

Talanx AG
Annual Report
2019

talanx.

Insurance. Investments.

Talanx AG at a glance

KEY FIGURES

	Unit	2019	2018
Gross written premiums	EUR million	39	—
Net premiums earned	EUR million	38	—
Expenses on insurance claims	EUR million	29	—
Expenses for insurance operations	EUR million	15	—
Underwriting result before equalisation reserve	EUR million	–6	—
Changes to equalisation reserve and similar	EUR million	–2	—
Loss ratio ¹	%	76.2	—
Expense ratio ²	%	38.9	—
Combined ratio ³	%	115.1	—
Net investment income	EUR million	831	464
Non-underwriting result ⁴	EUR million	606	226
Result from ordinary activities	EUR million	599	226
Tax expenditure	EUR million	17	14
Net income for the financial year	EUR million	582	212
Investments	EUR million	8,086	8,191
Capital, reserves and underwriting provisions			
Equity	EUR million	5,312	5,097
Subordinated liabilities	EUR million	1,250	1,250
Equalisation reserve and similar provisions	EUR million	2	—
Other technical provisions	EUR million	69	—
Total capital, reserves and underwriting provisions	EUR million	6,633	6,347
Average number of employees in the year	Number	257	252
Debt with term of one year ⁵	EUR million	2,613	2,613

¹ Expenses on insurance claims for own account as a percentage of premiums earned for own account.

² Expenses for insurance operations for own account as a percentage of premiums earned for own account.

³ Total of expenses on insurance claims for own account and expenses for insurance operations for own account as a percentage of premiums earned for own account.

⁴ Sum of net investment income and other comprehensive income.

⁵ The disclosure on debt over one year refers exclusively to the liabilities shown in the balance sheet under items B and E.

For computational reasons, the tables may contain rounding differences of +/- one unit,

monetary items less than EUR 0,5 thousand are shown as 0, disclosures not available for the company are marked with a “—”.

Definitions of these key figures can be found at the end of this report in the section “Glossary and definitions of key figures”.

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Report of the Supervisory Board

Ladies and Gentlemen,

The Supervisory Board performed the tasks and duties required of it by law, the Articles of Association and the Rules of Procedure in full in financial year 2019, as in the past. We addressed in detail the economic situation and risk position for Talanx AG and its major subsidiaries in Germany and in our foreign core markets. We advised the Board of Management on all issues that were material to the Company, continuously monitored its management of the business and were directly involved in decisions of fundamental importance.

Overview

We held four ordinary and one inaugural meeting of the Supervisory Board in the year under review. Two representatives of the Federal Financial Supervisory Authority (BaFin) took part in one Supervisory Board meeting in line with routine practice. The Supervisory Board's Finance and Audit Committee held five meetings and the Personnel Committee held two meetings. The Nomination Committee and the Standing Committee formed in accordance with the requirements of the German Codetermination Act (MitbestG) were not required to meet in 2019. The full Supervisory Board was briefed in each case on the work of the committees. In addition, we were briefed by the Board of Management in written and verbal reports on the course of business and the position of both the Company and the Group, based on the quarterly statements and the interim report for the first half of the financial year. At no point during the reporting period did we consider it necessary to perform inspections or examinations pursuant to section 111(2) sentence 1 of the German Stock Corporation Act (AktG). Where transactions requiring urgent approval arose in between meetings, the Board of Management submitted these to us for written resolution in line with the procedure laid down by the Chairman of the Supervisory Board. The chairmen of the Supervisory Board and of the Board of Management were in regular contact regarding material developments and transactions at the Company and the Talanx Group, and discussed questions relating to strategy, planning, performance, the risk situation, opportunity and risk management, and compliance. Altogether, we satisfied ourselves of the lawfulness, appropriateness, regularity and efficiency of the actions

taken by the Board of Management, in line with our statutory responsibilities and our terms of reference under the Articles of Association.

The Board of Management provided us with regular, timely and comprehensive information on the Company's business situation and financial position, on risk management and opportunities taken, on major capital expenditure projects and on fundamental corporate policy issues. We were also kept informed of transactions that, although not requiring Supervisory Board approval, are required to be reported to us under the Rules of Procedure, as well as of the impact of natural disasters and other large losses, the status of major lawsuits, and other material developments at the Company and the Group and in the regulatory environment. As in the previous year, we were briefed on the status of the outstanding approval processes for the internal model. At our meetings, we considered at length the reports provided by the Board of Management, made suggestions and proposed improvements. All meetings of the Supervisory Board and its committees were attended by all members.

Following examination and discussion with the Board of Management, we passed resolutions on transactions and measures requiring our approval in accordance with the law, the Articles of Association and the Rules of Procedure.

Key issues discussed by the full Supervisory Board

Reporting focused on the following issues, which were discussed in detail at our meetings: the performance of Company and its individual divisions, the challenges posed by digitalisation and changes to the regulatory environment, other potential acquisition projects abroad and the planning for 2020. We were informed of, and developed an understanding of, the reasons for any differences between the planning adopted and the actual course of business for preceding quarters.

At the meeting on 14/15 March 2019, the Supervisory Board was initially briefed on the situation regarding digitalisation in the Talanx Group and the roadmap towards developing a modern and sustaina-

ble IT infrastructure. The Supervisory Board also discussed the audited annual and consolidated financial statements along with the Board of Management's proposal for the appropriation of the distributable profit in the financial year 2018. The auditor stated that an unqualified audit opinion had been issued for both the single-entity and the consolidated financial statements. The Supervisory Board was briefed on a range of projects, initiatives and reportable events, including the restructuring of the fire insurance business, the development of US mortality business and the establishment of Talanx AG as a reinsurer. The Supervisory Board also discussed the agenda and proposed resolutions for Talanx AG's 2019 Annual General Meeting. In addition, it addressed upcoming changes to the Board of Management, the appropriateness and structure of the remuneration system for the members of the Board of Management, and obtained external opinions as part of its assessment. Moreover, it specified the variable remuneration due to the members of the Board of Management for the financial year 2018 and passed a resolution concluding an intercompany agreement and amending the allocation of individual Board of Management members' responsibilities.

An inaugural meeting of the Supervisory Board was held on 9 May 2019, immediately after the Annual General Meeting, due to the re-election of the employee representatives to the Supervisory Board. At this inaugural meeting, Mr Rieger was elected as first Deputy Chairman of the Supervisory Board in accordance with the German Co-determination Act. In addition, the Supervisory Board elected members to the vacant positions on its committees.

In the meeting on 10 May 2019, the Board of Management reported on the first quarter results and gave an outlook for the financial year. The Supervisory Board heard reports on a range of projects, initiatives and reportable events, including acquisition projects in Sweden, Vietnam, Turkey and the US. Additionally, the Supervisory Board received reports on the implications of the German Life Insurance Reform Act II, a retrocession analysis, cyber risks and adequate insurance solutions, received an explanation on the Group's personnel strategy, passed an amendment on the allocation of Board of Management responsibilities and discussed training programmes for the full Supervisory Board on the basis of its self-assessment.

At the meeting on 8/9 August 2019 in Warsaw, the Board of Management initially reported on the half-year results and expectations regarding the 2019 financial statements for both Talanx AG and the Group. This meeting focused on strategic areas (M&A in the Group; digitalisation in the Retail International Division) and reports on the status of the Polish companies TU Europa and WARTA; the latter also provided insights into its cutting-edge business processes and procedures. The Supervisory Board also received the annual report on expense ratios compared with competitors and was briefed on a number of projects, initiatives and reportable events, including an acquisition project in South America and the progress made in developing and expanding HDI Global Specialty.

At the meeting on 8 November 2019, the Board of Management reported on the third-quarter results and gave an outlook for the 2019 annual financial statements for Talanx AG and the Group. The Supervisory Board also discussed the declaration of conformity with the German Corporate Governance Code and the planning for the financial year 2020. It was briefed on a range of projects, initiatives and reportable events, including regarding the strategy of life insurance

companies in the Retail Germany Division. Furthermore, the Supervisory Board addressed the process of setting divisional targets for 2020, agreed to conclude an intercompany agreement, passed a resolution amending the Rules of Procedure for the Board of Management and the Supervisory Board and received a report on the structure of the remuneration system.

Work of the committees

The Supervisory Board has established a number of committees to enable it to perform its duties efficiently. These are the Finance and Audit Committee, which has six members, the Personnel Committee and the Standing Committee, each of which has four members, and the Nomination Committee, which has three members. The committees prepare the discussions in, and the resolutions to be adopted by, the full Supervisory Board. They have also been delegated with the authority to pass resolutions themselves in specific areas. The minutes of Finance and Audit Committee and Personnel Committee meetings are also made available to those members of the Supervisory Board who do not belong to these committees. The members of the different committees are listed on page 9 of this Annual Report.

Along with preparing the discussions and resolutions by the full Supervisory Board, the Finance and Audit Committee examined in depth the Company's and the Group's interim report for the first six months of the year and quarterly statements, together with the individual components of the financial statements and the key performance indicators, as well as the results of the auditors' review of the interim report. Additionally, the Finance and Audit Committee discussed the findings of an external actuarial audit of the gross and net claims reserves for the Talanx Group's non-life insurance business and the results of a performance analysis of the Group companies acquired in the last five years. We regularly examined the risk reports and received an audit planning report from the auditors detailing the key audit matters. The Committee listened to reports on non-audit services provided by the auditors in accordance with the "whitelist", approved non-audit services included on this list and exercised its rights and duties within the extended framework of responsibilities resulting from the EU's audit reform. The Committee also received the annual reports from the four key functions (Risk Controlling, Actuarial, Internal Audit and Compliance), which were prepared and presented to us in case by the heads of these functions.

The Personnel Committee prepared the discussions and resolutions by the full Supervisory Board and set the provisional personal targets for the individual Members of the Board of Management for financial year 2020. It also made recommendations to the full Supervisory Board in relation to making and terminating appointments, determining Board of Management bonuses, reviewing fixed remuneration components and setting the divisional targets for 2020 for those Board of Management members who are responsible for divisions.

Corporate governance and declaration of conformity

The Government Commission on the German Corporate Governance Code published intended changes to the German Corporate Governance Code (the "Code") in 2019, which were discussed by the Supervisory Board. Corporate governance also remained a key priority for us. The efficiency of the Supervisory Board's activities was re-evaluated and the results of this self-assessment and the optimisation meas-

ures developed as a result were discussed. We examined the Board of Management's report on the consolidated non-financial statement (see page 58ff. of the Group management report). The audit firm PricewaterhouseCoopers GmbH (PwC) conducted a limited assurance review and issued an unqualified audit opinion. The Board of Management presented the report at the Finance and Audit Committee meeting on 12 March 2020 and the Supervisory Board meeting on 13 March 2020. Auditor representatives were present at both meetings and reported the material findings of their audit. No objections were raised following the Supervisory Board's own examination of the consolidated non-financial statement, and the result of the audit by PwC was noted and approved.

In addition, the members of the Supervisory Board have submitted self-assessments covering a range of key areas in accordance with insurance supervision requirements. As a result, individual training on specific areas was provided both at Talanx AG and at Group companies. In 2019, the Company offered two internal training events to all members of the Supervisory Board. Over half of the latter took the opportunity to find out more about reinsurance and IT and gain a deeper understanding of this area. Although the Supervisory Board considers the standards for good, responsible enterprise management formulated in the German Corporate Governance Code to be extremely important, it decided at the meeting on 8 November 2019 against complying with the following recommendations issued in the Code in the version valid at the time dated 7 February 2017: the recommendation on a severance payment cap in Board of Management contracts set out in section 4.2.3 paragraph 4, the recommendation on the chairmanship of the Audit Committee set out in section 5.3.2 paragraph 3 sentence 3, and the recommendation on the potential need for a cap on the payment of Talanx share awards set out in section 4.2.3 paragraph 2. The reasons for this are stated in the declaration of conformity in accordance with section 161 of the AktG on observance of the German Corporate Governance Code, which is published in the consolidated annual report as part of the declaration on corporate governance. Further information on corporate governance can be found on Talanx AG's website.

Audit of the annual and consolidated financial statements

The annual financial statements for Talanx AG submitted by the Board of Management, the consolidated financial statements for the Talanx Group, which were prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union, and the corresponding management reports were audited together with the bookkeeping by PricewaterhouseCoopers (PwC) GmbH, Wirtschaftsprüfungsgesellschaft, Hannover. The auditors were appointed by the Supervisory Board; the Finance and Audit Committee issued the detailed audit engagement and specified that, in addition to the usual audit tasks, special attention should be given to assessing the implementation of the RiTA project (establishing Talanx AG as an intragroup reinsurer) with an emphasis on underwriting accounts, the IFRS package and Solvency II reporting. The enforcement priorities set out by the German Financial Reporting Enforcement Panel (FREP) were also included in the audit activities performed by the auditors.

The audits performed by the auditors did not give rise to any grounds for objection. The auditors issued unqualified audit reports stating

that the bookkeeping and the annual and consolidated financial statements give a true and fair view of the net assets, financial position and results of operations, and that the management reports are consistent with the annual and consolidated financial statements.

The financial statements documents and PwC's audit reports were circulated to all Members of the Supervisory Board well in advance. They were examined in detail at the Finance and Audit Committee meeting on 12 March 2020 and at the Supervisory Board meeting on 13 March 2020. The auditors took part in the discussions of the annual and consolidated financial statements by both the Finance and Audit Committee and the full Supervisory Board, reported on the performance of the audits and were available to provide us with additional information. On completion of our own examination of the annual financial statements, the consolidated financial statements, the corresponding management reports and the audit reports by the external auditors, we concurred with the opinion of the auditors in each case and approved the annual and consolidated financial statements prepared by the Board of Management.

The annual financial statements have therefore been adopted. We agree with the statements made in the management reports regarding the Company's future development. After examining all relevant considerations, we concur with the Board of Management's proposal for the appropriation of the distributable profit.

The report on the Company's relationships with affiliated companies that was drawn up by the Board of Management in accordance with section 312 of the AktG was also audited by PwC GmbH and was issued with the following unqualified audit opinion:

"Following the completion of our audit, which was carried out in accordance with professional standards, we confirm that

1. the information contained in the report is correct,
2. the compensation paid by the Company with respect to the transactions listed in the report was not inappropriately high."

We examined the report on relationships with affiliated companies and reached the same conclusion as the auditors. We have no objections to the statement that is reproduced in this report.

Composition of the Board of Management and the Supervisory Board

After turning 65, Mr Karsten Faber retired from the Group and Talanx AG's Supervisory Board with effect from 31 December 2018. The board thanked him and expressed its gratitude for his many years of work. Mr Franz Adamczyk was elected to join the Supervisory Board of Talanx AG as the senior executive representative, replacing Mr Faber, effective 1 January 2019 until the end of the Annual General Meeting on 9 May 2019.

The term of office of the employee representatives on the Supervisory Board expired as of the end of the Annual General Meeting on 9 May 2019. Employees reappointed Ms Hammer, Mr Meister, Ms Mück, Mr Rieger and Prof. Dr Schubert. Ms Bierstedt, Mr Bock-Wehr and Mr Gascard were appointed as new members of the Supervisory Board, with the terms of Mr Adamczyk, Ms Sachtleben-Reimann and Mr von Stein ending at the close of the Annual General Meeting on 9 May 2019. The Supervisory Board thanked Ms Sachtleben-Reimann, Mr Adamczyk and Mr von Stein for their ever valuable contributions of varying lengths over the years.

