

**Talanx AG  
Remuneration  
Report 2023**



# Remuneration

# Remuneration report

## Introduction

This remuneration report presents the remuneration structure and system for Talanx AG’s Board of Management and Supervisory Board, and provides detailed information on the individual remuneration and other benefits awarded and due to current and former members of Talanx AG’s Board of Management and Supervisory Board for their activities in financial year 2023.

The report was prepared by the Company’s Board of Management and Supervisory Board in accordance with the requirements of section 162 of the German Stock Corporation Act (AktG) and complies with the recommendations and suggestions contained in the version of the German Corporate Governance Code (the “Code”) published on 28 April 2022.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft performed a formal and content audit of the remuneration report that went above and beyond the requirements set out in section 162(3) of the AktG. The remuneration report and the auditor’s opinion on the audit of the remuneration report have been made available on Talanx AG’s website ([https://www.talanx.com/en/investor\\_relations/reporting/financial\\_reports](https://www.talanx.com/en/investor_relations/reporting/financial_reports)).

## Remuneration of the Board of Management

### Overview of the remuneration system

The current remuneration system for the Board of Management has been in place since 1 January 2021. It meets the statutory and regulatory requirements of the Code and was approved by the Annual General Meeting of Talanx AG on 6 May 2021 with a majority of 96.5%. However, if material changes are made to the remuneration system, it is submitted to the Annual General Meeting for approval at least every four years. Given the approval of the remuneration report granted by the Annual General Meeting in 2023 with a majority of 97.8%, there was no need to examine or amend the remuneration system, its implementation or the nature of reporting. Spurred on by comments in investor meetings, in the previous year’s remuneration report we took the opportunity to describe in more detail the application of the remuneration system in relation to variable remuneration. In addition to payouts relating to multi-year variable remuneration components in 2023, in this year’s remuneration report we again also show the current status which is to be paid from multi-year variable remuneration in the next few years.

The structure of the remuneration system takes the expectations of investors and other key stakeholders into account. Remuneration comprises fixed (non-performance-related) and variable (performance-related) components. The focus here continues to be on the high degree of relevance of the variable remuneration and on strengthening the “pay for performance” principle. Variable remuneration is based on financial and non-financial performance criteria taken from the Talanx Group strategy. The Board of Management can influence these. Sustainability criteria are also taken into account when measuring performance and support the Company’s sustainable, long-term development. Furthermore, the Board of Management’s remuneration has been aligned closely with our investors’ interests by increasing its equity-related aspects; this has been achieved using a performance share plan and by measuring Talanx’s relative share price performance in comparison to our competitors. Malus and clawback rules allow the variable remuneration components paid to be reduced or reclaimed in the event of severe breaches of compliance. The main features of the remuneration system are shown below.

REMUNERATION SYSTEM STRUCTURE			
Fixed remuneration	Fixed remuneration		Maximum remuneration
	Fringe benefits		
	Pension scheme		
Variable remuneration	Short-term incentive	40%	Malus and clawback
	Long-term incentive (Talanx performance shares)	60%	

### Principles governing Board of Management remuneration

The Talanx Group’s strategy aims to sustainably enhance the Group’s value for its stakeholders, and particularly its investors, customers and employees. In line with this, our Board of Management remuneration focuses on the principles of continuity, financial strength and profitability. Board of Management remuneration is a key means of advancing our Group strategy and the Talanx Group’s long-term, sustainable development. Remuneration ensures a transparent, performance-driven incentive effect that is strongly aligned with the Company’s long-term success and that is based in particular on performance criteria that are derived from the Group’s strategy, as well as on Talanx AG’s share price performance, including in a peer comparison. This aims to prevent excessive risk appetite.

The members of the Board of Management are remunerated in line with their performance and their areas of activity and responsibility, while taking the Company’s situation into account. The regulatory framework for this is supplied by the provisions of the German Stock Corporation Act, the provisions of Article 275 of Delegated Regulation (EU) 2015/35 as amended by Delegated Regulation (EU) 2016/2283, and of the Insurance Supervision Act (VAG) in conjunction with the German Remuneration Regulation for Insurance Companies (VersVergV), plus the recommendations on the remuneration of members of the Board of Management contained in section G of the German Corporate Governance Code.

The Supervisory Board focuses on the following basic principles when establishing the remuneration for Talanx AG’s Board of Management:

**PRINCIPLES GOVERNING TALANX’S BOARD OF MANAGEMENT REMUNERATION**

<b>Advancement of corporate strategy</b>	<ul style="list-style-type: none"> <li>■ Performance criteria derived from corporate strategy</li> </ul>
<b>Long-term approach and sustainability</b>	<ul style="list-style-type: none"> <li>■ Variable remuneration predominately share-based/with a multi-year focus</li> <li>■ Sustainability risks and targets (ESG) included in measurement of variable remuneration</li> </ul>
<b>Pay for performance</b>	<ul style="list-style-type: none"> <li>■ A majority of the target direct remuneration consists of variable remuneration components</li> <li>■ Adequate, ambitious performance criteria</li> <li>■ Variable remuneration can range between zero and a cap</li> </ul>
<b>Appropriateness of remuneration</b>	<ul style="list-style-type: none"> <li>■ Remuneration paid to members of the Board of Management appropriately reflects both the members’ responsibilities and performance and the Company’s situation</li> <li>■ Both internal and external remuneration ratios are taken into account</li> <li>■ Caps apply to both individual variable remuneration components and total remuneration</li> </ul>
<b>Alignment with shareholder interests</b>	<ul style="list-style-type: none"> <li>■ Harmonisation of interests of members of the Board of Management and our shareholders</li> <li>■ Malus and clawback rules apply to entire variable remuneration</li> <li>■ Measuring relative performance creates incentives to ensure that we outperform our competitors on the capital markets in the long term</li> </ul>
<b>Market practice and regulatory compliance</b>	<ul style="list-style-type: none"> <li>■ Current market practice at relevant insurers taken into account for Board of Management remuneration</li> <li>■ Compliance with the key statutory and regulatory requirements applicable to Talanx is ensured</li> </ul>
<b>Transparency</b>	<ul style="list-style-type: none"> <li>■ Ex post publication of targets and target achievement</li> <li>■ Ex post publication of individual premiums/discounts per member of the Board of Management</li> </ul>

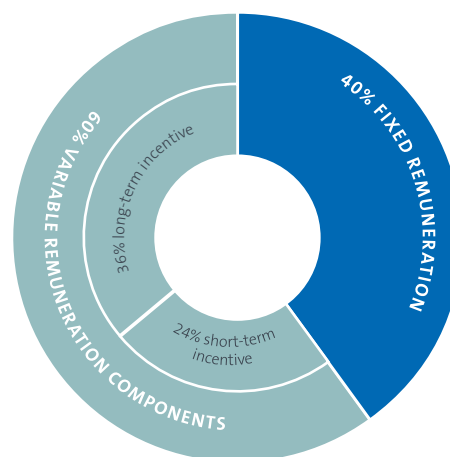
**Remuneration structure**

The key ideas behind Talanx’s remuneration system for its Board of Management are pay for performance and a long-term approach.

The principle of pay for performance is underscored by the fact that the target direct remuneration (which comprises the total of the fixed remuneration and the target amounts for the variable remuneration components) consists of 40% fixed remuneration and 60% variable remuneration components. Variable remuneration is made up of a short-term incentive (STI) and a long-term incentive (LTI) that has a four-year performance period.

The remuneration structure is geared towards the Talanx Group’s sustainable long-term development. The STI accounts for 40% of the variable remuneration components and hence for 24% of the target direct remuneration. The LTI accounts for 60% of the variable remuneration components and hence for 36% of the target direct remuneration.

**STRUCTURE OF TARGET DIRECT REMUNERATION**



## Reviewing the appropriateness of Board of Management remuneration

The Supervisory Board determines the remuneration of the members of the Board of Management on the basis of the remuneration system, building on the recommendations made by the Personnel Committee. When establishing the remuneration, the Supervisory Board takes the individual members' responsibilities and tasks, their individual performance, the economic situation, and the Company's success and future prospects into account.

The question of whether the remuneration is customary in relation to other, comparable companies (horizontal comparison) and with respect to the amount and structure of remuneration within the Company (vertical comparison) was reviewed by the Supervisory Board at its meeting on 10 November 2023. The companies included in the MDAX as at 1 July 2023 (with the exception of Talanx AG) were used as the peer group for this horizontal comparison. As an additional indicator, the Board of Management's remuneration was also subject to a comparison with an individual peer group of relevant competitors. This peer group is also used in the multi-year variable remuneration to measure relative total shareholder return. The vertical comparison is based on the ratio between the remuneration paid to the Board of Management and the remuneration paid to Talanx's entire workforce. The process took both the status quo and the development of the remuneration ratios over time into account. To assess

the appropriateness of Board of Management remuneration, the Supervisory Board took the opportunity open to it to engage an external remuneration consultant who is independent of the Board of Management and the Company.

## Determining target remuneration

The contracts of service for all members of the Board of Management guarantee that they will be paid target remuneration in line with market conditions. This remuneration is based on their areas of responsibility and the skills and experience that are relevant to their work.

There is a good balance between fixed and variable remuneration components. The fixed component accounts for a sufficiently high share of target remuneration, allowing the company to apply a flexible bonus policy, including the option of not paying any variable remuneration at all. Accordingly, there is no incentive for members of the Board of Management to take inappropriately high risks in exchange for higher bonus payments.

