

**somewhat  
different**

# Statute of Hannover Rück SE

Effective as of 30 May 2016

## I. General Provisions

### Article 1 Company name, registered office

- (1) The name of the Company is Hannover Rück SE.
- (2) Registered Office of the Company is in Hannover

### Article 2 Subject of the Company

- (1) Subject of the Company is reinsurance. The Company can also operate other classes of insurance.
- (2) The Company is entitled to perform all transactions and carry out all measures deemed appropriate to serve the subject of the Company. It may also set up, acquire or invest in other enterprises of a similar or related type, or sell it or sell its shares in it as well as manage such enterprises or limit itself to the administration of its investment. It can outsource its operation wholly or partly to affiliated companies.

### Article 3 Fiscal Year

The fiscal year shall be the calendar year

### Article 4 Announcements and Information

- (1) Announcements by the Company shall be published in the Bundesanzeiger [Federal Gazette].
- (2) Information to registered shareholders of the Company may be transmitted by electronic means.

## II. Share Capital and Shares

### Article 5 Amount and Division of Share Capital

- (1) The share capital of the Company amounts to EUR 120,597,134.00. It is divided into 120,597,134 registered no-par shares. The share capital has been raised by means of identity-preserving conversion of the former Hannover Rückversicherung AG into an European Association (SE).
- (2) Form and content of the share certificates, of the dividend coupons and the renewal talons shall be determined by the Management Board. One certificate can be issued for several shares. Entitlements of the shareholders for securitisation of their shares shall be excluded.
- (3) Capital contributions for registered shares need not be paid up in full, if outstanding contributions towards the previous share capital are still payable.
- (4) In the event of an increase in share capital, profit sharing of new shares can be determined in deviation of Section 60 AktG [Aktiengesetz, Corporation law].

### Article 6 Contingent capital

The share capital is increased contingently by up to EUR 60,298,567.00 through the issue of up to 60,298,567 new registered no-par-value shares with a dividend entitlement effective from the beginning of the financial year in which they are issued.

The contingent capital increase shall be used for granting shares to the bearers of bonds and/or profit-sharing rights with conversion rights or warrants or conversion obligations that are issued by the Company or its subordinate group entities on the basis of the authorisation resolution adopted by the Annual General Meeting on 10 May 2016 in the period until 9 May 2021.

The shares are to be issued at the price that is determined as the conversion or subscription price in accordance with the aforementioned authorisation resolution. The contingent capital increase will be implemented only to the extent that the bearers of the aforementioned bonds and/or profit-sharing rights exercise their conversion rights or warrants or fulfil any conversion obligations that may be incumbent upon them and insofar as already existing shares are not used for servicing. The Executive Board is authorised to determine the further specifics of implementation of the contingent capital increase.

## Article 7 Authorised Capital

(1) The Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital in the period until 9 May 2021 through the issue of new registered no-par-value shares on one or more occasions, although by not more than a total of EUR 60,298,567.00, against cash and/or non-cash contributions (Authorised Capital 2016/I). The Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders,

- in order to exclude fractional amounts from the subscription right,
- insofar as this is necessary to grant the bearers of convertible and/or warrant bonds as well as convertible profit-sharing rights issued by the Company or its subordinate group entities a subscription right to new shares to the extent to which they would be entitled after exercise of their conversion right or warrant or after fulfilment of any conversion obligation, or
- if the pro rata amount of the share capital apportionable to the new shares does not exceed 10 % of the share capital existing upon entry into force of this authorisation and upon adoption of the resolution regarding exercise of the authorisation and provided the issue price is not significantly lower than the market price. The amount apportionable to shares that are issued or sold during the period of this authorisation on the basis of a corresponding authorisation subject to exclusion of subscription rights in direct or analogous application of Section 186 Paragraph 3 Sentence 4 AktG (Aktiengesetz, Stock Corporation Act) (in conjunction with Article 9 Paragraph 1 Letter c) ii) of the SE Regulation) shall be counted towards the amount of 10% of the share capital.

In addition, the Executive Board shall be authorised, with the consent of the Supervisory Board, to exclude subscription rights in the case of capital increases against non-cash contributions if the exclusion of subscription rights is in the overriding interest of the Company.

The sum total of shares that may be issued against cash and non-cash contributions in accordance with this authorisation subject to the exclusion of subscription rights may not exceed a pro rata amount of the share capital totalling EUR 24,119,426; shares issued to service bonds and/or profit-sharing rights with conversion rights or warrants or a conversion obligation shall be counted towards this limit, insofar as the bonds and/or profit-sharing rights are issued during the period of this authorisation subject to exclusion of subscription rights; in addition, shares sold during the period of this authorisation on the basis of an authorisation to use treasury shares pursuant to Section 71 Paragraph 1 No. 8 Sentence 5 AktG (Aktiengesetz, Stock Corporation Act) subject to exclusion of subscription rights shall be counted towards this limit.

