

somewhat
different

Hannover Rück SE

Annual Report

2022

hannover **re**[®]

Key figures

in EUR million	2022	+/- previous year	2021	2020	2019	2018
Results						
Gross written premium	27,621.0	+25.9%	21,941.5	19,217.0	18,072.9	14,640.8
Net premium earned	17,924.0	+21.4%	14,768.3	12,923.3	12,226.6	10,412.9
Underwriting result	31.8		(126.9)	(209.1)	(23.1)	(0.2)
Change in the equalisation reserve and similar provisions	(548.3)	+0.5%	(545.7)	(694.0)	(210.6)	25.3
Investment result	1,940.8	+15.0%	1,687.4	1,673.3	1,325.8	1,231.7
Pre-tax profit	820.9	+5.8%	776.0	393.8	799.8	869.7
Profit for the financial year	753.0	+7.4%	701.2	386.8	674.5	665.4
Investments	52,053.5	+14.3%	45,535.4	38,944.1	40,597.3	36,874.1
Capital and reserves ¹	1,631.7		1,631.7	1,631.7	1,631.7	1,631.7
Subordinated liabilities	3,750.0	+25.0%	3,000.0	2,250.0	2,250.0	1,500.0
Equalisation reserve and similar provisions	4,865.3	+12.7%	4,317.0	3,771.4	3,077.4	2,866.8
Net technical provisions	38,736.3	+9.9%	35,233.4	29,933.3	30,921.8	28,676.3
Total capital, reserves and technical provisions	48,983.3	+10.9%	44,182.1	37,586.4	37,880.9	34,674.8
Number of employees	1,682	+4.4%	1,611	1,542	1,464	1,402
Retention	65.4%		69.0%	68.3%	69.7%	71.8%
Loss ratio ²	73.0%		71.1%	71.4%	71.2%	73.2%
Expense ratio ²	26.5%		29.0%	30.6%	30.1%	31.0%
Combined ratio ²	99.5%		100.1%	102.0%	101.3%	104.2%

¹ Excluding disposable profit

² Excluding life and health reinsurance

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Boards and officers

Executive Board

Jean-Jacques Henchoz

Chairman of the Executive Board Hannover Rück SE, Hannover, Germany

Member of the Board of Management Talanx AG, Hannover, Germany

Chairman of the Board of Directors Hannover Re (Bermuda) Ltd., Hamilton, Bermuda

Member of the Board of Directors Hannover Life Re of Australasia Ltd, Sydney, Australia

Member of the Board of Directors Hannover Life Reassurance Company of America (Bermuda) Ltd., Hamilton, Bermuda

Sven Althoff

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Chairman of the Board of Directors Argenta Holdings Limited, London, United Kingdom

Chairman of the Board of Directors Glencar Insurance Company, Orlando, USA

Chairman of the Board of Directors Hannover Re Services USA, Inc., Illinois, USA

Member of the Board of Directors Argenta Syndicate Management Limited, London, United Kingdom

Member of the Board of Directors HDI Global Specialty SE, Hannover, Germany¹

Claude Chèvre

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Chairman of the Board of Directors Hannover ReTakaful B.S.C. (c), Manama, Bahrain

Deputy Chairman of the Board of Directors Hannover Life Re of Australasia Ltd, Sydney, Australia

Deputy Chairman of the Board of Directors Hannover Reinsurance Group Africa (Pty) Ltd., Johannesburg, South Africa

Deputy Chairman of the Board of Directors Hannover Re South Africa Limited, Johannesburg, South Africa

Member of the Board of Directors Bristol Re Ltd., Hamilton, Bermuda

Member of the Board of Directors Hannover Re Services Japan, Tokyo, Japan

Member of the Board of Directors Hannover Life Reassurance Company of America, Orlando, USA

Clemens Jungsthöfel

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Member of the Executive Board E+S Rückversicherung AG, Hannover, Germany

Chairman of the Board of Directors Hannover Finance, Inc., Wilmington, USA

Chairman of the Board of Directors Hannover Finance (Luxembourg) S.A., Leudelange, Luxembourg

Deputy Chairman of the Supervisory Board Ampega Asset Management GmbH, Cologne, Germany

Deputy Chairman of the Supervisory Board Ampega Investment GmbH, Cologne, Germany

Member of the Board of Directors Hannover Life Reassurance Company of America, Orlando, USA

Member of the Board of Directors Hannover Life Reassurance Company of America (Bermuda) Ltd., Hamilton, Bermuda

Member of the Board of Directors Hannover Re (Bermuda) Ltd., Hamilton, Bermuda

Member of the Board of Directors Hannover Re (Ireland) Designated Activity Company, Dublin, Ireland

Dr. Klaus Miller

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Member of the Executive Board E+S Rückversicherung AG, Hannover, Germany

Chairman of the Board of Directors Bristol Re Ltd., Hamilton, Bermuda

Chairman of the Board of Directors Hannover Life Reassurance Company of America, Orlando, USA

Chairman of the Board of Directors Hannover Life Reassurance Company of America (Bermuda) Ltd., Hamilton, Bermuda

Chairman of the Board of Directors Kubera Insurance (SAC) Ltd., Hamilton, Bermuda

Member of the Board of Directors Hannover Re (Bermuda) Ltd., Hamilton, Bermuda

Member of the Board of Directors Hannover Re (Ireland) Designated Activity Company, Dublin, Ireland

Member of the Supervisory Board Viridium Holding AG, Neu-Isenburg, Germany¹

Member of the Advisory Board Viridium Group GmbH & Co. KG, Neu-Isenburg, Germany

Alternate Director of the Board of Directors Monument Finco Limited, George Town, Cayman Islands

Alternate Director of the Board of Directors Monument Insurance Group Limited, Hamilton, Bermuda

Alternate Director of the Board of Directors Monument Midco Limited, Hamilton, Bermuda

Alternate Director of the Board of Directors Monument Re Limited, Hamilton, Bermuda

Sharon Ooi (since 11 January 2023)

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Dr. Michael Pickel

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Chairman of the Executive Board E+S Rückversicherung AG, Hannover, Germany

Chairman of the Board of Directors Hannover Re Services Italy S.r.l., Milan, Italy

Deputy Chairman of the Board of Directors Hannover ReTakaful B.S.C. (c), Manama, Bahrain

Member of the Board of Directors Hannover Re Holdings (UK) Limited, London, United Kingdom

Member of the Board of Directors Hannover Re Services Japan, Tokyo, Japan

Member of the Supervisory Board Delvag Luftversicherungs-AG, Cologne, Germany¹

Member of the Advisory Board Barmenia Versicherungsunternehmen, Wuppertal, Germany

Silke Sehm

Member of the Executive Board Hannover Rück SE, Hannover, Germany

Chairwoman of the Board of Directors Hannover Re (Ireland) Designated Activity Company, Dublin, Ireland

Chairwoman of the Board of Directors Hannover Re South Africa Limited, Johannesburg, South Africa

Chairwoman of the Board of Directors Hannover Reinsurance Group Africa (Pty) Limited, Johannesburg, South Africa

Member of the Board of Directors Hannover Re (Bermuda) Ltd., Hamilton, Bermuda

¹ Details of supervisory board memberships within the meaning of § 125 (1) Sentence 5, first half-sentence of the Stock Corporation Act (AktG). The other details are those on comparable control boards at other domestic and foreign business enterprises pursuant to § 125 (1) Sentence 5, second half-sentence of the Stock Corporation Act (AktG).

Supervisory Board

Torsten Leue^{1, 2, 3}

Hannover, Germany
(since 7 May 2018)⁴

Chairman

Chief Executive Officer HDI Haftpflichtverband der Deutschen Industrie V.a.G., Hannover, Germany

Chief Executive Officer Talanx AG, Hannover, Germany

Chairman of the Supervisory Board E+S Rückversicherung AG, Hannover, Germany

Chairman of the Supervisory Board HDI AG, Hannover, Germany (until 28 February 2022: HDI Service AG)

Chairman of the Supervisory Board HDI Deutschland AG, Hannover, Germany

Chairman of the Supervisory Board HDI Global SE, Hannover, Germany

Chairman of the Supervisory Board HDI International AG, Hannover, Germany

Chairman of the Supervisory Board HDI Kundenservice AG, Cologne, Germany (until 28 February 2022)

Member of the Advisory Board Commerzbank AG, Frankfurt am Main, Germany⁶

Herbert K. Haas^{1, 2, 3}

Burgwedel, Germany
(since 24 May 2002)⁴

Deputy Chairman

Former Chief Executive Officer of Talanx AG and HDI Haftpflichtverband der Deutschen Industrie V.a.G., Hannover, Germany

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

Chairman of the Supervisory Board Talanx AG, Hannover, Germany

Natalie Bani Ardalan⁵

Springe, Germany
(since 8 May 2019)⁴

Employee

Frauke Heitmüller⁵

Hannover, Germany
(since 3 May 2012)⁴

Employee

Ilka Hundeshagen⁵

Hannover, Germany
(since 8 May 2019)⁴

Employee

Dr. Ursula Lipowsky²

Munich, Germany
(since 7 May 2018)⁴

Member of various Supervisory Boards

Member of the Supervisory Board Mecklenburgische Krankenversicherungs-AG, Hannover, Germany

Member of the Supervisory Board Mecklenburgische Lebensversicherungs-AG, Hannover, Germany

Member of the Supervisory Board Württembergische Lebensversicherung AG, Kornwestheim, Germany

Dr. Michael Ollmann

Hamburg, Germany
(since 8 May 2019)⁴

Member of various Supervisory Boards

Member of the Supervisory Board HDI Global SE, Hannover, Germany
Member of the Supervisory Board HDI International AG, Hannover, Germany

Dr. Andrea Pollak³

Vienna, Austria
(since 3 May 2011)⁴

Independent Management Consultant

Deputy Chairwoman of the Supervisory Board Fronius International GmbH, Pettenbach, Austria⁶

Dr. Erhard Schipporeit¹

Hannover, Germany
(since 3 May 2007)⁴

Member of various Supervisory Boards

Member of the Supervisory Board BDO AG, Hamburg, Germany
Member of the Supervisory Board HDI Haftpflichtverband der Deutschen Industrie V.a.G., Hannover, Germany
Member of the Supervisory Board RWE AG, Essen, Germany
Member of the Supervisory Board Talanx AG, Hannover, Germany

¹ Member of the Standing Committee

² Member of the Finance and Audit Committee

³ Member of the Nomination Committee

⁴ Date when member was first appointed/elected to the company's Supervisory Board.

Current term of office for the entire Supervisory Board commenced at the end of the Annual General Meeting on 8 May 2019

⁵ Staff representative

⁶ Memberships of comparable supervisory bodies at other companies in Germany and abroad

Further information

Report by Hannover Rück SE on equality and pay equity for the 2017 – 2021 reporting year

I. Equality of women and men

The diversity of our workforce is vital and indispensable for our company's commercial success; we derive considerable benefit from our employees' range of talents, nationalities and cultures as well as from a mix of generations with different experiences. That is why we attach special importance to the advancement of women when it comes to improving their equality at work and in training.

In our globally valid Code of Conduct it is agreed that nobody may be disadvantaged based on their gender. In accordance with §§ 3, 4 Transparency in Wage Structures Act (Entg-TranspG), employees at our company are therefore remunerated without regard to gender. Furthermore, it is unreservedly the case at our company that professional success and career advancement are dependent not on a person's gender, but on their skills, performance, motivation and experience. We consider it important that our employees enjoy equal access to specialist, project and leadership positions according to their abilities. In particular, women and men shall be equally enabled to successfully pursue their profession and continue their vocational development across life's various phases.

The gender ratio of the workforce is almost balanced on average over the reporting period (roughly 52% women and 48% men). At our company, too, it is nevertheless the case that women are underrepresented on higher hierarchical levels compared to men. In an effort to change this, we have put in place a number of tools and procedures to support women even more closely in their career development path.

II. Description of measures to promote equality of women and men and their effects

Our company takes various steps to avoid disparities in the employment of women and men and to further promote the equality of women and men:

Work-life balance

An important step towards promoting equal opportunities for women and men is encouraging the greatest possible balance between professional challenges and personal life. This facilitates, above all, the compatibility of career and family life in the interests of both sexes. Through a range of measures and flexible working time models the company makes every effort to enable the greatest possible balance and promote the compatibility of the professional and private spheres.

Teleworking: The flexible working model of alternating telework is one way in which the company promoted a healthy balance between professional and private life – and especially the compatibility of career and family – in the reporting period. Teleworking enables our staff to work from their home office. By 31 December 2021 426 of the company's employees were participating in teleworking, of whom 228 (53.5%) were women.

