liabilities from profit and loss transfer agreements	226	-
Interest accrual on subordinated bond	4,677	1,974
Trade liabilities	1,097	822
Liabilities from clearing transactions with affiliated companies	5,140	1,198
Taxes	1,280	2,256
Other miscellaneous liabilities	2,675	4,874
Total	115,595	110,624

There were no liabilities with a remaining term of more than five years.

Notes to the income statement

I. Technical statement

4. Claims expenses, net of reinsurance

b) Change in provisions for outstanding insurance claims (18)

The settlement of the provision for outstanding insurance claims carried forward from the previous financial year resulted in net gains of €9,165 thousand (previous year: €23,246 thousand). The gains mainly result from the other property insurance (€8,057 thousand), fire (€7,294 thousand) and other insurance (€3,456 thousand) lines of business. Settlement losses mainly arose in the liability (€5,605 thousand) and motor (€3,768 thousand) lines of business.

6. Operating expenses, net for reinsurance (19)

Gross expenses for the insurance business amounted to €160,724 thousand (previous year: €151,957 thousand), of which €160,159 thousand (previous year: €151,526 thousand) attributable to profit sharing and commissions and €565 thousand (previous year: €432 thousand) attributable to administrative expenses.

II. Non-technical account

1. Income from capital investments

b) Income from other capital investments (20)

In € thousand	2025	2024
Land, land rights and buildings, including buildings on third-party land	15,517	15,657
Other capital investments	49,275	49,879
Total	64,792	65,536

c) Income from write-ups (21)

Income from write-ups includes currency gains of €0 thousand (previous year: €431 thousand). The breakdown of this item is presented in the notes under „Individual disclosure concerning assets“.

d) Gains from the disposal of capital investments (22)

in € thousand	2025	2024
Equity investments	2,437	26,495
Shares, units or shares in investment funds and other non-fixed-income securities	4,744	22,732
Bearer bonds and other fixed-income securities	428	320
Deposits with credit institutions	19	155
Total	7,628	49,702

Gains on the disposal of capital investments include currency translation gains of €933 thousand (previous year: €708 thousand).

2. Capital investment expenses

b) Write-downs on capital investments (23)

Impairments on capital investments includes unscheduled write-downs in accordance with Section 253 (3) sentences 5 and 6 and (4) in conjunction with Section 277 (3) sentence 1 HGB. This is broken down as follows:

in € thousand	2025	2024
Land, land rights and buildings, including buildings on third-party land	1,532	-
Shares, units or shares in investment funds and other non-fixed-income securities	810	4,654
Bearer bonds and other fixed-income securities	360	246
Other loans	24	-
Deposits with credit institutions	645	-
Total	3,371	4,900

Of the securities and shares or units in investment funds, €24 thousand is attributable to balance sheet items that are measured like non-current assets. Of the securities and shares or units in investment funds, €1,814 thousand is attributable to balance sheet items that are measured like current assets.

Impairment on capital investments includes currency losses of €645 thousand (previous year: €0 thousand).

c) Losses from the disposal of capital investments (24)

in € thousand	2025	2024
Investments	257	4,026
Shares, units or shares in investment funds and other non-fixed-income securities	964	1,168
Bearer bonds and other fixed-income securities	6	3
Deposits with credit institutions	2	-
Total	1,229	5,197

Losses from the disposal of capital investments include currency losses amounting to €363 thousand (previous year: €696 thousand).

3. Other income (25)

in € thousand	2025	2024
Income from services rendered to affiliated companies	61,459	62,862
Interest income from taxes	25	59
Income from pension schemes and phased-in early retirement schemes	1,515	1,068
Income from foreign currency transactions	981	760
Release of other provisions	761	571
Other	2,565	2,226
Total	67,305	67,546

Income from foreign currency transactions includes realised exchange rate gains of €975 thousand (previous year: €207 thousand) and unrealised exchange rate gains of €7 thousand (previous year: €553 thousand).

4. Other expenses (26)

in € thousand	2025	2024
General administrative expenses	104,371	104,456
Thereof: Expenses of affiliated companies for services	61,459	62,862
Interest expenses	26,796	23,399
Thereof: Interest due on credit accounts from the assumption of joint liability for pension commitments	11,426	9,959
Thereof: Interest expense from pension provisions	666	1,845
Thereof: Interest expense from issued subordinated capital	9,247	6,515
Thereof: Interest expense from the compounding of provisions	42	33
Pension scheme expenses	1,539	1,284
Currency expenses	1,155	576
Other	215	62
Total	134,074	129,776

With regard to phased-in early retirement agreements, expenses from interest accrual of €22 thousand (previous year: €20 thousand) and income from discounting the assets to be offset of €82 thousand (previous year: €78 thousand) were offset against each other in accordance with Section 246 (2) sentence 2 HGB. Similarly, expenses from the discounting of pension provisions amounting to €666 thousand (previous year: €1,845 thousand) and income from the discounting of asset values from reinsurance policies amounting to €120 thousand (previous year: €122 thousand) were offset against each other in accordance with Section 246 (2) sentence 2 HGB.

7. Income taxes (27)

Taxes on income and earnings totalled €17,240 thousand in the financial year (previous year: €38,505 thousand). The reduction in tax expense is primarily attributable to higher tax relief effects at the subsidiaries.

Deferred taxes arise from differences in valuation between commercial and tax law for land, rights similar to land and buildings, shares or stocks in investment funds and other non-fixed-income securities, provisions for insurance claims not yet settled and provisions for pensions. A tax rate of 26.6% was applied to deferred taxes, but the option to recognise deferred tax assets was not exercised. The tax rate was adjusted in the current year in connection with the 'Act on an Immediate Tax Investment Programme to Strengthen Germany as a Business Location', which provides for a reduction in the corporation tax rate by 1 percentage point per annum from 2028 to 10% in 2032. The tax rate was determined taking into account the tax rates applicable at the time of the expected reversal of the temporary differences. When determining the tax amounts to be deferred, the expected future tax burdens and tax reliefs are offset. In exercising the option pursuant to Section 274 (1) sentence 2 HGB, the excess of deferred taxes over the amount to be offset is not recognised on the balance sheet.

The income taxes reported in the financial statements include €0 thousand (previous year: €0 thousand) in taxes related to the Minimum Tax Act or foreign minimum tax laws.

Other mandatory disclosures

Mandates

Memberships on supervisory boards required by law and in comparable domestic and foreign control bodies (disclosures pursuant to Section 285 (10) HGB):

- a) Group mandates on domestic supervisory boards required by law
- b) Third-party mandates on domestic supervisory boards required by law
- c) Mandates in comparable control bodies

Members of the Supervisory Board of W&W AG

Dr Michael Gutjahr, Chair

Former member of the Executive Boards of
Wüstenrot & Württembergische AG
Wüstenrot Bausparkasse AG
Württembergische Versicherung AG
Württembergische Lebensversicherung AG

Frank Weber, Deputy Chair¹

Chair of the Works Council
Württembergische Versicherung AG/Württembergische Lebensversicherung AG,
Karlsruhe location
Chair of the Group Works Council
a) Württembergische Lebensversicherung AG, Kornwestheim

Hartmut Bader¹

Chair of the Works Council
Württembergische Versicherung AG/Württembergische Lebensversicherung AG,
Kornwestheim head office
Chair of the General Works Council Württembergische Versicherung AG/Württembergische Lebensversicherung AG
a) Württembergische Versicherung AG, Kornwestheim

Jutta Eberle¹

Insurance employee
Württembergische Versicherung AG

Dr Frank Ellenbürger

Auditor and tax advisor
a) Wüstenrot Bausparkasse AG, Kornwestheim
b) LVM Lebensversicherungs-AG, Münster
MS Reinsurance (MS Amlin AG), Zurich

Prof. Dr. Nadine Gatzert

Chair of Insurance Economics and Risk Management
Friedrich-Alexander University Erlangen-Nuremberg
b) Nürnberger Beteiligungs-AG, Nuremberg (until 14 May 2025)
Nürnberger Lebensversicherung AG, Nuremberg (until 28 March 2025)

Petra Knodt¹

(from 1 April 2025)
Chair of the Works Council
Wüstenrot Bausparkasse AG, Bad Vilbel
Deputy Chair of the Group Works Council
Chair of the General Works Council
Wüstenrot Bausparkasse AG (from 1 April 2025)

Bernd Mader¹

Head of Customer Service – Cross-functional Operations
 Württembergische Versicherung AG

Andreas Rothbauer¹

(until 31 March 2025)
 Chair of the General Works Council
 Wüstenrot Bausparkasse AG (until 31 March 2025)
 a) Wüstenrot Bausparkasse AG, Kornwestheim (until 31 March 2025)

Petra Sadowski¹

Trade union secretary, Dienstleistungsgewerkschaft ver.di, Stuttgart district
 a) Württembergische Versicherung AG, Kornwestheim
 b) TransnetBW GmbH, Stuttgart (5 December 2025 to 28 February 2026)

Dr Wolfgang Salzberger

Chief Financial Officer (CFO) and member of the
 Management Board of ATON GmbH
 b) Ziehm Imaging GmbH, Nuremberg

Jutta Stöcker

Former Member of the Executive Board
 RheinLand-Versicherungsgruppe
 b) RheinLand Versicherungs AG, Neuss
 RheinLand Holding AG, Neuss

Edith Weymayr

Chair of the Executive Board
 Landeskreditbank Baden-Württemberg – Förderbank (L-Bank)
 c) Baden-Württemberg International – Gesellschaft für internationale
 wirtschaftliche und wissenschaftliche Zusammenarbeit mbH (bw-i), Stuttgart

¹ Employee representatives.

Members of the Executive Board of W&W AG

Jürgen A. Junker, Chair

Group Legal, Group Audit, communications, Group development and business organisation, Group personnel, data, processes and AI

a) Württembergische Lebensversicherung AG, Kornwestheim, Chair

Württembergische Versicherung AG, Kornwestheim, Chair

Württembergische Krankenversicherung AG, Kornwestheim, Chair

Wüstenrot Bausparkasse AG, Kornwestheim, Chair

Matthias Bogk

(from 1 July 2025)

Group accounting, financial services, risk management, compliance (money laundering/securities compliance), Group controlling/cost controlling, retained organisation

b) BF.direkt AG, Stuttgart (from 13 September 2025)

c) Bau- und WohnungsVerein Stuttgart, Stuttgart

Alexander Mayer

(until 30 June 2025)

Group accounting, financial services, risk management, compliance (money laundering/securities compliance), Group controlling/cost controlling, retained organisation

b) BF.direkt AG, Stuttgart, Deputy Chairman of the Supervisory Board (until 30 June 2025)

c) BWK GmbH Unternehmensbeteiligungsgesellschaft, Stuttgart, Deputy Chair of the Supervisory Board (until 30 June 2025)

Jens Wieland

Financial management/asset allocation, enterprise IT management, customer data protection and operational security

Supplementary disclosures

Contingent liabilities and other financial obligations

As a member of the pharmaceutical reinsurance pool, we are required to assume the benefit obligations of any other pool member in the event of default, in proportion to our 1.41% share of the pool. The pool currently has a total volume of €106,650 thousand. No provision has been made for this liability because we do not expect the company to be called upon or charged, as we have no doubts about the creditworthiness of the current pool members known by name.