The following table shows the target remuneration for all members of the Board of Management for financial year 2023. The target remuneration comprises the remuneration that will be awarded for the financial year if the target achievement is 100%.

### TARGET REMUNERATION

EUR thousand	Torsten Leue (Chairman of the Board of Management) Chairman since 8 May 2018, member since 1 September 2010		Jean-Jacques Henchoz <sup>1</sup> Head of Division since 1 April 2019		Dr Wilm Langenbach Head of Division since 1 December 2020				
	2023	2022	2023	2022	2023	2022			
Base remuneration	1,020	40%	1,020	960	40%	960	540	40%	540
Fringe benefits	8	—	6	12	—	14	6	—	6
Other <sup>2</sup>	—	—	—	—	—	1,000	—	—	—
<b>Fixed remuneration components</b>	<b>1,028</b>		<b>1,026</b>	<b>972</b>		<b>1,974</b>	<b>546</b>		<b>546</b>
One-year variable remuneration (STI)	612	24%	612	576	24%	576	324	24%	324
Multi-year variable remuneration (LTI) – (performance shares 2023/2022)	918	36%	918	864	36%	864	486	36%	486
<b>Variable remuneration components</b>	<b>1,530</b>		<b>1,530</b>	<b>1,440</b>		<b>1,440</b>	<b>810</b>		<b>810</b>
<b>Total target remuneration</b>	<b>2,558</b>	<b>100%</b>	<b>2,556</b>	<b>2,412</b>	<b>100%</b>	<b>3,414</b>	<b>1,356</b>	<b>100%</b>	<b>1,356</b>
Pension expense <sup>3</sup>	646		691	118		152	84		91

<sup>1</sup> Including target remuneration for Hannover Re in the amount of EUR 2,112 thousand in 2023 and EUR 3,114 thousand in 2022.

<sup>2</sup> Payment made to compensate for a loss of salary under a previous contract of service. To compensate lapsed benefits at his previous employer, the Supervisory Board contracted with Jean-Jacques Henchoz to a payment in instalments. The compensation payment in 2022 is the last instalment from this agreement, which was also contingent on his reappointment as at 1 April 2022.

<sup>3</sup> The figure shown represents the service cost recognised in the reporting period for pensions and other post-retirement benefits.

### Pay ratios

Total remuneration for the Chairman of the Board of Management in the year under review was 31 times the average target total remuneration for all employees (excluding the Board of Management). Target total remuneration for the average of all members of the Board of Management was 20 times the average target total remuneration for all employees (excluding the Board of Management). The target total remuneration of the average of all employees refers to the workforce of the Talanx Group in Germany.

### Compliance with the maximum remuneration

The Supervisory Board has defined a maximum amount of remuneration for each member of the Board of Management, comprising the sum of the fixed remuneration, fringe benefits, the STI and LTI, and the pension expense (“maximum remuneration”), in accordance with section 87a(1) sentence 2 no. 1 of the AktG. The maximum remuneration sets a limit on all payouts resulting from awards made for a specific financial year, regardless of when they actually accrue. The maximum remuneration for the Chairman of the Board of Management is EUR 6,000,000, that for the Head of the Reinsurance Division is EUR 5,000,000 and that for all other members of the Board of Management is EUR 4,000,000.

A final report on compliance with the maximum remuneration for financial year 2023 can only be made once the tranche of the LTI granted for 2023 has been paid out in 2028. Should the LTI payout lead to the maximum remuneration being exceeded, the payout will be reduced so as to ensure compliance with the cap.

		Dr Edgar Puls Head of Division since 9 May 2019		Caroline Schlienkamp Member of the Board of Management since 1 May 2022		Jens Warkentin Member of the Board of Management since 1 January 2023		Dr Jan Wicke (Chief Financial Officer) Chief Financial Officer since 1 September 2020, member since 1 May 2014				
	2023	2022		2023	2022		2023	2022		2023	2022	
	512	40%	512	400	40%	267	400	40%	—	646	40%	646
	6	—	9	12	—	8	11	—	—	6	—	6
	—	—	—	—	—	—	—	—	—	—	—	—
	<b>518</b>		<b>521</b>	<b>412</b>		<b>275</b>	<b>411</b>		<b>—</b>	<b>652</b>		<b>652</b>
	307	24%	307	240	24%	160	240	24%	—	388	24%	388
	461	36%	461	360	36%	240	360	36%	—	581	36%	581
	<b>768</b>		<b>768</b>	<b>600</b>		<b>400</b>	<b>600</b>		<b>—</b>	<b>969</b>		<b>969</b>
	<b>1,286</b>	<b>100%</b>	<b>1,289</b>	<b>1,012</b>	<b>100%</b>	<b>675</b>	<b>1,011</b>	<b>100%</b>	<b>—</b>	<b>1,621</b>	<b>100%</b>	<b>1,621</b>
	91		131	48		90	43		—	142		143

## Application of the remuneration system in financial year 2023

The following table provides an overview of the components of Talanx's remuneration system in financial year 2023 and the associated targets:

### OVERVIEW OF REMUNERATION COMPONENTS

Component		Basis of assessment/parameters	Objective
FIXED REMUNERATION COMPONENTS	Fixed remuneration	The fixed remuneration is paid in cash in 12 equal monthly instalments	
	Fringe benefits	Company vehicle for business and private use; appropriate levels of accident, luggage and D&O insurance	<ul style="list-style-type: none"> <li>■ Recruitment and retention of the best-suited members of the Board of Management</li> <li>■ Remuneration reflecting the responsibilities, skills and experience of the individual members of the Board of Management concerned</li> </ul>
	Pension scheme	<p>Defined contribution commitments: Annual contribution to funding of 25% of defined basis of assessment</p> <p>Chairman of the Board of Management: Defined benefit pension commitment: claim to pension calculated as percentage of the fixed annual pensionable salary</p>	<ul style="list-style-type: none"> <li>■ Fringe benefits granted in line with normal market conditions/retirement provision systems in order to recruit and retain the best-suited members of the Board of Management</li> </ul>
VARIABLE REMUNERATION COMPONENTS	Short-term incentive (STI)	<p><b>Target bonus model</b></p> <p>Performance criteria:</p> <ul style="list-style-type: none"> <li>■ Talanx Group RoE</li> <li>■ Individual performance criteria (financial and non-financial, including ESG goals)</li> </ul> <p>Cap: 200% of STI target amount</p>	<ul style="list-style-type: none"> <li>■ Incentive to achieve or surpass the annual corporate and divisional targets, and remuneration reflecting members' individual contribution to earnings and sustainability</li> </ul>
	Long-term incentive (LTI)	<p><b>Performance share plan ("Talanx performance shares")</b></p> <p><b>Four-year performance period</b></p> <p>LTI award amount depends on target achievement levels determined for:</p> <ul style="list-style-type: none"> <li>■ Talanx Group's average RoE for previous financial year</li> <li>■ Individual performance criteria for previous financial year</li> </ul> <p>Performance criteria:</p> <ul style="list-style-type: none"> <li>■ Talanx's share price performance (plus dividends)</li> <li>■ Relative total shareholder return (compared to relevant competitors)</li> </ul> <p>Cap: 400% of LTI target amount</p> <p>For the STI and the LTI a retroactive adjustment of the targets/comparative parameters is excluded.</p>	<ul style="list-style-type: none"> <li>■ Recognition of success achieved in previous year</li> <li>■ Incentive to create long-term shareholder value</li> <li>■ Motivation to outperform competitors</li> </ul>
OTHER ARRANGEMENTS	Maximum remuneration	<p>Chairman of the Board of Management: EUR 6,000,000</p> <p>Head of the Reinsurance Division: EUR 5,000,000</p> <p>Other members of the Board of Management: EUR 4,000,000</p>	<ul style="list-style-type: none"> <li>■ Cap on total remuneration granted in a financial year</li> <li>■ Compliance with the regulatory requirements set out in the AktG</li> </ul>
	Malus and clawback	Ability of the Supervisory Board not to pay out ("malus") or to reclaim ("claw back") variable remuneration in whole or in part in cases of gross misconduct or errors in the consolidated financial reporting. Reduction or cancellation of variable remuneration also possible where required for regulatory reasons	<ul style="list-style-type: none"> <li>■ Strengthens the Supervisory Board's position in the case of severe compliance breaches</li> </ul>



## Fixed remuneration components

### Fixed remuneration

The fixed remuneration is paid in cash in 12 equal monthly instalments. It is primarily based on the range of tasks performed by, and professional experience of, the member of the Board of Management concerned.

### Fringe benefits

In addition, the members of the Board of Management receive certain non-performance-related fringe benefits; these are in line with normal market conditions and are reviewed at regular intervals. The members of the Board of Management are provided with a vehicle for their business and private use for the duration of their appointment. The tax on the non-cash benefit resulting from the private use of this company vehicle shall be paid by the member of the Board of Management concerned. In addition, the Company provides members of the Board of Management with an appropriate level of insurance protection under group contracts (accident, luggage and D&O insurance).

Sign-on/recruitment bonuses are paid only in exceptional cases if a new member of the Board of Management loses out on a bonus from his/her previous employer. Compensation for remuneration components not received from the previous employer is generally paid in several instalments and is subject to conditions.

## Pension scheme

With the exception of the Chairman of the Board of Management, Mr Leue, for whom a commitment to pay a final salary-based annual retirement pension has been made, the members of the Board of Management have been given defined contribution pension commitments. Additional information can be found in the section entitled “Termination benefits”.