Mobile working: Particularly during the Covid-19 pandemic, our company introduced more extensive arrangements around mobile working for the harmonisation of work and private life. They offer employees even greater flexibility in their working hours and place of work thanks to the comprehensive expansion of communication technology and digitalisation. Since the beginning of 2020 mobile working has, as a matter of principle, been available to all employees of our company and encompasses all work performed in Germany from any location other than the company's office premises. This more extensive scope to flexibly shape the place of work similarly helps our employees to strike a balance between career and private life.

Topping up of working time during Covid-19-related closures of childcare facilities: The Covid-19 pandemic confronted both our company and our staff with unexpected challenges. In these exceptional circumstances families, in particular, came under

increased strain; all of a sudden, home schooling and the closure of daycare centres necessitated considerable changes in our employees' working routine. One measure to ease the burden on families during 2020 and 2021 was the financial support our company gave to its employees in the event of Covid-19-related closures of schools and daycare centres for children up to the age of 12 by topping up working time until the contractually agreed weekly working hours were reached. This enabled parents to take care of their children during paid absences from the workplace and to better harmonise their career and family life in this challenging pandemic situation.

Flexitime without core hours: The flexitime working model enables all employees, while respecting operational requirements, to adjust the beginning and end of their working day to fit the demands of the everyday office routine, on the one hand, and their own personal – and especially family – needs, on the other. As a general principle, employees may work between the hours of 7.00 am and 8.00 pm; during the Covid-19 pandemic we opened up the flexitime window completely. It is not necessary to fully balance the time account by the end of each month. It is also permitted to accumulate overtime on the account.

Part-time and parental part-time arrangements: In order to help our employees optimally harmonise their particular work and life situation, our company offers employees – above and beyond what is legally required – extremely flexible part-time working arrangements during and outside of parental leave and implements a very wide range of customised part-time models, in terms of both the number and distribution of hours.

An average of 249 employees (206 women and 41 men) worked at the Hannover location during the reporting period in different, sometimes highly individual part-time models.

Part-time employees are not subject to a cap on hours that they have built up on their time account, which can be carried forward without any time limitation. In consultation with the employee's supervisor, overtime may be reduced by taking off entire days without any other restrictions – even several weeks at a time – provided this does not conflict with work requirements.

With regard to parental part-time working, we normally also dispense with the need to comply with the minimum number of working hours envisaged by § 15 Federal Law on Parental Allowances and Parental Leave (BEEG) so as to assist with a more flexible career re-entry. Once their parental leave ends, mothers and fathers return to their job – which had only been filled on a temporary basis during their absence – in almost 100% of cases. Any subsequent increase in their activity level can also normally be handled on a very flexible basis. We urge our managers to actively cultivate contact with their staff who are on parental leave, for example by inviting them to attend training activities or internal events.

Exceptional leave entitlement for special events: To promote the better compatibility of private needs and professional challenges, our company grants employees exceptional leave – without counting it towards their recreational leave and without reducing their current remuneration – in connection with special events such as their own wedding, the wedding of their legitimate children or those with equivalent status, their own silver wedding anniversary, the death of their spouse, children, stepchildren and foster children, parents, parents-in-law, siblings and grandparents as well as relocation, when they have their own household.

Childcare assistance for employees' children in the company daycare facility: The nursery known as "HannoverReKids" is a largely company-funded in-house daycare centre with an operating permit to supervise a maximum of 30 infants up to their third birthday. The facility provides childcare on workdays from 7.30 am until 4.30 pm (with a late shift until 5.30 pm) and looks after children for the entire day so as to enable parents to make a prompt return to the workplace.

Partnership with a provider of corporate childcare services: Back in the summer of 2020 we entered into a new partnership with a provider of (corporate) childcare services in order to offer lasting support for employees with children. Since then, members of our staff have been able to access the wide range of activities for their children or even grandchildren. During the Covid-19 pandemic the emphasis was on virtual offerings. There are more than 30 virtual events a week covering various topics. A diverse programme of extracurricular learning and extra tuition is also available. The services now additionally include holiday supports such as daily and weekly activities and holiday camps all across Germany.

Comprehensive advisory services for all employees through an external provider: Since 1 August 2016 our company has made an Employee Assistance Programme (EAP) in the form of an external phone advisory service available to members of staff and executives at the Hannover location as well as their family members living in the same household. This offers access to immediate advice, free of charge and anonymously, on personal, professional and psychological/health-related issues or crises as well as a family service. Support is available 24/7 as often as needed. This service was particularly widely used during the Covid-19 pandemic.

Training/awareness-raising of managers

All new managers are required to attend an in-house seminar covering the fundamentals of the employment relationship in labour law, which addresses inter alia the requirements of the General Act on Equal Treatment (AGG). Furthermore, management seminars are provided as part of the training programme for executive staff to raise awareness about, among other things, gender-specific communication and the subject of unconscious bias. Several times a year, seminars are also held for managers on topical issues in employment law, including for example

parental leave, part-time working or sickness in the context of the employment relationship.

Women's network

With Women@HR, our company offers female employees a forum to engage in a personal exchange of views and ideas with their fellow colleagues from all areas of the organisation through a Group-wide women's network. The goals are to bring visibility to the specialist expertise of women throughout the entire Group, to foster young female colleagues and support them in their career development and to establish and strengthen the network for targeted, business-oriented contacts.

Succession planning

Potential successors are regularly identified for all managerial positions in our organisation. Human Resources Management at the Hannover location supports this process and pays particularly close attention to female successors and high potentials. The company's managers support this by fostering female staff and talent in day-to-day business as well as through project work and by making a conscious effort to encourage female employees to apply when leadership positions are filled.

Proportion of women on the Executive Board and Supervisory Board

Hannover Re and its Executive Board are committed to equal opportunities in relation to all diversity criteria and on all hierarchical levels. A focus of the measures is currently on supporting women in leadership positions. Of the 157 executives employed worldwide, 32 were female on 31 December 2021; this corresponds to 20.4%. Our goal is to increase diversity on all managerial levels worldwide. A target of 18% (equivalent to 16 women) is set for the two levels of management below the Executive Board, applicable until 30 June 2022. Until the beginning of 2019 the Executive Board was comprised exclusively of men; all existing Board contracts remain in force beyond 31 December 2021. In March 2019 one woman was appointed to the Executive Board. It remained our goal to appoint another woman as a member of the company's Executive Board by the year 2024. At the end of the period under review (31 December 2021) one woman belonged to the body, comprised of altogether seven members. By 1 January 2023 the goal of appointing another woman to the Executive Board had already been achieved; since that date two women have sat on the Executive Board, which is composed of eight members.

Five members of the Supervisory Board of Hannover Rück SE were women effective 31 December 2021. One woman continues to sit on the Finance and Audit Committee and another woman is a member of the Supervisory Board's Nomination Committee. The proportion of women on the Supervisory Board thus amounted to 56% in 2021.

III. Ensuring pay equity for women and men

Our globally valid Code of Conduct stipulates that nobody may be disadvantaged on gender grounds. Once a year, managers review the salaries of their staff with an eye to possible salary increases and promotion opportunities. Our employees are remunerated – without regard to their gender – according to their specific tasks, their skills and qualification and their performance. The individual promotion grades are subject to transparent criteria for promotion published in the company's internal intranet, which are similarly exclusively task-based and skills-oriented. This annual round of salary reviews and promotions has been conducted for many years with the involvement of various areas of the company (human resources department, Head of HR, Board members with divisional responsibility, Chief Executive Officer).

Commencing in 2020, the company commissioned a comprehensive analysis of employee salaries using data analytics, taking into account length of service and previous experience as well as current job title and career stage, in order to obtain the most accurate possible information about whether an unjustified pay gap exists between employees and, if so, in which departments and in what amount. Management has since responded by paying particularly close attention to the levelling up of existing wage differentials – thereby accepting higher salary growth overall than planned.

IV. Information pursuant to § 21 Transparency in Wage Structures Act (EntgTranspG)

This information refers to the workforce of Hannover Rück SE employed in Germany.

Average total number of employees, broken down by gender and by full-time (FT) and part-time employees (PT)

		2016	Proportion m/w	2021	Proportion m/w	Change 2016 / 2021
Hannover Re						
Total		971		1,227		26.4%
	Male	496	51.1%	633	51.6%	27.8%
	Female	475	48.9%	594	48.4%	25.0%
FT total		777		978		25.9%
	Male	471	60.6%	594	60.7%	26.1%
	Female	306	39.4%	384	39.3%	25.7%
PT total		194		249		28.3%
	Male	25	12.9%	39	15.7%	59.8%
	Female	169	87.1%	210	84.3%	23.7%

Note on the combined management report

The management report of Hannover Rück SE and the Group management report are combined in accordance with § 315 (5) of the German Commercial Code (HGB) and published in the Group Annual Report 2022. The annual financial statement and the management report of Hannover Rück SE – combined with the Group management report – for the 2022 financial year are submitted to the operator of the electronic Federal Gazette and published in the electronic Federal Gazette.

Accounts



Balance sheet as at 31 December 2022

Assets in EUR thousand	2022			2021
A. Intangible assets				
I. Purchased franchises, trademarks, patents, licences and similar rights and assets			38,611	35,918
II. Prepayments on intangible assets			21,652	25,438
			60,263	61,356
B. Investments				
I. Land and buildings, rights to land and buildings, leasehold			29,003	31,119
II. Investments in affiliated companies and participating interests				
1. Shares in affiliated companies		7,976,003		7,979,911
2. Loans to affiliated companies		867,431		653,829
3. Participating interests		1,809,528		132,918
4. Loans to enterprises in which the company has a participating interest		–		–
			10,652,962	8,766,658
III. Other financial investments				
1. Shares, units or shares in investment funds and other variable-yield securities		1,894,021		1,798,572
2. Bearer debt securities and other fixed-income securities		28,374,860		24,817,598
3. Other loans				
a) Registered debt securities	133,961			165,107
b) Debentures and loans	177,305			171,268
c) Other loans	8,135			4,016
		319,401		340,391
4. Deposits with banks		1,143,912		1,101,415
5. Other investments		10,301		10,301
			31,742,495	28,068,277
IV. Deposits with ceding companies			9,629,070	8,669,329
			52,053,530	45,535,383

Liabilities

in EUR thousand

	2022			2021
A. Capital and reserves				
I. Subscribed capital			120,597	120,597
II. Capital reserve			880,608	880,608
III. Retained earnings				
1. Statutory reserve		511		511
2. Other retained earnings		630,000		630,000
			630,511	630,511
IV. Disposable profit			1,316,000	1,258,000
				2,947,716
				2,889,716
B. Subordinated liabilities				3,750,000
C. Technical provisions				3,000,000
I. Provision for unearned premiums				
1. Gross		4,443,993		3,964,155
2. Less: reinsurance ceded		1,189,329		924,427
			3,254,664	3,039,728
II. Life assurance provision				
1. Gross		7,500,127		7,969,814
2. Less: reinsurance ceded		213,702		177,425
			7,286,425	7,792,389
III. Provisions for outstanding claims				
1. Gross		37,310,257		30,964,586
2. Less: reinsurance ceded		9,751,617		6,996,904
			27,558,640	23,967,682
IV. Provision for bonuses and rebates				
1. Gross		505		508
2. Less: reinsurance ceded		478		453
			27	55
V. Equalisation reserve and similar provisions			4,865,347	4,317,044
VI. Other technical provisions				
1. Gross		901,876		655,203
2. Less: reinsurance ceded		265,328		221,652
			636,548	433,551
				43,601,651
				39,550,449

Assets

in EUR thousand

	2022				2021
C. Receivables					
I. Accounts receivable arising out of reinsurance operations			5,647,610		4,950,869
from affiliated companies:					
TEUR 731,651 (2021: TEUR 979,647)					
II. Other receivables			840,655		1,277,069
from affiliated companies:				6,488,265	6,227,938
TEUR 631,306 (2021: TEUR 940,503)					
D. Other assets					
I. Tangible assets and stocks			21,617		23,600
II. Current accounts with banks, cheques and cash in hand			627,815		530,505
III. Sundry assets			68,357		68,585
				717,789	622,690
E. Prepayments and accrued income					
I. Accrued interest and rent			277,373		229,898
II. Other accrued income			14,216		8,602
				291,589	238,500
Total assets				59,611,436	52,685,867