Württembergische Versicherung AG assumed the risk from the contract underwritten by W&W AG through a London broker by means of a release and hold harmless agreement dated 20 October 1993. Württembergische Versicherung AG therefore recognised provisions for outstanding insurance claims of €20,642 thousand. Vis-à-vis third parties, W&W AG is liable for these obligations. From today's perspective, Württembergische Versicherung AG has sufficient reserves. Consequently, liability on the part of W&W AG currently appears unlikely. Based on the creditworthiness assessment of the debtor, a drawdown is not expected.

Wüstenrot Bausparkasse AG secures unsecured loans granted by W&W AG for housing purposes. W&W AG assumed the guarantee for the loan receivable from Wüstenrot Bausparkasse AG for loans already existing at the time the agreement was concluded – the guarantee decreases in line with loan repayments. Taking into account the provision for loan guarantees (€239 thousand), the volume of the guarantee amounted to €7,001 thousand as at the reporting date. Based on Wüstenrot Bausparkasse AG's credit assessment of the borrowers, no further claims are expected.

As part of an agreement concerning the takeover of staff between W&W Service GmbH and WISAG Facility Management Süd-West GmbH & Co. KG, W&W AG assumes an unconditional, unlimited, directly enforceable guarantee up to a total amount of €10,000 thousand towards WISAG Facility Management Süd-West GmbH & Co. KG. This guarantee applies to the fulfilment of all existing and future financial liabilities of W&W Service GmbH arising from this personnel transfer agreement. Based on the creditworthiness assessment of the debtor, a drawdown under the guaranty is not expected.

In an agreement dated 16 June 2023, W&W AG issued a guarantee promise for WWS GmbH in favour of Holman Leasing Germany GmbH in the event that the profit and loss transfer agreement between W&W AG and WWS GmbH is terminated or WWS GmbH is dissolved or becomes insolvent.

The outstanding payment obligations for investments in participations and funds amount to €59,985 thousand (of which €0 thousand is owed to affiliated companies).

Based on existing control and profit and loss transfer agreements, we expect compensation payments of €800 thousand for start-up losses from start-ups over the next three years. Profits are expected in the medium term.

Expenses of €40,600 thousand are expected for intra-group services in the coming financial year.

In accordance with Section 253 (2) sentence 1 of the HGB, the discount rate is set at the average market interest rate of the past ten years. The discount rates published by the Deutsche Bundesbank as at 31 October 2025 with a 10-year average interest rate were adjusted by extrapolating the interest rate as at 31 October 2025 for the months of November and December 2025, thereby determining the interest rate as at 31 December 2025. The difference between the valuation of the provision for pensions and similar obligations using the 10-year average interest rate and the 7-year average interest rate in accordance with Section 253 (6) HGB amounts to €2,133 thousand. Where reinsurance policies exist, IDW Accounting Note IDW RH FAB 1.021 was applied in the measurement of pension provisions using the coverage capital method and the „liability primacy“ principle.

In the event of a negative difference, the amount restricted from distribution must be maximised to €0.

To the best of our current knowledge, we assume that, as in the past, the risk of claims arising from the liabilities listed will not result in any additional expenses for the company in the future.

Authorised capital

Pursuant to Section 5 (5) of the Articles of Association of W&W AG, the Executive Board is authorised until 13 May 2029, with the approval of the Supervisory Board, to increase the Company's share capital by issuing new registered no-par value shares against cash and/or non-cash contributions, either once or several times, but by a total of €100,000 thousand. Shareholders are entitled to a statutory subscription right in this regard.

Contingent capital

By resolution of the Annual General Meeting on 14 May 2024, the Executive Board was authorised until 13 May 2029 to issue options, convertible bonds, profit participation rights, profit bonds or a combination of these instruments. Section 5 (6) of the Articles of Association stipulates that the share capital of W&W AG may be conditionally increased by up to a nominal amount of €240,000 thousand, divided into up to 45,889,102 registered no-par value shares.

Corporate Governance Code

The Executive Board and Supervisory Board of our company have issued a statement of compliance with the German Corporate Governance Code in accordance with Section 161 of the AktG and made it permanently available to shareholders on the W&W Group's website at www.ww-ag.com → Investor Relations → Publications → Further publications

It can also be found in the corporate governance statement in the Annual Report.

Related party disclosures

Transactions with related parties are concluded on standard market terms and conditions.

The control and profit transfer agreements concluded with Württembergische Versicherung AG, W&W Informatik GmbH, W&W Asset Management GmbH, W&W Service GmbH and W&W brandpool GmbH remain in place.

Group affiliation

Wüstenrot & Württembergische AG, Kornwestheim, is the parent undertaking of the W&W Group. The consolidated financial statements of the W&W Group are published in the annual report and then forwarded to the company register for entry in the company register.

The company has received the following notifications in accordance with Section 33 (1) of the German Securities Trading Act (WpHG):

Company name	Registered office	Exceeds/ falls below	Reporting threshold	Date	Share of voting rights	Number of votes	Attribution pursuant to Section 22 WpHG
Wüstenrot Stiftung Gemeinschaft der Freunde Deutscher Eigenheimverein e.V. (attribution via Wüstenrot Holding AG, Ludwigsburg)	Ludwigsburg, Stuttgart	Fall below	50%	17.8.2016	39.91%	37,417,638	Section 22 (1) sentence 1 no. 1 WpHG
Wüstenrot Stiftung Gemeinschaft der Freunde Deutscher Eigenheimverein e.V. (attribution via WS Holding AG, Stuttgart)	Ludwigsburg Stuttgart	Exceed	25%	17.8.2016	26.40%	24,750,000	Section 22 (1) sentence 1 no. 1 WpHG
Dr Lutz Helmig (attribution via FS BW Holding GmbH)	Hallbergmoos, Germany	Exceed	10%	11.12.2013	10.62%	9,960,674	Section 22 (1) sentence 1 no. 1 WpHG

Legal framework

Wüstenrot & Württembergische Aktiengesellschaft has its registered office in Kornwestheim and is entered in the commercial register of the Stuttgart Local Court under number HRB 20203.

Subsequent events

On 28 February 2026, the attack by the USA and Israel on Iran led to an escalation in the Middle East conflict, which had an impact on the energy, commodity and capital markets. The war in Iran had no impact on the IFRS consolidated financial statements as at 31 December 2025, as the war broke out at the end of February 2026 and was therefore value-determining in nature.

The W&W AG and its subsidiaries do not hold any investment portfolios in Iran. There are capital investments in neighbouring countries of Iran, Israel and countries on the Arabian Peninsula, but these play only a minor role in the overall investment exposure. Given the current situation, no significant immediate impact of the Iran war is expected with regard to existing exposures, including in sectors exposed to the war (e.g. tourism, raw materials and logistics). However, further indirect effects on capital investments, e.g. due to global economic implications, cannot be ruled out. The further course of the Iran war is being closely monitored as part of established processes.

The W&W AG and its subsidiaries operate primary insurance business in life and health and composite insurance for private and commercial customers in its core strategic market of Germany. Our portfolio of insurance contracts also includes transport insurance policies that provide risk coverage in global goods traffic. Naturally, such contractual relationships can also be affected by armed conflicts, such as those in Iran. However, these insurance contracts represent a relatively small portfolio. Based on current information, there are therefore no significant direct effects of the war in Iran on insurance technology. Depending on the duration and development of the war in Iran, however, possible negative effects on the W&W Group cannot be ruled out at this stage.

Furthermore, there were no significant reportable events after the balance sheet date.

Auditor's fees

The fee for audit services provided by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart, relates to the audit of the consolidated and annual financial statements of W&W AG and other permissible services directly related to the audit. EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart, also audited the financial statements and consolidated reporting of various subsidiaries and carried out statutory audits in accordance with the Securities Trading Act, the Insurance Supervision Act, the Stock Corporation Act and other legal provisions.

Information on the auditors' fees is included in the consolidated financial statements of W&W AG. Publication here is waived on the basis of the exempting group clause in Section 285 No. 17 of the HGB.

Employees

Number ¹	2025	2024
Total employees	587	574
thereof women	315	303
thereof men	272	271
thereof full-time	424	419
thereof part-time	163	155

1 Average employee headcount for the year pursuant to Section 285, no. 7 of the German Commercial Code (HGB).

Remuneration of the Executive Board

The remuneration report pursuant to Section 162 of the AktG is published at www.ww-ag.com. The following information contains the disclosures pursuant to Section 285 No. 9 HGB.

In € thousand	31.12.2025	31.12.2024
Remuneration paid to members of the Executive Board	2,086	2,802
Remuneration paid to former members of the Executive Board	1,787	1,713
Remuneration paid to survivors/Survivors' benefits	623	660
Pension commitments for former members of the Executive Board	22,958	23,177

The total remuneration was reviewed by the Supervisory Board and is commensurate with the duties and performance of the members of the Executive Board and the situation of the company.

No loans were granted to members of the Executive Board by the company. No contingent liabilities were entered into in favour of the members of the Executive Board. No subscription rights or other share-based remunerations were granted to the Executive Board.

Remuneration of the Supervisory Board

For the 2025 financial year, the members of the Supervisory Board of Wüstenrot & Württembergische AG received total remuneration of €606 thousand (previous year: €673 thousand) from the company. Members of the Supervisory Board of Wüstenrot & Württembergische AG who left during the financial year received pro rata remuneration of €10 thousand (previous year: €92 thousand) from the company for the 2025 financial year.

Expenses and value added tax attributable to Supervisory Board remuneration (if subject to VAT) are reimbursed to the members of the Supervisory Board. However, they are not included in the expenses stated.

Wüstenrot & Württembergische AG has no receivables against the members of the Supervisory Board arising from advances and loans granted.

There are no subscription rights or other share-based remunerations for members of the Supervisory Board in the W&W Group. No provisions for current pensions or entitlements had to be made for members of the Supervisory Board or their surviving dependants.