## Variable remuneration components

The variable remuneration components comprise a short-term incentive (STI), which is measured on the basis of the financial year in question, and a long-term incentive (LTI) with a four-year performance period.

The performance criteria used to measure and assess target achievement are derived from Talanx’s corporate strategy. The variable remuneration components are designed to promote the Talanx Group’s long-term development. The following overview shows the close links between the performance criteria and other aspects of the variable remuneration on the one hand and Talanx’s corporate strategy on the other, and explains how the variable remuneration promotes Talanx’s long-term development.

As a general rule, the Company does not grant members of the Board of Management guaranteed variable remuneration.

### VARIABLE REMUNERATION COMPONENTS

Remuneration component	Performance criterion/aspect	Alignment with strategy/promotion of long-term development
<b>SHORT-TERM INCENTIVE (STI)</b>	<b>Group RoE</b>	<ul style="list-style-type: none"> <li>■ RoE is one of Talanx’s strategic management metrics</li> <li>■ Target aligned with the objective of creating sustainable value creation</li> </ul>
	<b>Individual premium/discount</b>	<ul style="list-style-type: none"> <li>■ Takes the contribution made by individual members of the Board of Management and the results of the divisions for which they are responsible into account</li> <li>■ Consideration of sustainability risks and targets in Board of Management remuneration</li> </ul>
<b>LONG-TERM INCENTIVE (LTI)</b>	<b>Award amount depends on STI target achievement levels</b>	<ul style="list-style-type: none"> <li>■ Increases incentive to achieve STI target</li> <li>■ Underscores idea of pay for performance</li> </ul>
	<b>Share price performance</b>	<ul style="list-style-type: none"> <li>■ Alignment of share price performance and Board of Management remuneration</li> <li>■ Harmonisation of interests of members of the Board of Management and shareholders</li> </ul>
	<b>Four-year performance period</b>	<ul style="list-style-type: none"> <li>■ Focus on long-term success and ensuring Talanx’s long-term development</li> </ul>
	<b>Relative TSR</b>	<ul style="list-style-type: none"> <li>■ Incentives to ensure that Talanx outperforms relevant competitors on the capital markets in the long term</li> </ul>

## Short-term incentive (STI)

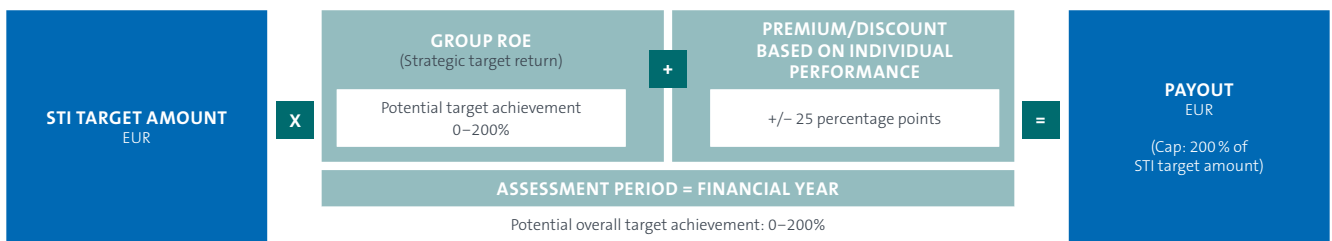
### a) Basic information

The STI is geared towards Talanx AG’s business performance in a particular financial year. In addition to the financial performance criterion of the Talanx Group’s return on equity (RoE) as stated in Talanx’s consolidated financial statements (“Group RoE”), an individual premium or discount is applied when determining the amount to be paid out. This includes both financial and non-financial performance criteria (especially sustainability targets and risks) and takes into account both the overall responsibility of the Board of Management and the divisional responsibilities of its individual members. As a

result, the STI helps achieve the objective of ensuring a high, stable return on equity for the Talanx Group, promotes the implementation of strategic focus topics assigned specifically to the Board of Management or individual areas, and reflects the interests of our investors, clients, employees and other key stakeholders.

The STI payout is based on the contractually determined STI target amount, which assumes an overall target achievement of 100%. The overall target achievement (including individual premiums and discounts) can range between 0% and 200% of the STI target amount. As a result, the payout under the STI is capped at 200% of the target amount.

#### SHORT-TERM INCENTIVE



### b) Financial performance criterion

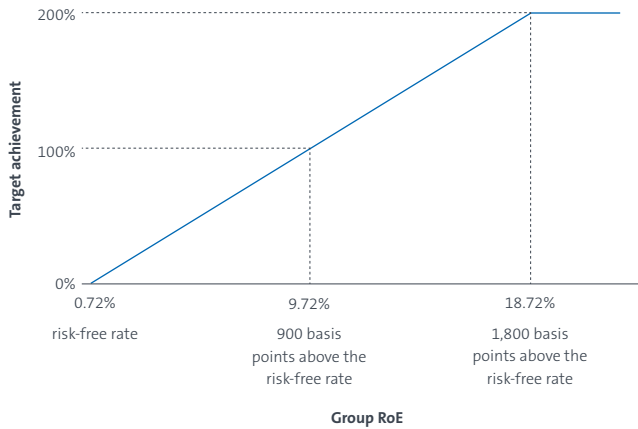
The main financial performance criterion for the STI (which has a weighting of 100%) is Group RoE as compared to a strategic target return; this is determined using the five-year average risk-free rate for 10-year German government bonds plus an ambitious spread. Group RoE is one of the key performance indicators in Talanx’s management system and as such has also been implemented in the Board of Management’s remuneration. Talanx aims to achieve a high return on equity. The Group is focused on a long-term increase in value. Using Group RoE as a key performance criterion for the STI offers incentives to achieve this target.

The Supervisory Board sets the target for Group RoE and the target corridor complete with a ceiling and floor in advance for the coming financial year. The target is aligned with the strategic target return for the Talanx Group that applies at the time it is established.

The target (100% target achievement) for Group RoE set by the Supervisory Board for financial year 2023 was 900 basis points above the risk-free rate. The floor set was the risk-free rate without any additional spread, while the ceiling was defined as 1,800 basis points above the risk-free rate.

The five-year average risk-free rate for ten-year German government bonds at the end of 2023 was 0.72%. This puts target RoE for financial year 2023 at 972 basis points. Group RoE in financial year 2023 was 16.57% (1,657 basis points). This corresponds to a target achievement for the Group RoE performance criterion of 176.11%.

**TARGET ACHIEVEMENT FOR GROUP ROE IN FINANCIAL YEAR 2023**



Group RoE	
Group RoE	16.57%
Risk-free rate	0.72%
Target RoE	9.72%
<b>Target achievement</b>	<b>176.11%</b>

At its meeting on 10 November 2023, the Supervisory Board raised the target for Group RoE (strategic target return) in the 2024 financial year from 900 to 950 basis points above the risk-free rate to account for the improved market situation.

**c) Individual premium/discount**

In addition to the Talanx Group’s financial performance, the Supervisory Board can use individual premiums or discounts on the target achievement for the Group RoE performance criterion within the STI to take into account the individual contributions to earnings and to achieving sustainability targets made by members of the Board of Management and, where appropriate, the divisions for which they are responsible. The Supervisory Board establishes the size of the premium or discount, which can range between –25 percentage points and +25 percentage points, at its reasonable discretion. The Supervisory Board specifies the various criteria and indicators used to determine the individual premium/discount in advance for the coming year, and informs the members of the Board of Management of them.

The Supervisory Board had specified the following criteria and indicators for financial year 2023 for the individual members of the Board of Management and, based on this, applied the following individual premiums/discounts after the end of the financial year:

Board of Management member	Individual contribution to earnings			Sustainability		Individual premium/discount
	Performance	Ability to pay dividends/distribution	Strategic goal	Leadership/commitment (OHC) <sup>1</sup>	Contribution to sustainability goals	
Torsten Leue	<ul style="list-style-type: none"> <li>■ Covered by Group RoE performance criterion</li> </ul>	<ul style="list-style-type: none"> <li>■ Talanx AG's ability to pay dividends</li> </ul>	<ul style="list-style-type: none"> <li>■ Implementation of 2025 strategy including ensuring achievement of strategic targets at Talanx level</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Further development and implementation of sustainability strategy to position Talanx as a sustainable group in the areas of underwriting, investment and emissions reduction</li> </ul>	+24 pts
Jean-Jacques Henchoz	<ul style="list-style-type: none"> <li>■ Reinsurance segment RoE</li> </ul>	<ul style="list-style-type: none"> <li>■ Ability of Hannover Re to make a distribution to Talanx AG</li> </ul>	<ul style="list-style-type: none"> <li>■ Sustainable peer group outperformance by Reinsurance segment</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Further development and implementation of sustainability strategy to position Talanx as a sustainable group in the areas of underwriting, investment and emissions reduction</li> </ul>	+5 pts
Dr Wilm Langenbach	<ul style="list-style-type: none"> <li>■ Retail International segment RoE</li> </ul>	<ul style="list-style-type: none"> <li>■ Ability of Retail International Division to make a distribution to Talanx AG</li> </ul>	<ul style="list-style-type: none"> <li>■ Implementation of HINexT 2025 strategy</li> <li>■ Achieve or reduce gap to top 5 position in core markets through profitable organic and inorganic growth</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Further development and implementation of sustainability strategy to position Talanx as a sustainable group in the areas of underwriting, investment and emissions reduction</li> </ul>	+24 pts
Dr Edgar Puls	<ul style="list-style-type: none"> <li>■ Industrial Lines segment RoE</li> </ul>	<ul style="list-style-type: none"> <li>■ Ability of Industrial Lines Division to make a distribution to Talanx AG</li> </ul>	<ul style="list-style-type: none"> <li>■ Further implementation of the HDI 4.0 project as per project plan with a focus on underwriting excellence, global player, HDI Global Specialty target operating model</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Further development and implementation of sustainability strategy to position Talanx as a sustainable group in the areas of underwriting, investment and emissions reduction</li> </ul>	+10 pts
Caroline Schlienkamp	<ul style="list-style-type: none"> <li>■ Cost and employee development as per plan</li> </ul>	<ul style="list-style-type: none"> <li>■ Talanx AG's ability to pay dividends</li> </ul>	<ul style="list-style-type: none"> <li>■ Ensuring governance activities in Compliance, CISO Office and Data Protection</li> <li>■ Further intensification of Purchasing's involvement in procurement processes</li> <li>■ Implementation of the People &amp; Culture strategy</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Further development and implementation of the sustainability strategy through sustainability consulting (Legal &amp; Compliance) and CO<sub>2</sub> reduction in German operations</li> <li>■ Contribution to promoting and improving diversity at Talanx AG</li> </ul>	+5 pts
Jens Warkentin	<ul style="list-style-type: none"> <li>■ Retail Germany segment RoE</li> </ul>	<ul style="list-style-type: none"> <li>■ Ability of Retail Germany Division to make a distribution to Talanx AG</li> </ul>	<ul style="list-style-type: none"> <li>■ Implementation of GO2025 strategy</li> <li>■ Implementation of package of measures for 2023</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Further development and implementation of sustainability strategy to position Talanx as a sustainable group in the areas of underwriting, investment and emissions reduction</li> </ul>	+5 pts
Dr Jan Wicke	<ul style="list-style-type: none"> <li>■ Covered by Group RoE performance criterion</li> </ul>	<ul style="list-style-type: none"> <li>■ Talanx AG's ability to pay dividends</li> </ul>	<ul style="list-style-type: none"> <li>■ Ampega Asset Management cost-income ratio III as per plan</li> <li>■ Optimisation of IFRS 17 accounting and further development of IFRS 17 controlling</li> </ul>	<ul style="list-style-type: none"> <li>■ Change in OHC score for 2022/2023</li> <li>■ Relative improvement in OHC score in focus area</li> </ul>	<ul style="list-style-type: none"> <li>■ Performance of an externally audited ESG investment process at Ampega Asset Management</li> </ul>	+5 pts

<sup>1</sup> The OHC score is the result of the annual employee survey of Talanx's corporate culture ("Organizational Health Check"). Talanx's OHC was conducted for the fifth time in financial year 2023.

**d) Overall target achievement and payouts for the 2023 STI**

The following table shows the overall target achievement and the resulting payouts to be made to the individual members of the Board of Management:

**PAYOUTS UNDER TALANX AG'S 2023 STI**

EUR thousand					
Board of Management member	Target amount	Group RoE target achieved	Individual premium/discount	Overall target achievement	Payout
Torsten Leue	612	176.1%	+24 ppts	<b>200.0%</b>	<b>1,224</b>
Jean-Jacques Henchoz	72	176.1%	+5 ppts	<b>181.1%</b>	<b>130</b>
Dr Wilim Langenbach	324	176.1%	+24 ppts	<b>200.0%</b>	<b>648</b>
Dr Edgar Puls	307	176.1%	+10 ppts	<b>186.1%</b>	<b>572</b>
Caroline Schlienkamp	240	176.1%	+5 ppts	<b>181.1%</b>	<b>435</b>
Jens Warkentin	240	176.1%	+5 ppts	<b>181.1%</b>	<b>435</b>
Dr Jan Wicke	388	176.1%	+5 ppts	<b>181.1%</b>	<b>702</b>

In addition, Jean-Jacques Henchoz receives payouts under the STI for the Hannover Rück SE remuneration system due, since he is Chairman of Hannover Rück SE's Board of Management. Hannover Rück SE's STI system is structured in a similar manner to Talanx's STI. Target achievement for the Group RoE performance criterion is based on the RoE achieved by Hannover Rück SE. The target (100% target achievement) for Hannover Re's Group RoE set by Hannover Re's Supervisory Board for financial year 2023 was 1,000 basis points above the risk-free rate. The five-year average risk-free rate for ten-year German government bonds at the end of 2023 was 0.72%. This puts Hannover Re's target RoE for financial year 2023 at 1,072 basis points. Hannover Re generated Group RoE of 19.0% in financial year 2023 (1,900 basis points). This corresponds to a target achievement for the Group RoE performance criterion of 182.80%.

The individual premiums/discounts are determined by Hannover Re's Supervisory Board on the basis of predefined criteria.

The following table provides a detailed overview of the payouts made to Mr Henchoz under Hannover Rück SE's STI.

**PAYOUTS UNDER HANNOVER RÜCK SE'S 2023 STI**

EUR thousand					
Board of Management member	Target amount	Group RoE target achieved	Individual premium/discount	Overall target achievement	Payout
Jean-Jacques Henchoz	504	182.8%	+5 ppts	<b>187.8%</b>	<b>947</b>

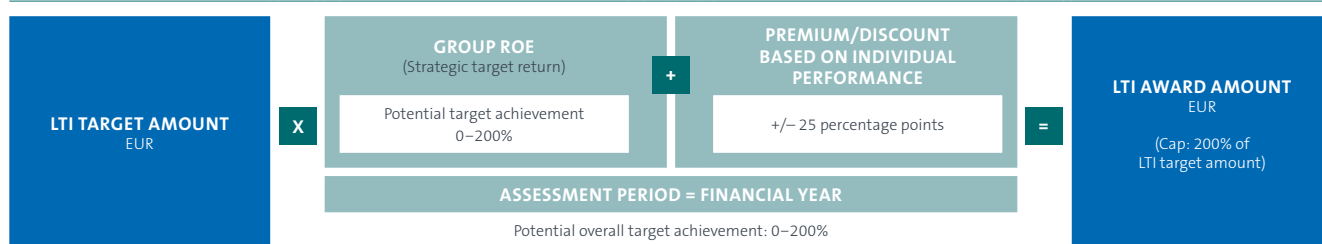
**Long-term incentive (LTI)**

**a) Basic information**

The LTI plays a key role in aligning the interests of the Board of Management with those of our shareholders. Measuring the relative performance of the Talanx shares creates incentives to ensure that we outperform our competitors on the capital markets in the long term.

The LTI takes the form of a performance share plan, offering an incentive to increase the value of Talanx's shares in the interests of our investors. The amount awarded under the LTI (LTI award amount) is based on the contractually agreed LTI target amount and depends on the target achievement for the Group RoE financial performance criterion that was established in the context of the STI for the financial year in question, plus the individual premium or discount specified by the Supervisory Board for the financial year (overall target achievement).

**LONG-TERM INCENTIVE**



The 2023 LTI tranche (Talanx 2023 performance shares) will be awarded in financial year 2024 on the basis of the overall target achievement for the 2023 STI. The number of Talanx performance shares awarded is determined by the LTI award amount plus Talanx's average share price in the period between the 15 exchange trading days before and the 15 exchange trading days after the Supervisory Board meeting that considers the consolidated financial statements in the year in which the award is made. The total term of the Talanx performance shares ("performance period") is four years. The 2023 LTI tranche will be paid out at the end of the four-year performance period in calendar year 2028.

The following table shows the award amounts of the LTI tranche.

**AWARDS UNDER TALANX AG'S 2023 LTI TRANCHE**

EUR thousand			
Board of Management member	Target amount	Overall target achievement for the 2023 STI	Award amount
Torsten Leue	918	200.0%	<b>1,836</b>
Jean-Jacques Henchoz	108	181.1%	<b>196</b>
Dr Wilm Langenbach	486	200.0%	<b>972</b>
Dr Edgar Puls	461	186.1%	<b>858</b>
Caroline Schlienkamp	360	181.1%	<b>652</b>
Jens Warkentin	360	181.1%	<b>652</b>
Dr Jan Wicke	581	181.1%	<b>1,053</b>

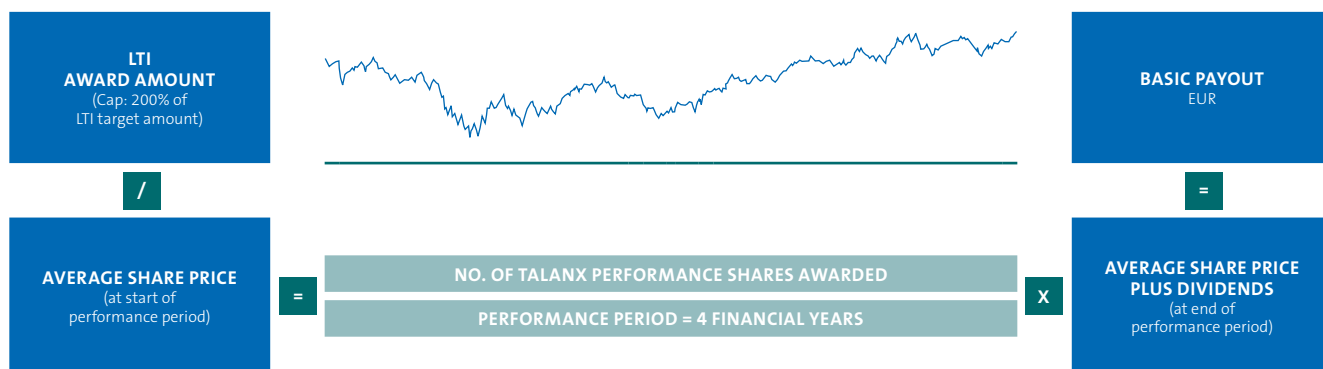
At the end of the four-year performance period, the basic payout is calculated in a first step based on the basis of Talanx's share price performance. This payout is the product of the number of Talanx performance shares awarded and Talanx AG's average share price in the period between the 15 trading days before and the 15 trading days after the Supervisory Board meeting that considers the consolidated financial statements in the year in which the four-year performance period ends, plus the dividends paid during the performance period. The change in performance thus reflects the total shareholder return in full.