Liabilities

in EUR thousand

	2022			2021
D. Provisions for other risks and charges				
I. Provisions for pensions and similar obligations			115,427	127,081
II. Provisions for taxation			104,993	41,049
III. Other provisions			273,111	158,734
			493,531	326,864
E. Deposits received from retrocessionaires			5,111,583	3,714,568
F. Other liabilities				
I. Accounts payable arising out of reinsurance operations			2,252,902	1,904,840
to affiliated companies:				
TEUR 531,812 (2021: TEUR 552,106)				
II. Bonds			750,000	750,000
III. Other liabilities			704,053	549,372
thereof				3,204,212
from taxes:				
TEUR 6,199 (2021: TEUR 7,876)				
for social security:				
TEUR 463 (2021: TEUR 451)				
to affiliated companies:				
TEUR 90,128 (2021: TEUR 406,608)				
to companies in which a participating interest is held:				
TEUR 208,963 (2021: TEUR 0)				
G. Accruals and deferred income				58
Total liabilities			59,611,436	52,685,867

Profit and loss account for the 2022 financial year

in EUR thousand	2022		2021
	1.1. – 31.12.		1.1. – 31.12.
I. Technical account			
1. Earned premiums, net of retrocession			
a) Gross written premiums	27,621,123		21,941,453
b) Retrocession premiums	9,554,823		6,801,472
		18,066,300	15,139,981
c) Change in the gross provisions for unearned premiums	(355,067)		(364,535)
d) Change in the provisions for unearned premiums, retrocessionaires' share	212,392		(7,108)
		(142,675)	(371,643)
		17,923,625	14,768,338
2. Allocated investment return transferred from the non-technical account, net of retrocession			
		204,342	187,951
3. Other technical income, net of retrocession		–	–
4. Claims incurred, net of retrocession			
a) Claims paid			
aa) Gross	15,746,629		12,605,690
bb) Retrocessionaires' share	4,730,115		3,960,465
		11,016,514	8,645,225
b) Change in provisions for outstanding claims			
aa) Gross	(5,549,272)		(3,515,151)
bb) Retrocessionaires' share	2,543,277		813,583
		(3,005,995)	(2,701,568)
		14,022,509	11,346,793
5. Changes in other technical provisions, net of retrocession			
a) Net life assurance provision		120,956	(103,264)
b) Other net technical provisions		(118)	(98)
		120,838	(103,362)
6. Bonuses and rebates, net of retrocession			
		(95)	5
7. Operating expenses, net of retrocession			
a) Gross acquisition expenses		6,586,005	5,075,476
b) Less: commissions and profit commissions received on retrocession		2,392,515	1,442,743
		4,193,490	3,632,733
8. Other technical charges, net of retrocession			
		1,080	262
9. Subtotal			
		31,821	(126,866)
10. Change in the equalisation reserve and similar provisions			
		(548,303)	(545,672)
11. Net technical result			
		(516,482)	(672,538)

in EUR thousand	2022			2021
	1.1. – 31.12.			1.1. – 31.12.
Balance brought forward			(516,482)	(672,538)
II. Non-technical account				
1. Investment income				
a) Income from participating interests		24,849		123,494
thereof affiliated companies:				
TEUR 18,850 (2021: TEUR 122,223)				
b) Income from other investments				
thereof affiliated companies:				
TEUR 41,193 (2021: TEUR 29,392)				
aa) Income from land and buildings, rights to land and buildings, leasehold	3,295			3,111
bb) Income from other investments	892,756			734,140
		896,051		737,251
c) Appreciation on investments		3,387		5,991
d) Gains on the realisation of investments		1,250,323		401,703
e) Income from profit pools, profit and loss transfer agreements or partial profit and loss transfer agreements		604,562		644,978
			2,779,172	1,913,417
2. Investment charges				
a) Expenditure for the management of investments, interest expenditure and other investment expenditure		176,117		73,109
b) Depreciation		157,039		31,616
thereof impairments in accordance with § 253 (3) sentence 5 of the Commercial Code (HGB):				
TEUR 150,266 (2021: TEUR 11,912)				
c) Losses on the realisation of investments		505,247		121,275
			838,403	226,000
			1,940,769	1,687,417
3. Allocated investment return transferred to the technical account			(205,849)	(197,485)
			1,734,920	1,489,932
4. Other income			167,263	315,449
5. Other charges			564,803	356,833
			(397,540)	(41,384)
6. Profit or loss on ordinary activities before tax			820,898	776,010
7. Taxes on profit and income			61,831	64,383
8. Other taxes			6,116	10,418
			67,947	74,801
9. Profit for the financial year			752,951	701,209
10. Profit brought forward from previous year			564,567	557,313
11. Allocations to other retained earnings			1,518	522
12. Disposable profit			1,316,000	1,258,000

Notes

Hannover Rück SE has its registered office in Hannover, Germany, at Karl-Wiechert-Allee 50 and is entered with the registry court of Hannover under HRB 6778.

Valuation of assets

Valuation is carried out in accordance with the provisions of §§ 341 et seq. of the Commercial Code (HGB).

Other intangible assets are valued at acquisition cost less amortisation in accordance with the normal operational useful life.

Property is valued at the purchase or construction cost less depreciation in accordance with the normal operational useful life. Impairments are taken only if the reduction in value will probably be permanent (§ 253 (3) Sentence 5 of the Commercial Code (HGB)).

Shares in affiliated companies and participations are valued on a purchase cost basis at the lower of amortised cost or fair value allowing for write-downs. Interests in funds that invest in private equity are valued at the lower of amortised cost or fair value allowing for time effects.

Loans to affiliated companies and loans to enterprises in which the company has a participating interest are valued at the lower of amortised cost or fair value.

The portfolio of securities is allocated to fixed assets or current assets depending on the intended use and valued at purchase cost less write-downs to the lower fair value in accordance with the provisions of § 341 b of the Commercial Code (HGB).

Shares, units or shares in investment funds and other variable-yield securities are valued according to the strict or modified lower-of-cost-or-market principle depending on the intended use. Securities intended for use on a continuing basis in the normal course of business activities are valued according to the modified lower-of-cost-or-market principle (§ 341 b (2) of the Commercial Code (HGB) in conjunction with § 253 (3) of the Commercial Code (HGB)). Permanent impairments are recognised through profit or loss.

Bearer debt securities and other fixed-income securities are valued according to the strict or modified lower-of-cost-or-market principle depending on the intended use. Bearer debt securities intended for use on a continuing basis in the normal course of business activities are valued at initial cost plus or minus cumulative amortisation according to § 341 c (3) of the Commercial Code (HGB). Permanent impairments are recognised through

profit or loss pursuant to § 253 (3) Sentence 5 of the Commercial Code (HGB).

Registered debt securities, debentures and loans as well as other loans are carried at acquisition cost – taking into account amortisation – or at the lower fair value.

Other investments are allocated to fixed assets or current assets and valued at purchase cost less write-downs to the lower fair value in accordance with the requirements of § 341 b of the Commercial Code (HGB). Valuation is made according to the strict or modified lower-of-cost-or-market principle depending on the intended use.

Alternative investments, which are allocated to fixed assets, are valued using various models. Individual and fund investments are valued at purchase cost. A write-down to lower fair value is made on individual investments if certain applicability criteria are met and the need to take a write-down is established using a standardised method. In addition, for CLO positions compliance with collateral tests of the respective higher tranche is verified. Fair value is used as an impairment criterion for high-yield bond funds listed as publicly offered funds. In the case of yield enhancement funds, actually incurred defaults as well as instruments at high risk of default in the respective funds are taken as an indication of impairment. Subsequent valuation of shares in private equity funds is based on net asset value (NAV).

Derivative instruments are valued on a mark-to-market basis. Forward exchange transactions and inflation total return swaps are subject to a reporting prohibition based on the principle of not recognising pending transactions. Provisions for anticipated losses from pending transactions are established in the event of negative fair values as at the balance sheet date.

Deposits, repurchase agreements, cash at banks in current accounts, cash in hand, other assets, deposits and accounts receivable arising out of reinsurance operations, other receivables as well as prepaid expenses and accrued income are valued at the nominal amounts. Valuation adjustments are set up for default risks.

Fixed assets are valued at purchase cost less straight-line or declining-balance depreciation according to the normal opera-

tional useful life. Low-value items are written off in the year of acquisition.

Valuation of liabilities

The provision for unearned premiums, life assurance provision, provisions for outstanding claims, provisions for bonuses and rebates and other technical provisions are entered as liabilities according to the information provided by the ceding companies.

The basis for the valuation of the provision for unearned premiums is the reinsurance premium less 92.5% of the reinsurance commission in accordance with the order of the Minister of Finance of the State of North Rhine-Westphalia dated 29 May 1974. In marine insurance the provision for unearned premiums and the provisions for outstanding claims are regarded as one unit and shown as provisions for outstanding claims.

Where the provisions indicated by ceding companies are not expected to be adequate, they are increased by appropriate additional amounts. Where no figures are available from cedants, the provisions are estimated in the light of the business experience to date. The results of new treaties are at least neutralised. In some cases, provisions are determined on an actuarial basis. If necessary, additional or complete estimates of the corresponding profit and loss items including relevant retrocessions are made where ceding company accounts with substantial premium income are missing. Missing ceding company accounts with a low premium income are included in the following year. The estimated gross premium income for 2022 is 35.79% of the total volume.

In all major lines IBNR claims reserves have been set up. The calculation is largely carried out in accordance with statistical mathematical methods.

From 2010 onwards the run-off result of the previous year's provision for outstanding claims is calculated by Hannover Rück SE on an accident-year basis and hence appropriately allocated.

The shares of retrocessionaires in the technical reserves are determined on the basis of the reinsurance contracts. Provision is made for bad debts.

The equalisation reserve is set up in accordance with the notes to § 29 of the Regulation on the Accounting of Insurance Undertakings (RechVersV); the similar provisions are constituted in accordance with § 30 of the Regulation on the Accounting of Insurance Undertakings (RechVersV). With respect to insurance lines 28 Other property insurance and 29 Other indemnity insurance, separate profit and loss accounts are drawn up only for the fidelity line.

Write-ups are made in accordance with § 253 (5) of the Commercial Code (HGB).

The provision for nuclear plants is calculated in accordance with § 30 (2) of the Regulation on the Accounting of Insurance Undertakings (RechVersV).

The catastrophe risk provision for pharmaceutical product liability is calculated in accordance with § 30 (1) of the Regulation on the Accounting of Insurance Undertakings (RechVersV).

The catastrophe risk provision for terrorism is calculated in accordance with § 30 (2a) of the Regulation on the Accounting of Insurance Undertakings (RechVersV).

The pension commitments are carried in the settlement amount required according to reasonable and prudent business judgement. They are discounted at 1.78% (1.87%) using the average interest rate for the last ten years published by the German Bundesbank pursuant to the Regulation on the Discounting of Provisions (RückAbzinsVO) with an assumed maturity of 15 years. The pension provisions for uninsured employer-funded commitments were calculated according to the projected unit credit method; in the case of insured employer-funded commitments, the value of the insurance coverage calculated using the actuarial bases applied by the insurer has been adopted. The principles set out by IDW RH FAB 1.021 have been applied for the first time in the financial year to the measurement of provisions for insured direct commitments. The pension provisions for non-unit-linked employee-funded commitments are calculated according to the projected unit credit method, insofar as the benefits are not covered by a pension insurance policy. In the case of insured benefits, the settlement amount corresponds to the present value of the actuarial reserve for the life insurance contract plus surplus participation. The effect of application of IDW RH FAB 1.021 amounts to EUR -22.2 million. A rate of compensation increase of 3.50% (2.90%) and pension indexation of 2.34% (1.90%) are assumed. Fluctuation probabilities are determined separately according to age and gender. The benefit adjustment based on surplus participations from insured pension commitments was recognised in an amount of 0.0% (0.0%) for direct commitments from one-time deferred compensation and in an amount of 2.1% (1.5%) for insured provident funds. The valuation is based on the decrement probabilities of the "2018G standard tables", which were strengthened based on the observable risk experience in the Group.

With respect to employee-funded pension commitments, the amount of which is determined solely according to the fair value of a claim under a pension insurance policy, valuation is carried

out in accordance with § 253 (1) Sentence 3 of the Commercial Code (HGB). For these commitments the settlement amount corresponds to the fair value of the actuarial reserve plus surplus participation. The expected overall return needed for the valuation of insured direct commitments was carried in the amount of the net return published in the life insurer's last annual report; for pension insurance policies with Allianz Lebensversicherungs-AG this amounts to 3.7%, while for HDI Lebensversicherung AG it is 3.4%.

The provisions for taxation and other provisions take into account all identifiable risks and uncertain liabilities.

Deferred taxes are calculated using a tax rate of 32.63%. Deferred tax liabilities, which refer largely to the balance sheet items shares in affiliated companies, receivables from affiliated companies and participating interests (owing to diverging recognition of shares in partnerships and booking of income from participating interests in a different accounting period), are netted in particular with deferred tax assets from the balance sheet item "Provisions for outstanding claims". No deferred

taxes are recognised in view of the surplus of deferred tax assets.