The Executive Board shall also be authorised, with the consent of the Supervisory Board, to determine the further content of the rights attaching to the shares and the terms of the share issue.

- (2) The Executive Board is authorised, with the consent of the Supervisory Board, to use an amount of up to EUR 1,000,000 of the authorised capital existing under (1) for the issue of new registered no-par-value shares as employee shares. For this purpose, the Executive Board is authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in order to issue the new shares to persons in an employment relationship with the Company or one of its group entities. This authorisation may be exercised on one or more occasions, although up to no more than the total amount defined in Sentence 1.

### III. Management Board

#### Article 8 Composition, term of office

- (1) The Management Board shall consist of no less than two persons. Furthermore it shall be up to the Supervisory Board to determine the number of members of the Management Board. The Supervisory Board can appoint a Chairman of the Management Board.
- (2) The members of the Management Board are appointed by the Supervisory Board for a term of five years maximum. Re-appointments for five years maximum shall be permissible.

### IV. Supervisory Board

#### Article 10 Composition, Term of office, Resignation

- (1) The Supervisory Board shall consist of nine members appointed by the General Meeting. Of these nine members, three shall be appointed on recommendation by the employees. The General Meeting shall be bound by these recommendations for the appointment of the employees' representatives. Other than that, the General Meeting shall not be bound to proposed candidates. In the event that legal provisions concerning involvement of employees in a European Association (SE Beteiligungsgesetz – SEBG Employees Involvement Act) provide for a different appointment procedure for representatives of the employees to the Supervisory Board, the employees' representatives shall be appointed according to the agreed appointment procedure.
- (2) The following persons are appointed members of the Supervisory Board until termination of the General Meeting providing discharge for the first fiscal year of the Hannover Rück SE, for no longer than three years:
  - Herbert K. Haas, Burgwedel, Chairman of the Management Boards of Talanx AG, HDI Haftpflichtverband der Deutschen Industrie V.a.G.,
  - Dr. Klaus Sturany, Dortmund, former member of the Management Board of RWE AG,
  - Wolf-Dieter Baumgartl, Berg, former Chairman of the Management Boards of Talanx AG, HDI Haftpflichtverband der Deutschen Industrie V.a.G.,
  - Dr. Andrea Pollak, Vienna, Austria, Management Consultant,

#### Article 9 Management, Representation

- (1) The Management Board shall direct the business of the Company according to the law and the Statute as well as according to rules of procedure. In so far as the Supervisory Board does not issue rules of procedure for the Management Board, the Management Board shall issue such rules of procedure itself.
- (2) The Company shall be represented by two members of the Management Board or by one member of the Management Board jointly with one holder of power of procurator.
- (3) Resolutions of the Management Board shall be passed with simple majority of votes unless a different majority is prescribed by mandatory law.

- Dr. Immo Querner, Hannover, member of the Management Boards of Talanx AG, HDI Haftpflichtverband der Deutschen Industrie V.a.G.,
- Dr. Erhard Schipporeit, Hannover, former member of the Management Board of E.ON AG

The first fiscal year of Hannover Rück SE is the fiscal year in which the change of corporate form of Hannover Rückversicherung AG into a European Association (SE) is registered in the commercial register of the Company.

The remaining three members of the first Supervisory Board shall be appointed on recommendation by the employees.

- (3) Subject to the preceding Subsection 2 the members of the Supervisory Board shall be appointed until termination of the General Meeting providing formal approval for the fourth fiscal year after commencement of the term, however, for no longer than for six years. The fiscal year during which the term begins shall not be included in this calculation. Concerning re-appointment the first sentence of this Subsection applies mutatis mutandi. The General Meeting can determine a shorter term for the members of the Supervisory Board it is to elect.
- (4) Every member of the Supervisory Board can resign from his membership by adhering to a notice period of one month even without an important reason by written notice to the Company, represented by the Management Board and the Chairman of the Supervisory Board (if notice is given by the Chairman himself, to his deputy). The Chairman of the Supervisory Board may choose to forgo adherence to this notice period.

(5) Appointment for a successor of a member who has resigned prior to termination of his term shall be for the remaining period of the term of the resigned member.