In addition, Jean-Jacques Henchoz receives payouts under the LTI for the Hannover Rück SE remuneration system due, since he is Chairman of Hannover Rück SE's Board of Management. Hannover Rück SE's LTI system is structured in a similar manner to Talanx's LTI.

**AWARDS UNDER HANNOVER RÜCK SE'S 2023 LTI TRANCHE**

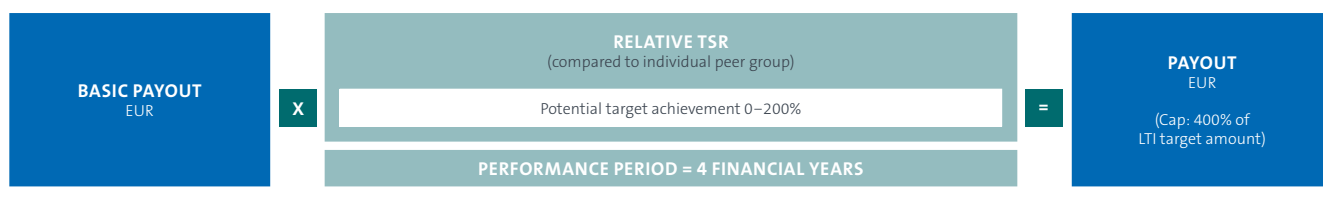
EUR thousand			
Board of Management member	Target amount	Overall target achievement for the 2023 STI	Award amount
Jean-Jacques Henchoz	756	187.8%	<b>1,420</b>

**LTI – ADJUSTMENT FOR SHARE PRICE PERFORMANCE**



The final payout is the product of the basic payout and the target achievement for the relative total shareholder return (“relative TSR”) compared to a peer group. The payout for the LTI is capped at 200% of the LTI award amount and can therefore amount to a maximum of 400% of the LTI target amount overall – provided that the sum of all remuneration components does not exceed the maximum remuneration set out in section 87a(1) sentence 2 no. 1 of the AktG.

**LTI – ADJUSTMENT FOR PERFORMANCE PEER GROUP**



**b) Financial performance criterion**

The main performance criterion for the final LTI payout is the relative TSR. The use of this measure incorporates an external, capital market-driven performance criterion into the variable remuneration, thus permitting relative performance measurement and the alignment of Board of Management and shareholder interests. The relative TSR represents Talanx’s share price performance over the four-year performance period, including the gross dividends paid, in comparison to a peer group comprising relevant competitors in the insurance sector. As a result, the LTI creates incentives for ensuring long-term, sustainably strong market performance by Talanx’s shares.

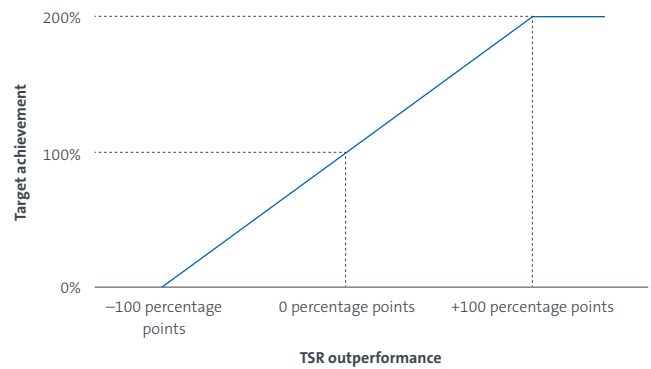
The target achievement for the relative TSR is determined by comparing the TSR for Talanx AG’s shares with the shares of its peer group companies during the four-year performance period. This is done by comparing the TSR of Talanx’s shares during the performance period in question with the unweighted average TSR for the peer group. The Supervisory Board reviews the peer group before the start of each performance period for a new LTI tranche. In the case of the 2023 LTI tranche it consists of the following companies:

**PEER GROUP COMPANIES**

Allianz SE	Münchener Rückversicherungs Gesellschaft AG
AXA S.A.	Swiss Re AG
Generali S. p. a.	Vienna Insurance Group AG
Mapfre S.A.	Zurich Insurance Group AG

If the TSR for Talanx’s shares corresponds to the unweighted average TSR for the peer group, the target achievement for the relative TSR is 100%. Every percentage point by which the TSR for Talanx’s shares exceeds or fails to reach the unweighted average TSR for the peer group results in a corresponding increase or decrease of the target achievement (linear scaling). If the TSR for Talanx’s shares exceeds the unweighted average TSR for the peer group by 100 percentage points or more, the target achievement for the relative TSR is 200%. Any further increase in the relative TSR does not lead to a further increase in the target achievement. If the TSR for Talanx’s shares is 100 percentage points or more below the unweighted average TSR for the peer group, the target achievement for the relative TSR is 0%.

**TARGET ACHIEVEMENT GRAPH RELATIVE TSR**



The target achievement for the 2023 LTI tranche is published in the remuneration report for the 2028 financial year after the end of the performance period.

**Payouts relating to multi-year variable remuneration components**

Payouts relating to multi-year variable remuneration components under the old remuneration system, which was used up to the end of financial year 2020, were made in financial year 2023. Under the old system, the variable remuneration for a financial year consisted of a Group bonus, an individual personal bonus and – in the case of Board Members responsible for a specific division – a divisional bonus. 60% of the amount determined for each member of the Board of Management was paid out after the end of the financial year concerned, while 20% was added to a bonus bank and a further 20% was awarded as virtual shares (Talanx share awards). The Talanx share awards made in financial year 2019 on the basis of the target achievements for the variable remuneration for financial year 2018 (Talanx share awards 2018) and the amount added to the bonus bank in financial year 2020 on the basis of the target achievement for the variable remuneration for financial year 2019 (bonus bank 2019) were paid out in 2023.

### a) Talanx 2018 share awards

Under the previous remuneration system, the equivalent of 20% of the variable remuneration determined was awarded automatically as Talanx share awards once the variable remuneration had been determined for a financial year. The share price at the time the award was made was determined using the unweighted arithmetic mean of the XETRA closing prices in the period between the five trading days before to the five trading days after the Supervisory Board meeting considering the consolidated financial statements. After a lock-up period of four years, the value of the Talanx share awards as determined at the payout date is paid out. Once again, the value of the shares is determined using the unweighted arithmetic mean of the XETRA closing prices in the period between the five trading days before to the five trading days after the Supervisory Board meeting considering the consolidated financial statements. In addition, the aggregate dividends per share distributed during the lock-up period are paid out.

The lock-up period for the Talanx share awards awarded in financial year 2019 on the basis of the variable remuneration for 2018 expired in financial year 2023 and the value determined was paid out.

The following table provides an overview of the payments under the Talanx 2018 share awards:

#### PAYMENTS UNDER THE TALANX 2018 SHARE AWARDS

Board of Management member	Award amount (20% of 2018 variable remuneration) EUR thousand	Average share price at award EUR	Average share price at end of lock-up period EUR	Total dividends per share distributed EUR	Payment amount EUR thousand
Torsten Leue	231	34.14	42.52	6.05	<b>328</b>
Dr Jan Wicke	183	34.14	42.52	6.05	<b>261</b>

### b) 2019 bonus bank

Additionally, the amount added to the bonus bank in financial year 2020 on the basis of the variable remuneration for 2019 was paid out in financial year 2023.

The payout in each case is the positive amount that was added to the bonus bank three years before the payout date, provided that it does not exceed the balance available in the bonus bank after taking credits/debits into account (up to and including credits/debits for the most recent past financial year). Any upcoming payouts that are not covered by a positive bonus bank balance lapse.