The other provisions are established in the settlement amount required according to reasonable and prudent business judgment, in some cases on the basis of actuarial opinions. Provisions with a maturity of more than one year are discounted using the average market rate published by the German Bundesbank for the last seven years in accordance with their maturity.

A provision is constituted for virtual stock options in accordance with actuarial principles on the basis of a recognised financial option pricing model (Black-Scholes Model with the aid of a trinomial tree method). Discounting is carried out pursuant to § 253 (2) of the Commercial Code (HGB) not using risk-free interest rates but with the average interest rates for the last seven years published by the German Bundesbank.

The deposits received from retrocessionaires and other liabilities are valued at the settlement amounts.

Further accounting policies

Transactions booked in foreign currencies are converted to the reporting currency at the applicable monthly exchange rate at the date of entry in the accounts. Assets and liabilities entered in the balance sheet are converted to euros at the average exchange rates on the balance sheet date.

In order to reduce currency risks as far as possible, matching cover is extensively established for liability items by setting up corresponding asset items in the different currencies. In relation to specific currencies, foreign currency liabilities are combined with matching foreign currency assets into valuation units on the basis of offsetting opposing changes in value pursuant to § 254 of the Commercial Code (HGB) (portfolio hedges) and the result of currency conversion of these foreign currency positions is recognised without regard to the purchase cost method or the imparity principle.

The remaining assets and liabilities outside the aforementioned valuation units have a maturity of less than one year and are measured in accordance with § 256 a of the Commercial Code (HGB).

In addition, the provisions for currency risks from past balance sheet dates are written back on a year-by-year basis.

The technical interest results in the main from the interest income earned on the basis of the life assurance provision. Standard methods are used for the calculation.

The declaration of conformity required pursuant to § 161 of the Stock Corporation Act (AktG) regarding compliance with the German Corporate Governance Code has been submitted and made permanently available to the shareholders.

Notes on Assets

Change in asset items A, B. I. to B. III.

in EUR thousand	2021	2022						
	Book values 31.12.	Additions	Reclassification	Disposals	Write-ups	Depreciation	Currency effects	Book values 31.12.
A. Intangible assets								
1. Purchased franchises, trademarks, patents, licences and similar rights and assets	35,918	4,331	20,245	–	–	21,877	(6)	38,611
2. Prepayments on intangible assets	25,438	16,459	(20,245)	–	–	–	–	21,652
3. Total A.	61,356	20,790	–	–	–	21,877	(6)	60,263
B.I. Land and buildings, rights to land and buildings, leasehold	31,119	70	–	1,518	–	668	–	29,003
B.II. Investments in affiliated companies and participating interests								
1. Shares in affiliated companies	7,979,911	1,285,920	(95,692)	1,265,081	–	–	70,945	7,976,003
2. Loans to affiliated companies	653,829	208,461	–	30,473	–	–	35,614	867,431
3. Participating interests	132,918	1,625,454	95,692	44,036	–	500	–	1,809,528
4. Loans to enterprises in which the company has a participating interest	–	–	–	–	–	–	–	–
5. Total B. II.	8,766,658	3,119,835	–	1,339,590	–	500	106,559	10,652,962
B.III. Other financial investments								
1. Shares, units or shares in investment funds and other variable-yield securities	1,798,572	395,074	–	310,957	49	3,376	14,659	1,894,021
2. Bearer debt securities and other fixed-income securities	24,817,598	14,379,937	–	11,148,180	3,346	101,758	423,917	28,374,860
3. Other loans								
a) Registered debt securities	165,107	12,683	–	43,829	–	–	–	133,961
b) Debentures and loans	171,268	26,608	–	21,165	–	–	594	177,305
c) Other loans	4,016	1,845,270	–	1,825,731	–	–	(15,420)	8,135
4. Deposits with banks	1,101,415	21,171,047	–	21,128,881	–	–	331	1,143,912
5. Other investments	10,301	–	–	–	–	–	–	10,301
6. Total B. III.	28,068,277	37,830,619	–	34,478,743	3,395	105,134	424,081	31,742,495
Total	36,927,410	40,971,314	–	35,819,851	3,395	128,179	530,634	42,484,723

Land and buildings and rights to land and buildings

On 31 December 2022 the company had at its disposal five developed properties with commercial and other buildings in Hannover. The book value for the own-use buildings amounted to EUR 29,003 thousand (EUR 29,583 thousand) as at 31 December 2022.

Both the floor of offices in Madrid (book value EUR 628 thousand) and the developed property near Paris (EUR 890 thousand) were sold in 2022.

Shares in affiliated companies and participations

Our major shares in affiliated companies and participations are listed below.

We have omitted companies of subordinate economic importance with no material influence on the net assets, financial position or results of operations.

List of shareholdings in 2022

Name and registered office of the company	Participation (in %)	Currency	Capital and reserves (\$ 266 (3) Commercial Code)	Result for the last financial year
Figures in currency units of 1,000				
Shares in affiliated companies				
Companies resident in Germany				
Hannover Rück Beteiligung Verwaltungs-GmbH, Hannover/Germany	100.00	EUR	5,683,044	–
holds 64.79% of the shares in: E+S Rückversicherung AG, Hannover/Germany		EUR	848,551	187,204
holds 20.00% of the shares in: WeHaCo Unternehmensbeteiligungs-GmbH ¹ , Hannover/Germany		EUR	96,420	16,408
holds 100.00% of the shares in: Hannover Re Holdings (UK) Limited, London/United Kingdom		EUR	4,094,776	519,067
holds 100.00% of the shares in: Hannover Finance, Inc., Wilmington/USA	100.00	USD	1,778,648	180,138
holds 100.00% of the shares in: Hannover Life Reassurance Company of America, Hamilton/Bermuda	100.00	USD	1,862,641	146,900
holds 100.00% of the shares in: Hannover Life Reassurance Company of America, Orlando/USA	100.00	USD	573,069	67,539
holds 100.00% of the shares in: Glencar Insurance Company, Orlando/USA		USD	63,306	(5,028)
holds 100.00% of the shares in: Glencar Underwriting Managers, Inc., Chicago/USA		USD	4,228	(27)
holds 100.00% of the shares in: Kubera Insurance (SAC) Ltd., Hamilton/Bermuda		USD	18,989	329
holds 100.00% of the shares in: Hannover Re (Bermuda) Ltd., Hamilton/Bermuda		USD	1,582,811	411,297
holds 100.00% of the shares in: Hannover Re (Ireland) Designated Activity Company, Dublin/Ireland		USD	810,081	84,541
holds 100.00% of the shares in: Hannover Life Re of Australasia Ltd., Sydney/Australia		AUD	475,979	(71,083)
holds 95.00% of the shares in: Hannover ReTakaful B.S.C. (c), Manama/Bahrain		BHD	78,460	742
HILSP Komplementär GmbH ² , Hannover/Germany	100.00	EUR	25	–

Name and registered office of the company	Participation (in %)	Currency	Capital and reserves (\$ 266 (3) Commercial Code)	Result for the last financial year
Figures in currency units of 1,000				
FUNIS GmbH & Co. KG, Hannover/Germany	100.00	EUR	109,001	16,933
holds 100.00% of the shares in: Integra Insurance Solutions Limited, Bradford/United Kingdom		GBP	10,871	2,285
holds 30.00% of the shares in: Reaseguradora del Ecuador S.A., Guayaquil/Ecuador		USD	21,790	3,887
holds 20.00% of the shares in: Monument Insurance Group Limited ⁴ , Hamilton/Bermuda		GBP	–	–
holds 19.65% of the shares in: Trinity Underwriting Managers Ltd. ⁴ , Toronto/Canada		CAD	–	–
holds 15.00% of the shares in: YOUPLUS Holding AG ⁴ , Freienbach/Switzerland		CHF	–	–
Hannover Re Global Alternatives GmbH & Co. KG, Hannover/Germany	85.00	EUR	774,323	40,368
holds 100.00% of the shares in: PAG Real Estate Asia Select Fund Limited, George Town/Cayman Islands		USD	338,404	7,170
holds 99.99% of the shares in: HR US Infra Debt LP, George Town/Cayman Islands		USD	370,231	16,675
Hannover Re Euro RE Holdings GmbH, Hannover/Germany	65.00	EUR	1,166,144	17,347
holds 99.99% of the shares in: HR GLL Central Europe GmbH & Co. KG, Munich/Germany		EUR	332,275	7,941
HAPEP II Komplementär GmbH, Hannover/Germany	–	EUR	64	10
Companies resident abroad				
Inter Hannover (No.1) Limited, London/United Kingdom	100.00	GBP	–	–
Hannover Finance (Luxembourg) S.A., Roeser/Luxembourg	100.00	EUR	17,139	762
Hannover Finance (UK) Limited, London/United Kingdom	100.00	GBP	762	41
holds 100.00% of the shares in: Hannover Services (UK) Limited, London/United Kingdom		GBP	1,882	328
Hannover Reinsurance Group Africa (Pty) Ltd., Johannesburg/South Africa	100.00	ZAR	1,194,996	(775,099)
holds 100.00% of the shares in: Hannover Re South Africa Limited, Johannesburg/South Africa		ZAR	2,145,801	543,680
holds 100.00% of the shares in: Compass Insurance Company Limited, Johannesburg/South Africa		ZAR	362,881	73,208
holds 70.00% of the shares in: Lireas Holdings (Pty) Ltd., Johannesburg/South Africa		ZAR	391,191	43,856
Leine Investment General Partner S.à.r.l., Luxembourg/Luxembourg	100.00	EUR	674	280
holds 100.00% of the shares in: LI RE, Hamilton/Bermuda		USD	–	–
Argenta Holdings Limited, London/United Kingdom	100.00	GBP	60,740	2,164
holds 100.00% of the shares in: Argenta Private Capital Limited, London/United Kingdom		GBP	3,834	1,805
holds 100.00% of the shares in: Argenta Syndicate Management Limited, London/United Kingdom		GBP	5,118	3,062
holds 100.00% of the shares in: Argenta Tax & Corporate Services Limited, London/United Kingdom		GBP	359	184

Name and registered office of the company	Participation (in %)	Currency	Capital and reserves (§ 266 (3) Commercial Code)	Result for the last financial year
Figures in currency units of 1,000				
holds 100.00% of the shares in: Argenta Underwriting Asia Pte. Ltd., Singapore/Singapore		SGD	7,059	3,384
holds 100.00% of the shares in: Argenta Underwriting No.1 Limited, London/United Kingdom		GBP	22	–
holds 100.00% of the shares in: Argenta Underwriting No.2 Limited, London/United Kingdom		GBP	(1,654)	(90)
holds 100.00% of the shares in: Argenta Underwriting No.3 Limited, London/United Kingdom		GBP	(1,146)	424
holds 100.00% of the shares in: Argenta Underwriting No.4 Limited, London/United Kingdom		GBP	(152)	–
holds 100.00% of the shares in: Argenta Underwriting No.7 Limited, London/United Kingdom		GBP	–	–
holds 100.00% of the shares in: Argenta Underwriting No.9 Limited, London/United Kingdom		GBP	(164)	(116)
holds 100,00% of the shares in: Argenta Underwriting No.10 Limited, London/United Kingdom		GBP	(116)	(67)
holds 100.00% of the shares in: Argenta Underwriting No.11 Limited, London/United Kingdom		GBP	(16)	–
holds 100.00% of the shares in: Residual Services Limited, London/United Kingdom		GBP	3	–
Leine Investment SICAV-SIF, Luxembourg/Luxembourg	100.00	USD	153,634	(89)
Kaith Re Ltd., Hamilton/Bermuda	90.40	USD	570	815
Hannover Re Real Estate Holdings, Inc., Orlando/USA	86.50	USD	1,124,525	26,396
holds 100.00% of the shares in: HR US Infra Equity LP, Wilmington/USA		USD	170,432	9,133
holds 99.90% of the shares in: GLL HRE CORE Properties L.P., Wilmington/USA		USD	795,849	1,143
Hannover ReTakaful B.S.C. (c), Manama/Bahrain	5.00	BHD	78,460	742
Participations				
MR Beteiligungen 23. GmbH, Munich/Germany	41.33	EUR	–	–
HANNOVER Finanz GmbH ¹ , Hannover/Germany	27.78	EUR	78,401	15,373
WeHaCo Unternehmensbeteiligungs-GmbH ¹ , Hannover/Germany	20.00	EUR	96,420	16,408
Meribel Mottaret Limited ⁴ , St. Helier/Jersey	18.96	EUR	-	-
Mosaic Insurance Holdings Limited ¹ , Hamilton/Bermuda	14.35	USD	120,312	36,535
Sureify Labs, Inc. ³ , Wilmington/USA	10.01	USD	7,112	4,974
FinLeap GmbH, Berlin/Germany	8.41	EUR	53,454	(32,728)

¹ Financial year ending 31 December 2021

² Financial year ending 30 September 2022

³ Financial year ending 31 July 2021

⁴ No disclosure requirement according to § 286 (3) sentence 2 Commercial Code (HGB)

Key exchange rates

1 EUR corresponds to:	Exchange rates on 31.12.2022
AUD	1.57102
BHD	0.40250
CAD	1.44486
CNY	7.36500
GBP	0.88722
USD	1.06750
ZAR	18.09750

Investments in affiliated companies and participating interests

As at 31 December 2022 the company held shares in affiliated companies with a book value of EUR 7,976,003 thousand (EUR 7,979,911 thousand). Write-downs of EUR 2,121 thousand (EUR 5,647 thousand) were not taken on shares in affiliated companies with a book value of EUR 17,000 thousand (EUR 68,224 thousand) because the impairments in question are purely temporary. Based on the assumption that impairments on loans to affiliated companies will not be permanent and are attributable to the underlying measurement parameters, write-downs of EUR 8,297 thousand (EUR 0 thousand) were not taken on a portfolio with a book value of EUR 516,079 thousand (EUR 0 thousand). No write-downs were taken on participating interests.