The company did not pay any remunerations or grant any benefits to members of the Supervisory Board for personal services such as consulting or brokerage services.

Annex to the notes

Individual disclosures concerning assets

Notes concerning assets

		Carrying amounts 2024	Additions	Reclassifi- cations	Disposals	Write-ups	Deprecia- tion, amor- tisation and write- downs	Carrying amounts 2025
In € thousand								
B. I.	Land, land rights and buildings, including buildings on third-party land	440 905	933	-	-	-	13,092	428,746
B. II.	Capital investments in affiliated companies and participating interests							
1.	Shares in affiliated companies	1,595,083	30,354	-	24,500	-	-	1,600,937
2.	Loans to affiliated companies	564,000	416,500	-	348,500	-	-	632,000
3.	Participating interests	14,264	-	-	7,141	101	-	7,224
Total B. II.		2,173,347	446,854	-	380,141	101	-	2,240,161
B. III.	Other capital investments							
1.	Shares, units or shares in investment funds and other variable-yield securities	963,876	68,756	-	85,319	3,248	810	949,751
2.	Bearer bonds and other fixed-income securities	418,852	80,204	-	27,362	271	360	471,605
3.	Other loans							
a)	registered bonds	62,464	-	-	22,500	-	24	39,940
b)	Promissory notes and loans	122,399	-	-	18,947	-	-	103,452
4.	Deposits with credit institutions	52,381	39,780,825	-	39,491,680	-	645	340,881
5.	Other capital investments	87	-	-	-	-	-	87
Total B. III.		1,620,059	39,929,785	-	39,645,808	3,519	1,839	1,905,716
Total		4,234,311	40,377,572	-	40,025,949	3,620	14,931	4,574,623

List of shareholdings

	Share of capital direct in %	Share in capital indirect in % ³	Cur- rency	Reporting date	Equity ¹	Net income/loss after tax ¹
Germany						
3B Boden-Bauten-Beteiligungs-GmbH, Kornwestheim	100.00		€	31.12.2024	71,381,342	2,209,641
Adam Riese GmbH, Stuttgart ²		100.00	€	31.12.2024	25,000	-
Adveq Opportunity II Zweite GmbH i. L., Frankfurt am Main		29.31	€	31.12.2024	195,124	-502
Adveq Technology V GmbH, Frankfurt am Main		16.50	€	31.12.2024	1,732,990	-1,909,462
Allgemeine Rentenanstalt Pensionskasse AG, Stuttgart		100.00	€	31.12.2024	94,890,553	2,000,000
Altmark Versicherungsmakler GmbH, Stuttgart		100.00	€	31.12.2024	1,745,993	695,993
Altmark Versicherungsvermittlung GmbH, Stuttgart		100.00	€	31.12.2024	222,374	197,374
Wüstenrot Immo GmbH, Ludwigsburg		100.00	€	31.12.2024	109,425	864
Beteiligungs-GmbH der Württembergischen, Stuttgart		100.00	€	31.12.2024	3,826,407	110,217
BF.capital GmbH, Stuttgart ²		35.00	€	31.12.2024	1,841,104	1,192,393
BWK GmbH Unternehmensbeteiligungsgesellschaft, Stuttgart		35.00	€	31.12.2024	170,825,954	-19,506,313
Feuersee Entwicklungsgesellschaft mbH & Co. KG, Kornwestheim		100.00	€	30.9.2024	39,433,350	-26,932,897
Gerber GmbH & Co. KG, Kornwestheim		100.00	€	31.12.2024	215,378,781	-72,330,988
GMA Gesellschaft für Markt- und Absatzforschung mbH, Ludwigsburg		100.00	€	31.12.2024	1,883,879	354,499
Immomio GmbH, Hamburg		13.33	€	31.12.2024	6,796,720	-5,531,723
IVB - Institut für Vorsorgeberatung Risiko- und Finanzierungsanalyse GmbH, Karlsruhe		100.00	€	31.12.2024	216,314	65,891
Keleya Digital-Health Solutions GmbH, Berlin		9.97	€	31.12.2023	-1,409,190	-1,242,846
KLV BAKO Dienstleistungs-GmbH, Karlsruhe		95.80	€	31.12.2024	272,125	7,927
KLV BAKO Vermittlungs-GmbH, Karlsruhe		80.40	€	31.12.2024	284,662	8,233
riparo gmbh, Holzgerlingen		25.00	€	31.12.2024	4,237,791	2,195,096
V-Bank AG, Munich		15.00	€	31.12.2024	148,368,606	31,118,556
ver.di Service GmbH, Berlin		40.10	€	31.12.2024	97,534	-8,220
W&W Asset Management GmbH, Ludwigsburg ²	100.00		€	31.12.2024	11,261,185	-
W&W brandpool GmbH, Stuttgart ²	100.00		€	31.12.2024	3,275,000	-
W&W Informatik GmbH, Ludwigsburg ²	100.00		€	31.12.2024	473,025	-
W&W Interaction Solutions GmbH, Munich ²		100.00	€	31.12.2024	242,030	-
W&W Service GmbH, Stuttgart ²	100.00		€	31.12.2024	100,153	-
WHS Entwicklungs-GmbH, Kornwestheim ²		100.00	€	31.12.2024	25,000	-
WL Erneuerbare Energien Verwaltungs GmbH, Stuttgart		100.00	€	31.12.2024	85,316	2,423
WL Renewable Energy GmbH & Co. KG, Kornwestheim		100.00	€	31.12.2024	78,977,179	-6,049,088
WL Sustainable Energy GmbH & Co. KG, Kornwestheim		100.00	€	31.12.2024	65,947,567	-12,531,056
Württembergische Akademie GmbH, Stuttgart		100.00	€	31.12.2024	82,851	-28,910
Württembergische Immobilien GmbH, Kornwestheim		100.00	€	31.12.2024	121,801,441	4,517,407
Württembergische Kö 43 GmbH, Stuttgart		89.90	€	31.12.2024	23,043,981	747,517
Württembergische Krankenversicherung AG, Kornwestheim	100.00		€	31.12.2024	65,948,122	7,000,000

List of shareholdings (continued)

Name and registered office of the company	Share of capital direct in %	Share in capital indirect in % ³	Currency	Reporting date	Equity ¹	Net income/loss after tax ¹
Württembergische Lebensversicherung AG, Kornwestheim	94.89		€	31.12.2024	631,296,376	25,000,000
Württembergische Logistik I GmbH & Co. KG, Kornwestheim		100.00	€	31.12.2024	78,354,735	1,765,549
Württembergische Rechtsschutz Schaden-Service-GmbH, Stuttgart		100.00	€	31.12.2024	75,613	-47
Württembergische Versicherung AG, Kornwestheim ²	100.00		€	31.12.2024	522,563,107	-
Württembergische Vertriebspartner GmbH, Stuttgart ²		100.00	€	31.12.2024	74,481	-
Württembergische Verwaltungsgesellschaft mbH, Stuttgart		100.00	€	31.12.2024	38,622	1,560
Württfeuer Beteiligungs-GmbH, Stuttgart	100.00		€	31.12.2024	63,651,434	2,164,625
WürttLeben Alternative Investments GmbH, Stuttgart ²		100.00	€	31.12.2024	318,025,000	-
WürttVers Alternative Investments GmbH, Stuttgart ²		100.00	€	31.12.2024	100,025,000	-
Wüstenrot Bausparkasse AG, Kornwestheim	100.00		€	31.12.2024	936,994,940	43,383,297
Wüstenrot Energieberatung GmbH, Kornwestheim		100.00	€	31.12.2024	108,459	-1,616,836
Wüstenrot Grundstücksverwertungs-GmbH, Ludwigsburg	100.00		€	31.12.2024	2,109,040	54,212
Wüstenrot Haus- und Städtebau GmbH, Ludwigsburg	100.00		€	31.12.2024	91,887,125	-10,254,623
Wüstenrot Immobilien GmbH, Ludwigsburg	100.00		€	31.12.2024	3,749,322	2,109,981
Zweite Wohnimmobilien GmbH & Co. KG der Württembergischen, Kornwestheim		100.00	€	31.12.2024	9,994,342	-
France						
Württembergische France Immobiliere SARL, Strasbourg		100.00	€	30.09.25	31,418,914	9,786
Württembergische France Strasbourg SARL, Strasbourg		100.00	€	30.09.25	56,827,427	2,403,225
Ireland						
W&W Asset Management Ireland DAC, Dublin		100.00	€	31.12.2024	29,837,551	8,919,253
W&W Investment Managers DAC, Dublin		100.00	€	31.12.2024	2,814,853	42,032
Austria						
G6 Zeta Errichtungs- und VerwertungsGmbH & Co OG, Vienna		99.90	€	31.12.2024	19,174,641	1,651,966
Kellerwirt Holding GmbH, Brixlegg		100.00	€	31.12.2024	18,581,499	-25,982
Kellerwirt Mountain Health Resort GmbH, Brixlegg		100.00	€	31.12.2024	13,928,308	-3,056,517
Mount Med Resort Betriebs GmbH, Wildschönau		100.00	€	30.6.2024	-1,007,122	-971,740
SAMARIUM drei GmbH & Co OG, Vienna		100.00	€	31.12.2024	9,121,139	453,256
United Kingdom of Great Britain and Northern Ireland						
Partners Group Emerging Markets 2007, L.P., Edinburgh		9.38	US\$	31.12.2024	2,036,000	-120,000

¹ The figures refer to the last available financial statements as of the reporting date.

² Profit and loss transfer agreement in place.

³ Pursuant to Section 16 (4) of the AktG, the indirect share (or: shareholding; or: share ratio) comprises shares held by a dependent company or another company on behalf of the company or a company dependent on it.

Individual disclosures concerning the income statement

Commissions and other remuneration paid to insurance agents, personnel expenses

In € thousand	2025	2024
Wages and salaries	48,617	44,999
Remittances for social security and other employee benefits	4,620	6,424
Pension scheme expenses	9,060	8,594
Total	62,297	60,017

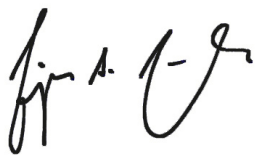
W&W AG does not have its own sales force. As a result, the table required by the RechVersV only includes personnel expenses and does not include commissions or other remuneration paid to insurance agents.