The following table provides an overview of the payments from 2019 bonus bank:

#### 2019 BONUS BANK PAYMENTS

Board of Management member	Amount added (20% of 2019 variable remuneration)	Payout
Torsten Leue	318	<b>318</b>
Jean-Jacques Henchoz	45	<b>45</b>
Dr Edgar Puls	69	<b>69</b>
Dr Jan Wicke	210	<b>210</b>

The following table provides an overview of the payments from 2019 bonus bank of Hannover Rück SE:

#### 2019 BONUS BANK PAYMENTS OF HANNOVER RÜCK SE

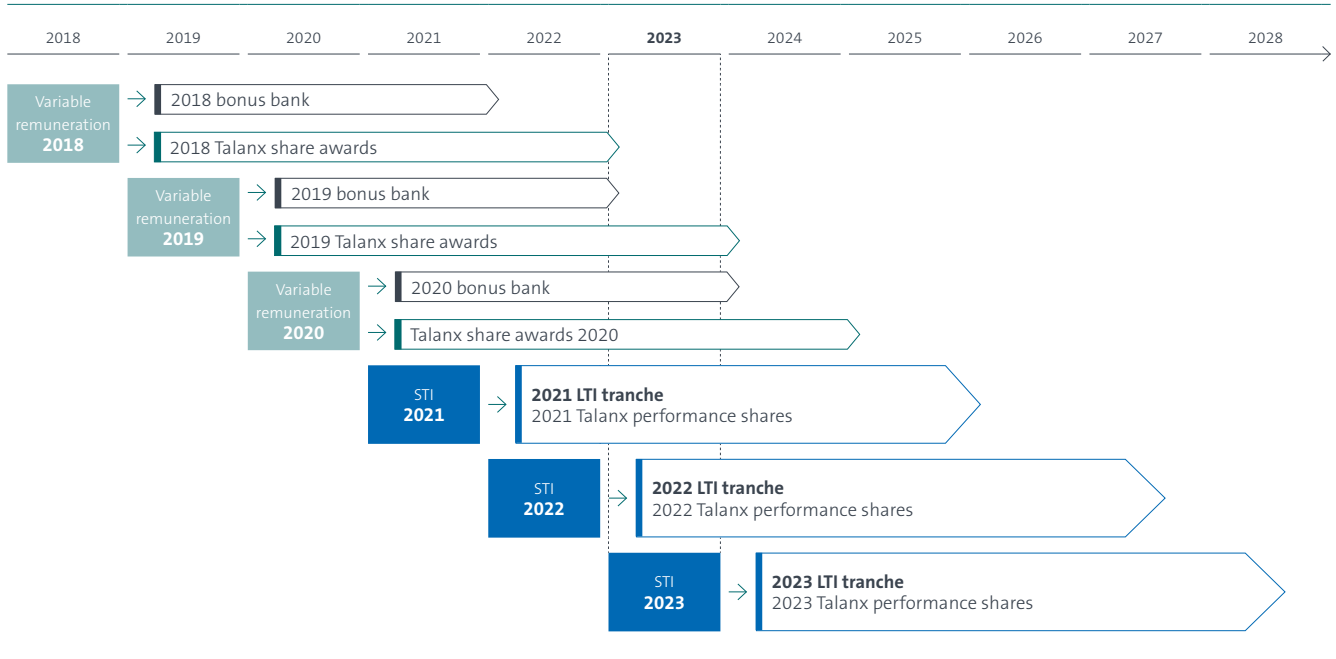
Board of Management member	Amount added (20% of 2019 variable remuneration)	Payout
Jean-Jacques Henchoz	207	<b>207</b>



### Overview of multi-year variable remuneration components

The following table provides an overview of the multi-year variable remuneration components:

#### MULTI-YEAR VARIABLE REMUNERATION COMPONENTS



The following table gives an overview of what is to be paid from multi-year variable remuneration in the next few years:

#### TALANX SHARE AWARDS FOR ACTIVE BOARD OF MANAGEMENT MEMBERS AS AT 31 DECEMBER 2023 (REMUNERATION SYSTEM UP TO 2020)

Board of Management member	No. of shares awarded for FY 2020	No. of shares awarded for FY 2019	Total
	Average share price at award: EUR 36.38	Average share price at award: EUR 29.25	
Torsten Leue	8,271	10,869	19,140
Jean-Jacques Henchoz	1,765	1,553	3,318
Dr Wilm Langenbach	—	—	—
Dr Edgar Puls	3,066	2,369	5,435
Caroline Schlienkamp	—	—	—
Jens Warkentin	—	—	—
Dr Jan Wicke	5,438	7,194	12,632

**BONUS BANK FOR ACTIVE BOARD OF MANAGEMENT MEMBERS AS AT 31 DECEMBER 2023 (REMUNERATION SYSTEM UP TO 2020)**

EUR thousand		
Board of Management member	Amount added for FY 2020	Total
Torsten Leue	301	<b>301</b>
Jean-Jacques Henchoz	64	<b>64</b>
Dr Wilm Langenbach	—	—
Dr Edgar Puls	112	<b>112</b>
Caroline Schlienkamp	—	—
Jens Warkentin	—	—
Dr Jan Wicke	198	<b>198</b>

**TALANX PERFORMANCE SHARES FOR BOARD OF MANAGEMENT MEMBERS AS AT 31 DECEMBER 2023 (REMUNERATION SYSTEM AS FROM 2021)**

Board of Management member	No. of shares awarded for FY 2022	No. of shares awarded for FY 2021	Total
	Average share price at award: EUR 43.27	Average share price at award: EUR 39.31	
Torsten Leue	34,692	32,835	<b>67,527</b>
Jean-Jacques Henchoz	3,906	3,726	<b>7,632</b>
Dr Wilm Langenbach	18,374	16,765	<b>35,139</b>
Dr Edgar Puls	17,417	17,068	<b>34,485</b>
Caroline Schlienkamp	8,736	—	<b>8,736</b>
Jens Warkentin	—	—	—
Dr Jan Wicke	21,020	20,056	<b>41,076</b>

The following table gives an overview of what is to be paid from multi-year variable remuneration of Hannover Rück SE for Mr Henchoz in the next few years:

**HANNOVER RE SHARE AWARDS FOR MR HENCHOZ AS AT 31 DECEMBER 2023 (REMUNERATION SYSTEM UP TO 2020)**

Board of Management member	No. of shares awarded for FY 2020	No. of shares awarded for FY 2019	Total
	Average share price at award: EUR 150.42	Average share price at award: EUR 139.04	
Jean-Jacques Henchoz	1,786	1,489	<b>3,275</b>

**HANNOVER RE BONUS BANK FOR MR HENCHOZ AS AT 31 DECEMBER 2023 (REMUNERATION SYSTEM UP TO 2020)**

EUR thousand		
Board of Management member	Amount added for FY 2020	Total
Jean-Jacques Henchoz	269	<b>269</b>

**HANNOVER RE PERFORMANCE SHARES FOR MR HENCHOZ AS AT 31 DECEMBER 2023 (REMUNERATION SYSTEM AS FROM 2021)**

Board of Management member	No. of shares awarded for FY 2022	No. of shares awarded for FY 2021	Total
	Average share price at award: EUR 176.66	Average share price at award: EUR 156.31	
Jean-Jacques Henchoz	6,441	6,554	12,995

**Malus and clawback policy, risk adjustment**

If a member of the Board of Management intentionally infringes one of their fundamental duties of care in accordance with section 93 of the AktG, a material duty under their contract of service, or other material principles of conduct set out by the Company (e.g. in the Code of Conduct or the Compliance Guidelines), the Supervisory Board can, at its reasonable discretion, reduce the as yet unpaid variable remuneration either in part or to zero (“malus”) or reclaim the gross amount of the variable remuneration that has already been paid in whole or in part (“clawback”). No clawback is possible if the infringement in question took place more than five years ago.

When reaching its discretionary decision, the Supervisory Board will take into account the severity of the infringement, the degree of culpability exhibited by the member of the Board of Management, and the pecuniary and non-pecuniary damage caused to the Company.

Furthermore, members of the Board of Management must repay variable remuneration that has already been paid if and to the extent that it transpires following the payout that the audited and adopted consolidated financial statements on which the calculation of the payout was based were incorrect and that they therefore have to be corrected in line with the relevant accounting standards and, based on the corrected audited consolidated financial statements and the applicable remuneration system, a lower or no payout of variable remuneration would have been due.

Furthermore, the payout of variable remuneration components can be restricted or cancelled in full if the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – the Federal Financial Supervisory Authority) has issued a non-appealable or immediately enforceable order prohibiting or restricting the payout (for example if the Company’s own funds are lower, or in danger of becoming lower, than the Solvency 2 capital requirement), or if this is required under Article 275(2) letter e of Commission Delegated Regulation (EU) 2015/35 of 10 October 2014.

No clawback or reduction was made in financial year 2023; nor was the payout of variable remuneration components restricted or cancelled.

## Termination benefits

### Pension scheme

The Chair of the Board of Management, Mr Leue, has been granted a commitment to pay a life-long retirement pension, part of which can be paid out on application as one-time retirement capital when he turns 65, plus a surviving dependants' pension. The size of his post-retirement benefits are calculated using a length-of-service-based percentage of between 20% and a maximum of 50% of his pensionable income (the last monthly salary that he received). If he draws his pension before turning 65, 50% of any other income received is offset against the retirement pension. Current pension payments are adjusted annually in line with the changes in Germany's consumer price index.

The other members of the Board of Management have been granted defined contribution commitments to pay retirement, surviving dependants and occupational disability pensions. The retirement pension can be paid out as a one-time capital payment on application by the member of the Board of Management. The post-retirement benefits are granted via HDI Unterstützungskasse e.V., which takes out appropriate reinsurance policies to finance the retirement benefits. The size of the post-retirement benefits corresponds to the benefits under the reinsurance policies, based on the annual financing contributions made by the Company in the amount of 25% of the members' pensionable income (annual fixed remuneration). Current pensions are increased annually by at least 1% of their last (gross) amount.

The following table shows the accrued pension rights under IAS 19 for the current members of the Board of Management.