Effective 31 December 2022 Hannover Rück SE contributed its shares in Hannover Re Euro PE Holdings GmbH & Co. KG, Hannover, HAPEP II Komplementär GmbH, Hannover, and Hannover America Private Equity Partners II GmbH & Co. KG, Han-

nover, to HR PE GmbH, Hannover. HR PE GmbH was subsequently contributed to MR Beteiligungen 23. GmbH, Munich. Hannover Rück SE holds an interest of 41.33% in MR Beteiligungen 23. GmbH. MR Beteiligungen 23. GmbH was renamed Joint HR MR Private Equity GmbH, Munich, on 16 January 2023.

On 15 December 2021 Hannover Re (Ireland) DAC, Dublin, Ireland sold its participation in Somerset Reinsurance Holdings Ltd., Hamilton, Bermuda, to Hannover Rück SE. Hannover Rück SE thus held 11.7% in Somerset Reinsurance Holdings Ltd. On 30 December 2022 Hannover Re contributed its participation in Somerset Reinsurance Holdings Ltd. to Somerset Holdings International Ltd., Hamilton, Bermuda. As compensation Hannover Re received a participation of 5.2% in Somerset Holdings International Ltd. as well as a cash consideration.

Other investments

The securities shown under the “Other financial investments” in the item “Shares, units or shares in investment funds and other variable-yield securities” amounted to altogether EUR 1,894,021 thousand (EUR 1,798,572 thousand). Of this, EUR 1,798,710 thousand (EUR 1,715,374 thousand) was allocated to fixed assets and EUR 95,311 thousand (EUR 83,197 thousand) to current assets. The fair value of the holdings measured as fixed assets amounted to EUR 1,785,178 thousand (EUR 2,066,859 thousand). Based on the assumption that the impairments will not be permanent, write-downs of EUR 56,856 thousand (EUR 6,664 thousand) were not taken on a portfolio with a book value of EUR 1,546,958 thousand (EUR 117,341 thousand). In the case of shares and investment fund certificates, a separate and standardised method is used to check the permanence of the impairment. When it comes to establishing a permanent impairment with respect to bond funds, a check is made at the level of the debt instruments contained in the fund to verify, in particular, whether a credit-induced impairment exists due to a significant downgrade in the debtor's rating. The per-

manence of the impairment for high-yield and emerging market funds is established on the basis of the difference between the cost price and fair value and depending on the ratings of the assets held within the funds. In the case of private equity, real estate investment and infrastructure funds, the permanence of the impairment is verified by referring to the difference between the cost price and fair value and making allowance for the investment structure (J-curve or core funds).

Altogether, bearer debt securities and other fixed-income securities with a book value of EUR 24,664,348 thousand (EUR 22,843,959 thousand) and a fair value of EUR 22,515,555 thousand (EUR 23,660,232 thousand) were allocated to fixed assets. Write-downs of EUR 2,412,799 thousand (EUR 137,750 thousand) were not taken on bearer debt securities with a book value of EUR 21,278,370 thousand (EUR 8,094,350 thousand). Given that there were no indications of issuer default, it is expected that the nominal value will be repaid in full upon maturity and hence a permanent impairment is not anticipated. The holdings

that were not written down to fair value relate inter alia to CDO/CLO investments. Model-based fair value measurement, making allowance for applicability criteria and verification of compliance with collateral tests of the respective higher tranches, is used to test for impairment of the carrying amounts.

Write-downs of EUR 18,207 thousand (EUR 68 thousand) were not taken on debentures with a book value of EUR 145,000 thousand (EUR 6,000 thousand) based on the premise that the nominal value will be repaid in full on maturity.

Based on determination of the fair value as at 31 December 2022, no requirement to recognise a permanent impairment on registered debt securities with a book value of EUR 101,460 thousand (EUR 10,000 thousand) was identified. There were no indications of issuer default, and hence write-downs of EUR 8,151 thousand (EUR 201 thousand) were not taken.

The portfolio includes a special fund launched for Hannover Rück SE by an external manager. The company's share of the fund is 100.0%. The fund in question is a high-yield fund investing principally in European fixed-income securities. An index composed of the iBoxx universe is used as the benchmark. For Hannover Rück SE a total amount of EUR 10,621 thousand (EUR 8,824 thousand) was distributed in the year under review. As in the previous year, no gains on disposal were realised through the sale of unit certificates. The units can be returned at any time within at most five days. The fund units have a fair value of EUR 1,291,742 thousand (EUR 1,434,476 thousand) and a book value of EUR 1,329,785 thousand (EUR 1,231,124 thousand), producing unrealised losses of EUR 38,043 thousand (unrealised gains of EUR 203,352 thousand).

Assets with a balance sheet value of EUR 11,548,411 thousand (EUR 10,291,642 thousand) are blocked in favour of companies.

Fair values pursuant to § 54 of the Regulation on the Accounting of Insurance Undertakings (RechVersV)

The fair values of land and buildings are determined annually using the gross rental method in accordance with the Decree on the Principles for Determining the Market Value of Property (ImmoWertV) and the supplementary valuation guidelines. Income values or net asset values are determined for shares in affiliated companies and participating interests. In individual cases the amortised cost is taken as the fair value.

Shares, units or shares in investment funds, bearer debt securities and other securities are carried at market or stock exchange prices. These are obtained from publicly available prices and bid prices as at the balance sheet date. In the case of special invest-

ments for which there are no publically available prices, valuation is model-based using risk premiums, default rates, prepayment speed and recovery rates or at net asset value (NAV). The fair values of securities traded in illiquid markets as well as those of the sundry loans and loans to affiliated companies and participating interests are calculated on the basis of yield curves, taking into account the creditworthiness of the specific debtor and the currency of the loan.

Deposits with banks and other investments are carried at nominal values and in individual cases at book value.

Fair values pursuant to § 54 RechVersV of asset items B.I. to B.III.

in EUR thousand

		2022		
		Book values 31.12.	Fair values 31.12.	Difference 31.12.
B.I.	Land and buildings, rights to land and buildings, leasehold	29,003	52,410	23,407
B.II.	Investments in affiliated companies and participating interests			
	1. Shares in affiliated companies	7,976,003	13,687,548	5,711,545
	2. Loans to affiliated companies	867,431	859,135	(8,296)
	3. Participating interests	1,809,528	2,279,361	469,833
	4. Loans to enterprises in which the company has a participating interest	–	–	–
	5. Total B. II.	10,652,962	16,826,044	6,173,082
B.III.	Other financial investments			
	1. Shares, units or shares in investment funds and other variable-yield securities	1,894,021	1,880,497	(13,524)
	2. Bearer debt securities and other fixed-income securities	28,374,860	26,232,789	(2,142,071)
	3. Other loans			
	a) Registered debt securities	133,961	126,116	(7,845)
	b) Debentures and loans	177,305	159,098	(18,207)
	c) Other Loans	8,135	8,087	(48)
	4. Deposits with banks	1,143,912	1,145,572	1,660
	5. Other investments	10,301	10,280	(21)
	6. Total B. III.	31,742,495	29,562,439	(2,180,056)
Total		42,424,460	46,440,893	4,016,433

The fair value disclosures pursuant to § 55 (7) of the Regulation on the Accounting of Insurance Undertakings (RechVersV) were determined entirely in the 2022 financial year.

Other receivables

in EUR thousand

	2022	2021
Receivables from affiliated companies	631,306	940,503
Receivables from insured pension commitments	72,636	72,395
Receivables from securities transactions	64,230	3,810
Receivables from the revenue authorities	27,357	20,320
Receivables from unallocated payments	20,198	697
Receivables from VAT/GST	8,014	12,824
Receivables from hedging transactions	4,827	7,924
Interest and rent due	3,092	362
Deposits	3,020	2,698
Receivables from representative offices	1,422	1,985
Receivables from investment objects	–	210,507
Other receivables	4,553	3,044
Total	840,655	1,277,069

Sundry assets

The sundry assets relate to tax refund claims in an amount of EUR 68,357 thousand (EUR 68,585 thousand).

Prepayments and accrued income

in EUR thousand	2022	2021
Accrued interest and rent	277,373	229,898
Accrued administrative expenses	14,216	8,602
Total	291,589	238,500

Notes on liabilities

Subscribed capital

The company's subscribed capital remained unchanged as at 31 December 2022 in the amount of EUR 120,597 thousand. It is divided into 120,597,134 no-par-value registered shares.

Contingent capital of EUR 24,119 thousand is available. It can be used to grant shares to holders of bonds and/or profit-sharing

rights with conversion rights or warrants or conversion obligations. This contingent capital has a time limit of 4 May 2026.

Authorised capital is also available in an amount of up to EUR 24,119 thousand with a time limit of 4 May 2026. Of this, an amount of up to EUR 1,000 thousand may be used to issue employee shares.

Treasury shares

By a resolution of the Annual General Meeting of Hannover Rück SE adopted on 5 May 2021, the company was authorised until 4 May 2026 to acquire treasury shares of up to 10% of the capital stock existing on the date of the resolution.

The company did not hold fully paid, no-par-value treasury shares as at 31 December 2022. Within the financial year just ended the company acquired shares for employees in the Group, which it subsequently sold to them.

	2022	
	Date of acquisition	Date of sale
	10 May	12 May
Number of shares	26,927	26,927
Amount of capital stock attributable to the shares (EUR)	26,927.00	26,927.00
Proportion of capital stock	0.02%	0.02%
Price (EUR)	140.54	140.54

Capital reserve

The company's capital reserve remained unchanged as at 31 December 2022 in the amount of EUR 880,608 thousand. The capital reserve refers solely to the amount generated upon

Retained earnings

The retained earnings were unchanged as at 31 December 2022 in an amount of EUR 630,511 thousand. They were reduced by EUR 1,517 thousand due to the issue of employee shares and an amount of EUR 1,517 thousand was allocated to retained earnings from the 2022 profit for the year. Pursuant to § 268 (8) Sentence 3 in conjunction with Sentence 1 of the Commercial Code (HGB) there is a restriction on distribution of EUR 0 thousand (EUR 30 thousand) for the excess of fair value over historical

the issue of shares in excess of the par value of the subscribed capital.

cost of the assets used to cover retirement benefit obligations less corresponding deferred tax liabilities. Based on the discounting of pension obligations with the average market interest rate of the last ten years compared to discounting with the average market interest rate of the last seven years, there is an additional restriction on distribution in an amount of EUR 1.5 million (EUR 7.4 million) after allowance for deferred taxes.

Disposable profit

The disposable profit for the financial year includes a profit carried forward from the previous year of EUR 564,566 thousand.

Subordinated liabilities

Under a loan agreement dated 19 November 2012 Hannover Finance (Luxembourg) S.A. granted Hannover Re a junior loan of EUR 500,000 thousand at a coupon of 5.131% p.a. and with a maturity date of 20 November 2042 as well as a first call option on 20 June 2023.

On 15 September 2014 Hannover Re placed another subordinated bond with a volume of EUR 500,000 thousand on the capital market at a coupon of 3.375% p.a. and with a perpetual maturity as well as a first scheduled call option on 26 June 2025.

On 9 October 2019 Hannover Re placed further subordinated debt in an amount of EUR 750,000 thousand on the capital market at a coupon of 1.125% p.a. and with a maturity date of 9 October 2039 as well as a first scheduled call option on 9 July 2029.