Wüstenrot & Württembergische AG

Responsibility statement

To the best of our knowledge, and in accordance with applicable accounting principles, the annual financial statements present a true and accurate view of the company's net assets, financial position and financial performance, and the combined management report provides a true and accurate presentation of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

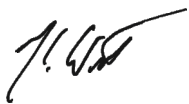
Kornwestheim, 13 March 2026



Jürgen A. Junker



Matthias Bogk



Jens Wieland

Wüstenrot & Württembergische AG

Independent auditor's report

To Wüstenrot & Württembergische AG, Kornwestheim

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

Audit opinions

We have audited the financial statements of Wüstenrot & Württembergische AG, Kornwestheim, consisting of the balance sheet as at 31 December 2025 and the profit and loss account for the financial year from 1 January to 31 December 2025, as well as the notes to the financial statements, including the presentation of the accounting policies. In addition, we have audited the combined management report of Wüstenrot & Württembergische AG for the financial year from 1 January 2025 to 31 December 2025. We have not reviewed the content of the corporate governance statement in accordance with Section 289f of the German Commercial Code (HGB) contained in the section on corporate governance in the combined management report or the group sustainability report in accordance with German legal requirements. We have not reviewed the content of the information provided by the company outside the combined management report to which cross-references are made in the corporate governance statement in the combined management report.

In our opinion, based on the findings of our audit

- the accompanying financial statements comply in all material respects with the German commercial law provisions applicable to insurance companies commercial law provisions applicable to insurance undertakings and, in accordance with German principles of proper accounting, provides a true and fair view of the net assets and financial position of the company as at 31 December 2025 and its results of operations for the financial year from 1 January 2025 to 31 December 2025, and
- the accompanying combined management report as a whole gives a true and fair view of the company's position. In all material respects, this combined management report is consistent with the financial statements, complies with German legal requirements and presents the opportunities and risks of future development in an appropriate manner. We do not express an opinion on the above corporate governance statement and the above group sustainability report, nor on the content of the above information outside the annual report to which cross-references are made.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the regularity of the financial statements and the combined management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; hereinafter „EU-APrVO“) in compliance with the German principles of proper auditing established by the Institute of Public Auditors (IDW). Our responsibilities under these regulations and principles are further described in the section „Responsibilities of the auditor for the audit of the financial statements and the combined management report“ of our audit opinion. We are independent of the company in accordance with European law, English commercial law and professional regulations, and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of public interest entities. We have also fulfilled

our other German professional obligations in accordance with these requirements and the IESBA Code. In addition, we declare in accordance with Article 10(2)(f) of the EU-APrVO that we have not provided any prohibited non-audit services in accordance with Article 5(1) of the EU-APrVO. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the financial statements and the combined management report.

Key audit matters in the audit of the financial statements

Matters of particular importance are those matters that, in our professional judgement, were most significant in our audit of the financial statements for the financial year from 1 January 2025 to 31 December 2025. These matters were considered in the context of our audit of the financial statements as a whole and in forming our opinion on them; we do not express a separate opinion on these matters.

Below, we describe the matters we consider to be particularly important.

Valuation of shares in affiliated companies

Reasons why this was determined to be a key audit matter

The company's investment portfolio includes shares in affiliated companies. The fair values of the shares in affiliated companies are primarily determined using the income approach in accordance with IDW S 1 (2008) in conjunction with IDW RS HFA 10, whereby the expected future net financial surpluses are discounted to the valuation date.

The income approach primarily uses valuation parameters that are not observable on the market (in particular, planning assumptions regarding expected income and expenses such as contributions, interest surpluses, and claims and general administrative expenses) as input data, but also valuation parameters derived from the market (in particular, material determinants of the capitalisation rate). There is room for discretion in determining the valuation parameters and assumptions.

Due to the estimation uncertainties and discretionary scope described above, the sensitivity of the capitalised earnings values to changes in plan figures and valuation parameters, and the fact that the shares in affiliated companies account for a large proportion of the company's capital investments, we have determined this matter to be a particularly important audit issue for our audit. There is a risk that, due to incorrect determination of fair values and thus the valuation of shares in affiliated companies, necessary impairments in particular may not be identified and thus omitted.

Audit approach

We have gained an understanding of the planning and controlling process. In doing so, we have examined the controls implemented in this process.

We also assessed the methodological approach used in valuing shares in affiliated companies to determine whether it was consistent with the statements issued by the IDW. In this context, we examined the plans (including the sustainable result) on the basis of risk-oriented selected individual cases and a random sample to determine whether the underlying assumptions were comprehensible, consistent and free of contradictions, taking into account the results achieved in the past. In addition, we assessed the consideration of uncertainty in the planned figures and parameters due to the current economic situation. This also included assessing the quality of planning on the basis of target/actual comparisons and plan/plan comparisons.

Furthermore, we analysed the derivation of the capitalisation rate, taking into account in particular the relevant statements of the IDW on company valuation. To this end, we reviewed the calculation method presented to us and examined the parameters used on the basis of market data and available information on comparable companies, taking into account adjustments specific to the business model.

In addition, we verified the mathematical accuracy of the valuation models on the basis of risk-oriented selected individual cases and a random sample.

Furthermore, we assessed the proper identification and accounting of impairment requirements. We also assessed the sensitivity analyses performed by the company's legal representatives for material shares in affiliated companies to

determine whether changes in certain valuation parameters would lead us to a different assessment of the impairment requirement.

We engaged our own specialists who have particular expertise in the field of company valuation.

Our audit procedures did not give rise to any objections to the valuation of the shares in affiliated companies.

Reference to related disclosures

Information on the valuation of shares in affiliated companies is provided in the notes in the sections „Accounting and valuation methods – Shares in affiliated companies, investments“ and „Fair value measurements“.

Determination of the fair value of fixed-income debt securities held as non-current assets

Reasons why this was determined to be a key audit matter

The company's investment portfolio contains fixed-income debt securities, which mainly comprise bearer bonds. These are measured in accordance with the provisions applicable to fixed assets pursuant to Section 341b (1) sentence 2 HGB in conjunction with Section 255 (3) HGB. They are therefore recognised at either their amortised cost or, in the event of an expected permanent impairment, at the lower fair value.

In particular, the company's Executive Board has discretion in assessing whether and to what extent an impairment of bearer bonds measured as fixed assets is likely to be permanent.

As at the reporting date, there are material unrealised losses in bearer bonds measured as fixed assets. Particularly in view of the uncertain overall geopolitical situation, there is a risk that the discretion exercised in assessing a probable permanent impairment of bearer bonds measured as fixed assets may be exercised incorrectly and that a necessary write-down or write-up may not be recognised or may not be recognised in full. Due to the risk of a material misstatement in the financial statements as a result of the significant amount of unrealised losses, this is a particularly important audit matter.

Audit approach

As part of our audit, we examined the processes established by the company's legal representatives for identifying a probable permanent impairment of bearer bonds measured as fixed assets. In doing so, we assessed the relevant controls implemented in the processes with regard to their appropriate design and tested them for their operational effectiveness.

We assessed the criteria defined by the company's Executive Board for identifying probable permanent impairment to determine whether they are in line with the professional requirements of the IDW.

For risk-oriented selected individual cases and a sample of bearer bonds measured as non-current assets with unrealised losses, we examined whether payment defaults or material deteriorations in the creditworthiness of the issuers had occurred or ceased to exist and whether this had been assessed in accordance with the criteria defined by the legal representatives.

If the company's Executive Board classified the unrealised losses as temporary, we assessed the Executive Board's assessment in this regard, taking into account the criteria specified. In order to assess the intention and ability to hold, we also evaluated the company's liquidity planning in this context. In addition, we analysed whether write-downs and write-ups – in the event of the reasons for a probable permanent impairment ceasing to exist – were properly carried out at fair value or, in the case of write-ups, at a maximum of the amortised cost.

Our audit procedures did not give rise to any objections to the determination of probable permanent impairment of bearer bonds measured as fixed assets.

Reference to associated disclosures

The disclosures on the determination of probable permanent impairment of bearer bonds measured as fixed assets are included in the section „Accounting and valuation methods“ in the notes.

Other information

The Supervisory Board is responsible for the Supervisory Board report. The legal representatives and the Supervisory Board are responsible for the declaration pursuant to Section 161 of the AktG on the German Corporate Governance Code, which is part of the corporate governance statement. Otherwise, the legal representatives are responsible for the other information. The other information includes the above-mentioned corporate governance statement and the report on equality and equal pay in accordance with the German Pay Transparency Act. Furthermore, the other information includes the group sustainability report, a version of which we obtained prior to issuing this audit opinion. The other information also includes other components intended for the annual report, a version of which we obtained prior to issuing this audit opinion, in particular:

- the report of the Supervisory Board,
- the letter to shareholders,
- the presentation of the Management Board and the Supervisory Board,
- the overview of key figures, the financial calendar, the glossary,
- the assurance of the legal representatives, and
- the six pages of images entitled „Focus on our customers“,

but not the annual financial statements, the information in the combined management report included in the content audit, or our related audit opinion.

Our audit opinions on the financial statements and the combined management report do not extend to the other information, and accordingly we do not express an audit opinion or any other form of audit conclusion on this information.

In connection with our audit, we are responsible for reading the other information and assessing whether the other information

- contains material inconsistencies with the financial statements, the combined management report or our knowledge obtained during the audit, or
- appears to be otherwise materially misstated.

Responsibility of the Executive Board and the Supervisory Board for the annual financial statements and the combined management report

The legal representatives are responsible for preparing the annual financial statements in accordance with German commercial law applicable to insurance undertakings in all material respects and for ensuring that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the company in accordance with German principles of proper accounting. Furthermore, the legal representatives are responsible for the internal controls that they have determined to be necessary in accordance with German generally accepted accounting principles in order to enable the preparation of financial statements that are free from material misstatements due to fraudulent acts (i.e. manipulation of accounting and damage to assets) or errors.

When preparing the financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They are also responsible for disclosing matters related to the company's ability to continue as a going concern, if relevant. In addition, they are responsible for accounting on a going concern basis, unless actual or legal circumstances indicate otherwise.

In addition, the legal representatives are responsible for preparing the combined management report, which as a whole provides a true and fair view of the company's position and is consistent in all respects of materiality with the financial statements, complies with German legal requirements and presents the opportunities and risks of future development in an appropriate manner. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a combined management report in accordance with the applicable German legal requirements and to provide sufficient appropriate evidence for the statements in the combined management report.

The Supervisory Board is responsible for monitoring the company's accounting process for the preparation of the annual financial statements and the combined management report.