Dr Puls was also appointed a member of the Board of Management with effect from the end of the company's Annual General Meeting on 9 May 2019, after Dr Hinsch stepped down as a member and Deputy Chairman of the Board of Management by mutual agreement at the same time. The Supervisory Board thanked Dr Hinsch for his many years of work on the Board of Management and expressed its gratitude for his work as Deputy Chairman.

Our thanks to the Board of Management and employees

The Supervisory Board would like to thank the members of the Board of Management and all employees worldwide. Their high dedication and motivation contributed to the best net income so far for the Company and the Group.

Hannover, 13 March 2020

On behalf of the Supervisory Board

Herbert Haas
(Chairman)

Governing bodies of the Company

Supervisory Board

Herbert K. Haas

(since 8 May 2018)
Chairman
Burgwedel
Former Chairman of the Board of Management, Talanx AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Chairman of the Supervisory Board
 - Hannover Rück SE (until 8 May 2019)
 - HDI V. a. G.
 - E+S Rückversicherung AG (until 1 March 2019)
- Deputy Chairman of the Supervisory Board
 - Hannover Rück SE (since 8 May 2019)

Ralf Rieger*

(since 19 May 2006)
Deputy Chairman
Raesfeld
Employee
HDI Vertriebs AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI Vertriebs AG

Dr Thomas Lindner

(since 27 June 2003)
Deputy Chairman (since 8 May 2018)
Albstadt
Chairman of the Board of Directors and General Partner, Groz-Beckert KG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Deputy Chairman of the Supervisory Board
 - HDI V. a. G.
- Chairman of the Advisory Board Stuttgart
 - Deutsche Bank AG **

Franz Adamczyk*

(1 January 2019 until 9 May 2019)
Isernhagen
Head of Underwriting Property Specialities, HDI Global SE

Antonia Aschendorf

(since 1 September 2011)
Hamburg
Lawyer
Member of the Board of Management, APRAXA eG
Managing Director
2-Sigma GmbH

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - Hamburger Friedhöfe AöR **
 - HDI Deutschland AG
 - HDI Kundenservice AG
 - HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH **

Benita Bierstedt*

(since 9 May 2019)
Hannover
Employee,
E+S Rückversicherung AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - E+S Rückversicherung AG

* Staff representative

** Memberships of statutory supervisory boards and comparable control boards at other domestic and foreign business enterprises that do not belong to the Group

Rainer-Karl Bock-Wehr*

(since 9 May 2019)
Cologne
Head of Competence Centre Commercial,
HDI Kundenservice AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI Kundenservice AG

Sebastian Gascard*

(since 9 May 2019)
Isernhagen
In-house Company Lawyer
(Liability Underwriter),
HDI Global SE

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI Global SE

Jutta Hammer*

(since 1 February 2011)
Bergisch Gladbach
Employee,
HDI Kundenservice AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI Kundenservice AG

Dr Hermann Jung

(since 6 May 2013)
Heidenheim
Former Member of the Board of Directors,
Voith GmbH

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI V.a.G.
- Member of the Board of Directors
 - Dachser GmbH & Co. KG **

Dirk Lohmann

(since 6 May 2013)
Forch, Switzerland
Head of the Division,
Schroder Secquaero
Schroder Investment Management
(Switzerland) AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- President of the Administrative Board
Secquaero Advisors AG,
Zurich, Switzerland ** (until 30 June 2019)
- Member of the Administrative Board
Schroder Investment Management
(Switzerland) AG **
- Member of the Board of Directors
 - Ambrosia Re IC Ltd., Guernsey **
 - Secquaero Re (Guernsey) ICC Ltd.,
Guernsey **
 - Secquaero Re Vinyard IC Ltd.,
Guernsey **
 - Secquaero Re Regent IC Ltd.,
Guernsey **
 - Secquaero Re Rivaner IC Ltd.,
Guernsey **
 - Secquaero Re Cloudy Bay IC Ltd.,
Guernsey **
 - Secquaero Re Solaris IC Ltd.,
Guernsey **
 - Secquaero Re Arvine IC Ltd.,
Guernsey **
 - Secquaero Re Concord IC Ltd.,
Guernsey **
 - Secquaero Re Amaral IC Ltd.,
Guernsey **
 - Secquaero Re Melnik IC Ltd.,
Guernsey **
 - Secquaero Re Carbon IC Ltd.,
Guernsey **
 - Zweigelt Holdings Ltd., Guernsey **

* Staff representative

** Memberships of statutory supervisory boards and comparable control boards at other domestic and foreign business enterprises that do not belong to the Group

Christoph Meister*

(since 8 May 2014)
Hannover
Member of the ver.di National Executive Board

Further memberships of other supervisory boards/comparable supervisory bodies:

- Chairman of the Supervisory Board
 - ver.di Bildung + Beratung gGmbH **
- Member of the Supervisory Board
 - ver.di-Mitgliederservice GmbH ** (since 22 November 2019)
- Member of the Advisory Board
 - BGAG Beteiligungsgesellschaft der Gewerkschaften GmbH ** (since 13 December 2019)

Jutta Mück*

(since 17 June 2009)
Diemelstadt
Account Manager Sales Industry, HDI Global SE

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI Global SE

Katja Sachtleben-Reimann*

(17 June 2009 until 9 May 2019)
Hannover
Employee,
HDI Service AG

Dr Erhard Schipporeit

(since 27 June 2003)
Hannover
Self-employed Business Consultant

Further memberships of other supervisory boards/comparable supervisory bodies:

- Chairman of the Supervisory Board
 - innogy SE ** (until 4 October 2019)
- Deputy Chairman of the Supervisory Board
 - BDO AG **
 - Fuchs Petrolub SE **
- Member of the Supervisory Board
 - Hannover Rück SE
 - HDI V.a.G.
 - RWE AG **
 - SAP SE ** (until 15 May 2019)

Prof. Dr Jens Schubert*

(since 8 May 2014)
Potsdam
Director of the Legal Department, ver.di National Administration, Professor, Leuphana Universität Lüneburg

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Creditors' Committee
 - Schlecker e.K. **
 - Schlecker XL GmbH **

Jörn von Stein*

(1 January 2017 until 9 May 2019)
Hamburg
Employee,
neue leben Lebensversicherung AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - neue leben Lebensversicherung AG (until 6 March 2019)

Norbert Steiner

(since 6 May 2013)
Baunatal
Former Chairman of the Board of Management, K+S AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI V.a.G.

Angela Titzrath

(since 8 May 2018)
Hamburg
Chairwoman of the Board of Management, Hamburger Hafen und Logistik AG

Further memberships of other supervisory boards/comparable supervisory bodies:

- Member of the Supervisory Board
 - Evonik AG
 - HDI V.a.G.

* Staff representative

** Memberships of statutory supervisory boards and comparable control boards at other domestic and foreign business enterprises that do not belong to the Group

Supervisory Board Committees

The Supervisory Board has formed four committees from among its ranks. The members of these committees support the work of the full Supervisory Board.

Finance and Audit Committee

- Herbert K. Haas, Chairman
- Jutta Hammer
- Dr Hermann Jung
- Dr Thomas Lindner
- Ralf Rieger
- Dr Erhard Schipporeit

Personnel Committee

- Herbert K. Haas, Chairman
- Dr Thomas Lindner
- Jutta Mück
- Norbert Steiner

Standing Committee

- Herbert K. Haas, Chairman
- Dr Thomas Lindner
- Ralf Rieger
- Prof. Dr Jens Schubert

Nomination Committee

- Herbert K. Haas, Chairman
- Dirk Lohmann
- Angela Titzrath

Tasks of the Committees

Finance and Audit Committee

- Preparation of financial decisions for the full Supervisory Board
- Decisions in lieu of the full Supervisory Board on certain financial matters, including the establishment of companies, acquisition of participating interests and capital increases at subsidiaries within defined value limits

Personnel Committee

- Preparation of personnel matters for the full Supervisory Board
- Decisions in lieu of the full Supervisory Board on certain personnel matters for which the full Supervisory Board is not required to assume sole responsibility

Standing Committee

- Proposal for the appointment of a Board member if the necessary two-thirds majority is not achieved in the first ballot in accordance with section 31(3) of the German Co-determination Act (MitbestG)

Nomination Committee

- Proposal of suitable candidates for the Supervisory Board's nominations to the Annual General Meeting

Board of Management

Torsten Leue

Chairman
Hannover
Chairman of the Board of Management
HDI Haftpflichtverband der
Deutschen Industrie V.a.G., Hannover

Responsible on the Talanx Board of Management for:

- Auditing
- Best Practice Lab
- Communications
- Corporate Development
- Corporate Office/Compliance/Legal
- Human Resources/Facility Management
- Investor Relations
- Sustainability/ESG

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Supervisory Board
 - E+S Rückversicherung AG (since 1 March 2019)
 - Hannover Rück SE (since 8 May 2019)
 - HDI Deutschland AG
 - HDI Global SE
 - HDI Global Specialty SE (until 31 May 2019)
 - HDI International AG
 - HDI Kundenservice AG
 - HDI Service AG

Dr Christian Hinsch

Deputy Chairman
(until 9 May 2019)
Burgwedel
Former Deputy Chairman of the Board of Management
HDI Haftpflichtverband der
Deutschen Industrie V.a.G., Hannover

Responsible on the Talanx Board of Management for:

- Industrial Lines Division (until 9 May 2019)

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Supervisory Board
 - Talanx Reinsurance Broker GmbH (until 19 June 2019)
 - HDI Reinsurance (Ireland) SE (until 30 April 2019)
- Deputy Chairman of the Supervisory Board
 - EXTREMUS AG*
 - HDI Systeme AG (until 9 May 2019)
- Member of the Supervisory Board
 - HDI Global Specialty SE (until 31 May 2019)
 - HDI Service AG (until 9 May 2019)
 - PVI Holdings Vietnam (since 29 March 2019)

Sven Fokkema

Wedemark
Chairman of the Board of Management
HDI International AG, Hannover

Responsible on the Talanx Board of Management for:

- Retail International Division
- Reinsurance Captive (since 15 March 2019)

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Supervisory Board
 - HDI Seguros S. A.
 - HDI Sigorta A.Ş
 - Magyar Posta Biztosító Részvénytársaság
 - Magyar Posta Életbiztosító Zrt.
 - Towarzystwo Ubezpieczeń Europa Spolka Akcyjna
 - Towarzystwo Ubezpieczeń na Życie Europa S. A.
 - Towarzystwo Ubezpieczeń na Życie Warta Spolka Akcyjna
 - Towarzystwo Ubezpieczeń Reasekuracji Warta Spolka Akcyjn
- Deputy Chairman of the Administrative Board
 - HDI Assicurazioni S.p.A.

Jean-Jacques Henchoz

Hannover
(since 1 April 2019)
Chairman of the Board of Management
Hannover Rück SE, Hannover (since 8 May 2019)

Responsible on the Talanx Board of Management for:

- Reinsurance Division (since 1 April 2019)

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Board of Directors
 - Hannover Life Reassurance Company of America (since 9 May 2019)
 - Hannover Re (Bermuda) Ltd. (since 9 May 2019)
 - Hannover Re (Ireland) DAC (since 10 June 2019)
- Member of the Board of Directors
 - Hannover Life Re of Australasia Ltd. (since 9 May 2019)

* Memberships of statutory supervisory boards and comparable control boards at other domestic and foreign business enterprises that do not belong to the Group.

Dr Edgar Puls

Isernhagen

(since 9 May 2019)

Member of the Board of Management

HDI Haftpflichtverband der

Deutschen Industrie V.a.G., Hannover

(since 19 June 2019)

Chairman of the Board of Management

HDI Global SE, Hannover

(since 9 May 2019)

Responsible on the Talanx Board of Management for:

- Industrial Lines Division (since 9 May 2019)

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Member of the Supervisory Board
 - HDI Service AG (since 9 May 2019)
 - HDI Systeme AG (since 9 May 2019)
 - Talanx Reinsurance Broker GmbH (since 19 June 2019)

Dr Immo Querner

Celle

Member of the Board of Management

HDI Haftpflichtverband der

Deutschen Industrie V.a.G., Hannover

Responsible on the Talanx Board of Management for:

- Accounting
- Collections
- Controlling
- Finance/Participating Interests/Real Estate
- Investments
- Reinsurance Captive (until 15 March 2019)
- Reinsurance Procurement
- Risk Management
- Taxes

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Supervisory Board
 - Ampega Asset Management GmbH
 - Caplantic GmbH* (since 1 January 2020)
 - Talanx Reinsurance Broker GmbH
- Deputy Chairman of the Supervisory Board
 - Ampega Investment GmbH
 - Ampega Real Estate GmbH
 - HDI Service AG
- Member of the Supervisory Board
 - BÖAG Börsen AG Hamburg und Hannover*
 - Caplantic GmbH* (until 31 December 2019)
 - E+S Rückversicherung AG
 - Hannover Rück SE (until 8 May 2019)
 - HDI International AG
 - HDI Systeme AG
 - TERTIA Handelsbeteiligungsgesellschaft mbH* (until 13 June 2019)
- Member of the Administrative Board
 - HDI Reinsurance (Ireland) SE
 - Talanx Finanz (Luxemburg) S.A.
- Member of the Exchange Council
 - Frankfurter Wertpapierbörse*

**Memberships of statutory supervisory boards and comparable control boards at other domestic and foreign business enterprises that do not belong to the Group.

Ulrich Wallin

Hannover

(until 9 May 2019)

Chairman of the Board of Management

Hannover Rück SE, Hannover

(until 8 May 2019)

Responsible on the Talanx Board of Management for:

- Reinsurance Division (until 9 May 2019)

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Board of Directors
 - Hannover Life Reassurance Company of America (until 9 May 2019)
 - Hannover Re (Bermuda) Ltd. (until 9 May 2019)
 - Hannover Re (Ireland) DAC (until 9 May 2019)
- Chairman of the Supervisory Board
 - HDI Global Specialty SE (since 1 June 2019)
- Member of the Board of Directors
 - Hannover Life Re of Australasia Ltd. (until 9 May 2019)
- Member of the Supervisory Board
 - HDI Global Specialty SE (until 31 May 2019)
- Member of the Advisory Board
 - Barmenia Allgemeine Versicherungs-AG* (until 30 June 2019)
 - Barmenia Krankenversicherung a.G.* (until 30 June 2019)
 - Barmenia Lebensversicherung a.G.* (until 30 June 2019)
 - Finanzguru GmbH* (since 1 September 2019)

Dr Jan Wicke

Hannover

Chairman of the Board of Management

HDI Deutschland AG, Hannover

Responsible on the Talanx Board of Management for:

- Retail Germany Division
- Business Organisation
- Data Protection
- Information Technology
- Procurement (Non-IT)

Further memberships of other supervisory boards/
comparable supervisory bodies:

- Chairman of the Supervisory Board
 - HDI Lebensversicherung AG
 - HDI Systeme AG
 - HDI Versicherung AG
 - HDI Vertriebs AG
 - neue leben Holding AG
 - PB Lebensversicherung AG
 - PB Versicherung AG
 - TARGO Lebensversicherung AG
 - TARGO Versicherung AG
- Member of the Supervisory Board
 - HDI Service AG
 - V-BANK AG* (until 31 December 2019)
- Member of the Advisory Board
 - Roland Rechtsschutz Versicherung AG*

* Memberships of statutory supervisory boards and comparable control boards at other domestic and foreign business enterprises that do not belong to the Group.