#### ACCRUED PENSION RIGHTS

Board of Management member	Service cost <sup>1</sup>		IAS 19 Present value of the pension obligation	
	2023	2022	2023	2022
Torsten Leue	646	691	9,302	7,450
Jean-Jacques Henchoz <sup>2</sup>	118	152	618	479
Dr Wilm Langenbach	84	91	277	164
Dr Edgar Puls	91	131	1,057	890
Caroline Schlienkamp	48	90	247	177
Jens Warkentin	43	—	251	—
Dr Jan Wicke	142	143	1,299	997

<sup>1</sup> The figure shown represents the service cost recognised in the reporting period for pensions and other post-retirement benefits.

<sup>2</sup> This relates to the personnel expenses recognised by Hannover Rück SE.

## Variable remuneration in the event of the premature termination of contracts of service

### Short-term incentive (STI)

If the contract of service with a member of the Board of Management ends in the course of a financial year for a reason other than good cause as defined by section 626(1) of the German Civil Code (BGB) for which the member of the Board of Management is responsible, the plan participant is entitled to a pro rata STI for that financial year. If the contract of service ends before the end of the financial year as a result of extraordinary termination by the Company for good cause as defined by section 626(1) of the BGB for which the member of the Board of Management is responsible, the claim to the STI for that financial year shall lapse without substitution or compensation.

### Long-term incentive (LTI)

If the contract of service or Board of Management appointment ends before the end of a performance period for a reason other than those stated below and prior to the end of the financial year, the plan participant is entitled to a pro rata LTI for that financial year. In this case, the variable remuneration components are determined and paid out in the normal manner as set out in the terms and conditions for the LTI plan. The premature payout of the LTI before the end of the performance period is not provided for in such cases.

If the contract of service or Board of Management appointment ends in the course of a financial year due to them stepping down or resigning (exception: resignation or termination by the member of the Board of Management for good cause), if the member of the Board of Management refuses to accept an extension offering at least equal contractual conditions (exception: the member of the Board of Management has turned 60 and has been a member of the Board of Management for two terms of office), if the Company extraordinarily terminates the member of the Board of Management's contract of service without notice for good cause or if the member of the Board of Management's appointment is terminated for good cause within the meaning of section 84(3) of the AktG (exception: a vote of no confidence by the General Meeting), all conditionally granted Talanx performance shares shall lapse without substitution or compensation.

### Severance pay

The contracts of service for the members of the Board of Management do not provide for any claims to severance pay. Equally, the contracts of service with the members of the Board of Management do not pledge any benefits arising from the premature termination of the members of the Board of Management's activities due to a change of control.

## Remuneration awarded and due in financial year 2023

### Current members of the Board of Management

The following table shows the remuneration awarded and due to the individual members of the Board of Management in accordance with section 162 of the AktG. The remuneration disclosed as "remuneration awarded" is the remuneration for which the relevant work had been performed in full by the reporting date. "Remuneration due" is remuneration that is due but has not yet actually been paid. The amounts disclosed for financial year 2023 comprise the following:

- The fixed remuneration paid out in 2023
- The fringe benefits received in financial year 2023

- The STI established for financial year 2023 that is to be paid out in 2024
- The amount added to the bonus bank for financial year 2019 that was paid out in financial year 2023
- The share awards made for financial year 2018 that were paid out in financial year 2023

Furthermore, the pension expense for the pension plan commitments for financial year 2023 is disclosed in the table as part of the Board of Management remuneration.

In addition, the table shows the relative shares of the overall remuneration awarded and due that are accounted for by the individual remuneration components.

### REMUNERATION AWARDED AND DUE

in %	Torsten Leue (Chairman of the Board of Management) Chairman since 8 May 2018, member since 1 September 2010		Jean-Jacques Henchoz <sup>6</sup> Head of Division since 1 April 2019		Dr Wilm Langenbach Head of Division since 1 December 2020	
	2023	2022	2023	2022	2023	2022
Base remuneration	1,020	1,020	960	960	540	540
Fringe benefits	8	6	12	14	6	6
Other <sup>1</sup>	—	—	—	1,000	—	—
<b>Fixed remuneration components</b>	<b>1,028</b>	<b>1,026</b>	<b>972</b>	<b>1,974</b>	<b>546</b>	<b>546</b>
	<b>35%</b>		<b>42%</b>		<b>46%</b>	
One-year variable remuneration (2023 STI) <sup>2,3</sup>	1,224	1,001	1,077	871	648	530
Multi-year variable remuneration	646	459	252	—	—	—
2019 bonus bank (3 years) <sup>4</sup>	318	231	252	—	—	—
2018 share awards (4 years) <sup>5</sup>	328	228	—	—	—	—
<b>Variable remuneration components</b>	<b>1,870</b>	<b>1,460</b>	<b>1,329</b>	<b>871</b>	<b>648</b>	<b>530</b>
	<b>65%</b>		<b>58%</b>		<b>54%</b>	
<b>Total remuneration (as defined by section 162 of the AktG)</b>	<b>2,898</b>	<b>2,486</b>	<b>2,301</b>	<b>2,845</b>	<b>1,194</b>	<b>1,076</b>
	<b>100%</b>		<b>100%</b>		<b>100%</b>	
Pension expense	646	691	118	152	84	91

<sup>1</sup> Payment made in compensation for a loss of salary under a previous contract of service and contract termination costs. To compensate lapsed benefits at his previous employer, Hannover Rück SE contracted with Jean-Jacques Henchoz to a payment in instalments. The payment in 2022 is the last instalment from this agreement, which also was contingent on re-appointment as at 1 April 2022.

<sup>2</sup> Of which Supervisory Board remuneration by Group companies: Mr Leue EUR 363 (371) thousand, Dr Wicke EUR 60 (40) thousand.

<sup>3</sup> The amounts disclosed for financial year 2022 comprise payments from the 2022 one-year variable remuneration.

<sup>4</sup> The amounts disclosed for financial year 2022 comprise payments from the 2018 bonus bank.

<sup>5</sup> The amounts disclosed for financial year 2022 comprise payments from the 2017 share awards.

<sup>6</sup> Including remuneration awarded and due from Hannover Rück SE in the amount of EUR 2,006 (2,613) thousand, of which EUR 840 thousand was base remuneration, EUR 1,154 thousand the STI and EUR 12 thousand fringe benefits.

	Dr Edgar Puls Head of Division since 9 May 2019		Caroline Schlienkamp Member of the Board of Management since 1 May 2022		Jens Warkentin Member of the Board of Management since 1 January 2023		Dr Jan Wicke (Chief Financial Officer) Chief Financial Officer since 1 September 2020, member since 1 May 2014	
	<b>2023</b>	2022	<b>2023</b>	2022	<b>2023</b>	2022	<b>2023</b>	2022
	512	512	400	267	400	—	646	646
	6	9	12	8	11	—	6	6
	—	—	—	—	—	—	—	—
	<b>518</b>	<b>521</b>	<b>412</b>	<b>275</b>	<b>411</b>	<b>—</b>	<b>652</b>	<b>652</b>
	<b>45%</b>		<b>49%</b>		<b>49%</b>		<b>36%</b>	
	572	502	435	252	435	—	702	607
	69	—	—	—	—	—	471	410
	69	—	—	—	—	—	210	183
	—	—	—	—	—	—	261	227
	<b>641</b>	<b>502</b>	<b>435</b>	<b>252</b>	<b>435</b>	<b>—</b>	<b>1,173</b>	<b>1,017</b>
	<b>55%</b>		<b>51%</b>		<b>51%</b>		<b>64%</b>	
	<b>1,159</b>	<b>1,023</b>	<b>847</b>	<b>527</b>	<b>846</b>	<b>—</b>	<b>1,825</b>	<b>1,669</b>
	<b>100%</b>		<b>100%</b>		<b>100%</b>		<b>100%</b>	
	91	131	48	90	43	—	142	143

## Former members of the Board of Management

The following table shows the remuneration awarded and due to the former members of Talanx's Board of Management in accordance with section 162 of the AktG in financial year 2023:

### REMUNERATION AWARDED AND DUE

in %	Sven Fokkema (until 31 December 2020)		Herbert Haas (until 8 May 2018)		Dr Christopher Lohmann (until 31 December 2023)		Dr Immo Querner (until 31 August 2020)		Ulrich Wallin (until 9 May 2019)						
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022					
<b>Base remuneration</b>	—	—	—	—	—	—	647	—	—	—	—	—	—		
One-year variable remuneration (2023 STI)	—	—	—	—	—	—	616	—	—	—	—	—	—		
Multi-year variable remuneration	258	85	131	418	—	—	—	401	373	578	725	—	—		
2019 bonus bank (3 years)	136	85	—	92	—	—	—	170	162	115	307	—	—		
2018 share awards (4 years)	122	—	131	326	—	—	—	231	211	463	418	—	—		
<b>Variable remuneration</b>	<b>258</b>	<b>100%</b>	<b>85</b>	<b>131</b>	<b>18%</b>	<b>418</b>	<b>—</b>	<b>—</b>	<b>616</b>	<b>401</b>	<b>65%</b>	<b>373</b>	<b>578</b>	<b>65%</b>	<b>725</b>
Payment made in compensation for claims under a previous contract of service	—	—	—	—	—	—	—	1,450	—	—	—	—	—	—	
Pension payments	—	—	—	596	82%	531	—	—	—	217	35%	265	313	35%	279
<b>Total remuneration (as defined by section 162 of the AktG)</b>	<b>258</b>	<b>100%</b>	<b>85</b>	<b>727</b>	<b>100%</b>	<b>949</b>	<b>—</b>	<b>—</b>	<b>2,713</b>	<b>618</b>	<b>100%</b>	<b>638</b>	<b>891</b>	<b>100%</b>	<b>1,004</b>

Total remuneration paid to former members of the Board of Management and their surviving dependants, for whom there were 10 (10) pension liabilities, came to EUR 2 (2) million in the year under review. A total of EUR 36 (34) million was set aside for pension liabilities.