Responsibility of the statutory auditor for the audit of the annual financial statements and the combined management report

Our objective is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides a true and fair view of the company's position and, in all material respects, is consistent with the financial statements and the findings of the audit, complies with German legal requirements and accurately presents the opportunities and risks of future development, and to issue an audit opinion that includes our audit opinions on the financial statements and the combined management report.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with Section 317 of the HGB and the EU Audit Regulation, taking into account the German principles of proper auditing established by the Institute of Public Auditors (IDW), will always detect a material misstatement. Misstatements can result from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and the combined management report.

During the audit, we exercise professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material misstatement in the financial statements and the combined management report due to fraudulent acts or errors, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls;
- we obtain an understanding of the internal controls relevant to the audit of the annual financial statements and the arrangements and measures relevant to the audit of the combined management report in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the company's internal controls or these arrangements and measures;
- we assess the appropriateness of the accounting policies used by the legal representatives and the reasonableness of the estimated values and related disclosures presented by the legal representatives;
- we draw conclusions about the appropriateness of the going concern accounting principle applied by the legal representatives and, based on the audit evidence obtained, whether there is any material uncertainty in connection with events or circumstances that could cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the combined management report or, if such disclosures are inadequate, to modify our auditor's report. We base our conclusions on the audit evidence obtained up to the date of our audit opinion. However, future events or circumstances may mean that the company is no longer able to continue as a going concern;

- we assess the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements present the underlying business transactions and events in such a way that the financial statements give a true and fair view of the net assets, financial position and results of operations of the company in accordance with German principles of proper accounting;
- we assess the consistency of the combined management report with the financial statements, its compliance with legal requirements and the picture it conveys of the company's situation;
- we perform audit procedures on the forward-looking statements presented by the legal representatives in the combined management report. On the basis of sufficient appropriate audit evidence, we in particular follow up on the significant assumptions underlying the forward-looking statements made by the legal representatives and assess the appropriate derivation of the forward-looking statements from these assumptions. We do not express a separate opinion on the forward-looking statements or the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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

We provide a statement to those charged with governance that we have complied with relevant independence requirements and discuss with them any relationships and other matters that may reasonably be thought to bear on our independence, and the safeguards applied.

We determine which of the matters discussed with those charged with governance were most significant in the audit of the financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in the auditor's report, unless laws or regulations preclude public disclosure of the matter.

Other statutory and other legal requirements

Report on the audit of the electronic reproductions of the annual financial statements and the combined management report that are prepared for the purposes of disclosure pursuant to Section 317 (3a) German Commercial Code (HGB)

Audit opinion

In accordance with Section 317 (3a) HGB, we have conducted an audit with reasonable assurance to determine whether the representations of the annual financial statements and the combined management report contained in the file WW_AG_KLB+JA_ESEF-2025-12-31.zip file and prepared for disclosure purposes (hereinafter also referred to as „ESEF documents“) comply in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format („ESEF format“). In accordance with German legal requirements, this review only covers the conversion of the information in the financial statements and the combined management report into the ESEF format and therefore does not cover the information contained in these reproductions or any other information contained in the above-mentioned file.

In our opinion, the representations of the financial statements and the combined management report contained in the above-mentioned file and prepared for disclosure purposes comply in all material respects with the requirements of Section 328 (1) of the German Commercial Code (HGB) regarding the electronic reporting format. This audit opinion and our audit judgments on the attached financial statements and the attached combined management report for the fiscal year from 1 January to 31 December 2025, as contained in the preceding „Audit opinion on the annual financial statements and the combined management report“ regarding the accompanying annual financial statements and the accompanying combined management report for the fiscal year from 1 January to 31 December 2025, we do not express any audit opinion on the information contained in these representations or on the other information contained in the above-mentioned file.

Basis for the audit opinion

We conducted our audit of the representations of the annual financial statements and the combined management report contained in the above-mentioned attached file in accordance with Section 317 (3a) of the German Commercial Code (HGB) and in compliance with the IDW Auditing Standard: Audit of electronic representations of financial statements and management reports prepared for disclosure purposes in accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibility in this regard is described in more detail in the section „Responsibility of the auditor for the audit of ESEF documents“. Our auditing practice has applied the requirements of the IDW Quality Management Standard: Requirements for Quality Management in Auditing Practices (IDW QMS 1 (09.2022)).

Responsibility of the Executive Board and the Supervisory Board for the ESEF documents

The company's legal representatives are responsible for preparing the ESEF documents containing the electronic versions of the financial statements and the combined management report in accordance with Section 328 (1) sentence 4 no. 1 of the German Commercial Code (HGB).

Furthermore, the company's legal representatives are responsible for the internal controls they deem necessary to enable the preparation of ESEF documents that are free of material – intentional or unintentional – violations of the requirements of Section 328 (1) HGB regarding the electronic reporting format.

The Supervisory Board is responsible for monitoring the preparation of ESEF documents as part of the accounting process.

Responsibility of the auditor for the audit of the ESEF documents

Our objective is to obtain reasonable assurance as to whether the ESEF documents are free from material – intentional or unintentional – violations of the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material – intentional or unintentional – non-compliance with the requirements of Section 328 (1) HGB, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinion;
- we gain an understanding of the internal controls relevant to the audit of the ESEF documents in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls;
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents complies with the requirements of Delegated Regulation (EU) 2019/815, as amended on the reporting date, for the technical specifications for this file;
- we assess whether the ESEF documents enable an XHTML reproduction of the audited financial statements and the audited combined management report with identical content.

Other information in accordance with Article 10 of the EU PIF Regulation

We were elected as auditors at the Annual General Meeting on 22 May 2025. We were appointed by the Chairman of the Risk and Audit Committee of the Supervisory Board on 6 June 2025. We have been auditors of Wüstenrot & Württembergische AG without interruption since the 2020 financial year.

We declare that the audit opinions contained in this audit report are consistent with the additional report to the Risk and Audit Committee pursuant to Article 11 EU-APrVO (audit report).

In addition to the audit of the annual and consolidated financial statements, we have provided the following services for the audited company or companies controlled by it, which are not disclosed in the annual financial statements or in the combined management report:

- review of the interim report,
- conducting voluntary audits of the annual financial statements of controlled companies,
- issuing a comfort letter,
- auditing the group sustainability report to obtain limited assurance, and
- other permitted non-audit services (mainly in connection with regulatory issues of materiality).

Other matters – use of the audit report

Our audit opinion should always be read in conjunction with the audited annual financial statements and the audited combined management report, as well as the audited ESEF documents. The annual financial statements and combined management report converted to ESEF format – including the versions to be posted in the company register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein may only be used in conjunction with the audited ESEF documents provided in electronic form.

Responsible public auditor

The auditor responsible for the audit is Dr Markus Horstkötter.

Cologne, 26 March 2026

EY GmbH & Co. KG
Auditing company

Dr Horstkötter
Public auditor

Bose
Public auditor

Wüstenrot & Württembergische AG

Report of the Supervisory Board

In the 2025 financial year, the Supervisory Board comprehensively performed the duties incumbent upon it under the law, the Articles of Association and the Rules of Procedure. It monitored the management of the company, was directly involved in all matters of fundamental importance to the company and advised the Executive Board on all matters of significance to the company.

Overview

In the 2025 financial year, the Supervisory Board held four regular meetings and passed three resolutions by written circulation procedure. Three meetings were held in person and one meeting was held virtually.

At all meetings, the Executive Board reported to the Supervisory Board on the situation of the company and the Group. In particular, the Executive Board explained to the Supervisory Board the development of business and results as well as developments in the material business areas. In this context, the Executive Board also discussed with the Supervisory Board any deviations in the actual course of business from the original planning. The risk and solvency situation, including risk-bearing capacities, was also discussed in detail by the Supervisory Board. Detailed risk reports were prepared for this purpose and submitted to the Supervisory Board for its information and discussion. After preparation by the Risk and Audit Committee, the Supervisory Board reviewed the annual and consolidated financial statements, including the respective audit reports of the auditor, and the half-year financial report in detail. The Supervisory Board also discussed the solvency overview for Wüstenrot & Württembergische AG and the W&W Group as at 31 December 2024 and the auditor's report on this.

Other key topics of reporting and consultation included economic and geopolitical developments, the business, risk, IT, DOR and sustainability strategies, planning for the 2026 financial year and medium-term planning. The Supervisory Board also dealt in detail with strategic issues such as the status of implementation of projects within the „Bestform 2030“ strategy programme.

The Supervisory Board received regular, timely and comprehensive reports from the Executive Board, both in writing and verbally, on all matters relevant to the company and the Group concerning strategy, planning, business development and the risk situation. The Executive Board reports, presentations and meeting documents were received by the Supervisory Board in good time for the preparation of the meetings. In addition, there was an ongoing exchange between the Chair of the Executive Board and the Supervisory Board, as well as immediate information on all material developments and decisions as required.

In the course of the 2025 financial year, a training course on risk management was held for the Supervisory Board on the basis of an approved development plan. This was supplemented by a further training course on the topic of DORA.

All measures requiring approval in accordance with the law and the company's regulations were submitted to the Supervisory Board. There were no conflicts of interest requiring disclosure in 2025.

Key topics for the full Supervisory Board

At its meeting on 27 March 2025, the Supervisory Board received detailed reports on the final financial figures for 2024 and the business development to date in the individual segments in 2025. The Supervisory Board focused in particular on the status of implementation of the „Bestform 2030“ strategy programme and received reports on material projects in this context. The Executive Board also informed the Supervisory Board about the material personnel figures for the W&W Group, investment management and the strategic target/actual comparison for the 2024 financial year. The Supervisory Board approved the consolidated and annual financial statements and endorsed the Executive Board's proposal for the appropriation of profits for the 2024 financial year. The auditor confirmed the issuance of an unqualified audit opinion for the consolidated and annual financial statements, including the combined management report. Based on the preliminary review by the Risk and Audit Committee, the Supervisory Board raised no objections to the group sustainability report (in accordance with ESRS). The auditor issued an unqualified audit opinion on the report

as part of its limited assurance audit. The committee chairs reported on the work of the committees. The Supervisory Board also reviewed and discussed the annual reports of the Compliance Officer and Internal Audit. The Executive Board presented its report on the development of the risk and solvency situation and, in this context, discussed in detail the liquidity situation and risk-bearing capacities of the financial conglomerate, the Solvency II group and Wüstenrot & Württembergische AG.

The Supervisory Board adopted the corporate governance statement and approved the Supervisory Board's report to the Annual General Meeting. The Supervisory Board approved the agenda and the proposed resolutions for the 2025 Annual General Meeting of Wüstenrot & Württembergische AG. On the recommendation of the Risk and Audit Committee, the Supervisory Board resolved to propose to the Annual General Meeting the election of EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart, as auditor for the consolidated and annual financial statements for the 2025 financial year, the review of the 2025 half-year financial report and the audit of the solvency overview at individual and group level.