Management Report

In accordance with section 315(5) of the German Commercial Code (HGB), the management report of Talanx AG and Talanx's Group management report have been combined and published in the 2019 Annual Report of the Group. The combined management report of Talanx AG and the Group and the annual financial statements for financial year 2019 are submitted to and published in the Federal Gazette (Bundesanzeiger)

The annual financial statements of Talanx AG and the annual report for financial year 2019 are also available online at www.talanx.com/investor-relations (in the "Investor Relations" section).

Annual financial statements

Balance sheet as at 31 December 2019

ASSETS

EUR thousand	31.12.2019	31.12.2018
A. Investments		
I. Investments in affiliated companies and other long-term equity investments	7,398,421	7,544,753
II. Other investments	619,406	646,148
III. Funds withheld by ceding companies from business ceded for reinsurance	68,177	—
	8,086,004	8,190,901
B. Receivables		
I. Receivables on reinsurance business	1,159	—
of which due to affiliated companies: EUR 1,159 (–) thousand		
II. Other receivables	805,137	579,848
of which due to affiliated companies: EUR 641,861 (382,619) thousand		
	806,296	579,848
C. Other assets		
I. Tangible fixed assets and inventories	762	806
II. Cash at banks, cheques and cash-in-hand	245,269	114,330
	246,031	115,136
D. Prepaid expenses		
I. Deferred rent and interest income	4,892	4,234
II. Other prepaid expenses	5,875	6,898
	10,767	11,132
Total assets	9,149,098	8,897,018

EQUITY AND LIABILITIES

EUR thousand	31.12.2019	31.12.2018
A. Equity		
I. Subscribed capital	315,997	315,997
II. Capital reserves	1,394,223	1,394,223
III. Revenue reserves	2,901,819	2,901,819
IV. Distributable profit	700,415	485,159
	5,312,454	5,097,198
B. Subordinated liabilities	1,250,000	1,250,000
C. Underwriting provisions		
I. Unearned premium reserve		
1. Gross amount	1,530	—
II. Loss and loss adjustment expense reserve		
1. Gross amount	67,926	—
III. Equalisation reserve and similar provisions	1,608	—
	71,065	—
D. Other provisions		
I. Provisions for pensions and other post-employment benefits	885,424	845,407
II. Provisions for taxes	44,421	40,579
III. Other provisions	121,408	97,389
	1,051,252	983,375
E. Other liabilities		
I. Liabilities on reinsurance business	—	—
of which due to affiliated companies: EUR — (–) thousand		
II. Bonds	1,357,500	1,357,500
of which due to affiliated companies: EUR 292,100 (292,100) thousand		
III. Liabilities to banks	14	581
IV. Other liabilities	103,336	204,573
of which taxes: EUR 345 (338) thousand		
of which due to affiliated companies: EUR 80,712 (181,603) thousand		
	1,460,850	1,562,654
F. Prepaid expenses	3,477	3,791
Total equity and liabilities	9,149,098	8,897,018

Statement of income for the period 1 January to 31 December 2019

EUR thousand	2019		2018
I. Underwriting account			
1. Premiums earned for own account			
a) Gross written premiums	39,435		—
b) Premiums ceded to reinsurance	—	39,435	—
c) Changes to gross premiums unearned	-1,604		—
d) Adjustment of reinsurers' share in gross premiums unearned	—	-1,604	—
		37,831	—
2. Expenses on insurance claims for own account			
a) Claims payments			
aa) Gross premium	-39,396		—
bb) Reinsurers' share	—	-39,396	—
b) Changes to the loss and loss adjustment expense reserve			
aa) Gross premium	68,216		—
bb) Reinsurers' share	—	68,216	—
		28,820	
3. Expenses for insurance operations for own account			
a) Gross expenses for insurance operations		14,731	—
b) less:			
Commissions and profit commissions received for business ceded to reinsurance		—	—
		14,731	
4. Expenses for insurance operations for own account		9	—
5. Subtotal		-5,729	—
6. Changes to equalisation reserve and similar provisions		-1,608	—
7. Net underwriting result		-7,337	—

EUR thousand	2019	2018
II. Non-underwriting account		
1. Investment income		
a) Income from long-term equity investments	335,046	358,381
of which from affiliated companies: EUR 335,046 (358,381) thousand		
b) Income from other investments		
of which from affiliated companies: EUR 10,014 (10,027) thousand		
aa) Income from other investments	11,803	11,551
c) Gains on disposal of investments	137,700	—
d) Income from profit-pooling, profit transfer and partial profit transfer agreements	351,454	216,518
	836,004	586,450
2. Investment expenses		
a) Investment management expenses, interest expenses and other expenses related to capital investments	3,474	2,557
b) Impairment losses on investments	306	857
c) Losses on disposal of investments	749	1,033
d) Costs of loss absorption	—	117,880
	4,530	122,327
	831,474	464,123
3. Other income	30,441	4,399
4. Other expenses	255,898	242,228
	-225,457	-237,829
5. Result from ordinary activities	598,680	226,293
6. Income taxes	16,878	14,279
7. Other taxes	-11	7
	16,868	14,286
8. Net income for the financial year	581,812	212,008
9. Retained profit brought forward	118,603	273,152
10. Distributable profit	700,415	485,159

Notes

General information

The annual financial statements for the financial year 2019, in the version in force at the reporting date, were prepared in accordance with the provisions of the German Commercial Code (HGB), the German Stock Corporation Act (AktG), the German Insurance Supervision Act (VAG) and the German Regulation on the Accounting of Insurance Undertakings (RechVersV). Talanx AG, Hannover is entered in the commercial register at the Hannover Local Court (HRB 52546).

Talanx AG received its reinsurance license from the Federal Financial Supervisory Authority (BaFin) in December 2018, effective 1 January 2019.

Accounting and measurement

Measurement of assets

Investments

Investments in affiliated companies, long-term equity investments and loans to affiliated companies were recognised at cost less write-downs to the lower of cost or fair value in accordance with section 341b(1) sentence 2 HGB in conjunction with section 253(3) sentence 5 HGB.

Fair values of shares in affiliated companies and other long-term equity investments are measured in accordance with section 56 of the German Regulation on the Accounting of Insurance Undertakings (RechVersV). The fair value of holding companies recognised in the affiliated companies was determined as part of a sum-of-the-parts measurement whereby assets and liabilities were carried at fair value. For composite insurance enterprises and financial service providers, the fair values for equity investments in operating companies are measured regularly using the income approach. In the case of life insurance companies, fair value is primarily measured using the income approach. In order to take into account the special characteristics of life insurance business, the appraisal value approach is used to check the plausibility of impairment. The fair value is calculated using the net asset value for various private equity and real estate companies. In some justified cases, especially in the case of transactions relating to acquisition, companies were recognised at their carrying amount.

The fair value of loans to affiliated companies was calculated using product and rating-specific yield curves. Special structures such as deposit protection, guaranty obligations, or subordination are taken into account with respect to the spread premiums applied.

Bearer bonds and other fixed-income securities were measured based on the strict lower-of-cost-or-market principle (section 341b (2) HGB in conjunction with section 255 (1) and section 253 (1) sentence 1 and (4) HGB).

The fair value of other investments was generally determined on the basis of their open market value in accordance with section 56 RechVersV. For investments having a market or listed price, the market value was defined as the market or listed price on the balance sheet date, or on the last day prior to this date for which a market or listed price could be identified. In cases in which no listed prices were available, yield prices were employed on the basis of pricing methods established in the financial markets. Investments were valued at maximum at their expected realisable value in accordance with the principle of prudence.

The requirement to reverse write-downs (section 253(5) HGB) was observed, under which write-downs of assets that were written down in prior years are reversed up to amortised cost or lower fair market value if the reasons for permanent impairment no longer apply.

Deposits with financial institutions and funds withheld by ceding companies were recognised at their nominal amounts.

Receivables

Receivables on reinsurance business and other receivables were recognised on the balance sheet date at their nominal amounts.

Since the cost accounts were closed for new postings before the balance sheet date, costs that were posted after the record date for accrued and deferred items were recognised as other receivables. The prepaid expenses were offset by estimated costs for the period between the closing of the cost accounts and the balance sheet date, which are reported under other provisions as miscellaneous provisions.

Other assets

Operating and office equipment was recognised at cost and is depreciated over the customary useful life. Prepayments are recognised on the balance sheet at cost. The depreciation was applied according to the straight-line method; the periods of useful life range from three to 13 years. Low-value items costing between EUR 250 and EUR 800 are capitalised and written off in full in the year of acquisition.

Prepaid expenses

The items to be included under prepaid expenses were recognised at nominal value, unless the lower fair value was to be recognised.

Measurement of equity and liabilities

Subordinated liabilities

Subordinated liabilities were carried at nominal amount.

Underwriting provisions

Underwriting provisions were recognised in accordance with the principles of commercial law, generally using information from cedants and, in some cases, using appropriate surcharges. In all cases, we ensured that we could meet our obligations from reinsurance business on a permanent basis.

According to the decree of the Finance Minister of the State of North Rhine-Westphalia of 29 May 1974, the basis of assessment for the unearned premium reserve is the reinsurance premium after deduction of 92.5% of reinsurance commissions.

The loss and loss adjustment expense reserve was calculated on the basis of cedants' tasks and any necessary surcharges in accordance with the future settlement amount considered realistic. Past experiences and assumptions relating to further developments were taken into account and suitable actuarial methods were applied.

Corresponding provisions for claims incurred but not yet reported ("IBNR") were calculated for insurance claims that were not yet known at the balance sheet date using suitable mathematical and statistical methods.

The equalisation reserve was calculated in compliance with the regulations according to section 29 RechVersV and the Appendix to section 29 RechVersV as well as the Regulations on Reporting for Insurance Undertakings (Versicherungsberichterstattungsverordnung; BerVersV).

Other provisions

Pursuant to section 253(1) sentence 2 HGB pension liabilities were recognised at the settlement amount determined in accordance with the principle of prudence and have been discounted in accordance with section 253(2) sentence 2 HGB over an assumed remaining life of 15 years, using the average interest rate for the last ten years as published by the German Bundesbank in accordance with German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung; RückAbzinsV). The provisions for pensions for employer-funded commitments and for employee-funded commitments not contingent on securities were calculated in accordance with the entry age normal method. The adjustment of benefits with respect to commitments under deferred compensation as a result of future expected surplus participation on the part of reinsurers was taken into account based on individual agreements.

The calculation is based on the probabilities of retirement under the 2018G Heubeck mortality tables, which were reinforced to reflect the risk trends observed in the portfolio. The calculation was also based on the following assumptions:

Salary trend: 2.50 % (2.50 %)
Pension trend: 1.74 % (1.74 %)
Interest rate: 2.71 % (3.21 %)

The fluctuation taken into account corresponds to the probabilities specific to the company, which vary according to age and gender.

The securities-linked employee-financed commitments are exclusively pension commitments covered by fully matched benefit reinsurance, which are measured in accordance with section 253(1) sentence 3 HGB as required by the German Accounting Principle IDW AcP HFA 30 margin no. 74. For these commitments, the settlement amount therefore corresponds to the fair value of the plan assets of the life insurance agreement plus surplus participation.

Anniversary obligations are measured according to the same principles as pension liabilities. The same assumptions are used to consider salary trends and fluctuation probabilities. Only the discount rate is calculated differently using an average of the past seven years and is set at 1.97% (2.32%).

All employees who have utilised partial retirement were taken into account when calculating the provision for partial retirement obligations. The calculations were performed using the modified 2018G Heubeck mortality tables, as used to measure pension liabilities. The mortality and morbidity table of active employees was used as a basis. An actuarial interest rate of 0.63% (0.87%) was applied, assuming an average remaining term of two years. The assumed rate of increase for salaries was 2.50%. In accordance with section 253 HGB, the provision is carried at the necessary settlement amount. It comprises the provision for pay arrears, the provision for top-up amounts, the provision for the additional employer contribution to statutory annuity insurance and the provision for severance payments.

Provisions for taxes and other provisions take all identifiable risks and uncertain obligations into account and were recognised at the settlement amount dictated by prudent business judgement.

Provisions with a remaining term of more than one year were discounted at the average market interest rate for the last seven years as determined and published by the German Bundesbank in accordance with the RückAbzinsV.

Other liabilities

Other liabilities are recognised at their settlement amounts.

Prepaid expenses

Income prior to the reporting date is presented under deferred income to the extent that it represents income for a specific period after the reporting date.

Currency translation

If there are items denominated in foreign currency, they are translated as at the balance sheet date at the closing rate for balance sheet items and at the average rate for items in the income statement. With respect to monthly foreign currency measurement, the portfolio positions are translated at the respective exchange rate prevailing at the end of the month.

The exchange rate for the monthly measurement of statement of income line items is the respective final rate on the last day of the preceding month. These items are translated using a rolling method. The addition of the translated individual items effectively resulted in a translation at average rates.

Notes to the balance sheet

Assets

CHANGES TO ASSETS A. I. AND A. II IN THE FINANCIAL YEAR 2019

In EUR thousand	Balance sheet values for the prior year	Additions	Disposals	Amortisation, depreciation and write-downs	Balance sheet values for the financial year	Market values 31.12.2019
A. I. Investments in affiliated companies and other long-term equity investments						
1. Shares in affiliated companies	7,320,623	29,312	168,362	—	7,181,572	19,097,048
2. Loans to affiliated companies	215,500	—	4,500	—	211,000	240,541
3. Other long-term equity investments	8,630	—	2,782	—	5,849	5,849
Total A. I.	7,544,753	29,312	175,644	—	7,398,421	19,343,438
A. II. Other investments						
1. Bearer bonds and other fixed-income securities	110,750	179,733	189,259	306	100,917	100,917
2. Deposits with financial institutions	535,399	—	16,910	—	518,489	518,489
Total A. II.	646,148	179,733	206,169	306	619,406	619,406
Total	8,190,901	209,044	381,813	306	8,017,827	19,962,843

There were no hidden liabilities for loans to affiliated companies in the financial year. Hidden liabilities totalling EUR 2,128 thousand were recognised here in the prior year. These were attributable exclusively to interest rates and thus were not considered to be permanent.

The Company has not exercised the option of assigning investments to fixed assets in accordance with section 341b (2) clause 2 HGB.