On 8 July 2020 Hannover Re placed further subordinated debt in an amount of EUR 500,000 thousand on the capital market at a coupon of 1.75% p.a. and with a maturity date of 8 October 2040 as well as a first scheduled call option on 8 July 2030.

On 15 March 2021 Hannover Re placed further subordinated debt in an amount of EUR 750,000 thousand on the capital market at a coupon of 1.375% p.a. and with a maturity date of 30 June 2043 as well as a first scheduled call option on 15 March 2031.

On 14 November 2022 Hannover Re placed further subordinated debt in an amount of EUR 750,000 thousand on the capital market at a coupon of 5.875% p.a. and with a maturity date of 26 August 2043 as well as a first scheduled call option on 26 February 2033.

Provision for unearned premiums

in EUR thousand	2022		2021	
	gross	net	gross	net
Insurance line				
Fire	904,739	659,924	764,028	599,881
Casualty	1,087,548	855,052	997,565	808,559
Accident	164,331	90,428	98,611	58,696
Motor	529,284	366,970	530,729	420,998
Aviation	100,611	82,939	122,306	101,872
Life	340,820	301,643	344,439	312,430
Other lines	1,316,660	897,708	1,106,477	737,292
Total	4,443,993	3,254,664	3,964,155	3,039,728

Life assurance provisions

in EUR thousand	2022		2021	
	gross	net	gross	net
Insurance line				
Accident	8,730	6,090	11,357	7,375
Life	7,436,800	7,246,733	7,895,020	7,749,914
Other lines	54,597	33,602	63,437	35,100
Total	7,500,127	7,286,425	7,969,814	7,792,389

Provisions for outstanding claims

in EUR thousand	2022		2021	
	gross	net	gross	net
Insurance line				
Provision for reimbursements and surrenders (except annuities)				
Fire	6,105,364	4,116,002	4,686,628	3,381,966
Casualty	12,322,859	10,194,874	10,827,017	8,981,766
Accident	989,897	622,462	384,969	329,179
Motor	5,675,502	4,105,353	5,019,811	3,795,351
Aviation	916,390	703,261	951,926	707,733
Marine	1,437,923	968,372	1,373,072	929,175
Life	1,592,482	1,460,156	1,545,243	1,419,140
Other lines	8,170,941	5,261,931	6,085,751	4,279,960
	37,211,358	27,432,411	30,874,417	23,824,270
Separate value adjustment on retrocessions	–	28,896	–	54,832
	37,211,358	27,461,307	30,874,417	23,879,102
Provision for annuities				
Casualty	2,931	2,841	3,064	2,982
Accident	39,666	39,660	39,642	39,636
Motor	17,532	16,062	17,686	16,185
Life	38,770	38,770	29,777	29,777
	98,899	97,333	90,169	88,580
Total	37,310,257	27,558,640	30,964,586	23,967,682

The net run-off result in property and casualty insurance excluding health is negative overall and amounts to EUR -20.6 million (EUR -67.6 million) or -0.09% (-0.3%) relative to the original

provision. This can be attributed primarily to the casualty (EUR -302.6 million) and accident (EUR -223.0 million) lines.

Equalisation reserve and similar provisions

in EUR thousand	2022			
	Position at 1.1.	Addition	Withdrawal and re-release	Position at 31.12.
Insurance line				
Equalisation reserve				
Fire	425,903	92,767	7,436	511,234
Casualty	1,558,353	531,054	–	2,089,407
Accident	25,830	–	25,830	–
Motor	744,117	64,052	–	808,169
Aviation	224,840	42,580	–	267,420
Marine	366,724	34,755	–	401,479
Other lines	870,173	–	190,048	680,125
	4,215,940	765,208	223,314	4,757,834
Provisions which are similar to the equalisation reserve – major risks –				
Fire	27,198	491	–	27,689
Casualty	10,933	3,298	–	14,231
Accident	–	–	–	–
Motor	1,202	29	–	1,231
Aviation	–	–	–	–
Marine	–	–	–	–
Other lines	61,771	2,591	–	64,362
Total	4,317,044	771,617	223,314	4,865,347

Other technical provisions

in EUR thousand	2022		2021	
	gross	net	gross	net
Type of provision				
Profit commission	899,222	632,970	659,927	436,398
Commissions	1,110	2,039	(6,144)	(4,268)
Premium cancellation	1,544	1,539	1,420	1,421
Road accident victims' assistance	–	–	–	–
Total	901,876	636,548	655,203	433,551

Technical provisions – total

in EUR thousand	2022		2021	
	gross	net	gross	net
Insurance line				
Fire	7,829,012	5,540,339	6,064,458	4,567,241
Casualty	15,622,186	13,246,868	13,459,587	11,416,781
Accident	1,298,911	762,472	638,566	445,013
Motor	7,073,223	5,333,350	6,342,880	5,003,882
Aviation	1,290,061	1,058,399	1,304,272	1,038,799
Marine	1,867,638	1,393,447	1,767,682	1,319,446
Life	9,632,319	9,239,911	10,016,863	9,675,947
Other lines	10,408,756	6,997,969	8,277,002	6,028,508
	55,022,106	43,572,755	47,871,310	39,495,617
Separate value adjustment on retrocessions	–	28,896	–	54,832
Total	55,022,106	43,601,651	47,871,310	39,550,449

Provisions for other risks and charges

in EUR thousand	2022	2021
Provisions for pensions and similar liabilities	115,427	127,081
Provisions for taxation	104,993	41,049
Sundry provisions		
Provisions for anticipated losses	147,828	44,488
Provisions for outstanding remuneration payments	74,273	63,213
Provision for company pension plan	16,065	12,259
Provisions for interest pursuant to § 233 a AO (Fiscal Code)	10,868	15,081
Provisions for annual accounts costs	8,666	4,786
Provisions for suppliers' invoices	4,487	4,386
Provisions for partial retirement	3,206	2,501
Provisions for consulting fees	1,552	2,347
Provisions for costs of legal action	47	44
Other provisions	6,119	9,629
	273,111	158,734
Total	493,531	326,864

The difference between the discounting of the pension obligations with the average market interest rate of the last ten years compared to discounting with the average market interest rate of the last seven years – allowing for deferred tax liabilities – was EUR 1.5 million (EUR 7.4 million).

Assets and the associated expenses and income were offset pursuant to § 246 (2) Sentence 2 of the Commercial Code (HGB) with respect to the provisions for pensions and the provision for partial retirement. Pension liabilities and pension insurance policies were netted in an amount of EUR 123 thousand (EUR 191 thousand). The provision for partial retirement of EUR 5,817 thousand (EUR 4,224 thousand) was netted with plan assets

with a fair value of EUR 2,611 thousand (EUR 1,853 thousand) pursuant to § 246 (2) of the Commercial Code (HGB). In this connection, income of EUR 5 thousand (EUR 5 thousand) was offset against total expenses of EUR 120 thousand (EUR 19 thousand).

The plan assets for partial retirement were measured pursuant to § 253 (1) Sentence 3 of the Commercial Code (HGB) on the basis of fair values. The acquisition cost of the plan assets amounted to EUR 2,741 thousand (EUR 1,850 thousand).

The increase in the provisions for anticipated losses is due principally to the negative fair value of a derivative on the life side.

Miscellaneous liabilities

in EUR thousand	2022	2021
Liabilities from repurchase agreements	250,122	76,482
Liabilities to companies in which a participating interest is held	208,963	–
Accounts due to affiliated companies	90,128	406,608
Liabilities from cash collateral received	86,899	16,228
Liabilities from interest and LOC	34,544	23,942
Liabilities from VAT/GST	13,353	2,719
Liabilities in respect of the revenue authorities	6,199	7,876
Liabilities from deliveries and services	4,594	7,663
Liabilities from hedge accounting	3,429	5,299
Liabilities from outstanding commitments to old-age pension scheme	78	161
Liabilities from securities transactions	37	1
Other liabilities	5,707	2,393
Total	704,053	549,372

Term repurchase agreements (repos) were entered into as a supplementary liquidity management tool in the year under review. The asset portfolios exchanged in this context are fully collateralised. As at the balance sheet date the liabilities from repos

amounted to EUR 250,122 thousand (EUR 76,482 thousand). The liabilities to companies in which a participating interest is held are connected to the joint venture with Münchener Rückversicherungs-Gesellschaft AG.

Notes on the profit and loss account

Total insurance business

in EUR thousand	2022	2021	2022	2021	2022	2021	2022	2021
Insurance line	Gross written premium		Gross premium earned		Net premium earned		Technical result for own account	
Fire	5,601,981	4,015,509	5,503,471	3,923,527	3,335,401	2,500,714	85,961	67,305
Casualty	3,668,699	2,991,889	3,607,993	2,818,740	2,853,008	2,271,284	(430,593)	(388,461)
Accident	860,791	379,117	791,207	408,302	517,820	308,427	(207,262)	29,779
Motor	3,989,416	3,197,197	4,018,476	3,172,059	2,211,002	1,951,918	(119,730)	(122,237)
Aviation	279,794	315,526	308,047	303,884	233,380	228,152	42,084	27,285
Marine	645,404	543,809	645,405	543,809	414,879	235,080	108,241	(11,213)
Other lines	6,533,109	4,819,531	6,347,767	4,760,097	3,634,464	2,924,001	(158,131)	(210,127)
Total property and casualty	21,579,194	16,262,578	21,222,366	15,930,418	13,199,954	10,419,576	(679,430)	(607,669)
Life	6,041,929	5,678,875	6,043,690	5,646,500	4,723,671	4,348,762	162,948	(64,869)
Total insurance business	27,621,123	21,941,453	27,266,056	21,576,918	17,923,625	14,768,338	(516,482)	(672,538)

in EUR thousand	2022	2021
Gross claims incurred	21,295,901	16,120,842
Gross operating expenses	6,243,134	4,756,028
Reinsurance balance	(323,476)	591,789

In accordance with the disclosure required pursuant to § 27 (3) and (4) of the Regulation on the Accounting of Insurance Un-

dertakings (RechVersV), insurance contracts with the HDI property/ casualty group are booked with a time delay of one month.

The premium volume for 2022 amounts to altogether EUR 750.7 million (EUR 892.9 million). Of this, EUR 0.9 million (EUR 0.3 million) relates to the month of December 2021.

We calculated the allocated investment return transferred from the non-technical account to the technical account in accordance with § 38 of the Regulation on the Accounting of Insurance Undertakings (RechVersV).

Investment income

The gains on the disposal of investments in the financial year were largely driven by the disposal of shares in affiliated companies in an amount of EUR 566,434 thousand. In the area of alternative investments, specifically in the private equity sector, parts of four affiliated companies were contributed to a joint venture with Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft. This led to the disclosure of pro rata hidden reserves of EUR 1,002,401 thousand. The shares in the joint ven-

ture in an amount of EUR 1,568,835 thousand received in return as well as the remaining shares in the originally affiliated companies were recognised under participating interests at year-end.

Income of EUR 85,000 thousand was booked from derivatives.

Investment charges

in EUR thousand	2022	2021
Fixed-income securities	581,004	129,424
Forward exchange transactions	151,985	24,763
Deposits with ceding companies	50,742	12,455
Administrative expenses	43,859	37,849
Shares and investment fund certificates	4,416	10,361
Land and buildings	4,369	3,079
Shares in affiliated companies and participations as well as loans to affiliated companies and enterprises in which the company has a participating interest	500	–
Futures and options contracts, technical derivatives	–	6,260
Deposit and bank fees	–	1,369
Interest charges	–	440
Others	1,528	–
Total	838,403	226,000

The increase compared to the previous year is mainly attributable to losses on the disposal of fixed-income securities in an amount of EUR 479,254 thousand (EUR 118,050 thousand) and

higher impairments on fixed-income securities in an amount of EUR 101,750 thousand (EUR 11,340 thousand).

Other income

in EUR thousand	2022	2021
Exchange rate gains	43,155	168,870
Separate value adjustments on accounts receivable and retrocessions	41,214	3,628
Profit from services rendered	34,876	35,557
Interest pursuant to § 233 a AO (Fiscal Code)	15,166	21,093
Allocated investment return	8,742	18,555
Income from tax refunds	7,629	1,840
Income from guarantees given	7,062	6,932
Income from the release of non-technical provisions	3,475	2,553
Income from reinsurance contracts	1,558	1,602
Profit from clearing transactions	1,089	3,310
Reimbursement of expenses	295	282
Amounts realised	54	187
Income from discounting pursuant to § 277 (5) HGB (Commercial Code)	9	7
Income from sale of renewal rights	–	42,520
Profit from joint ventures	–	5,573
Other income	2,939	2,940
Total	167,263	315,449

The income from the reversal of value adjustments is attributable primarily to the release of retrocession loss reserves established with respect to a US cedant in the amount of USD 36,500 thousand, which formed the basis for this separate value adjust-

ment. Deposits with ceding companies were posted and a value adjustment of USD 50,500 thousand established for the same cedant.