The Supervisory Board dealt with the departure of Alexander Mayer from the Executive Board and the appointment of Matthias Bogk to the Executive Board, as well as his employment contract. The Supervisory Board carried out the regular review of the remuneration of the members of the Executive Board, determined the achievement of targets and the amount of the resulting bonuses for the 2024 financial year, and reviewed the remuneration system for the Executive Board and the remuneration system and remuneration for the Supervisory Board. Furthermore, the Supervisory Board approved the 2024 remuneration report of Wüstenrot & Württembergische AG in accordance with stock corporation law, taking into account the results of the audit conducted by the auditor commissioned to perform the formal audit in accordance with Section 162 (3) of the German Stock Corporation Act (AktG).

At the meeting on 21 May 2025, the Executive Board reported on the current business and earnings development and on the situation of the W&W Group. The material personnel figures, the report on investment management and the report on risk management, as well as the solvency ratios, were presented by the Executive Board and then discussed by the Supervisory Board. The Executive Board's report focused on the realignment of the „Komposit.Besser!“ project, which envisages the introduction of a new portfolio management and claims system in the Insurance division. The Supervisory Board dealt with the reappointment of Jürgen A. Junker as a member of the Executive Board and Chair of the Executive Board.

At its meeting on 18 September 2025, the Supervisory Board – after preliminary consideration by the Risk and Audit Committee – discussed the half-year financial report and the current business and earnings development of the W&W Group together with the Executive Board. In addition, the Executive Board reported on the risk and solvency situation, investment management, material personnel figures and the results of the employee survey in the W&W Group. Furthermore, the Supervisory Board received reports on the IT transformation in the Insurance division, the implementation of DORA requirements and governance in the W&W Group against the backdrop of the minimum requirements for business organisation. The Chair of the Risk and Audit Committee also provided information on the material topics and discussions from the committee meeting. In addition, the issuance of a subordinated bond was approved.

At the meeting on 11 December 2025, the Executive Board provided information on the current business and earnings development for the third quarter of 2025 and on the situation of the W&W Group. The Supervisory Board also discussed the W&W Group's real estate portfolio as part of the „Bestform 2030“ strategy programme. The Executive Board also presented the material personnel figures and reported on investment management, risk management and internal auditing. The committee chairs informed the Supervisory Board about the material topics and discussions from the respective committee meetings, including the preparations for the annual and consolidated financial statements for the 2025 financial year. The Supervisory Board also dealt with the business and risk strategy, including the further sub-strategies. In this context, the Executive Board also provided information on adjustments to the risk management guidelines and the framework for internal ad hoc risk reporting. The Supervisory Board discussed and approved the planning for 2026 and took note of the medium-term planning. The statement of compliance with the German Corporate Governance Code and the adjustments to the rules of procedure for the Supervisory Board and the Executive Board were approved.

The Supervisory Board dealt with remuneration matters, adopted the updated „Remuneration Policy Guideline“ and determined that the remuneration policy with regard to the Executive Board and employees had been complied with and that the remuneration systems for the Executive Board and employees were fundamentally sustainable and appropriate. Furthermore, the guideline „Fit & Proper Executives and Members of Supervisory Bodies“ was reviewed and adopted. In addition, in the absence of the Executive Board, the Supervisory Board reviewed and assessed the professional qualifications and reliability of each individual member of the Executive Board and Supervisory Board, as well as of the Executive Board and Supervisory Board as a whole, in accordance with the „Fit & Proper Guideline for Executives and

Members of the Supervisory Body“ it had set itself. In 2025, the members of the Supervisory Board once again assessed their strengths in the relevant areas by means of a self-assessment. This in turn forms the basis for the development plan to be drawn up by the Supervisory Board on an annual basis, in which the Supervisory Board defines areas in which the entire committee or individual members of the Supervisory Board wish to develop further. The Supervisory Board approved the development plan for 2026 with a focus on „EU AI ACT & implementation in the W&W Group, including cyber risks“. The Supervisory Board discussed a restructuring of Supervisory Board remuneration. As usual, the corporate goals and individual goals for 2026 for the performance-related remuneration of the members of the Executive Board were decided before the start of the next financial year.

Work of the committees

In order to perform its duties efficiently, the Supervisory Board has formed a Risk and Audit Committee, a Nomination Committee, a Personnel Committee and a Conciliation Committee, which prepare the deliberations and resolutions of the full Supervisory Board or can pass resolutions themselves. Further details on the composition and working methods of the Supervisory Board committees can be found in the „corporate governance statement“. The topics relevant to the respective committees were discussed in detail at the committee meetings. The committee chairs reported to the Supervisory Board on the work of the committees at the subsequent meeting.

The **Risk and Audit Committee** held three regular meetings in the 2025 financial year, one of which was to discuss the half-year financial report. Two meetings were held in person and one meeting was held virtually as a video conference. The Risk and Audit Committee dealt with the audit of the financial statements and the monitoring of the accounting process, and prepared the Supervisory Board's decision on the approval of the annual and consolidated financial statements, the proposal for the appropriation of profits and the group sustainability report. The auditor submitted its report to the committee. The audit reports and the audit opinion were sent to each member of the committee.

In addition, the Risk and Audit Committee dealt in particular with the adequacy and effectiveness of the internal control system, the risk management system, the internal audit system and the compliance management system, as well as with the quality of the audit of the financial statements in accordance with Section 107 (3) sentence 2 of the German Stock Corporation Act (AktG). The head of internal auditing, the independent risk controlling function and the compliance officer personally presented their respective reports to the Risk and Audit Committee. The committee also monitored permissible non-audit services and the independence of the auditor. From an organisational perspective, it was determined that the approval process and its premises had proven themselves in accordance with the guideline for the provision of non-audit services by the auditor.

In addition to the topics for which the Risk and Audit Committee is responsible by law and under the rules of procedure of the Supervisory Board, the committee focused on material risk and solvency indicators. The committee defined the audit priorities for the 2025 financial year. The auditor reported regularly on the results of its audit at the meetings and discussed them with the committee members.

The Chair of the Risk and Audit Committee and the Chief Financial Officer also maintained close contact outside of meetings. In addition, the Chair of the Risk and Audit Committee regularly exchanged information with the auditor on the progress of the audit and reported on this to the committee. The Risk and Audit Committee also met with the auditor in the absence of the Executive Board.

The **Personnel Committee** held two regular meetings in the 2025 financial year, which took place in person. At its meetings, the committee dealt in detail with remuneration matters, in particular reviewing compliance with the remuneration policy for the Executive Board and employees, the remuneration system for the Executive Board, the level of Executive Board remuneration and the level of Supervisory Board remuneration. The committee prepared the 2024 remuneration report in accordance with stock corporation law. In addition, the Personnel Committee discussed the achievement of targets by the Executive Board and the amount of bonuses for 2024 and adopted a recommendation for the corporate and individual targets for the 2026 financial year. The Committee also carried out its regular review of the professional qualifications and personal reliability of the members of the Supervisory Board and the Executive Board. Furthermore, the fit and proper guidelines for executives and members of the supervisory body were reviewed. The Personnel Committee prepared for the departure of Alexander Mayer from the Executive Board and the appointment and employment of Matthias Bogk, as well as the reappointment of Jürgen A. Junker as a member and Chair of the Executive Board.

The **Nomination Committee** did not meet in the 2025 financial year as no recommendations for resolutions were required.

Meetings of **the Conciliation Committee** to be formed in accordance with the German Co-Determination Act were not necessary in the 2025 financial year.

Individualised disclosure of meeting attendance

The following table discloses the individualised attendance of Supervisory Board members at meetings:

Individualised disclosure of meeting attendance

	Supervisory Board plenary session		Risk and Audit Committee		Personnel Committee	
	Number	Presence in %	Number	Presence in %	Number	Presence in %
(Number of meetings / attendance)						
Dr Michael Gutjahr (Chair)	4/4	100			2/2	100
Dr Frank Ellenbürger	4/4	100	3/3	100	2/2	100
Prof. Dr. Nadine Gatzert	4/4	100	1/1	100		
Dr. Wolfgang Salzberger	4/4	100	3/3	100		
Jutta Stöcker	4/4	100	2/2	100		
Edith Weymayr	4/4	100				
Frank Weber (Deputy Chair)	4/4	100			2/2	100
Hartmut Bader	3/4	75	3/3	100		
Jutta Eberle	4/4	100	3/3	100		
Petra Knodt (from 1 April 2025)	3/3	100			1/1	100
Bernd Mader	4/4	100	2/3	67		
Petra Sadowski	4/4	100				
Andreas Rothbauer (until 31 March 2025)	1/1	100			1/1	100
		98		94		100

Declaration of Conformity with the German Corporate Governance Code

The Supervisory Board also addressed key corporate governance issues and, together with the Executive Board, adopted an updated statement of compliance in accordance with Section 161 of the AktG in December 2025 based on the German Corporate Governance Code. The statement of compliance has been made permanently available on the company's website. During the audit of the financial statements, the auditor did not identify any facts that would render the statement of compliance inaccurate. Further information on the statement of compliance and corporate governance in the W&W Group can be found in the „corporate governance statement“.

Audit of the annual financial statements and the consolidated financial statements

The Supervisory Board has thoroughly reviewed the annual financial statements and consolidated financial statements for the 2025 financial year, the combined management report for Wüstenrot & Württembergische AG and the Group as at 31 December 2025, and the Executive Board's proposal for the appropriation of unappropriated surplus. The consolidated financial statements were prepared on the basis of the International Financial Reporting Standard IFRS 17, while the financial statements of W&W AG were prepared in accordance with German law and the commercial law provisions applicable to insurance undertakings. The annual financial statements, consolidated financial statements and combined management report comply with the statutory provisions and correspond to the estimates of the Executive Board in the reports to be submitted to the Supervisory Board in accordance with Section 90 of the AktG. The Executive Board's proposal for the appropriation of profits is in line with a consistent balance sheet and distribution policy, taking into account the company's liquidity position, capital requirements and planned investments. The Supervisory Board has therefore endorsed the Executive Board's proposal.

EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart, which was elected as auditor by the Annual General Meeting on the recommendation of the Supervisory Board, duly audited the annual financial statements and consolidated financial statements prepared by the Executive Board for the 2025 financial year and the combined management report for Wüstenrot & Württembergische AG and the Group for the 2025 financial year and issued an unqualified audit opinion.