A. I. Investments in affiliated companies and other long-term equity investments

1. SHARES IN AFFILIATED COMPANIES IN GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
Alstertor Erste Beteiligungs- und Investitionssteuerungs-GmbH & Co. KG, Hamburg ¹²	100.00	EUR	4,324	577
Alstertor Zweite Beteiligungs- und Investitionssteuerungs-GmbH & Co. KG, Hamburg ¹²	100.00	EUR	13,903	5,229
AMANIKI GmbH, Frankfurt am Main ¹¹	49.90	EUR	—	—
Ampega Asset Management GmbH, Cologne ^{3,13}	100.00	EUR	72,600	54,793
Ampega C-QUADRAT Fondsmarketing GmbH, Frankfurt ¹⁵	50.00	EUR	110	-3
Ampega Investment GmbH, Cologne ¹³	100.00	EUR	7,936	26,119
Ampega Real Estate GmbH, Cologne ^{3,13}	100.00	EUR	1,337	4,366
caplantic GmbH, Hannover	45.00	EUR	5,169	1,586
E+S Rückversicherung AG, Hannover ¹²	64.79	EUR	918,847	128,000
Elinvar GmbH, Berlin	32.75	EUR	2,166	-4,075
Finance-Gate Software GmbH, Berlin	40.00	EUR	-10	-35
FUNIS GmbH & Co. KG, Hannover	100.00	EUR	95,810	37,702
FVB Gesellschaft für Finanz- und Versorgungsberatung mbH, Osnabrück ¹³	100.00	EUR	60	6,086
G-E Financial Analytics GmbH, Berlin	100.00	EUR	571	-1,002
GERLING Pensionsenthaftungs- und Rentenmanagement GmbH, Cologne	100.00	EUR	3,096	-2,469
Hannover America Private Equity Partners II GmbH & Co. KG, Hannover ¹²	100.00	EUR	542,769	58,858
Hannover Beteiligungsgesellschaft mbH, Hannover ¹²	100.00	EUR	2,214	-1,120
HANNOVER Finanz GmbH, Hannover	27.78	EUR	63,435	5,322
Hannover Re Euro PE Holdings GmbH & Co. KG, Hannover ¹²	100.00	EUR	362,071	53,321
Hannover Re Euro RE Holdings GmbH, Hannover ¹²	100.00	EUR	1,018,585	110,205
Hannover Re Global Alternatives GmbH & Co. KG, Hannover ¹²	100.00	EUR	438,158	14,870
Hannover Rück Beteiligung Verwaltungs-GmbH, Hannover ^{12,13,19}	100.00	EUR	4,027,406	331,573
Hannover Rück SE, Hannover ¹²	50.22	EUR	3,008,716	674,493
Hannoversch-Kölnische Beteiligungsgesellschaft mbH, Hannover	50.00	EUR	29	—
Hannoversch-Kölnische Handels-Beteiligungsgesellschaft mbH & Co. KG, Hannover	50.00	EUR	149	-11,171
HAPEP II Holding GmbH, Hannover ¹²	100.00	EUR	13,432	90
HAPEP II Komplementär GmbH, Hannover ¹²	100.00	EUR	47	4
HDI AI EUR Beteiligungs-GmbH & Co. KG, Cologne ^{4,12}	100.00	EUR	507,037	49,746
HDI AI USD Beteiligungs-GmbH & Co. KG, Cologne ^{4,12}	100.00	EUR	239,081	22,291
HDI Deutschland AG, Hannover ^{3,13}	100.00	EUR	1,519,576	41,397
HDI Deutschland Bancassurance Communication Center GmbH, Hilden ^{3,13}	100.00	EUR	495	-135
HDI Deutschland Bancassurance GmbH, Hilden ^{3,13}	100.00	EUR	650,419	20,426
HDI Deutschland Bancassurance Kundenmanagement Komplementär GmbH, Hilden (formerly: HG-FW Komplementär GmbH, Cologne)	100.00	EUR	29	4
HDI Deutschland Bancassurance Kundenmanagement GmbH & Co. KG, Hilden ⁴	100.00	EUR	440,023	11,417
HDI Deutschland Bancassurance Kundenservice GmbH, Hilden ^{3,13}	100.00	EUR	75	—
HDI Direkt Service GmbH, Hannover ^{3,12,13}	100.00	EUR	51	-180
HDI Global Network AG, Hannover ^{12,13}	100.00	EUR	211,564	27,040
HDI Global SE, Hannover ^{12,13}	100.00	EUR	406,536	50,607
HDI Global Specialty Holding GmbH, Hannover ^{3,12,13}	100.00	EUR	148,544	-13
HDI Global Specialty Schadenregulierung GmbH, Hannover (formerly: HDI Schadenregulierung GmbH, Hannover) ^{12,13}	100.00	EUR	25	-1
HDI Global Specialty SE, Hannover (formerly: International Insurance Company of Hannover SE, Hannover) ¹²	100.00	EUR	251,149	-12,114

1. SHARES IN AFFILIATED COMPANIES IN GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
HDI Global Specialty Underwriting Agency GmbH, Cologne (formerly: HDI Global Underwriting Agency GmbH, Cologne) ¹³	100.00	EUR	24	-1
HDI International AG, Hannover ^{3,13}	100.00	EUR	1,868,846	77,615
HDI Kundenservice AG, Cologne ^{3,13}	100.00	EUR	312	41
HDI Lebensversicherung AG, Cologne	100.00	EUR	461,307	12,410
HDI next GmbH, Rostock ^{3,12,13}	100.00	EUR	25	—
HDI Pensionskasse AG, Cologne	100.00	EUR	41,264	1,053
HDI Pensionsmanagement AG, Cologne ^{3,13}	100.00	EUR	557	724
HDI Risk Consulting GmbH, Hannover ^{3,12,13}	100.00	EUR	1,626	904
HDI Service AG, Hannover ^{3,12,13}	100.00	EUR	1,720	—
HDI Systeme AG, Hannover ^{3,12,13}	100.00	EUR	140	—
HDI Versicherung AG, Hannover ¹³	100.00	EUR	57,100	8,852
HDI Vertriebs AG, Hannover ^{3,12,13}	100.00	EUR	926	393
HEPEP IV Komplementär GmbH, Cologne ¹²	100.00	EUR	-1,127	-90
HILSP Komplementär GmbH, Hannover	100.00	EUR	34	-1
HINT Beteiligungen GmbH, Hannover	100.00	EUR	25	—
HINT Europa Beteiligungs AG & Co. KG, Hannover ^{4,11}	100.00	EUR	86,289	—
HLV Real Assets GmbH & Co. KG, Cologne ^{4,12}	100.00	EUR	37,107	38
HMG Gasstraße 25 GmbH & Co. geschlossene Investment KG, Hamburg ¹¹	40.24	EUR	—	—
HNG Hannover National Grundstücksverwaltung GmbH & Co. KG, Hannover ⁴	100.00	EUR	41,357	1,370
HPK Köln offene Investment GmbH & Co. KG, Cologne	100.00	EUR	4,481	33,666
HR GLL Central Europe GmbH & Co. KG, Munich ^{5,12}	99.99	EUR	180,430	33,305
HR GLL Central Europe Holding GmbH, Munich ^{9,12}	100.00	EUR	61,753	-47
Infrastruktur Ludwigsau GmbH & Co. KG, Cologne ¹²	100.00	EUR	29,137	861
Infrastruktur Windpark Vier Fichten GbR, Bremen ¹²	83.34	EUR	-2	-3
IVEC Institutional Venture and Equity Capital GmbH, Cologne	100.00	EUR	30,252	-3,369
Leben Köln offene Investment GmbH & Co. KG 1, Cologne	100.00	EUR	20,528	68,379
Leben Köln offene Investment GmbH & Co. KG 3, Cologne	100.00	EUR	6,817	32,272
Leben Köln offene Investment GmbH & Co. KG 5, Cologne	100.00	EUR	2,411	165,770
Lifestyle Protection AG, Hilden ¹³	100.00	EUR	5,749	-37
Lifestyle Protection Lebensversicherung AG, Hilden ¹³	100.00	EUR	7,496	-1,770
mantel + schölzel AG, Kassel ¹¹	100.00	EUR	—	—
neue leben Holding AG, Hamburg	67.50	EUR	102,606	16,835
neue leben Lebensversicherung AG, Hamburg ¹³	100.00	EUR	105,608	11,200
neue leben Pensionsverwaltung AG, Hamburg	49.00	EUR	2,194	-23
neue leben Unfallversicherung AG, Hamburg ¹³	100.00	EUR	3,596	4,986
NL Leben offene Investment GmbH & Co. KG, Cologne	100.00	EUR	3,987	147,990
PB Leben offene Investment GmbH & Co. KG 2, Cologne	100.00	EUR	10,214	32,953
PB Leben offene Investment GmbH & Co. KG 3, Cologne	100.00	EUR	5,930	50,641
PB Lebensversicherung AG, Hilden ¹³	100.00	EUR	136,666	5,000
PB Pensionsfonds AG, Hilden ¹³	100.00	EUR	9,599	1,391
PB Versicherung AG, Hilden ¹³	100.00	EUR	9,499	6,118
Riethorst Grundstücksgesellschaft AG & Co. KG, Hannover ⁴	100.00	EUR	147,025	5,482
SSV Schadensschutzverband GmbH, Hannover ^{12,13}	100.00	EUR	200	210
Talanx AG, Hannover ¹²	100.00	EUR	5,312,454	581,812
Talanx Beteiligungs-GmbH & Co. KG, Hannover ^{4,12}	100.00	EUR	222	3,212
Talanx Direct Infrastructure 1 GmbH, Cologne ¹²	100.00	EUR	94	14

1. SHARES IN AFFILIATED COMPANIES IN GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
Talanx Infrastructure France 1 GmbH, Cologne	100.00	EUR	57,374	660
Talanx Infrastructure France 2 GmbH, Cologne	100.00	EUR	122,220	1,654
Talanx Infrastructure Portugal 2 GmbH, Cologne	100.00	EUR	31,412	2,017
Talanx Infrastructure Portugal GmbH, Cologne	100.00	EUR	696	745
Talanx Reinsurance Broker GmbH, Hannover ^{3, 12, 13}	100.00	EUR	100	19,770
TAM AI Komplementär GmbH, Cologne ¹²	100.00	EUR	124	36
TARGO Leben offene Investment GmbH & Co. KG, Cologne	100.00	EUR	6,050	60,133
TARGO Lebensversicherung AG, Hilden ¹³	100.00	EUR	33,655	32,101
TARGO Versicherung AG, Hilden ¹³	100.00	EUR	29,742	19,278
TD Real Assets GmbH & Co. KG, Cologne ¹²	100.00	EUR	466,884	13,670
TD-BA Private Equity GmbH & Co. KG, Cologne ^{4, 12}	100.00	EUR	467,048	50,413
TD-BA Private Equity Sub GmbH, Cologne ¹²	100.00	EUR	121,816	6,311
TD-Sach Private Equity GmbH & Co. KG, Cologne ^{4, 12}	100.00	EUR	67,580	12,467
VOV GmbH, Cologne	35,25	EUR	2,017	23
WeHaCo Unternehmensbeteiligungs-GmbH, Hannover	40,00	EUR	81,447	1,728
Windfarm Bellheim GmbH & Co. KG, Cologne ¹²	100.00	EUR	54,067	2,127
Windpark Mittleres Mecklenburg GmbH & Co. KG, Cologne ¹²	100.00	EUR	12,908	797
Windpark Parchim GmbH & Co. KG, Cologne ¹²	100.00	EUR	13,065	670
Windpark Rehain GmbH & Co. KG, Cologne ¹²	100.00	EUR	30,206	725
Windpark Sandstruth GmbH & Co. KG, Cologne ¹²	100.00	EUR	6,964	414
Windpark Vier Fichten GmbH & Co. KG, Cologne ¹²	100.00	EUR	6,587	406
WP Berngerode GmbH & Co. KG, Cologne ¹²	100.00	EUR	42,194	823
WP Mörsdorf Nord GmbH & Co. KG, Cologne ¹²	100.00	EUR	29,964	797

2. SHARES IN AFFILIATED COMPANIES OUTSIDE OF GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
101BOS LLC, Wilmington, USA ^{6, 12}	100.00	USD	49,647	1,508
111ORD, LLC, Wilmington, USA ^{6, 12}	100.00	USD	67,069	1,987
590ATL LLC, Wilmington, USA (formerly: 1225 West Washington, LLC, Wilmington, USA) ^{6, 12}	100.00	USD	79,243	1,805
140EWR, LLC, Wilmington, USA ^{6, 12}	100.00	USD	50,104	-10,285
1600FLL LLC, Wilmington, USA ^{6, 12}	100.00	USD	30,248	1,053
2530AUS LLC, Wilmington, USA ^{6, 12}	100.00	USD	24,805	360
320AUS LLC, Wilmington, USA ^{6, 12}	100.00	USD	90,289	3,392
3290ATL LLC, Wilmington, USA ^{6, 12}	100.00	USD	69,419	3,074
3541 PRG s. r.o., Prague, Czech Republic ^{9, 12}	100.00	CZK	964,116	59,089
402 Santa Monica Blvd, LLC, Wilmington, USA ^{6, 12}	100.00	USD	-1,887	910
7550BWI LLC, Wilmington, USA ^{6, 12}	100.00	USD	23,758	84
7550IAD LLC, Wilmington, USA ^{6, 12}	100.00	USD	68,298	-141,581
7659BWI LLC, Wilmington, USA ^{6, 11}	100.00	USD	—	—
92601 BTS s. r.o., Bratislava, Slovakia ^{9, 12}	100.00	EUR	3,573	1,087
975 Carroll Square, LLC, Wilmington, USA ^{6, 12}	100.00	USD	45,275	-3,815
Akvamarin Beta, s. r.o., Prague, Czech Republic ^{9, 12}	100.00	CZK	83,662	17,722
APCL Corporate Director No. 1 Limited, London, Great Britain ^{8, 12}	100.00	GBP	—	—
APCL Corporate Director No. 2 Limited, London, Great Britain ^{8, 12}	100.00	GBP	—	—
Argenta Continuity Limited, London, Great Britain ^{8, 12}	100.00	GBP	—	—