## Supervisory Board remuneration

### Principles governing Supervisory Board remuneration

The remuneration for Supervisory Board members resolved by the Annual General Meeting is set out in Article 12 of the Company's Articles of Association. The remuneration system for the Supervisory Board was passed by a majority of 99.9% of the votes cast by the Talanx Annual General Meeting on 6 May 2021 and has been in use since 1 January 2021.

Members of the Supervisory Board receive purely fixed remuneration so as to reinforce the Supervisory Board's independence and ensure it is not subject to influence when performing its advisory and oversight functions. The fixed remuneration for all members of the Supervisory Board is EUR 100,000. In line with the recommendations set out in the German Corporate Governance Code, the Chairman of the Supervisory Board and his or her Deputies, and the chairs and members of committees, receive additional remuneration to appropriately reflect the greater time commitment involved. The Chairman of the Supervisory Board receives two-and-a-half times the base remuneration of a simple member of the Supervisory Board, while each of his or her deputies receives one-and-a-half times the

base remuneration. The members of the Finance and Audit Committee and of the Personnel Committee receive additional remuneration of EUR 25,000 per annum each. The chairs of these committees receive double this amount. The attendance fee is EUR 1,000 per meeting and is paid only once where multiple meetings are held on the same day. Members are also entitled to receive the attendance fee if they participate in meetings by phone or via video conferences. All attendance fees are paid on the date of the meeting. Additionally, Supervisory Board members are included in D&O insurance for governing body members and certain Talanx Group employees that is taken out in an appropriate amount and paid for by the Company in the Company's interests. Furthermore, the Company reimburses all members of the Supervisory Board for any expenses incurred by them.

### Remuneration awarded and due to Supervisory Board members

The following table shows the remuneration awarded and due to Supervisory Board members in financial year 2023, broken down by the individual remuneration components. In addition, the table shows the relative shares of the total remuneration accounted for by the remuneration components.

#### REMUNERATION AWARDED AND DUE TO THE SUPERVISORY BOARD

EUR thousand	Remuneration for Supervisory Board activity			Remuneration for work on committees			Attendance allowance			Supervisory Board payments by Group companies			Total remuneration	
	2023	2022		2023	2022		2023	2022		2023	2022		2023	2022
Herbert K. Haas	250	50%	250	75	15%	81	13	3%	12	162	32%	167	500	510
Dr Thomas Lindner (until 4 May 2023)	52	72%	150	17	24%	50	3	4%	11	—	—	—	72	211
Ralf Rieger	150	81%	150	25	13%	25	11	6%	9	—	—	1	186	185
Angela Titzrath	133	76%	100	33	19%	—	9	5%	5	—	—	—	175	105
Antonia Aschendorf (until 4 May 2023)	34	52%	100	—	—	—	1	2%	5	30	46%	24	65	129
Benita Bierstedt	100	68%	100	—	—	—	6	4%	5	40	27%	40	146	145
Rainer-Karl Bock-Wehr	100	94%	100	—	—	—	6	6%	5	—	—	—	106	105
Dr Joachim Brenk (since 4 May 2023)	66	80%	—	—	—	—	5	6%	—	11	13%	—	82	—
Sebastian L. Gascard	100	94%	100	—	—	—	6	6%	5	—	—	2	106	107
Dr Christof Günther (since 4 May 2023)	66	73%	—	16	18%	—	9	10%	—	—	—	—	91	—
Jutta Hammer	100	71%	100	25	18%	25	11	8%	9	5	4%	2	141	136
Dr Hermann Jung	100	65%	100	44	28%	44	11	7%	9	—	—	—	155	153
Dirk Lohmann	100	94%	100	—	—	—	6	6%	5	—	—	—	106	105
Christoph Meister	100	94%	100	—	—	—	6	6%	5	—	—	—	106	105
Jutta Mück	100	75%	100	25	19%	25	9	7%	8	—	—	2	134	135
Dr Sandra Reich (since 4 May 2023)	66	93%	—	—	—	—	5	7%	—	—	—	—	71	—
Dr Erhard Schipporeit (until 4 May 2023)	34	24%	100	9	6%	25	2	1%	9	96	68%	96	141	230
Prof. Dr Jens Schubert	100	86%	100	—	—	—	6	5%	5	10	9%	1	116	106
Norbert Steiner	100	75%	100	25	19%	25	8	6%	8	—	—	—	133	133

## Comparison of changes in remuneration and earnings

In line with the requirements of section 162(1) sentence 2 no. 2 of the AktG, the following table compares the changes in the remuneration paid to members of the Board of Management, members of the Supervisory Board and employees, plus changes in the Company's earnings.

The remuneration shown for the Board of Management and Supervisory Board is the awarded and due remuneration in accordance with section 162 of the AktG.

The Talanx Group's workforce in Germany is used as the basis for the average employee remuneration shown. The employee remuneration shown comprises personnel expenses (not including the expenses for Board of Management remuneration) for wages and salaries, fringe benefits, employer contributions to social security funds, variable remuneration components attributable to the financial year and, in the case of share-based remuneration, the amounts paid in the financial year.

### COMPARATIVE INFORMATION ON CHANGES IN THE REMUNERATION

EUR thousand	2023	2022	Change 2023 v. 2022	Change 2022 v. 2021	Change 2021 v. 2020
<b>Current members of the Board of Management</b>					
Torsten Leue	2,898	2,486	+16.6%	+6.4%	+5.5%
Jean-Jacques Henchoz	2,301	2,845	-19.1%	+50.9%	-1.3%
Dr Wilm Langenbach	1,194	1,076	+11.0%	+8.9%	+767.0%
Dr Edgar Puls	1,159	1,023	+13.3%	+5.7%	+37.5%
Caroline Schlienkamp	847	527	+60.7%	—	—
Jens Warkentin	846	—	—	—	—
Dr Jan Wicke	1,825	1,669	+9.4%	+5.6%	-3.9%
<b>Former members of the Board of Management</b>					
Sven Fokkema (until 31 December 2020)	258	85	+203.5%	-78.8%	-51.6%
Herbert Haas (until 8 May 2018)	727	949	-23.4%	-13.1%	+1.9%
Dr Christopher Lohmann (until 31 December 2022)	—	2,713	-100.0%	+130.3%	+36.9%
Dr Immo Querner (until 31 August 2020)	618	638	-3.1%	-39.5%	-37.0%
Ulrich Wallin (until 9 May 2019)	891	1,004	-11.2%	-0.9%	-2.2%
<b>Current members of the Supervisory Board</b>					
Herbert K. Haas	500	510	-2.0%	-7.4%	+13.6%
Ralf Rieger	186	185	+0.5%	-2.1%	+3.3%
Angela Titzrath	175	105	+66.7%	—	+6.1%
Benita Bierstedt	146	145	+0.7%	—	+4.3%
Rainer-Karl Bock-Wehr	106	105	+1.0%	—	-2.8%
Dr Joachim Brenk (since 4 May 2023)	82	—	—	—	—
Sebastian L. Gascard	106	107	-0.9%	-10.1%	+5.3%
Dr Christof Günther (since 4 May 2023)	91	—	—	—	—
Jutta Hammer	141	136	+3.7%	-5.6%	+4.3%
Dr Hermann Jung	155	153	+1.3%	+14.2%	+3.1%
Dirk Lohmann	106	105	+1.0%	—	+5.0%
Christoph Meister	106	105	+1.0%	—	+5.0%
Jutta Mück	134	135	-0.7%	-8.8%	+4.2%
Dr Sandra Reich (since 4 May 2023)	71	—	—	—	—
Prof. Dr Jens Schubert	116	106	+9.4%	+1.0%	+5.0%
Norbert Steiner	133	133	—	-0.7%	+3.9%
<b>Former members of the Supervisory Board</b>					
Antonia Aschendorf (until 4 May 2023)	65	129	-49.6%	-4.4%	+3.8%
Dr Thomas Lindner (until 4 May 2023)	72	211	-65.9%	-0.9%	+2.9%
Dr Erhard Schipporeit (until 4 May 2023)	141	230	-38.7%	-0.4%	+14.4%
<b>Employees in Germany</b>					
Average	99	94	+5.3%	+5.6%	+3.5%
<b>EUR million</b>					
<b>Earnings</b>					
Talanx AG net income (HGB)	743	579	+28.3%	+17.0%	-10.5%
Group net income <sup>2</sup>	1,581	706	+123.8%	+15.9%	+50.6%

<sup>1</sup> Adjusted in accordance with IAS 8, see the "Accounting policies" section of the Notes.

<sup>2</sup> Prior-year figure adjusted in accordance with new IFRS 9/17 accounting standards.



## Auditor's Report

To Talanx AG, Hanover

We have audited the remuneration report of Talanx AG, Hannover, for the financial year from January 1 to December 31, 2023, including the related disclosures, which was prepared to comply with § 162 AktG [Aktiengesetz: German Stock Corporation Act].

### Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Talanx AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2023, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

### Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

### Restriction on use

We issue this auditor's report on the basis of the engagement agreed with Talanx AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Hannover, March 18, 2024

PricewaterhouseCoopers GmbH  
Wirtschaftsprüfungsgesellschaft

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