The auditor reported the material findings of its audits to the Supervisory Board in writing and orally. The audit report was sent to each member of the Supervisory Board. In addition, the auditor reported at the meeting of the Risk and Audit Committee on 16 March 2026 and at the Supervisory Board's balance sheet meeting on 26 March 2026 and was available to answer questions. The audit report submitted complies with the legal requirements of Section 321 of the German Commercial Code (HGB) and was taken into account by the Supervisory Board in its own review of the financial statements. There were no circumstances that could call into question the independence of the auditor. The 2025 half-year financial report was reviewed by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart.

After preliminary consideration by the Risk and Audit Committee, the Supervisory Board reviewed the group sustainability report (in accordance with ESRS) at its meeting on 16 March 2026. At its meeting, the Supervisory Board received a written and oral report from the auditor on the methodology and material findings of its review. The audit opinion was sent to each member of the Supervisory Board. The result of the auditor's review of the group sustainability report is consistent with the result of the review by the Supervisory Board. The Supervisory Board has no objections to the group sustainability report.

Based on the final results of the audit of the annual financial statements, the consolidated financial statements and the combined management report, as well as the Executive Board's proposal for the appropriation of unappropriated surplus, the Supervisory Board raised no objections and approved the annual financial statements and consolidated financial statements prepared by the Executive Board at its meeting on 26 March 2026. The financial statements are therefore deemed to have been adopted in accordance with Section 172 (1) of the AktG.

The Supervisory Board would like to express its sincere thanks and its high appreciation to the Executive Board and the employees of all Group companies for their work and tireless commitment.

Composition of the Supervisory Board and Executive Board

There were changes in the composition of the Supervisory Board during the 2025 financial year.

Andreas Rothbauer resigned from the Supervisory Board on 31 March 2025. Petra Knodt took his place as a substitute member with effect from 1 April 2025.

In accordance with the German Stock Corporation Act, at least 30% of the members of the Supervisory Board are women and at least 30% are men. The Supervisory Board currently consists of six men and six women, three of whom represent the shareholders and three of whom represent the employees. Both the shareholder side and the employee side achieve full gender parity at 50%. Further details on the composition of the Supervisory Board can be found in the „corporate governance statement“.

There was a change in the composition of the Executive Board during the 2025 financial year. Alexander Mayer left the Executive Board at the end of 30 June 2025. Matthias Bogk was appointed as his successor with effect from 1 July 2025. In connection with the change, the Supervisory Board approved the new allocation of responsibilities with effect from 1 July 2025 by way of a circular resolution.

At the Supervisory Board meeting on 21 May 2025, Jürgen A. Junker's term of office as member of the Executive Board and Chair of the Executive Board was extended for the period from 1 April 2026 to 31 March 2031.

Kornwestheim, 26 March 2026

The Supervisory Board



Dr Michael Gutjahr
Chair

Glossary

Actuarial interest rate

Interest rate that the life insurance company typically uses to calculate premiums and that is guaranteed for the entire term. If a higher amount of interest is earned, customers receive most of this as participation contracts.

Affiliated companies

This term refers to the parent company (Group parent company) and all subsidiaries. Subsidiaries are companies over which the parent company can exercise a controlling influence on business policy. This is the case, for example, where the Group parent company directly or indirectly holds the majority of voting rights or has the right to appoint or remove the majority of the members of the Supervisory Board, or where there are contractual rights of control.

Asset liability management

Asset liability management describes the coordination of the maturity structure of assets and liabilities, as well as control of the associated market and liquidity risks.

Associated company

An associated company is a company over which the Group as owner has a decisive influence. It is neither a subsidiary nor a joint venture. Decisive influence typically exists where the Group maintains an ownership of 20-50%.

Black-Scholes model

Measurement model for ascertaining the fair value of options, which takes into consideration the strike price, the maturity of the option, the current price of the underlying, the risk-free interest rate and the volatility of the underlying.

Building block approach (BBA)

The building block approach (BBA), also known as the general measurement model (GMM), refers to the general measurement approach under IFRS 17. The carrying amount of a group of insurance contracts consists of the present value of expected future cash flows taking an explicit risk adjustment for non-financial risk and the contractual service margin into account.

Building savings contract volume

This is defined when the contract is concluded and normally determines the volume of the home loan savings resources available for allocation.

Cancellation (lapse rate)

Contracts that are terminated or made non-contributory by the policyholder before an insured event occurs. The lapse rate is the proportion of cancellations based on the average insurance portfolio.

Capital investments

Pursuant to the statutory provisions, the assigned amounts must be invested in such a way as to achieve the greatest possible security and profitability while maintaining the insurance company's liquidity at all times. This is done by ensuring an appropriate mix and spread with respect to investment types. By capital investments, we mean:

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Senior fixed-income securities at amortised cost
- Subordinated securities and receivables at amortised cost
- First-rate receivables from institutional investors at amortised cost
- Other loans and advances to credit institutions at amortised cost
- Financial assets accounted for under the equity method
- Investment property
- Non-current assets classified as held for sale, if included in one of the above categories

Capital investments for the account and risk of life insurance policyholders

These mainly include capital investments in unit-linked life insurance and additional capital investments designed to cover liabilities under contracts where the benefit is index-linked. Policyholders are entitled to the income earned from these capital investments, but they also have to bear any losses themselves.

Combined ratio

Actuarial profitability indicator used by property/casualty insurance companies, ratio of technical expenses to technical income.

Compliance

Compliance refers to all measures that are taken to ensure the legally and ethically correct behaviour of companies, governing bodies and employees. Compliance is designed to protect the company against misconduct, which can lead to pecuniary losses, damage to image and the failure to meet corporate objectives. It is also designed to protect the interests of employees, customers and business partners.

Contingent liabilities

Unrecognised liabilities that are unlikely to occur, for example contingent liabilities arising from guaranty obligations.

Contract boundaries

When measuring a group of insurance contracts, all future cash flows within the boundaries of each contract must be taken into account. A contract boundary is reached when the entity no longer has to offer insurance protection and the policyholder has no claim to the continuation of the contract, i.e. there are no longer any substantive rights or obligations under the contract.

Contractual service margin (CSM)

The CSM is the unrealised expected future profit from the insurance contracts. In accordance with the core principle of IFRS 17, the company does not earn this until the services are provided over the coverage period.

Corporate Governance Code

The German Corporate Governance Code contains nationally and internationally recognised standards of good and responsible corporate governance. Apart from conditions that have to be observed by companies as applicable statutory law, the Code also contains recommendations and suggestions. Companies can deviate from recommendations, but they are obligated to disclose this annually. Suggestions can be deviated from without disclosure.

Coverage period

The coverage period is the period in which the company provides insurance contract services and for which premiums were paid within the boundaries of the contract.

Credit provision ratio

The credit provision ratio means the ratio of the individual and portfolio impairment provisions to the associated credit volume.

Deferred taxes

Deferred taxes must be created for temporary differences resulting from the different valuation methods applied to assets and liabilities in the tax and IFRS balance sheets, where the tax effects arise in future periods.

Derivative financial instruments

Derivative financial instruments are forward transactions structured as a fixed or option transaction whose value depends on one or more underlying variables. Important examples of derivative financial instruments are options, futures, forwards and swaps.

Direct credit

The part of the surplus earned by the insurance company that is credited directly to customers during the financial year.

Earnings per share

Earnings per share are calculated by dividing the consolidated net profit attributable to the common shareholders of the parent company by the weighted average number of common shares outstanding during the reporting period.

Effective interest rate method

Pursuant to IFRS 9, the effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability. It is also used to allocate interest receivable or interest payable over the relevant period. Using the effective interest rate, for example, a discount is spread over the maturity of the financial instrument and reduced to zero.

Equalisation reserve

Reserve to be created in accordance with officially established, actuarial-based methods in order to compensate for fluctuations in claims development in various years. In years with a relatively low/relatively high number of claims, additions/withdrawals are made.

Equity method

Units or shares in associated companies and joint ventures are recognised in accordance with this method. In doing so, the valuation corresponds to the Group's share of equity of these companies.

Expenses for insurance business

These costs include claim adjustment, contract administration and acquisition costs. Service commissions as part of administrative costs and, for direct participating business, asset management costs are considered separately here. On the other hand, provisions for outstanding insurance claims include exclusively provisions for claim adjustment costs. As a simplification, it is assumed that acquisition costs are incurred with the first premium.

Fair value

The amount at which an asset is exchanged between knowledgeable, willing and unrelated business partners. The fair value is the current market value, insofar as there is an active market. If an active market does not exist, fair value is determined using recognised valuation methods.

Financial assets at amortised cost

Financial assets that are assigned to the business model “Hold to collect” and pass the SPPI test are recognised at amortised cost. Costs at the time of acquisition correspond to fair value. In subsequent measurement, the carrying amount is amortised through profit or loss by depreciating transaction costs, premiums and discounts at a constant effective interest rate.

Financial assets at fair value through other comprehensive income

Financial assets that are assigned to the business model “Hold to collect and sell” and pass the SPPI test are initially recognised at fair value. In the case of subsequent measurement, changes in fair value are recognised through other comprehensive income. In the case of a disposal of the debt instrument, the changes in fair value that had previously been recognised in equity are recycled through profit or loss.

Financial assets at fair value through profit or loss

Recognised here are financial assets that are assigned to the business model “Other/trading” or are assigned to the business models “Hold to collect” or “Hold to collect and sell” and do not pass the SPPI test. Changes in fair value are recognised in the income statement. Initial recognition and subsequent measurement take place at fair value.

Financial conglomerate

A financial conglomerate provides financial services (banking and insurance services). A financial conglomerate is defined as a group of companies consisting of a parent company, its subsidiaries and the companies in which the parent company or a subsidiary hold an interest. The group must contain at least one entity in the banking and securities services sector and one entity in the insurance sector, one of which must be subject to the supervision of the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – German Federal Financial Supervisory Authority).

Financial liabilities

These are recognised at amortised cost. Costs at the time of acquisition correspond to fair value. In subsequent measurement, the carrying amount is amortised through profit or loss by depreciating transaction costs, premiums and discounts at a constant effective interest rate.

Financial liabilities at fair value through profit or loss

Recognised here are the negative market values of derivative financial instruments that are not accounted for as a hedging instrument in connection with hedge accounting. Changes in fair value are recognised in the income statement.

Futures

Standardised forward transactions under which a commodity available on a cash, capital, precious-metal or foreign exchange market is to be delivered or purchased at the exchange price at a particular time in the future.