2. SHARES IN AFFILIATED COMPANIES OUTSIDE OF GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
Argenta General Partner Limited, Edinburgh, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta Holdings Limited, London, Great Britain ^{5,12}	100.00	GBP	52,901	6,465
Argenta LLP Services Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta No. 13 Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta No. 14 Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta No. 15 Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta Private Capital Limited, London, Great Britain ^{8,12}	100.00	GBP	4,102	2,139
Argenta Secretariat Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta SLP Continuity Limited, Edinburgh, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta Syndicate Management Limited, Great Britain ^{8,12}	100.00	GBP	4,357	2,583
Argenta Tax & Corporate Services Limited, London, Great Britain ^{8,12}	100.00	GBP	386	113
Argenta Underwriting Asia Pte. Ltd., Singapore, Singapore ^{8,12}	100.00	SGD	1,403	754
Argenta Underwriting Labuan Ltd, Labuan, Malaysia ^{8,14}	100.00	USD	78	—
Argenta Underwriting No. 1 Limited, London, Great Britain ^{8,12}	100.00	GBP	22	—
Argenta Underwriting No. 10 Limited, London, Great Britain ^{8,12}	100.00	GBP	-18	36
Argenta Underwriting No. 11 Limited, London, Great Britain ^{8,12}	100.00	GBP	-19	11
Argenta Underwriting No. 2 Limited, London, Great Britain ^{8,12}	100.00	GBP	1,347	48
Argenta Underwriting No. 3 Limited, London, Great Britain ^{8,12}	100.00	GBP	-276	-742
Argenta Underwriting No. 4 Limited, London, Great Britain ^{8,12}	100.00	GBP	-152	—
Argenta Underwriting No. 7 Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Argenta Underwriting No. 9 Limited, London, Great Britain ^{8,12}	100.00	GBP	552	-239
Broadway 101, LLC, Wilmington, USA ^{6,12}	100.00	USD	14,523	-450
Clarendon Transport Underwriting Managers (Pty) Ltd., Johannesburg, South Africa ^{7,12}	32,67	ZAR	16,820	15,884
Commercial & Industrial Acceptances (Pty) Ltd., Johannesburg, South Africa ^{7,12}	90,00	ZAR	12,817	36,821
Compass Insurance Company Ltd., Johannesburg, South Africa ^{7,12}	100.00	ZAR	265,807	55,512
C-QUADRAT Ampega Asset Management Armenia LLC, Yerevan, Armenia	25,10	AMD	865,819	202,760
Desarrollo de Consultores Profesionales en Seguros S.A. de C.V., León, Guanajuato, Mexico	100.00	MXN	510	57
ERV Sigorta Aracılık Hizmetleri Limited Sirketi, Istanbul, Turkey ¹¹	100.00	TRY	—	—
Escala Braga – Sociedade Gestora de Edifício, S.A., Braga, Portugal	49,00	EUR	8,947	1,690
Escala Parque – Gestão de Estacionamento, S.A., Linhó, Portugal	49,00	EUR	1,243	1,183
Escala Vila Franca – Sociedade Gestora de Edifício, S.A., Linhó, Portugal	49,00	EUR	14,392	1,613
Ferme Eolienne des Mignaudieres SNC, Toulouse, France ¹²	100.00	EUR	15,970	568
Ferme Eolienne du Confolentais SNC, Toulouse, France ¹²	100.00	EUR	16,702	702
Film & Entertainment Underwriters SA (Pty) Ltd., Johannesburg, South Africa ^{7,12}	51,00	ZAR	983	446
Firedart Engineering Underwriting Managers (Pty) Ltd., Johannesburg, South Africa ^{7,12}	70,00	ZAR	677	-547
Fountain Continuity Limited, Edinburgh, Great Britain ^{8,12}	100.00	GBP	—	—
Funderburk Lighthouse Limited, Grand Cayman, Cayman Islands ¹²	100.00	USD	43,841	-3,743
Garagesure Consultants and Acceptances (Pty) Ltd., Johannesburg, South Africa ^{7,12}	100.00	ZAR	3,034	1,313
Gente Compañía de Soluciones Profesionales de México, S.A. de C.V., León, Mexico	100.00	MXN	30,249	15,994
Glencar Insurance Company, Orlando, USA ¹²	100.00	USD	57,437	-1,580
Glencar Underwriting Managers, Inc., Chicago, USA	100.00	USD	4,702	-133
GLL HRE CORE Properties, L.P., Wilmington, USA ^{6,12}	99,90	USD	807,452	231
H.J. Roelofs Assekuradeuren B.V., Rotterdam, Netherlands	100.00	EUR	153	-6
Hannover Finance (Luxembourg) S.A., Luxembourg, Luxembourg ¹²	100.00	EUR	27,339	909
Hannover Finance (UK) Ltd., London, Great Britain ¹²	100.00	GBP	656	-24
Hannover Finance, Inc., Wilmington, USA	100.00	USD	1,405,321	27,227
Hannover Life Re of Australasia Ltd., Sydney, Australia ¹²	100.00	AUD	487,581	-10,838

2. SHARES IN AFFILIATED COMPANIES OUTSIDE OF GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
Hannover Life Reassurance Africa Ltd., Johannesburg, South Africa ^{7,12}	100.00	ZAR	828,141	108,856
Hannover Life Reassurance Bermuda Ltd., Hamilton, Bermuda ¹²	100.00	USD	495,663	95,050
Hannover Life Reassurance Company of America (Bermuda) Ltd., Hamilton, Bermuda ¹²	100.00	USD	1,616,067	166,255
Hannover Life Reassurance Company of America, Orlando, USA ¹²	100.00	USD	552,826	70,119
Hannover Mining Engineering Services LLC, Itasca, USA	100.00	USD	385	45
Hannover Re (Bermuda) Ltd., Hamilton, Bermuda ¹²	100.00	USD	1,533,574	164,790
Hannover Re (Ireland) Designated Activity Company, Dublin, Ireland ¹²	100.00	USD	697,296	106,124
Hannover Re Consulting Services India Private Limited, Mumbai, India	100.00	INR	114,966	3,267
Hannover Re Real Estate Holdings, Inc., Orlando, USA ⁵	100.00	USD	969,278	4,615
Hannover Re Risk Management Services India Private Limited, New Delhi, India	100.00	INR	51,838	1,240
Hannover Re Services Italy S. r. l., Milan, Italy	100.00	EUR	371	99
Hannover Re Services Japan, Tokyo, Japan ¹²	100.00	JPY	151,508	12,301
Hannover Re Services USA, Inc., Itasca, USA	100.00	USD	4,047	158
Hannover Reinsurance Africa Ltd., Johannesburg, South Africa ^{7,12}	100.00	ZAR	950,873	191,237
Hannover Reinsurance Group Africa (Pty) Ltd., Johannesburg, South Africa ^{5,12}	100.00	ZAR	251,982	100,171
Hannover ReTakaful B.S.C. (c), Manama, Bahrain ¹²	100.00	BHD	68,650	9,800
Hannover Risk Consultants B.V., Rotterdam, Netherlands	100.00	EUR	-34	—
Hannover Rück SE Escritório de Representação no Brasil Ltda., Rio de Janeiro, Brazil	100.00	BRL	3,405	390
Hannover Services (México) S.A. de C.V., Mexico City, Mexico	100.00	MXN	9,627	833
Hannover Services (UK) Ltd., London, Great Britain ¹²	100.00	GBP	927	-42
HDI Assicurazioni S.p.A., Rome, Italy	100.00	EUR	253,602	21,357
HDI Global Insurance Company, Chicago, USA	100.00	USD	153,763	-1,225
HDI Global Network AG Escritório de Representação no Brasil Ltda, São Paulo, Brazil	100.00	BRL	324	9
HDI Global SA Ltd., Johannesburg, South Africa	100.00	ZAR	57,528	6,589
HDI Global Seguros S.A., São Paulo, Brazil	100.00	BRL	62,947	5,942
HDI Immobiliare S. r. l., Rome, Italy	100.00	EUR	61,768	-47
HDI Reinsurance (Ireland) SE, Dublin, Ireland	100.00	EUR	215,992	34,747
HDI Seguros de Garantía y Crédito S.A., Las Condes, Chile	99.85	CLP	5,669,305	-1,297,917
HDI Seguros de Vida S.A., Bogotá, Columbia	99.87	COP	17,713,996	415,073
HDI Seguros de Vida S.A., Las Condes, Chile	100.00	CLP	4,757,168	142,811
HDI Seguros S.A. de C.V., Leon, Mexico	99.76	MXN	1,568,226	256,900
HDI Seguros S.A., Bogotá, Columbia	91.34	COP	54,297,851	1,900,221
HDI Seguros S.A., Buenos Aires, Argentina	100.00	ARS	746,634	148,730
HDI Seguros S.A., Las Condes, Chile	99.92	CLP	51,986,778	4,674,395
HDI Seguros S.A., Montevideo, Uruguay	100.00	UYU	277,555	12,603
HDI Seguros S.A., São Paulo, Brazil	100.00	BRL	1,117,042	80,785
HDI Sigorta A.S., Istanbul, Turkey	100.00	TRY	487,694	58,152
HDI Specialty Insurance Company, Illinois, USA	100.00	USD	47,378	-5,537
HDI Versicherung AG (Österreich), Vienna, Austria	100.00	EUR	28,656	12,797
HDI Global Seguros S.A., Mexico City, Mexico (formerly: HDI-Gerling de Mexico Seguros S.A., Mexico City, Mexico)	100.00	MXN	184,695	21,943
HDI-Gerling Verzekeringen N.V., Rotterdam, Netherlands	100.00	EUR	87,603	-1,752
Heuberg S. L. U., Barcelona, Spain ¹¹	100.00	EUR	—	—
Hospitality Industrial and Commercial Underwriting Managers (Pty) Ltd., Johannesburg, South Africa ^{7,12}	85.00	ZAR	2,077	13,848
HR GLL CDG Plaza S. r. l., Bucharest, Romania ^{9,12}	100.00	RON	103,947	8,486
HR GLL Europe Holding S.à.r.l., Luxembourg, Luxembourg ^{9,12}	100.00	EUR	128,356	22,688
HR GLL Griffin House SPÓLKA Z OGRANICZONA ODPOWIEDZIALNÓSCIA, Warsaw, Poland ^{9,12}	100.00	PLN	34,740	-1,323

2. SHARES IN AFFILIATED COMPANIES OUTSIDE OF GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
HR GLL Liberty Corner SPÓLKA Z OGRANICZONA ODPOWIEDZIALNÓŚCIA, Warsaw, Poland ^{9,12}	100.00	PLN	49,850	1,837
HR GLL Roosevelt Kft, Budapest, Hungary ^{9,12}	100.00	HUF	34,475,317	19,422,451
HR Hannover Re, Correduría de Reasegueros, S. A., Madrid, Spain	100.00	EUR	683	109
HR US Infra Debt LP, George Town, Cayman Islands ¹²	99.99	USD	183,722	8,022
HR US Infra Equity LP, Wilmington, USA ^{6,12}	100.00	USD	58,948	-599
Iberia Termosolar 1, S. L. U, Bardajoz, Spain ¹¹	71.05	EUR	—	—
INCHIARO LIFE Designated Activity Company, Dublin, Ireland	100.00	EUR	17,011	245
InLinea S.p.A., Rome, Italy	100.00	EUR	1,771	278
Integra Insurance Solutions Limited, Bradford, Great Britain ¹²	100.00	GBP	6,621	1,105
Inter Hannover (No. 1) Limited, London, Great Britain ¹²	100.00	GBP	—	—
International Mining Industry Underwriters Limited, London, Great Britain ¹⁴	100.00	GBP	—	—
Inversiones HDI Limitada, Santiago, Chile	100.00	CLP	178,667,391	68,869
Kaith Re Ltd., Hamilton, Bermuda	88.00	USD	101	-272
Kubera Insurance (SAC) Ltd, Hamilton, Bermuda ¹²	100.00	USD	702	-187
Landmark Underwriting Agency (Pty) Ltd., Bloemfontein, South Africa ^{7,12}	65.50	ZAR	6,201	10,675
Le Chemin de La Milaine S. N. C, Lille, France ¹²	100.00	EUR	18,261	1,416
Le Louveng S. A. S., Lille, France ¹²	100.00	EUR	9,271	708
Le Souffle des Pellicornes S. N. C, Lille, France ¹²	100.00	EUR	16,414	1,400
Leine Investment General Partner S. à r.l., Luxembourg, Luxembourg	100.00	EUR	1,457	587
Leine Investment SICAV-SIF, Luxembourg, Luxembourg	100.00	USD	114,319	2,316
Les Vents de Malet S. N. C, Lille, France ¹²	100.00	EUR	18,835	1,716
LI RE, Hamilton, Bermuda ¹²	100.00	USD	—	—
Lireas Holdings (Pty) Ltd., Johannesburg, South Africa ^{7,12}	70.00	ZAR	299,437	85,508
M8 Property Trust, Sydney, Australia ^{10,12}	100.00	AUD	64,927	314
Magma HDI General Insurance Ltd., Kolkata, India	22.26	INR	2,819,084	-261,049
Magyar Posta Biztosító Zrt, Budapest, Hungary (formerly: Magyar Posta Biztosító Részvénytársaság, Budapest, Hungary)	66.93	HUF	3,563,300	971,889
Magyar Posta Életbiztosító Zrt., Budapest, Hungary	66.93	HUF	8,897,044	1,730,735
Markham Real Estate Partners (KSW) Pty Limited, Sydney NSW, Australia ^{10,12}	100.00	AUD	—	—
Monument Insurance Group Limited, Hamilton, Bermuda	20.00	GBP	161,669	61,357
Morea Limited Liability Company, Tokyo, Japan ^{10,12}	99.00	JPY	4,447,713	-3,327
MUA Insurance Acceptances (Pty) Ltd., Cape Town, South Africa ^{7,12}	95.00	ZAR	10,224	9,561
Names Taxation Service Limited, London, Great Britain ^{8,12}	100.00	GBP	10	—
Nashville West, LLC, Wilmington, USA ^{6,12}	100.00	USD	25,523	599
HDI Global Insurance Limited Liability Company, Moscow, Russia (formerly: OOO Strakhovaya Kompaniya HDI Strakhovanie, Moscow, Russia)	100.00	RUB	585,422	39,192
OOO Strakhovaya Kompaniya Civ Life, Moscow, Russia	100.00	RUB	2,101,878	337,974
Orion No. 1 Professional Investors Private Real Estate Investment LLC, Seoul, South Korea ^{10,12}	99.65	KRW	27,524,567	1,042,184
PAG Real Estate Asia Select Fund Limited, George Town, Cayman Islands ^{5,12}	100.00	USD	213,484	3,174
Peace G. K., Tokyo, Japan ^{10,12}	99.00	JPY	5,088,819	173,255
Petro Vietnam Insurance Holdings, Cau Giay, Vietnam	53.92	VND	6,491,935,385	521,465,631
Pineapple Tech (Pty) Ltd, Johannesburg, South Africa ^{7,12}	25.00	ZAR	-2,596	-5,820
Pipera Business Park S. r. l., Bukarest, Romania ^{9,12}	100.00	RON	357,192	8,429
PNH Parque – Do Novo Hospital, S. A., Linhó, Portugal	49.00	EUR	464	404
Protecciones Esenciales S. A., Buenos Aires, Argentiny	100.00	ARS	649,528	32,317
Reaseguradora del Ecuador S. A., Guayaquil, Ecuador ¹²	30.00	USD	18,560	3,798
Residual Services Corporate Director Limited, London, Great Britain ^{8,12}	100.00	GBP	—	—
Residual Services Limited, London, Great Britain ^{8,12,16}	100.00	GBP	3	—

2. SHARES IN AFFILIATED COMPANIES OUTSIDE OF GERMANY

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
River Terrace Parking, LLC, Wilmington, USA ^{6,12}	100.00	USD	17,944	-10
Saint Honoré Iberia S.L., Madrid, Spain	100.00	EUR	29,239	273
Sand Lake Re, Inc., Burlington, USA ¹²	100.00	USD	89,789	112,853
Santander Auto S.A., Sao Paulo – Vila Olimpia, Brazil ¹⁷	50.00	BRL	—	—
SUM Holdings (Pty) Ltd., Johannesburg, South Africa ^{7,12}	100.00	ZAR	-594	-125
Sureify Labs, Inc., Wilmington, USA	20.69	USD	-489	-2,134
Svedea AB, Stockholm, Sweden ¹²	76.50	SEK	68,781	48,708
Svedea Skadeservice AB, Stockholm, Sweden	100.00	SEK	50	—
Talanx Finanz (Luxemburg) S.A., Luxembourg, Luxembourg ¹²	100.00	EUR	6,667	106
Thatch Risk Acceptances (Pty) Ltd., Johannesburg, South Africa ⁷	70.00	ZAR	3,365	3,806
Towarzystwo Ubezpieczen Europa S.A., Wroclaw, Poland	50.00	PLN	951,723	93,894
Towarzystwo Ubezpieczen i Reasekuracji WARTA S.A., Warsaw, Poland	75.74	PLN	2,310,892	468,494
Towarzystwo Ubezpieczen na Zycie "WARTA" S.A., Warsaw, Poland	100.00	PLN	370,703	34,448
Towarzystwo Ubezpieczen na Zycie Europa S.A., Wroclaw, Poland	100.00	PLN	672,570	2,996
Transit Underwriting Managers (Pty) Ltd., Durban, South Africa ^{7,12}	90.00	ZAR	318	58
Trinity Underwriting Managers Limited, Toronto, Canada ¹⁸	20.00	CAD	3	-1,274
U FOR LIFE SDN. BHD., Petaling Jaya, Malaysia	100.00	MYR	-26,613	-4,709
Westblaak Vastgoedfonds I BV, Rotterdam, Netherlands ¹¹	100.00	EUR	—	—