Other expenses

in EUR thousand	2022	2021
Exchange rate losses	228,541	89,701
Deposit interest	93,136	62,492
Financing interest	86,500	76,441
Expenses for the company as a whole	80,461	68,539
Expenses from services rendered	35,561	36,460
Separate value adjustments on accounts receivable and retrocessions	14,105	10,435
Expenses for joint ventures	11,250	7,219
Interest charges on old-age pension scheme	3,352	2,399
Expenses for letters of credit	2,955	2,302
Write-downs on accounts receivable	2,703	685
Interest charges from reinsurance transactions	532	205
Expenses from reinsurance contracts	462	1,726
Interest pursuant to § 233 a AO (Fiscal Code)	179	656
Compounding of interest on provisions/expense from compounding pursuant to § 277 (5) HGB (Commercial Code)	9	37
Other interest and expenses	6,564	7,070
	566,310	366,367
Less: Technical interest	1,507	9,534
Total	564,803	356,833

With respect to the fees paid to the independent auditor, we made use of the exemption afforded by § 285 No. 17 of the Commercial Code (HGB); the required disclosures are included in the consolidated financial statement of Hannover Re.

In addition to the audit of the annual financial statement and management report as at 31 December 2022, the independent auditor reviewed the reporting package compiled in accordance

with International Financial Reporting Standards (IFRS) and drew up the review report on the quarterly financial statements. The solvency balance sheet as at 31 December 2022 was also audited.

Furthermore, the independent auditor performed other assurance services in connection with the combined non-financial information statement.

Expenses for personnel

in EUR thousand	2022	2021
1. Wages and salaries	187,061	165,484
2. Social security payments and expenses for welfare	27,524	26,092
3. Expenses for old-age pension scheme	(3,144)	20,324
Total	211,441	211,900

The income relating to the expenses for old-age provision derives from modified recognition of the insured part of the pension obligations.

Proposal for the appropriation of the disposable profit

The Executive Board and Supervisory Board intend to propose to the Annual General Meeting that the disposable profit should be appropriated as follows:

Proposal for the appropriation of the disposable profit

in EUR	2022
Payment of a dividend of EUR 5.00 on each eligible no-par value share	602,985,670.00
Payment of a special dividend of EUR 1.00 on each eligible no-par value share	120,597,134.00
Profit carried forward to new account	592,417,196.00
Disposable profit	1,316,000,000.00

Other notes

Hannover Re has placed subordinated debt on the European capital market through its subsidiary Hannover Finance (Luxembourg) S.A. Hannover Re has secured by subordinated guarantee the debt issued in 2012, which has a volume of EUR 500.0 million. In addition, Hannover Re has placed two subordinated debts of EUR 500.0 million each, a senior bond of EUR 750.0 million and two subordinated debts of EUR 750.0 million each on the European capital market. Additional subordinated debt of EUR 750.0 million was placed in 2022. The total amount of liabilities with a remaining maturity of more than five years is EUR 4,000.0 million.

As security for technical liabilities, various financial institutions have furnished sureties for our company in the form of letters of credit. The total amount of the letters of credit, which also provide security for subsidiaries, was EUR 1,628.8 million (EUR 1,481.0 million) as at the balance sheet date.

Outstanding capital commitments with respect to special investments and shares in affiliated companies exist in the amount of EUR 204.7 million (EUR 409.3 million).

Under novation clauses in reinsurance contracts written by the subsidiaries with outside third parties we shall – in certain constellations – assume the rights and duties of the subsidiaries under the contracts. In the event of the contracts being transferred to Hannover Re, assets shall be transferred from the relevant subsidiary in the amount of the reserves. As at 31 December 2022 reserves equivalent to EUR 5,257,072 thousand (EUR 5,172,000 thousand) existed at the subsidiaries. No soft letters of comfort were provided in the financial year.

Hannover Re has provided guarantees of altogether USD 2,333.5 million (USD 3,213.8 million) to third parties for affiliated companies. The term of the guarantees is determined in each case by the secured liabilities of the affiliated company. Hannover Re receives guarantee commissions for this. In addition, a guarantee of GBP 10.0 million (GBP 10.0 million) was furnished. Furthermore, there are financial commitments to affiliated companies in an amount of USD 150.0 million (USD 250.0 million) and payment obligations to a subsidiary in South Africa based on the insurance and reinsurance contracts that it has written as well as a contingent liability to our Australian subsidiary in connection with a financing instrument. A long-term compensation obligation in an amount of EUR 7,500 thousand (EUR 9,587 thousand) exists with respect to HDI Unterstützungskasse.

There are no other obligations with a remaining maturity of more than five years.

No significant court cases were pending during the year under review or as at the balance sheet date – with the exception of proceedings within the scope of ordinary insurance and reinsurance business activities.

There were no further contingent liabilities or other financial commitments that were not evident from the annual balance sheet.

The average size of the workforce was 1,682 in the year under review, of whom 100 were executive staff and 1,582 employees.

The remuneration report is provided in the combined management report of the company on pages 114 to 144 of the Group Annual Report. The total remuneration of the Executive Board of Hannover Re amounted to EUR 11.1 million (EUR 9.6 million). In the year under review 24,407 share awards with a fair value of EUR 4.5 million were granted to active members of the Executive Board. Pension payments to former members of the Executive Board and their surviving dependants amounted to EUR 1,355 thousand. A liability of EUR 21,522 thousand was recognised for current pensions of former members of the Executive Board. The remuneration of the Supervisory Board amounted to EUR 1,035 thousand (EUR 1,037 thousand).

The particulars for the Executive Board and Supervisory Board are provided on pages 4 to 7.

The list of shareholdings is provided on pages 24 to 26.

Talanx AG, Hannover, holds a majority interest in our company.

Talanx AG, Hannover, and HDI Haftpflichtverband der Deutschen Industrie V.a.G., Hannover, include our financial statement in their consolidated financial statements, which are published in the electronic Federal Gazette.

On 2 November 2022 the Executive Board and Supervisory Board of Hannover Rück SE submitted an updated Declaration of Conformity pursuant to § 161 of the Stock Corporation Act (AktG) regarding compliance with the German Corporate Governance Code and made it permanently accessible on the company's website (www.hannover-re.com/200801/declaration-of-conformity).

The company combined opposing forward exchange transactions in notional amounts of ZAR 2,037.5 million (USD 118.9 million), CAD 5.5 million (USD 4.2 million), AUD 242.7 million (USD 157.3 million), GBP 436.3 million (USD 546.7 million), SGD 71.5 million (USD 50.5 million), HKD 442.0 million (USD 56.4 million), CNY 1,142.0 million (USD 166.2 million), NZD 166.5 million (USD 107.7 million), CHF 23.0 million (USD 24.9 million), MYR 80.0 million (USD 18.2 million), USD 113.0 million (TWD 3,629.5 million), USD 8.0 million (INR 667.7 million), USD 6.5 million (KRW 9,256.0 million), USD 47.9 million (CAD 65.0 million) and USD 24.9 million (CHF 23.0 million) into valuation units as at the balance sheet date pursuant to § 254 of the Commercial Code (HGB). The risk entered into vis-à-vis the counterparty is passed on in full – including the default risk – to four affiliated companies. In this context, the transactions with the affiliated companies constitute the underlying transactions and those with the counterparties outside the Group constitute the hedge instruments that make up the valuation unit. Both the interest rate risks and the currency risks of the underlying transactions are hedged by means of micro-hedging. The opposing effects from the valuation units are fully correlated and recognised in the balance sheet using the net hedge presentation method. The effectiveness of the micro-hedges is assessed using the critical term method. As at 31 December 2022 the underlying transactions show positive fair values of altogether EUR 4.2 million and negative fair values totalling EUR 46.7 million. The forward exchange transactions, which were concluded in several tranches, have various maturity dates; the last transaction expires in 2027.

The company's portfolio also includes thirty-five forward exchange transactions in notional amounts of HKD 710.1 million (USD 91.2 million), USD 45.0 million (AUD 60.7 million), NZD 85.0 million (AUD 77.4 million), CAD 144.8 million (EUR 107.3 million), TWD 3.4 billion (HKD 857.7 million), PHP 1.4 billion (USD 25.1 million), IDR 322.3 billion (USD 21.0 million), KRW 93.3 billion (USD 72.0 million), USD 45.9 million (INR 3.8 billion), USD 30.0 million (TWD 903.3 million), AUD 157.0 million (USD 110.3 million), AUD 495.0 million (EUR 276.6 million), BRL 1.1 billion (USD 179.4 million), USD 17.0 million (BRL 109.9 million) and CAD 390.3 million (USD 293.6 million) with different maturity dates (the last transaction runs until 2031) that are not combined into valuation units. Risks underlying the transactions are transferred to the branches in Australia, France, Hong Kong and Malaysia or remain with Hannover Re in Germany. The negative fair values of EUR 2.4 million (USD 2.6 million), EUR 19.1 million (AUD 30.1 million), EUR 0.2 mil-

lion (TWD 7.6 million), EUR 0.5 million (HKD 4.2 million) and EUR 0.5 million (INR 52.5 million) are carried in full on the liabilities side of the balance sheet as a provision for anticipated losses. The calculation is made on the basis of yield curves as well as spot and forward rates using the interest rate parity model.

Hannover Re hedges against currency risks by matching foreign currency liabilities with foreign currency assets. The intention is that changes in the value of foreign currency liabilities (underlying) caused by movements in exchange rates will be offset by opposing changes in the value of the foreign currency assets (hedge instrument). Matched liabilities are combined with their matching assets per currency into a valuation unit which is recognised in the balance sheet in the context of portfolio hedges. The volume amounts to EUR 32,484.3 million (EUR 25,156.3 million).

The portfolio contains derivatives associated with the technical account in a nominal volume of EUR 4.4 million (EUR 4.7 million) which relate to earthquake risks in Japan. The risks are offset by countertrade transactions.

The stock participation rights granted in the form of virtual shares (share awards) in an amount of EUR 19.4 million were hedged by equity swaps in the financial year. The hedge is effected at the level of tranches and on a rolling basis with a maturity of three months until the share awards are paid out after five years. The hedged risk amounts to EUR 7.3 million. The underlying and the hedge were combined in a single valuation unit pursuant to § 254 of the Commercial Code (HGB). The offsetting changes in value are not recognised in the profit and loss account (net hedge presentation method). The effectiveness derives from the parallelism between the payments from the equity swaps and the change in value of the Hannover Re share. Effectiveness is measured retrospectively through the change in value of equity swaps and share awards. In April 2022 share awards with a value of EUR 4.9 million were paid out. Hedging through equity swaps resulted in a positive earnings effect of EUR 1.8 million.

We received an adequate consideration for all transactions with affiliated companies according to the circumstances of which we were aware at the time when the transactions were effected. We incurred no disadvantages requiring compensation as defined by § 311 (1) of the Stock Corporation Act (AktG).

In the first few weeks after the balance sheet date several large loss events occurred with impacts on the company's loss expenditure in the 2023 financial year. Particular mention should be

made here of the earthquakes in parts of Turkey and Syria as well as windstorm and flood events in New Zealand.

Hannover, 6 March 2023


Executive Board



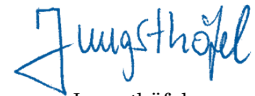
Henchoz



Althoff



Chèvre



Jungsthöfel



Dr. Miller



Ooi



Dr. Pickel



Sehm

Independent Auditor's Report

(Translation of the auditor's report issued in German language of the annual/consolidated financial statements prepared in German language by the management of Hannover Rück SE)

To Hannover Rück SE, Hannover

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

Audit Opinions

We have audited the annual financial statements of Hannover Rück SE, Hannover, which comprise the balance sheet as at 31 December 2022, and the statement of profit and loss for the financial year from 1 January to 31 December 2022 and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Hannover Rück SE including the remuneration report pursuant to § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act], including the related disclosures, included in section „Compensation Report“ for the financial year from 1 January to 31 December 2022. In accordance with the 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, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets,

liabilities and financial position of the Company as at 31 December 2022 and of its financial performance for the financial year from 1 January to 31 December 2022 in compliance with German Legally Required Accounting Principles and

- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our 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 § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the annual financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Manage-

ment Re-port" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

- (1) Measurement of investments
- (2) Measurement of premium reserves

(1) Measurement of investments

(a) In the Company's annual financial statements investments amounting to EUR 52,053,530 thousand (87.3% of total assets) are reported in the balance sheet. The individual investments are measured in accordance with German commercial law at the lower of cost and fair value. The market price of the respective investment – if available – is used for the purpose of determining the fair value.