### **Article 11 Chairman, Deputy Chairman, Committees**

(1) Following the ordinary General Meeting during which the Supervisory Board has been newly appointed, a meeting shall take place without special invitation during which the Supervisory Board, chaired by the member of the Supervisory Board eldest by years of life shall elect from among its members the Chairman and the Deputy Chairman. The election is for the term of membership of the member of the Supervisory Board in question. In the event that one of the elected resigns from his office, the Supervisory Board must immediately conduct a new election.

(2) The Supervisory Board may form committees from among its members and authorise them to pass resolutions, as far as permitted by law.

### **Article 12 Convention, Adoption of Resolutions**

(1) Meetings of the Supervisory Board shall be convened by the Chairman or his Deputy as often as required by law or by the operation of the Company.

(2) Members of the Supervisory Board who are prevented from taking part in person in a meeting of the Supervisory Board or its committees, may ask another member of the Supervisory Board to hand in their written vote.

(3) The Supervisory Board is quorate if at least two thirds of the members of which it must consist are present; deemed present are also members whose vote is cast according to Subsection 2. The meeting is chaired by the Chairman or – in case of his absence – by his Deputy. If both are prevented from taking part, the meeting shall be chaired by the member of the Supervisory Board present, eldest by years of life and representing the shareholders

(4) Resolutions require the majority of votes cast unless provided differently by law. In the event of a tie – also concerning elections – the vote of the Chairman shall be the ruling vote. Voting procedures are determined by the Chairman of the meeting.

(5) Resolutions can also be passed without convening of a meeting by way of written facsimile or telephone ballot or by way of e-mail with digital signature if the Chairman arranges this procedure and the majority of the members of the Supervisory Board do not contradict. Such resolutions are acknowledged by the Chairman in writing and are sent to all members.

(6) The Chairman and – in case of his absence – his deputy shall be entitled to make declarations of intent on behalf of the Supervisory Board which are required for the implementation of the resolutions of the Supervisory Board and its committees and to accept statements on behalf of the Supervisory Board.

(7) A memorandum has to be prepared concerning the proceedings of the Supervisory Board which is to be signed by the Chairman.

### **Article 13 Measures and Transactions Requiring Approval**

(1) The Management Board shall carry out the following measures and transactions only with the approval of the Supervisory Board:

a) adoption of strategic principles and objectives,

b) adoption of the annual profit planning,

c) issuing or changing of investment guidelines,

d) concluding, changing or terminating of intercompany agreements as well as of essential cooperation agreements,

e) adoption of medium and long-term Company and partial group planning

(2) In as far as the annual profit planning according to Subsection 1 (b) contains transactions which require authorisation as defined by Subsection 1, individual authorisations by the Supervisory Board shall not be required if the Supervisory Board has expressly declared them superfluous when adopting the annual profit planning.

(3) The Supervisory Board may resolve to determine further measures which require its approval. Approval can be given in the form of a general authorisation for a list of determined transactions. Such authorisation must name the exact transactions in question as well as give the purpose and the time frame during which they have to be executed.

### **Article 14 Remuneration**

(1) In addition to reimbursement of their expenses, the members of the Supervisory Board shall receive an annual remuneration to be determined by the General Meeting.

(2) The Company shall reimburse turnover tax payable on the remuneration.

## V. General Meeting

### Article 15 Venue, Convention, Ordinary General Meeting

- (1) The General Meeting shall take place at the Company's registered address, in a community in the district of Hannover or in a community in the Federal Republic of Germany with more than 100,000 inhabitants.
- (2) The General Meeting shall be convened at least 36 days prior to the day of the meeting. The day of the General Meeting and the day of convening the meeting shall not be included in the 36 days.
- (3) The ordinary General Meeting shall take place within the first six months after the end of each fiscal year. It passes resolutions particularly concerning the formal approval of the actions of the members of the Management Board and the Supervisory Board as well as concerning profit appropriation.

### Article 16 Participation Right, Voting Rights

- (1) Eligible for participation in the General Meeting and to exercising voting rights shall be those shareholders who have signed up in due time for participation in the General Meeting and who are entered into the share register for the declared shares. Registration has to be received at the address notified in the invitation letter no later than 6 days before the General Meeting. The day of the General Meeting and the day of receipt are excluded.
- (2) Voting can be exercised by proxy. Authorisation, its withdrawal and proof of authorisation towards the Company require written or electronic form. Details concerning the authorisation shall be notified together with the invitation letter to the General Meeting in which an alleviation of the requirement of written or electronic form can also be decided. Section 135 AktG remains unaffected.
- (3) In the event that the Company has nominated proxy holders and if these proxy holders are authorised to exercise voting rights, the authorisation can be given within the framework of legal provisions in any manner approved by the Company. Details of the authorisation shall be published together with the invitation letter to the General Meeting in the Company's gazette.
- (4) The Management Board is authorised to make provisions that in General Meetings shareholders can exercise all or individual rights partly or wholly by means of electronic communication (online participation) without being present at the venue and without a proxy. The Management Board can regulate details of scope and procedure of the online participation.