3. OTHER LONG-TERM EQUITY INVESTMENTS

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
Credit Suisse (Lux) Gas TransitSwitzerland SCS, Luxembourg, Luxembourg	60,15	EUR	128.707	4.846
IGEPA Gewerbepark GmbH & Co. Vermietungs KG, Fürstfeldbruck, Germany	37,50	EUR	-5.466	8.938
Investsure Technologies Proprietary Limited, Johannesburg, South Africa ¹²	21,50	ZAR	1.324	-3.154
Kopano Ventures (Pty) Ltd, Johannesburg, South Africa ¹²	15,00	ZAR	2.537	-4.377
Meribel Mottaret Limited, St. Helier, Jersey ¹¹	18,92	EUR	—	—
Perseus Technologies GmbH, Berlin, Germany	12,82	EUR	—	-3.742
Qinematic AB, Lidingö, Sweden	11,94	SEK	-5.767	-1.823
Somerset Reinsurance Ltd., Hamilton, Bermuda	16,90	USD	415.008	5.263
SWISS INSUREVOLUTION PARTNERS Holding (CH) AG, Zurich, Switzerland (formerly: Life Invest Holding AG, Zurich, Switzerland)	15,00	CHF	43.631	15.583
SWISS INSUREVOLUTION PARTNERS Holding (FL) AG, Triesen, Liechtenstein (formerly: Inlife Holding (Liechtenstein) AG, Triesen, Liechtenstein)	15,00	CHF	3.773	-31

4. INVESTMENTS IN LARGE CORPORATIONS EXCEEDING 5% OF THE VOTING RIGHTS (LARGE CORPORATION WITHIN THE MEANING OF SECTION 341A OF THE GERMAN COMMERCIAL CODE [HGB])

	Equity interest in % ¹		Equity ² in thousand	Earnings before profit transfer ² in thousand
Acte Vie S.A., Schiltigheim, France	9.38	EUR	9,870	394
Extremus Versicherungs-AG, Cologne, Germany	13.00	EUR	64,058	2,818
M 31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf, Germany	8.90	EUR	1,089,452	71,210
MLP AG, Wiesloch, Germany	7.03	EUR	369,090	21,867

¹ The equity interests are calculated by adding together all directly and indirectly held interests in accordance with section 16(2) and section 16(4) of the German Stock Corporation Act (AktG).

² The figures correspond to the local GAAP or IFRS annual financial statements of the companies concerned; currencies other than the euro are indicated.

³ The exemptions permitted under section 264(3) of the German Commercial Code (HGB) were applied.

⁴ The exemption permitted under section 264b of the HGB was applied.

⁵ The company prepares its own subgroup financial statements.

⁶ Included in the subgroup financial statements for Hannover Re Real Estate Holdings, Inc.

⁷ Included in the subgroup financial statements for Hannover Reinsurance Group Africa (Pty) Ltd.

⁸ Included in the subgroup financial statements for Argenta Holdings Limited.

⁹ Included in the subgroup financial statements for HR GLL Central Europe GmbH & Co. KG.

¹⁰ Included in the subgroup financial statements for PAG Real Estate Asia Select Fund Limited.

¹¹ No annual report/annual financial statements are available yet because the company was formed in the reporting period.

¹² Provisional/unaudited figures as at the 2019 financial year-end.

¹³ A profit/loss transfer agreement is in force.

¹⁴ The company is inactive.

¹⁵ The company is in liquidation.

¹⁶ The company holds 35 subsidiaries with a total equity of under EUR 0.5 million.

¹⁷ The company was acquired in 2018. There are no annual financial statements available yet.

¹⁸ Information as at 31 December 2017.

¹⁹ Net income after profit/loss transfer.

A. III. Funds withheld by ceding companies from business ceded for reinsurance

The balance from the reinsurance agreement with HDI Re (Ireland) in the amount of EUR 68,177 (–) thousand is recognised here.

B. I. Receivables on reinsurance business

This item includes both settled current accounts and reinsurance receivables resulting from the estimation and accruals process in the amount of EUR 1,159 (–) thousand.

B. II. Other receivables

EUR thousand	31.12.2019	31.12.2018
Receivables from affiliated companies	641,861	382,619
Receivables from tax authorities	160,369	194,444
Prepayments	784	574
Pension plan insurance claims	649	1,213
Costs posted after the closing of the cost accounts	508	523
Miscellaneous	966	475
Total	805,137	579,848

Receivables from affiliated companies essentially relate to receivables under profit/loss transfer agreements of EUR 338,529 (197,852) thousand, from the sale of HDI Reinsurance (Ireland) SE to HDI Global SE in the amount of EUR 268,700 (–) thousand and distributions from capital reserves of EUR 27,962 (84,100) thousand.

Costs posted after the closing of the cost accounts (2 December 2019) were recognised under other receivables. In the following period, the accruals were reversed through profit or loss.

The item includes receivables with a remaining term of more than one year amounting to EUR 1,062 (1,595) thousand.

C. I. Tangible fixed assets and inventories

EUR thousand	2019	2018
Balance as at the start of the financial year	806	697
Additions	234	527
Disposals	175	115
Amortisation, depreciation and write-downs	103	303
Balance as at the end of the financial year	762	806

D. I. Deferred rent and interest income

Accruals and deferrals were made exclusively for interest amounting to EUR 4,892 (4,234) thousand.

D. II. Other prepaid expenses

EUR thousand	31.12.2019	31.12.2018
Discount	3,128	3,603
Administrative expenses	2,747	3,295
Total	5,875	6,898

Equity and liabilities

A. I. Subscribed capital

Subscribed capital and number of shares outstanding

The share capital is still EUR 316 million and is divided into 252,797,634 no-par value registered shares. It is fully paid up. The nominal value per share is EUR 1.25.

Of Talanx AG's share capital, 79.0% (unchanged year on year) of the shares were held by HDI V. a. G. as at 31 December 2019. The rest were held in free float.

Contingent capital

The Annual General Meeting held on 11 May 2017 resolved to contingently increase the share capital by up to EUR 126 million by issuing up to 101,119,057 new no-par value shares (contingent capital I). The contingent capital increase is designed to grant no-par value shares to holders of registered bonds that Talanx AG or a subordinate Group company within the meaning of section 18 of the German Stock Corporation Act (AktG) will issue by 10 May 2022 in exchange for cash, in order to satisfy the contingent conversion obligation, on the basis of the authorisation of the Board of Management by the resolution adopted by the Annual General Meeting on the same date.

The same Annual General Meeting resolved to contingently increase the share capital by up to EUR 32 million by issuing up to 25,279,760 new no-par value shares (contingent capital II). The contingent capital increase is designed to grant no-par value shares to holders of bonds (convertible bonds and bonds with warrants) and participating bonds and profit participation rights with conversion rights or warrants or (contingent) conversion obligations that Talanx AG or its subordinate Group companies within the meaning of section 18 of the AktG will issue between 11 May 2017 and 10 May 2022 on the basis of the authorising resolution adopted by the Annual General Meeting on the same date.

The amendments to the Articles of Association took effect on their entry in the commercial register on 14 June 2017.

Authorised capital

The Annual General Meeting held on 11 May 2017 resolved to renew the authorised capital in accordance with article 7(1) of Talanx AG's Articles of Association and to insert a new article 7(1) authorising the Board of Management, with the approval of the Supervisory Board, to increase the share capital on one or more occasions until 10 May 2022 by a maximum of EUR 157,998,521.25 by issuing new no-par value registered shares against cash or non-cash contributions. Subject to the approval of the Supervisory Board, EUR 1 million of this may be used to issue employee shares. Subject to the approval of the Supervisory Board, shareholders' pre-emptive rights may be disapplied for certain listed purposes in the case of cash capital increases. Subject to the approval of the Supervisory Board, pre-emptive rights may be disapplied for non-cash capital increases if their disapplication is in the Company's overriding interest. Excluding pre-emptive rights, the total shares issuable on the basis of this authorisation may not exceed 20% of the share capital. The amendment to the Articles of Association took effect on its entry in the commercial register on 14 June 2017.

On 9 May 2019, the Annual General Meeting of Talanx AG resolved to distribute a dividend of EUR 1.45 per share to the shareholders for financial year 2018, resulting in a total distribution of EUR 367 million.

A. II. Capital reserves

As at 31 December 2019, the Company's capital reserves were unchanged at EUR 1,394,223 thousand.

A. III. Revenue reserves

As in the previous year, EUR 2,901,819 thousand of the item relates to other revenue reserves.

The difference restricted from distribution in accordance with section 253(6) sentence 1 HGB amounts to EUR 96,968 (113,304) thousand. In order to calculate the difference, the commitment discounted at the average interest rate of the past ten years and recognised was compared to the amount that would have resulted if it had been discounted at the average interest rate of the past seven years.

A total of EUR 28 (16) thousand of this amount is subject to a restriction on distribution in accordance with section 268(8) of the HGB, due to the recognition of assets at fair value. The available reserves exceed this amount.

A. IV. Distributable profit

This item consists of the 2018 distributable profit of EUR 118,603 thousand, which was carried forward to new account on the basis of the resolution by the Annual General Meeting on 9 May 2019, and the net income of the reporting period amounting to EUR 581,812 thousand.

B. Subordinated liabilities

As in the previous year, subordinated bonds of EUR 1,250 million are recognised under the item.

On 5 December 2017, Talanx AG issued subordinated bonds. The bonds have an aggregate nominal amount of EUR 750 million with a maturity of 30 years and can be called for the first time after ten years.

On 4 April 2012, Talanx Finanz (Luxemburg) S. A. issued subordinated bonds with a maturity of 30 years whose repayment is guaranteed by Talanx AG. The proceeds from the issuance were made available to Talanx AG in the form of a loan and were also subordinated. The amount of this loan at the reporting date was EUR 500 million. This subordinated loan cannot be drawn for ten years.

C. Total gross underwriting provisions

EUR thousand	31.12.2019	31.12.2018
Business ceded for reinsurance		
Personal accident insurance	41	—
Liability insurance	12,455	—
Motor third-party liability insurance	40,650	—
Other motor insurance	2,741	—
Fire and property insurance	4,771	—
of which		
a) Fire insurance	3,860	—
b) Engineering insurance	912	—
c) Other property insurance	—	—
Marine and aviation insurance	406	—
Legal protection insurance	—	—
All-risk insurance	5,574	—
Other insurance	4,426	—
Total insurance business	71,065	—

Of which:

- a) Gross provision for outstanding claims: EUR 67,926 (–) thousand
 b) Equalisation reserve and similar provisions: EUR 1,608 (–) thousand

C. II. Gross provision for outstanding claims

EUR thousand	31.12.2019	31.12.2018
Business ceded for reinsurance		
Personal accident insurance	188	—
Liability insurance	12,201	—
Motor third-party liability insurance	39,902	—
Other motor insurance	2,741	—
Fire and property insurance	4,589	—
of which		
a) Fire insurance	3,860	—
b) Engineering insurance	729	—
c) Other property insurance	—	—
Marine and aviation insurance	283	—
Legal protection insurance	—	—
All-risk insurance	5,619	—
Other insurance	2,403	—
Total insurance business	67,926	—

C. III. Equalisation reserve and similar provisions

EUR thousand	31.12.2019	31.12.2018
Business ceded for reinsurance		
Personal accident insurance	—	—
Liability insurance	—	—
Motor third-party liability insurance	748	—
Other motor insurance	—	—
Fire and property insurance	112	—
of which		
a) Fire insurance	—	—
b) Engineering insurance	112	—
c) Other property insurance	—	—
Marine and aviation insurance	—	—
Legal protection insurance	—	—
All-risk insurance	—	—
Other insurance	748	—
Total insurance business	1,608	—

D. I. Provisions for pensions and other post-employment benefits

EUR thousand	2019	2018
Balance as at the start of the financial year	845,407	793,654
Change	15,176	23,716
Unwinding of discounts/interest rate change	24,653	28,052
Asset values of nettable pension liability insurance policies	188	–15
Balance as at the end of the financial year	885,424	845,407

The settlement amount of the employer-funded pension provision was EUR 894,753 (854,949) thousand. The fair value of the insurance obtained as cover for this settlement amount as at 31 December 2019 was EUR 9,395 (9,598) thousand. The settlement amount for the employee-funded provision for pensions was EUR 1,220 (1,195) thousand. The fair value of the insurance obtained as cover for this settlement amount as at 31 December 2019 was EUR 1,154 (1,140) thousand.

TURNOVER PROBABILITIES IN %

Age	Men	Women
20	37.0	21.2
25	12.3	9.3
30	8.9	8.4
35	7.0	7.4
40	5.8	5.1
45	5.1	4.6
50	4.3	4.6
55	3.2	5.1
Ab 60	0.0	0.0

Based on a large portfolio of liabilities covered in the agreement on the assumption of joint liability, Talanx AG is entitled to the future reimbursement of already allocated temporary provision differences related to the German Accounting Law Modernisation Act (BilMoG) in accordance with section 67(1) sentence 1 of the Introductory Act to the German Commercial Code (EGHGB). The valuation of these receivables amounting to EUR 18,031 (26,263) thousand, which are not yet due in accordance with the provisions of the agreement, was offset against the provision. The plan assets are recognised at fair value in accordance with section 253(1) sentence 4 of the HGB.

Income from plan assets for pension liabilities in the amount of EUR 373 (372) thousand was netted with expenses from the unwinding of the discount on provisions for pension obligations in the amount of EUR 24,653 (28,052) thousand in the reporting year.

D. III. Other provisions

EUR thousand	31.12.2019	31.12.2018
Award proceedings	55,259	26,947
Assumed obligations from pension liabilities	29,776	28,226
Interest component of provisions for taxes	15,728	23,756
Share awards	7,000	4,809
Board of Management remuneration	5,139	3,986
Supervisory Board remuneration	2,299	2,300
Variable remuneration/bonuses	1,802	1,848
Consulting costs	1,449	2,437
Costs for the preparation of the annual financial statements	1,200	1,159
Miscellaneous	1,755	1,919
Total	121,408	97,389

The settlement amount of partial retirement provisions was EUR 571 (1,037) thousand. The fair value of the funds held to cover these obligations was EUR 531 (515) thousand as at 31 December 2019. The historical costs of the offset assets amounted to EUR 503 (499) thousand. The fair value of plan assets is equivalent to the market price.

In the reporting period, income from plan assets held to cover provisions for partial retirement obligations amounting to EUR 17 (8) thousand was offset in the statement of income against expenses

from the unwinding of discounted amounts of EUR 4 (9) thousand in the provision for partial retirement obligations.

E. II. Bonds

As in the prior year, senior bonds of EUR 1,358 million are recognised here.

On 11 February 2013, Talanx AG issued a senior bond with an aggregate nominal amount of EUR 750 million and a term of ten years.

On 13 February 2013, Talanx AG issued a senior bond with an aggregate nominal amount of EUR 108 million and a term of ten years. It was subscribed exclusively by affiliated companies.

Talanx AG also placed a senior unsecured bond with a volume of EUR 500 million on 16 July 2014. The bond matures on 23 July 2026.

As in the prior year, the bonds have a remaining term of over one year in the amount of EUR 858 million and over five years in the amount of EUR 500 million.