Genuine securities repurchase transaction (repo)

A genuine securities repurchase transaction (repo) is a contract in which the buyer assumes the obligation to retransfer the securities acquired under a repurchase agreement at a predetermined time or at a time determined by the seller.

German covered bonds

German covered bonds are

- covered bonds based on acquired mortgages (German covered mortgage bonds)
- covered bonds based on acquired loans and advances due from governmental agencies (public German covered bonds)

Gross new business

For home loan and savings banks, gross new business describes new business as the sum of all building savings contracts applied for and accepted during a certain period of time.

Gross/net

In underwriting, gross/net means the respective position or ratio before or after deducting reinsurance.

Guarantee assets

Separate assets to be set aside by insurance companies in order to guarantee the claims of policyholders.

Guarantee needs

Guarantee needs have to do with the interest rate obligation under insurance contracts measured by taking into account a current market interest rate, less the provision for future policy benefits. Valuation reserves for fixed-income securities are to be taken into account with regard to the participation of policyholders in valuation reserves only to the extent that they exceed guarantee needs. Net profit may be distributed only to the extent that it exceeds the guarantee needs.

Hedge accounting

Hedge accounting is an accounting procedure for depicting how the value of a hedge (e.g. an interest rate swap) and the value of an underlying (e.g. a loan) trend in opposite directions. The object of hedging is to minimise the impact on the income statement that results from the measurement of derivatives and recognition of the results in profit or loss.

Hedging

Coverage against price risks through an adequate counter-position, particularly through derivative financial instruments. There are two basic models, depending on the risk to be secured: fair value hedges are used to secure assets or liabilities against risks of changes in value, and cash flow hedges mitigate the risk of fluctuations in future cash flows.

Investment components

Under IFRS 17, investment components are the amounts that an insurance contract requires the entity to repay to a policyholder even if an insured event does not occur.

IRBA (Internal Ratings Based Approach)

Banks, banking groups and financial holding groups may rely on their own internal estimates of risk components when determining minimum capital requirements and in providing backing for risk-weighted assets for counterparty risks. The approval of BaFin is required in order to use IRBA.

ISDA (International Swaps and Derivatives Association)

The ISDA is an international trading organisation of participants on the derivatives market. The main purpose of the association is to research and mitigate risks in derivatives trading and in risk management in general. The association has published an ISDA Master Agreement, which is used for the standardised settlement of derivative transactions.

Issuer rating

An issuer rating (for banks and insurance companies) represents the current opinion of a rating agency about a debtor's general financial ability to meet its financial obligations. This opinion relates in particular to a debtor's ability and willingness to settle its financial liabilities in full and on time.

Liability for incurred claims (LIC)

LIC is a component of technical liabilities under IFRS 17 and represents the fulfilment cash flows for expected cost and claims payments for claims that have already occurred over the settlement period.

Liability for remaining coverage (LRC)

LRC is a component of technical liabilities under IFRS 17 and comprises the fulfilment cash flows for remaining coverage and the adjusted contractual service margin.

Loan under a building savings contract

After allocation of a building savings contract, there is a claim to a loan under a building savings contract, which is granted for housing financing activities. The amount of the loan under a building savings contract is typically determined by the difference between the building savings contract volume and the building savings contract balance. Special features of this loan are a fixed low interest rate for the entire term, the ability to subordinate collateral and the right to make unscheduled payments at any time.

Loss component

Under IFRS 17, a loss component represents the expected future loss on insurance contracts separate from the contractual service margin. A loss component is recognised in the balance sheet as a component of the technical liability and reduced in stages over the coverage period. The change in a loss component is expensed directly.

Loss ratio

Percentage ratio of loss expenses to premiums attributable to the financial year, i.e. those that are “earned”.

Mixed funds

Investment funds that invest both in equities and in fixed-income securities.

Net new business

For home loan and savings banks, net new business describes the sum of all building-savings contracts paid in during a certain period of time.

New business (annual portfolio contributions)

Annual portfolio contributions in property/casualty business that are added to the total portfolio over the course of the year on account of new contracts or contract amendments with a new business character (new contract or contract change to a different contract group).

New construction financing business

New advance and bridge loan business measured on the basis of accepted loans and accepted “Wohndarlehen Classic” new financing business.

New construction financing business (including brokering for third parties)

Total of net new construction financing business (including brokering for third parties). The net new business includes contracts that have been signed by debtor (customer) and lender.

New premium

This contains annual premiums from new life insurance business, including one-off premiums.

Non-controlling interests in equity

Interests in own funds of consolidated subsidiaries that, in the Group's view, are held by outside third parties.

Non-technical account

The result from those types of income and expenses that are not allocated to direct insurance business.

Options

Forward contracts where the buyer is entitled but not obligated to purchase (call option) or sell (put option) the subject of the option within a certain period at a price agreed to in advance. The seller of the option (writer) is obligated to provide or accept the subject of the option and receives a fee for granting the option.

OTC (over the counter) derivatives

Derivative financial instruments that are not standardised and not traded on a stock exchange but instead are individually negotiated between two contractual partners.

Paid in

A newly concluded building savings contract is deemed paid in after payment in full of the conclusion fee.

Premium allocation approach (PAA)

Under IFRS 17, PPA is a simplified measurement approach that can alternatively be applied to short-term insurance contracts with a coverage period of not more than one year. As a convenience, the provision for future policy benefits is presented using the provision for unearned premiums.

Premiums, written/earned

The premium is the price for the benefit to be provided by the insurer. It can be paid either continually or as a oneoff premium. Written premiums are premium revenues received for the respective financial year. Earned premiums are the amounts attributable to the financial year.

Primary insurance

Primary insurance is established through a direct contractual relationship between the insurance company and the policyholder and is described as direct insurance business.

Provision for future policy benefits

The insurance company creates a provision for future policy benefits in order to be able to guarantee the promised insurance cover at any time.

Provision for outstanding insurance claims

This is a provision for expenses arising from claims that occurred in the respective financial year but have not yet been able to be settled. It also includes provisions for claims that occurred before the reporting date but have not yet been reported.

Provision for unearned premiums

These premium revenues are allocated to income from future financial years. They are calculated individually and to the day for each insurance contract.

Public funds

Investment funds whose units can be purchased by anyone. Purchase and sale are possible when stock exchanges are open.

Quoted prices

Quoted prices are characterised by the fact that they are readily and regularly available. Quotes are made via a stock exchange, a broker, an industry group, a pricing service or a supervisory authority. Prices must be accessible to the public. Prices quoted on a stock exchange, as well as pricing on OTC markets, are publicly available if the prices are available to the public, for example via Reuters or Bloomberg.

Reinsurance

An insurance company insures part of its risk with another insurance company (the reinsurer).

Reserve for financial assets at fair value through other comprehensive income

In this reserve market value changes to assets belonging to the category "Financial assets available for sale" are recognised directly in equity in the reserve for financial assets available for sale. It is a component of equity.

Result attributable to non-controlling interests

Shares in consolidated net profit that, in the Group's view, are attributable to outside third parties.

Retained earnings

Recognised as retained earnings in individual HGB financial statements are only those amounts that were accrued from net income in the financial year or in previous financial years. They strengthen the company's financial matter.

Retrocession

Assumption of the risks of reinsurance companies by other reinsurers.

Risk adjustment for non-financial risks

Under IFRS 17, the risk adjustment for non-financial risks represents the compensation requested for bearing the uncertainty of the timing and amount of the technical cash flows when fulfilling insurance contracts.

Risk provision

The arrangements in IFRS 9 concerning risk provision are applied to financial assets at amortised cost or at fair value through other comprehensive income, as well as to loan commitments. In the case of assets at amortised cost, the risk provision is recognised directly in the risk provision position associated with the respective balance sheet item. In the case of assets at fair value through other comprehensive income, the risk provision is recognised in the income statement by adjusting the reserve for financial assets at fair value through other comprehensive income, which is recognised in equity. The risk provision for off-balance-sheet business is recognised as an expense under "Other provisions". This risk provision is essentially calculated the same way as that for financial assets.

Solvency II group

A Solvency II group involves a group of insurance undertakings. The participations of the parent undertaking are pooled in an insurance group. The supervisory authority thus has the ability to examine the financial situation from the standpoint of the group.

Solvency ratio

Term from the insurance industry. The solvency ratio indicates the relationship between an insurance company's own funds and the value of its capital investments as weighted according to investment risk. The higher the ratio, the more risks the insurance company may assume pursuant to European investment regulations.

Special funds

Investment funds that are open only to a limited group of investors. These are usually institutional investors, such as insurance companies, pension funds, foundations, etc.

SPPI (solely payments of principal and interest)

If a financial asset is assigned to the business model “Hold to collect” or “Hold to collect and sell”, it must be assessed on the basis of contractual agreements whether the cash flows contain only principal and interest payments, known as basic loan features (SPPI test).

Statement of compliance

Section 161 of the Aktiengesetz (AktG – German Stock Corporation Act) requires the executive board and the supervisory board of a listed company to issue an annual declaration that they have complied with the recommendations of the German Corporate Governance Code and to state which recommendations of the Code were not applied.

Stress test

The stress test simulates the effects that future negative developments on the capital markets – such as a drop in share prices accompanied by a rise in interest rates – can have on the coverage of guaranteed benefits and the solvency of the company.

Structured entity

With a structured entity, voting and comparable rights are not the definitive factors in determining who controls the company. Voting rights merely cover administrative duties, whereas material activities are performed pursuant to contractual arrangements.

Technical result

Under IFRS 17, a technical result is calculated in accordance with new principles and consists of technical income and technical expenses. The technical result incorporates changes relating to current services. These comprise, for instance, changes in the contractual service margin (CSM) through profit or loss and changes to the risk adjustment for non-financial risks. It also includes changes relating to past services in the form of the adjustment of the obligation for incurred claims.

Valuation reserves

Difference between the fair value and the carrying amount of certain asset classes. In HGB financial statements, this includes capital investments. In IFRS financial statements, this includes, for example, financial instruments that are not recognised at fair value. The same applies to investment property carried at amortised cost.

Value at risk (VaR)

The VaR is a measure of risk that indicates what value the loss of a certain risk position will not exceed with a stipulated probability of default (confidence level) during a stipulated time interval.

Variable fee approach (VFA)

Under IFRS 17, VFA is a measurement approach that is a modification of the general measurement model applied to insurance contracts with direct participation features.

Volatility

The standard deviation, translated to one year, of the logarithmic growth of a risk factor.

Württembergische

The term “Württembergische” includes Württembergische Lebensversicherung AG, Württembergische Versicherung AG and Württembergische Krankenversicherung AG.

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