- (5) The Management Board is authorised to make provisions that shareholders can cast their votes in writing or by way of electronic communication also without participating in the General Meeting (postal vote). The Management Board can regulate procedures for the postal vote in detail.

### Article 17 Chair, transmission of the meeting

- (1) The Chairman of the Supervisory Board shall chair the General Meeting, in the event of his absence his deputy. If both are prevented from taking place the chair goes to the member of the Supervisory Board of the shareholders eldest by years.
- (2) The Chairman regulates the procedure of the General Meeting. In particular he determines the sequence in which the items on the agenda are covered, the manner, form and sequence of ballots as well as the sequence of speakers.
- (3) The Chairman can allocate and restrict appropriate time for questions and speeches. He is particularly entitled to set, at the beginning of the General Meeting, an appropriate timeframe for the entire procedure of the General Meeting as well as for individual items on the agenda or for individual speakers.
- (4) The Chairman can order video and/or sound transmission of the General Meeting in a manner determined by him if this has been announced in the invitation to the General Meeting.

### Article 18 Adoption of Resolutions

- (1) Voting rights start with the complete payment of capital contributions. Every no-par share accords one vote.
- (2) Unless there are mandatory legal provisions to the contrary, resolutions of the General Meeting shall be adopted by simple majority of the votes cast, and, in as far as a capital majority is mandatory, by simple majority of the share capital represented at the time of adoption of the resolution. Resolutions concerning changes of the Statute can be adopted by simple majority of votes cast as long as no less than half of the share capital is represented and if a higher capital majority is not compulsory by law.

### Article 19 Elections

If no majority can be achieved at the first ballot, a short-listed election between the two contenders who have achieved most votes shall take place. If more than two contenders have received the same number of votes at the first ballot as well as in the event of a tie within the framework of the short-listed election, the lot drawn by the Chairman shall be the ruling vote.

## VI. Advisory Board

### Article 20 Advisory Board

(1) The Supervisory Board may establish an Advisory Board with no more than ten members in order to promote business relations. The Advisory Board advises the Management Board in fulfilling its tasks.

(2) The members of the Advisory Board shall be appointed by the Supervisory Board for a period of no more than five years. The Supervisory Board also determines the remuneration for the members of the Advisory Board.

(3) The Supervisory Board may issue rules of procedure for the Advisory Board.

## VII. Annual Financial Statement and Profit Appropriation

### Article 21 Annual Financial Statement

Within the first ten months of a fiscal year the Management Board shall present the Supervisory Board and the annual auditor with a balance sheet, income statement, notes (annual financial statement) and the management report for the expired fiscal year. After preparation of the audit report it shall be forwarded to the Supervisory Board without delay. Before that, the Management Board has to be afforded an opportunity to express its opinion

(2) In the resolution on the appropriation of the balance sheet profit the General Meeting may allocate further amounts to profit reserves or carry them forward.

(3) In the case of partially paid shares dividends are calculated according to the amount of the paid contribution. For contributions which are made in the course of a fiscal year, the start of entitlement to dividends can be determined to be either the time of payment of the contribution, or can be rescheduled back to the beginning of the fiscal year or can be postponed to the beginning of the new fiscal year.

### Article 22 Profit Appropriation

(1) Once the Management Board and the Supervisory Board have assessed the annual financial statement, they can allocate up to half of the amount remaining after deduction of statutory reserves and after deduction of possible losses carried-forward to other revenue reserves. Over and above that they may allocate further parts of the annual profit to other revenue reserves as long as the other revenue reserves do not exceed the amount of half of the share capital due to this additional allocation.

(4) With approval of the Supervisory Board the Management Board can make an advance payment to shareholders after expiration of the fiscal year towards the anticipated balance sheet profit.

(5) Within the framework of statutory provisions the General Meeting can decide to pay a dividend in kind in addition to or in lieu of the cash dividend.

## VIII. Amendments of the Statute

### Article 23 Statute

The Supervisory Board is authorised to amend the Statute if only the wording is concerned.

## IX. Formation Expenses

### Article 24 Formation Expenses

Formation expenses relating to the conversion of Hannover Rückversicherung AG to Hannover Rück SE shall be borne in full by the Company.