E. III. Liabilities to banks

Liabilities to banks of EUR 14 (581) thousand have a remaining term of less than one year, as in the previous year.

E. IV. Other liabilities

EUR thousand	Term	Term	Term	Term	Total	Total
	< 1 year	< 1 year	> 1 year	> 1 year		
	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Liabilities to affiliated companies	74,812	175,703	5,900	5,900	80,712	181,603
Liabilities from interest	22,236	22,255	—	—	22,236	22,255
Tax liabilities	345	338	—	—	345	338
Miscellaneous	43	377	—	—	43	377
Total	97,436	198,673	5,900	5,900	103,336	204,573

As in the prior year, liabilities to affiliated companies essentially relate to outstanding interest on bonds subscribed by affiliated companies in the amount of EUR 31,006 (31,094) thousand and internal allocations of EUR 43,806 (51,730) thousand.

Other liabilities do not include any maturities of over five years.

D. Deferred income

Exclusively accrued interest of EUR 3,477 (3,791) thousand is recognised here.

Notes to the statement of income

I. 1. a) Gross written premiums

EUR thousand	2019	2018
Business ceded for reinsurance		
Personal accident insurance	83	—
Liability insurance	3,756	—
Motor third-party liability insurance	14,599	—
Other motor insurance	6,149	—
Fire and property insurance	4,189	—
of which		
a) Fire insurance	2,389	—
b) Engineering insurance	1,801	—
c) Other property insurance	—	—
Marine and aviation insurance	511	—
All-risk insurance	5,283	—
Legal protection insurance	—	—
Other insurance	4,863	—
Total insurance business	39,435	—

ORIGIN OF GROSS WRITTEN PREMIUMS FOR BUSINESS CEDED FOR REINSURANCE

EUR thousand	2019	2018
Germany	375	—
Other member states of the European Community and other contracting states to the Agreement on the European Economic Area	39,060	—
Rest of world	—	—
Total	39,435	—

I. 1. Gross premiums earned

EUR thousand	2019	2018
Business ceded for reinsurance		
Personal accident insurance	220	—
Liability insurance	3,498	—
Motor third-party liability insurance	14,552	—
Other motor insurance	6,149	—
Fire and property insurance	4,245	—
of which		
a) Fire insurance	2,389	—
b) Engineering insurance	1,856	—
c) Other property insurance	—	—
Marine and aviation insurance	389	—
All-risk insurance	5,181	—
Legal protection insurance	—	—
Other insurance	3,598	—
Total insurance business	37,831	—

I. 2. Gross expenses for insurance claims

EUR thousand	2019	2018
Business ceded for reinsurance		
Personal accident insurance	—302	—
Liability insurance	4,240	—
Motor third-party liability insurance	11,045	—
Other motor insurance	4,683	—
Fire and property insurance	3,158	—
of which		
a) Fire insurance	1,989	—
b) Engineering insurance	1,169	—
c) Other property insurance	—	—
Marine and aviation insurance	259	—
All-risk insurance	4,142	—
Legal protection insurance	—	—
Other insurance	1,597	—
Total insurance business	28,820	—

I. 3. a) Gross expenses for insurance operations

EUR thousand	2019	2018
Business ceded for reinsurance		
Personal accident insurance	95	—
Liability insurance	1,228	—
Motor third-party liability insurance	5,949	—
Other motor insurance	2,017	—
Fire and property insurance	1,579	—
of which		
a) Fire insurance	954	—
b) Engineering insurance	625	—
c) Other property insurance	—	—
Marine and aviation insurance	165	—
All-risk insurance	1,254	—
Legal protection insurance	—	—
Other insurance	2,444	—
Total insurance business	14,731	—

Of the gross expenses for insurance operations for the financial year, EUR 1,408 (–) thousand are attributable to acquisition costs and EUR 13,322 (–) thousand are attributable to administrative expenses.

I. 6. Net technical result

EUR thousand	2019	2018
Business ceded for reinsurance		
Personal accident insurance	427	—
Liability insurance	–1,971	—
Motor third-party liability insurance	–3,190	—
Other motor insurance	–551	—
Fire and property insurance	–611	—
of which		
a) Fire insurance	–560	—
b) Engineering insurance	–50	—
c) Other property insurance	—	—
Marine and aviation insurance	–35	—
All-risk insurance	–216	—
Legal protection insurance	—	—
Other insurance	–1,191	—
Total insurance business	–7,337	—

Run-off result

The run-off is essentially characterised by a loss portfolio and is recognised at EUR –2,515 (–) thousand without taking into account subsequent offsetting premiums. A run-off ratio does not yet provide meaningful information as business was launched on 1 January 2019.

Personnel expenses

EUR thousand	2019	2018
Wages and salaries	30,731	26,813
Social security and employee benefit expenses	3,021	2,873
Post-employment benefit costs	62,665	59,512
Total expenses	96,417	89,198

II. 3. Other income

EUR thousand	2019	2018
Income from the reversal of provisions	14,388	209
Income from services	12,465	—
Interest and similar income	3,391	4,038
Currency exchange gains	106	2
Miscellaneous	91	150
Total	30,441	4,399

Income from the reversal of provisions essentially results from the change in interest liabilities to tax authorities in the year under review.

Income from services relates to services to affiliated companies and was disclosed in gross terms for the first time in the reporting year. In the previous year, it was disclosed under item II. 4. Other expenses.

Interest income in the previous year included EUR 42 thousand from discounting.

II. 4. Other expenses

EUR thousand	2019	2018
Other expenses from cost unit accounting	109,072	93,672
Interest expenses	106,359	103,381
Interest cost included in additions to pension provisions	24,277	27,679
Expenses for services	12,465	17,071
Expenses for the Company as a whole	3,518	—
Currency exchange losses	68	1
Miscellaneous	139	431
Gesamt	255,898	242,235

Interest expenses include EUR 6,202 (36) thousand from the unwinding of discounts.

II. 6. Income taxes

The pre-tax profit of EUR 599 (226) million results in tax expenditure of EUR 17 (14) million. Significant amounts of income in the financial year were recognised practically free of tax.

At Talanx AG, including its tax group subsidiaries, deferred taxes are measured using a corporation tax rate (including the solidarity surcharge) of 15.83% (unchanged) and a trade tax rate of 16.31%. Deferred tax liabilities, which relate in particular to the balance sheet item “Shares in affiliated companies” (due to differences between the carrying amounts of shares in partnerships) were offset against deferred tax assets, in particular in respect of the balance sheet item “Loss and loss adjustment expense reserve”. Exercising the option under section 274(1) sentence 2 HGB, any excess deferred tax assets after netting are not recognised. There was no excess of deferred tax liabilities.

Other disclosures

Employees

Number (average)	2019	2018
Full-time employees	204	202
Part-time employees	53	50
Total	257	252

Employee share programme

Talanx AG launched an employee share programme in September 2019, under which Talanx employees were each offered a maximum of 36 shares for subscription. The shares were issued to employees in November. The exercise price was based on the lowest daily rate on the Frankfurt and Hannover stock exchanges on 30 September 2019, less a discount of EUR 10 per share, and came to EUR 29.24. 5,044 shares were acquired in total. The transaction resulted in personnel expenses of EUR 50 thousand. The shares issued are subject to a lock-up period, which expires on 25 November 2021.

Governing bodies of the Company

The names of the members of the Supervisory Board and the Board of Management can be found under “Governing bodies of the Company” in the annual report.

Remuneration of the governing bodies

The remuneration of the Board of Management members totalled EUR 8,627 (8,024) thousand in the reporting period. The remuneration of the Supervisory Board members totalled EUR 2,189 (2,069) thousand in the reporting period. The remuneration of former Board of Management members and their survivors totalled EUR 2,051 (944) thousand. A total of EUR 47,322 (43,766) thousand was recognised for pension liabilities due to former Board of Management members and their survivors.

All other information on the remuneration of the Board of Management and Supervisory Board as well as the structure of the remuneration system is contained in the remuneration report, which is part of the combined management report.

Key agreements

Control and profit/loss transfer agreements

Talanx has entered into control and profit and loss transfer agreements with:

- Ampega Asset Management GmbH
- HDI Deutschland AG
- HDI Global SE
- HDI International AG
- HDI Service AG
- HDI Systeme AG
- Talanx Reinsurance Broker GmbH

Master agreement with HDI Haftpflichtverband der Deutschen Industrie V. a. G.

On 21 October 2016, Talanx AG concluded a cooperation agreement with HDI Haftpflichtverband der Deutschen Industrie V. a. G. which allows Talanx AG to offer HDI subordinated bonds with a maturity of five years and a volume of up to EUR 500 million on a revolving basis. Talanx AG is obliged to convert these bonds into registered shares with voting rights in the event of a rights issue. With the conversion of these bonds, HDI Haftpflichtverband der Deutschen Industrie V. a. G. waives its pre-emptive rights resulting from the capital increase that led to the conversion. It does so for that number of new Talanx shares that corresponds to the number of Talanx shares that HDI Haftpflichtverband der Deutschen Industrie V. a. G. will receive in the course of the obligatory conversion of the bond – i.e. only to the extent to which new shares resulting from the capital increase are replaced by shares resulting from the conversion.

Existing credit lines

Under the terms of the agreements that Talanx AG has entered into with banks, there are two syndicated variable-rate credit lines in a nominal amount of EUR 500 million with a term of five years that are designed to provide short-to medium-term financing. The existing syndicated credit lines can be terminated by the lenders if there is a change of control, i.e. if a person or persons acting in concert other than HDI Haftpflichtverband der Deutschen Industrie V. a. G. gains direct or indirect control over more than 50% of the voting rights or share capital of Talanx AG.

Obligation to grant loans

In the agreement of 19 May 2017 with HDI Lebensversicherung AG, Talanx AG undertook to grant HDI Lebensversicherung AG a subordinated loan in the amount of EUR 100 million at any time when requested until 31 December 2032.

Related party disclosures

In the reporting year, there were no non-arm's length transactions with related parties that were relevant to an assessment of the net assets or results of operations.

Total audit fees

The fee for the audit services of PwC GmbH includes in particular the fee for the audit of the consolidated financial statements, including for expansions of the engagement in accordance with the law, the review of the interim financial reports and audits of the annual financial statements as well as audits of the solvency statements of the subsidiaries included in the consolidated financial statements. The fees for other consulting services relate to audits required under the law or by contract. The fees for tax advisory services include in particular fees for support services with respect to the preparation of tax returns and tax advice in individual matters. The fees for other services comprise advisory services in conjunction with IT and advisory services related to training in current accounting trends and quality assurance support services. The auditors' fee for services provided to Talanx AG in accordance with section 285 No. 17 of the HGB is disclosed in the Notes to the consolidated financial statements of the Talanx Group.

Contingent liabilities and other financial commitments

As a result of the spin-off of various long-term equity investments from HDI Service AG to our Company in 2010, Talanx AG – as the receiving legal entity under section 133 of the German Reorganisation Act (UmwG) – is liable together with HDI Service AG as a joint and several debtor for the liabilities of HDI Service AG that were entered into prior to the effective date of the spin-off on 4 August 2010 for a period of ten years in the case of benefit obligations under the German Occupational Pensions Act. The total amount of these liabilities is EUR 29 (28) million, of which EUR 29 (28) million is due to affiliated companies.

HDI Global SE, Hannover, has assumed an obligation for internal purposes only in respect of old-age pensions for active and former employees, general managers and members of the Board of Management through assumption of joint liability and is liable for settlement of these liabilities. Under this pension commitment, the Company still has a joint liability in an amount totalling EUR 7 (6) million as at the end of the financial year.

The shortfall attributable to unrecognised benefit commitments as defined by Article 28(2) of the EGHGB amounts to EUR 1 (0) million.

In its capacity as sponsor of Gerling Versorgungskasse VVaG, the Company is proportionately liable for any underfunding at Gerling Versorgungskasse.

As in the previous year, Talanx AG has assumed guarantees for restoration obligations relating to the Group's own wind farms amounting to EUR 5 million.

The Company's Board of Management views the probability that obligations arising from the above contingent liabilities will result in actual claims and payments to be low.

The total amount of the financial commitments is EUR 41 (39) million, of which EUR 37 (34) million is attributable to retirement provision liabilities and EUR 37 (34) million to liabilities due to affiliated companies.

Voting rights notification in accordance with the German Securities Trading Act (WpHG)

Notification by Meiji Yasuda Life Insurance Company dated 17 July 2015

Talanx Aktiengesellschaft
17 July 2015

Meiji Yasuda Life Insurance Company, Tokyo, Japan, notified us in accordance with section 21(1) WpHG on 17 July 2015 that its share in the voting rights of Talanx Aktiengesellschaft, Hannover, Germany, fell below the threshold of 5% of voting rights on 15 July 2015, and amounted to 4.94% (corresponding to 12,493,442 voting rights) on this date.

Notification by HDI V. a. G. dated 1 October 2012

Talanx Aktiengesellschaft
4 October 2012

Publication of voting rights notifications in accordance with section 26(1) and section 21(1a) of the WpHG (notification at the time of initial listing)

HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit, HDI-Platz 1, 30659 Hannover, Germany, notified us in accordance with section 21(1a) of the WpHG that its share of the voting rights in Talanx Aktiengesellschaft, HDI-Platz 1, 30659 Hannover, Germany, amounted to 89.08% (208,000,000 voting rights) on 1 October 2012, the date on which the shares of Talanx Aktiengesellschaft were admitted for the first time to trading on the stock exchanges in Frankfurt am Main and Hannover.

Consolidated financial statements

The Company is a Group company of HDI Haftpflichtverband der Deutschen Industrie Versicherungsverein auf Gegenseitigkeit, Hannover. HDI (the parent company) prepares consolidated financial statements (largest consolidated group) in accordance with section 341i of the HGB in conjunction with section 290 of the HGB in which the Company is included. As the parent company of the Talanx Group, Talanx AG is also required by section 341i HGB in conjunction with section 290 of the HGB to prepare consolidated financial statements (smallest consolidated group). On the basis of section 315e(1) of the HGB, these consolidated financial statements must be prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), in compliance with article 4 of Regulation (EC) No 1606/2002. The consolidated financial statements are published in the Federal Gazette.

Declaration of conformity in accordance with section 161 AktG

The declaration of conformity with the German Corporate Governance Code required by section 161 of the AktG has been issued and made permanently available to the shareholders on Talanx AG's website (https://www.talanx.com/corporate-governance/entsprecherklaerung/2019.aspx?sc_lang=en), as described in the Board of Management's corporate governance declaration in the Group management report ("Declaration on Corporate Governance and Corporate Governance report").

Appropriation of the distributable profit

The Board of Management and Supervisory Board will propose to the Annual General Meeting that Talanx AG's distributable profit of EUR 700,415,221.04, as reported as at 31 December 2019, should be appropriated as follows:

- A distribution of a dividend of EUR 1.50 for each no-par value share bearing dividend rights: EUR 379.196.451,00
- Retained profit brought forward: EUR 321.218.770,04

Prepared and hence authorised for publication in Hannover on 27 February 2020.

Talanx Aktiengesellschaft

The Board of Management



Torsten Leue,
Chairman



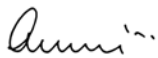
Sven Fokkema



Jean-Jacques Henchoz



Dr Edgar Puls



Dr Immo Querner



Dr Jan Wicke

Independent auditor's report

To Talanx AG, Hannover

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

Audit opinions

We have audited the financial statements of Talanx AG, Hannover, which comprise the balance sheet as at 31 December 2019 and the statement of income for the financial year from 1 January to 31 December 2019, as well as the notes to the financial statements, including the accounting policies presented therein. In addition, we have audited the management report of Talanx AG, which is combined with the Group management report, for the financial year from 1 January to 31 December 2019. In accordance with German legal requirements, we have not audited the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

In our opinion, based on our audit findings,

- the accompanying financial statements comply, in all material respects, with the legal requirements of German commercial law and give a true and fair view of the net assets and financial position of the Company as at 31 December 2019, and of its results of operations for the financial year from 1 January to 31 December 2019, in accordance with German generally accepted accounting principles, and
- the attached management report as a whole presents an accurate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal regulations and suitably presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

Pursuant to section 322(3) sentence 1 HGB, we state that our audit has not led to any reservations with respect to compliance of the financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the financial statements and management report in accordance with section 317 HGB and the EU Audit Regulation (No 537/2014; hereinafter referred to as "EU Audit Regulation") and the generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [IDW]. Our responsibility according to these regulations and standards is described in further detail in the "Responsibility of the Auditor for the Audit of the Annual Financial Statements and the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European Union law as well as German commercial and professional law, and we have fulfilled our other ethical responsibilities under German professional law in accordance with these requirements. In addition, pursuant to Article 10(2) (f) EU Audit Regulation, we hereby declare that we did not provide any of the prohibited non-audit services referred to in Article 5(1) EU Audit Regulation. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis

for our audit opinions on the financial statements and combined management report.

Key audit matters in the audit of the financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year from 1 January to 31 December 2019. These matters were considered in connection with our audit of the annual financial statements as a whole and the formulation of our audit opinion; we do not provide a separate audit opinion on these matters.

In our view, the following matter was the most significant in our audit:

1 Measurement of shares in affiliated companies

Our presentation of this key audit matter has been structured as follows:

- 1 Matter and issue
- 2 Audit approach and findings
- 3 Reference to further information

Hereinafter, we present the key audit matter:

1 Measurement of shares in affiliated companies

- 1 The annual financial statements of Talanx AG as at 31 December 2019 include shares in affiliated companies of EUR 7,182 million (78.5% of total assets) listed under "Investments".

Investments in affiliated companies are valued under commercial law at the lower of cost and fair value.

The Company applies fair value for all property insurance companies in primary insurance using an income approach. For life insurance companies in primary insurance, the fair value is calculated using a modified income approach in accordance with IDW S 1 in conjunction with IDW RS HFA 10. For the subsidiary in reinsurance, the fair value is based on the market price as at 30 December 2019. The cash flows used for the income approach are based in principle on individual plans for long-term equity investments for the next five years and are updated using long-term growth rate estimates, as well as other methods. Each capitalisation rate is derived from the return on a risk-adequate alternative investment. If the fair value is lower than the carrying amount, qualitative and quantitative criteria are used to assess whether the impairment is expected to be permanent. The values determined and other documentation resulted in no need for write-downs in the financial year.

The result of this valuation is highly dependent on how legal representatives assess future cash flows, capitalisation rates and growth rates. Accordingly, the valuation is subject to significant uncertainty. Against this backdrop and in light of the highly complex measurement and significance for the Company's net assets and results of operations, this matter was particularly significant for our audit.

- 2 As part of our audit, we reproduced the method used for evaluation.

In particular, we assessed whether the fair value of material long-term equity investments was adequately calculated using the income approach/modified income approach in accordance with the relevant measurement standards. When doing so, we based our assessments on factors including a comparison between general and industry-specific market expectations and detailed explanations by legal representatives on the key value drivers on which expected cash flows are based. In view of the fact that relatively small changes to the discount rate applied can have a significant impact on the Company value calculated under this method, we conducted a thorough review of the parameters used to calculate the discount rate applied and reproduced the calculation method. For this, we consulted with internal valuation specialists.

On the basis of the information available, we believe that the measurement parameters applied and the assumptions made by the legal representatives are as a whole suitable for correctly valuing the investments in affiliated companies.

- 3 The Company's disclosures on investments in affiliated companies can be found in the section "Accounting and measurement" in the Notes. Please also see the section "Disclosures on the balance sheet – assets" in the Notes for fair values and valuation reserves. Please refer to the section "Notes to the balance sheet – assets" for information on long-term equity investments. Risk information is given in the risk report of the management report under the section "Other material risks".

Other information

The legal representatives are responsible for the other information. The other information comprises the following non-audited parts of the management report:

- The declaration on corporate governance according to section 289f HGB and section 315d HGB included in the "Corporate governance" section of the management report
- The Corporate Governance report in accordance with no. 3.10 of the German Corporate Governance Code
- The consolidated non-financial statement in accordance with section 315b(1) HGB contained in the management report in the section entitled "Consolidated non-financial statement"

The other information also comprises the remaining parts of the annual report – excluding further cross-references to external information – with the exception of the audited financial statements, the audited management report and our auditor's report.

Our audit opinions on the financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

As part of our audit, we have a responsibility to read the other information and to evaluate whether it

- exhibits material discrepancies with the annual financial statements, the management report or the knowledge we have obtained during our audit, or
- otherwise seems significantly incorrect.

Responsibility of the legal representatives of the Supervisory Board for the annual financial statements and the management report

The Company's management is responsible for preparing financial statements that comply, in all material respects, with the legal requirements of German commercial law and 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 generally accepted accounting principles. Furthermore, the legal representatives are responsible for the internal controls that, in accordance with the German principles of proper accounting, they deemed necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, the legal representatives are responsible for assessing the Company's status as a going concern. In addition, they have a responsibility to disclose matters related to the status as a going concern, if relevant. They are also responsible for accounting on the basis of the going concern principle, unless prevented by actual or legal circumstances.

Moreover, the legal representatives are responsible for preparing the management report, which as a whole provides an accurate view of the Company's position and is consistent with the annual financial statements in all material respects, complies with German legal regulations and suitably presents the opportunities and risks of future development. The legal representatives are also responsible for the arrangements and measures (systems) that they considered necessary to enable the preparation of a management report in compliance with the applicable German legal regulations and to allow sufficient, suitable evidence to be provided for the statements in the management report.

The Supervisory Board is responsible for monitoring the Company's accounting process for the preparation of the annual financial statements and the management report.

Responsibility of the auditor for the audit of the annual financial statements and the management report

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

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

We exercise due discretion during the audit and maintain a critical attitude. In addition,

- we identify and evaluate the risk of material misstatements, whether due to fraud or error, in the annual financial statements and the management report, plan and implement audit procedures in response to these risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk that material misstatements are not uncovered is higher in the case of transgressions than in the case of inaccuracies, as transgressions can entail fraudulent collaboration, falsifications, deliberate omissions, misleading depictions or the suspension of internal controls.
- we gain an understanding of the internal control system relevant for the audit of the annual financial statements and of the arrangements and measures relevant for the audit of the management report in order to plan audit procedures that are appropriate given the circumstances, but not with the aim of providing an audit opinion regarding the effectiveness of these systems of the Company.

- we evaluate the appropriateness of the accounting policies used by the legal representatives and the reasonableness of the estimated values presented by the legal representatives and the associated disclosures.
- we draw conclusions about the appropriateness of the going concern principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is material uncertainty regarding events or circumstances that could cause significant doubt about the Company's ability to continue as a going concern. If we come to the conclusion that there is material uncertainty, we are obliged to call attention to the associated disclosures in the annual financial statements and in the management report in the auditor's report or, if these disclosures are inappropriate, to modify our respective audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may mean that the Company is no longer a going concern.
- we evaluate the overall presentation, the structure and the content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events such 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 the German principles of proper accounting.
- we evaluate the consistency of the management report with the annual financial statements, its legality and the view it gives of the position of the Company.
- we conduct audit procedures regarding the forward-looking disclosures made by the legal representatives in the management report. On the basis of sufficient appropriate audit evidence, we examine the significant assumptions underlying the legal representatives' forward-looking disclosures in particular and evaluate the appropriateness of the derivation of the forward-looking disclosures from these assumptions. We do not provide a separate audit opinion regarding the forward-looking disclosures or the underlying assumptions. There is a considerable, unavoidable risk that future events will differ significantly from the forward-looking disclosures.

Topics for discussion with those responsible for monitoring include the planned scope and scheduling of the audit as well as significant audit findings, including any deficiencies in the internal control system that we find during our audit.

We issue a statement to the monitors to the effect that we have complied with the relevant independence requirements and discuss with them all relationships and other matters that can reasonably be assumed to affect our independence and the safeguards put in place to protect against this.

From among the matters that we have discussed with the monitors, we determine which matters were most significant in the audit of the annual financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in the auditor's report, unless laws or other legal provisions preclude their public disclosure.

Other legal and regulatory requirements

Other disclosures pursuant to article 10 of the EU Audit Regulation

We were appointed as auditors by the Supervisory Board on 15 March 2019. We were engaged by the Supervisory Board on 3 June 2019. We have been the auditor of the annual financial statements of Talanx AG, Hannover, without interruption since financial year 2018..

We declare that the audit opinion in this auditor's report is consistent with the additional report to the audit committee referred to in Article 11 of the EU Audit Regulation (audit report).

Statutory auditor responsible for the engagement

The auditor responsible for the engagement is Florian Möller.

Hannover, 12 March 2020

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Florian Möller	ppa. Christoph Czupalla
German Public Auditor	German Public Auditor

Responsibility statement

To the best of our knowledge, and in accordance with the applicable accounting principles, the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Company and the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Hannover, 27 February 2020

Talanx Aktiengesellschaft

The Board of Management



Torsten Leue,
Chairman



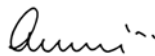
Sven Fokkema



Jean-Jacques Henchoz



Dr Edgar Puls



Dr Immo Querner



Dr Jan Wicke

Further information

Glossary and definitions of key figures

Bancassurance

A partnership between a bank/postal service partner and an insurance company for the purpose of selling insurance products through the banking/postal service partner's branches. The linkage between insurer and bank often takes the form of a capital investment or a long-term strategic cooperation between the two partners.

Earnings per share, diluted

A ratio calculated by dividing Group net income attributable to the shareholders of Talanx AG by the average weighted number of shares outstanding. Diluted earnings per share reflect exercised or as yet unexercised pre-emptive rights when calculating the number of shares.

Fair value

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

International Financial Reporting Standards – IFRS

Formerly known as IASs (International Accounting Standards), these accounting standards have been applied at Talanx since 2004.

Life insurance

Collective term covering those types of insurance that are concerned in the broader sense with the risks associated with the uncertainties of life expectancy and life planning. These include insurance relating to death, disability and retirement provision, as well as marriage and education.

Net income for the financial year

Result from ordinary activities plus extraordinary result less tax.

Operating profit/loss (EBIT)

Sum of net investment income, underwriting result and other income and expenses before interest for other debt borrowed for financing purposes (financing costs) and before taxes (taxes on income).

Other operating expenses and writedowns

Expenses for ordinary activities, e.g. personnel and non-personnel operating expenses, depreciation, amortisation and write-downs, realised losses on investments, foreign exchange losses, and the cost of services.

Other operating income

Income from ordinary activities, such as realised gains on investments, currency translation.

Premium

The remuneration agreed for the risks accepted by the insurer.

Result from ordinary activities

Profit or loss for the period before extraordinary result and taxes.

Retail business

a) In general: business with private (retail) customers.

b) Ampega: business involving investment funds that are designed essentially for private, non-institutional investors, but are also open to investments by Group companies.

Surplus participation

Legally required participation (recalculated each year) by policyholders in the surpluses generated by life insurers.

Underwriting

The process of examining and assessing (re) insurance risks in order to determine an appropriate premium for the risk in question. The purpose of underwriting is to diversify the underwriting risk in such a way that it is fair and equitable for the (re)insured and at the same time profitable for the (re)insurer.

Contact information

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This is a translation of the original German text; the German version takes precedence in case of any discrepancies in the translation.

Group structure

TALANX AG						
GESCHÄFTSBEREICH INDUSTRIE-VERSICHERUNG	GESCHÄFTSBEREICH PRIVAT- UND FIRMEN-VERSICHERUNG DEUTSCHLAND		GESCHÄFTSBEREICH PRIVAT- UND FIRMEN-VERSICHERUNG INTERNATIONAL	GESCHÄFTSBEREICH RÜCKVERSICHERUNG	KONZERN-FUNKTIONEN	
INDUSTRIAL LINES DIVISION	RETAIL GERMANY DIVISION		RETAIL INTERNATIONAL DIVISION	REINSURANCE DIVISION	CORPORATE OPERATIONS	
	SCHADEN/ UNFALL- VERSICHERUNG	LEBENS- VERSICHERUNG		SCHADEN- RÜCK- VERSICHERUNG	PERSONEN- RÜCK- VERSICHERUNG	
	PROPERTY/ CASUALTY INSURANCE	LIFE INSURANCE		PROPERTY/ CASUALTY REINSURANCE	LIFE/HEALTH REINSURANCE	
HDI Global SE	HDI Deutschland AG		HDI International AG	Hannover Rück SE		Ampega Asset Management GmbH
HDI Global Specialty SE	HDI Versicherung AG		HDI Seguros S.A. (Argentina)	E+S Rückversicherung AG		Ampega Investment GmbH
HDI Versicherung AG (Austria)	Lifestyle Protection AG		HDI Seguros S.A. (Brazil)	Hannover ReTakaful B.S.C. (c) (Bahrain)		Ampega Real Estate GmbH
HDI Global Seguros S.A. (Brazil)	neue leben Unfallversicherung AG		HDI Seguros S.A. (Chile)	Hannover Re (Bermuda) Ltd.		HDI Service AG
HDI Global Seguros S.A. (Mexico)	PB Versicherung AG		HDI Seguros S.A. (Colombia)	Hannover Reinsurance Africa Limited		HDI Systeme AG
HDI Global Insurance Limited Liability Company (Russia)	TARGO Versicherung AG		HDI Seguros de Vida S.A. (Colombia)	Hannover Life Re of Australasia Ltd.		Talanx Reinsurance Broker GmbH
HDI Global SA Ltd. (South Africa)	HDI Lebensversicherung AG		HDI Seguros S.A. de C.V. (Mexico)	Hannover Life Reassurance Bermuda Ltd.		
HDI Global Insurance Company (USA)	HDI Pensionskasse AG		HDI Seguros S.A. (Uruguay)	Hannover Re (Ireland) DAC		
HDI Global Network AG	Lifestyle Protection Lebensversicherung AG		TUIR WARTA S.A. (Poland)	Hannover Life Reassurance Africa Limited		
HDI Reinsurance (Ireland) SE	neue leben Lebensversicherung AG		TU na Życie WARTA S.A. (Poland)	Hannover Life Reassurance Company of America		
	PB Lebensversicherung AG		TU na Życie Europa S.A. (Poland)			
	PB Pensionsfonds AG		TU Europa S.A. (Poland)			
	HDI Pensionsmanagement AG		OOO Strakhovaya Kompaniya „Civ Life“ (Russia)			
	TARGO Lebensversicherung AG		HDI Assicurazioni S.p.A. (Italy)			
			Magyar Posta Biztosító Zrt. (Hungary)			
		Magyar Posta Életbiztosító Zrt. (Hungary)				
		HDI Sigorta A.Ş. (Turkey)				

Nur die wesentlichen Beteiligungen
Main participations only

Stand / As at: 31.12.2019