Pursuant to § 341b Abs. 2 Satz 1 HGB, certain investments held by insurance undertakings that are intended to serve the business on a permanent basis may be measured in accordance with the provisions applicable to fixed assets. The Company has applied § 341b Abs. 2 second Halbsatz [half-sentence] HGB and measured investments amounting to EUR 26,463,058 thousand as fixed assets. In this case, the carrying amounts of assets are only written down to their lower fair value if the impairment is expected to be permanent (less strict principle of lower of cost or market value), and impairment losses that are merely temporary are carried forward to subsequent periods as hidden liabilities. Determining that investments are intended to serve the business on a permanent basis presupposes the intention and ability to hold them permanently.

Due to the material significance of the amounts of the investments for the net assets and results of operations of the Company, the extent of hidden liabilities carried forward in application of the less strict principle of lower of cost or market value, and the estimates made by the executive directors with respect to the intention and ability to hold the investments permanently, the measurement of investments was of particular significance in the context of our audit.

(b) Given the significance of investments for the Company's overall business, as part of our audit we worked together

- (3) Measurement of provisions for claims outstanding in the property reinsurance business segment
- (4) Calculation of estimated gross premium

Our presentation of these key audit matters has been structured in each case as follows:

- (a) Matter and issue
- (b) Audit approach and findings
- (c) Reference to further information

Hereinafter we present the key audit matters:

with our internal specialists for investments to assess the measurement methods used by the Company and the estimates made by the executive directors. We based our assessment, among other things, on the liquidity planning with respect to the intention and ability to hold the investments permanently, as well as on the executive directors' de-tailed explanations of the estimates made. In addition, we based our assessment on our valuation expertise with regard to investments, and our industry expertise and experience, among other things. In this context, we also assessed the executive directors' estimate as to the impact of changes in interest rates on the measurement of investments. Among other things, we also examined the underlying carrying amounts and their recoverability on the basis of the documentation made available, and we evaluated the consistent application of the measurement methods, including in relation to fair value measurement, and the allocation of amounts to the correct periods. With respect to the assessment of hidden liabilities, we examined in particular the extent to which the requirement for intention and ability to hold the investments permanently was met, and the extent to which the impairment identified was not likely to be permanent. We also took into consideration the Company's liquidity planning and the specific features of the transacted reinsurance business with respect to new business and major claims. Based on our audit procedures, we were able to satisfy our-selves that the estimates made by the executive directors for the purpose of measuring the investments are substantiated and sufficiently documented.

(c) The Company's disclosures relating to investments are contained in the section entitled "Measurement of assets" in the notes to the financial statements.

(2) Measurement of premium reserves

(a) In the Company's annual financial statements premium reserves amounting to EUR 7,500.1 million (12.6 % of total assets) are reported under the "Technical provisions" balance sheet item. The premium reserve was recognized primarily for the reinsurance activities in the life and health reinsurance segments.

The premium reserve in accordance with German commercial law is measured by using actuarial methods to derive the present value of future benefits to cedants, less the present value of premiums still to be paid by cedants in accordance with the German commercial law principles of prudence and realization in accordance with the relevant requirements of German commercial and regulatory law. Depending on the structure of the relevant policy and the regular business, the calculation is based either on a combination of available cedant settlements, where necessary adjusted to account for estimates of the course of the policy for settlement periods not yet settled or based on model-driven own calculations of the premium reserve. The measurement also takes into account estimates of valuation parameters, particularly with respect to the biometric accounting bases to be recognized such as probabilities for mortality and longevity, where applicable including trends, invalidity and socioeconomic factors such as assumed behaviors on the part of the policy holders (e.g., cancellation).

The estimate of the sufficiency of the reported premium reserves, the estimates made in the absence of cedant settlements as well as model-driven calculations of the premium reserve is subject to considerable scope for judgment on the part of the executive directors and the associated uncertainties in the estimations made.

Against this background and due to the material significance of the amount of the premium reserves for the assets, liabilities and financial performance of the Company as well as the complexity of the underlying calculations, this matter was of particular significance in the context of our audit.

(b) Given the significance of premium reserves, as part of our audit we assessed together with our actuaries the methods used by the Company and the assumptions made by the executive directors. The assessment was based on our industry expertise and experience, among other things.

For the purposes of the assessment, we also evaluated the design and effectiveness of the controls established by the Company for the purpose of calculating and recording the premium reserves. We focused in particular on controls designed to ensure that new products and policies are correctly classified and that changes in assumptions are correctly implemented in the systems.

Based on the controls testing, we carried out additional analytical and substantive audit procedures relating to the measurement of the premium reserves. In our tests of details procedures, we evaluated the correct and proper use of the available cedant settlements for calculating the premium reserves. Thereby, we also assessed the appropriateness of the material assumptions by analyzing how the actuarial methods applied were derived. In particular, we examined whether sufficient collateral was factored into the valuation according to criteria of German commercial law and whether it was necessary to strengthen reserves. Furthermore, we analyzed the development of premium reserves as compared to the previous year, particularly in light of the fact that the assumptions correspond to the currently available cedant information, current business developments and our expectations based on market observations.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors for measuring the premium reserves are appropriate overall.

(c) The Company's disclosures on the premium reserve are contained in the sections "measurement of equity and liabilities" and "notes to equity and liabilities" of the notes to the financial statements. Disclosures on risks are contained in the Company's management report in the section "Report on risks and opportunities", subsection "Technical risks of personal reinsurance".

(3) Measurement of provisions for claims outstanding in the property reinsurance business segment

- (a) In the annual financial statements of the Company provisions for unsettled claims amounting to EUR 37,310.3 million (62.3 % of total assets) are reported under the "Technical provisions" balance sheet item. A significant portion of the gross provision for unsettled claims is attributable to property reinsurance. Pursuant to § 341g HGB provisions must be recognized for obligations incurred as a result of claims incurred but not yet settled by the end of the financial year ("claims provisions").

The claims provisions under property reinsurance are estimated taking into account cedant information based on empirical values. The claims provision in accordance with German commercial law is measured based on actuarial methods, which require a sufficiently long data history and stability of the observed data. The mathematical methods use assumptions concerning premiums, ultimate loss ratios and run-off patterns, which are based on an expert estimate derived from past experience and, among other things, also take into account the expected effects of increased inflation rates. The executive directors calculate the amount of the claims provision in accordance with German commercial law taking into account the results of the actuarial methods and other factors in relation to uncertainties. The technical provisions, and therefore in particular the claims provisions must ensure that the Company as an insurer is able to fulfil permanently its obligations (particularly principle of prudence) and that the principle of accounting consistency is complied with.

The determination of the claims provision required the use of judgments, estimates and assumptions by the executive directors. Minor changes to those assumptions or to the methods used may have a material impact on the measurement of this provision. Against this background and also due to the material significance of the amount of this provision for the assets, liabilities and financial performance of the Company, the measurement of this provision was of particular significance in the context of our audit.

- (b) Given the significance of claims provisions, as part of our audit we assessed together with our actuaries the methods used by the Company and the assumptions made by the executive directors. The assessment was based on our industry expertise and experience, among other things.

Among other things, we evaluated the appropriateness of the design of the process for recognizing reserves as well as carried out functional tests in order to assess the effectiveness of the internal controls. We focused in particular on controls designed to ensure that the data used are appropriate and complete and that the calculation process is subject to a sufficient form of quality assurance.

Based on the controls testing, we carried out additional analytical and substantive audit procedures relating to the measurement of the claims provision. In light of the significance of the claims provision for the overall business of the Company, our internal measurement specialists assessed the appropriateness of the methods used by the Company. Furthermore, our internal measurement specialists evaluated the models used by the Company and assumptions made by the executive directors based on industry expertise and experience with recognized actuarial practice. In this context, the assessment of the legal representatives regarding increased inflation rates was also acknowledged. In particular, we examined whether sufficient collateral was factored into the valuation according to criteria of German commercial law and whether it was necessary to strengthen reserves. Thereby, we verified the valuation methods for consistency of use.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors with respect to the claims provisions are appropriate overall.

- (c) The Company's disclosures on the property reinsurance claims provisions are contained in the sections "measurement of equity and liabilities" and "notes to equity and liabilities" of the notes to the financial statements. Disclosures on risks are contained in the Company's management report in the section "Report on risks and opportunities", subsection "Technical risks of property reinsurance".

(4) Calculation of estimated gross premium

- (a) The company shows gross amounts of EUR 27,621.1 million booked in the profit and loss account in its annual financial statements.

Acquired reinsurance premiums are accounted for in accordance with the terms and conditions of the reinsurance policies. In the absence of settlements of cedants, the Company made supplementary or complete estimates of the contributions. Of the total gross premiums recognized, approximately EUR 9,885.6 million (35.79 %) were estimated. The estimates were based on assumptions and are therefore subject to considerable uncertainties and scope for judgment.

Due to the material significance of the amount of the estimated premiums for the assets, liabilities and financial performance of the Company as well as the considerable scope for judgment on the part of the executive directors and the associated uncertainties in the estimations made, this matter was of particular significance in the context of our audit.

- (b) For the assessment of the estimated gross premium, we first conducted a design testing of the contribution and estimation process. In that connection, we identified the material key controls and analyzed their design. Based on that anal-

ysis, we conducted a functional testing regarding the effectiveness of the key control implemented in the process and assessed the appropriateness of the material assumptions by verifying and analyzing the calculating method for deriving the estimated gross premium.

In context of our tests of details procedures, we critically questioned the material assumptions underlying an estimate and had the Company explain to us the reasons for such estimates. Based on information on the contributions expected in the previous year, we reconciled the expectations against the actual results and thus were able to draw conclusions as to the quality of the estimates.

Based on our audit procedures, we were able to satisfy ourselves that the calculation procedures applied by the executive directors to derive the estimated gross premium are appropriate overall.

- (c) The Company's disclosures on the estimated gross premium are contained in the sections "measurement of equity and liabilities" and "notes to the income statement" of the notes to the financial statements.

Other Information

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

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB included in section "Enterprise management" of the management report
- the non-financial statement to comply with §§ 289b to 289e HGB and with §§ 315b to 315c HGB included in section "Combined non-financial information statement" of the management report
- the disclosures contained in the management report and marked as unaudited regarding Solvency II reporting.

Our audit opinions on the annual 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.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides

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

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

The executive directors and the supervisory board are further responsible for the preparation of the remuneration report, including the related disclosures, which is included in a separate section of the management report and complies with the requirements of § 162 AktG. They 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 for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about 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 appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs 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 annual financial statements and this management report.

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

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of esti-

mates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Other legal and regulatory requirements

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the annual financial statements and the management report (hereinafter the “ESEF documents”) contained in the electronic file Hannover-RueckSE_JA_LB_2022-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from 1 January to 31 December 2022 contained in the “Report on the Audit of the Annual Financial Statements and on the Management Report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the “Auditor’s Responsibilities for the Assurance Work on the ESEF Documents” section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF-documents including the electronic renderings of the annual financial statements and the management report in accordance with § 328 Abs. 1 Satz 4 Nr. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary

to enable the preparation of ESEF-documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF-documents as part of the financial reporting process.

Auditor’s Responsibilities for the Assurance Engagement on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF-documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF-documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF-documents, i.e., whether the electronic file containing the ESEF-documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the annual financial statements on the technical specification for this electronic file.

- Evaluate whether the ESEF-documents provide an XHTML rendering with content equivalent to the audited

annual financial statements and to the audited management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 4 May 2022. We were engaged by the supervisory board on 4 July 2022. We have been the auditor of the Hannover Rück SE, Hannover, without interruption since the financial year 2018.

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

Reference to an other matter – use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF-documents. The annual financial statements and the management report converted to the ESEF-format – including the versions to be filed in the company register – are merely electronic renderings of the audited annual financial statements and the audited management report and do

not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF-documents made available in electronic form.

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Mathias Röcker.

Hannover, 7 March 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Mathias Röcker	sgd. Dennis Schnittger
Wirtschaftsprüfer	Wirtschaftsprüfer
(German public auditor)	(German public auditor)

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and results of operations of Hannover Rück SE, and the combined management report includes a fair review of the develop-

ment and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of Hannover Rück SE.

Hannover, 6 March 2023

Executive Board



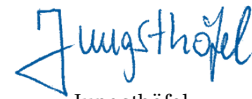
Henchoz



Althoff



Chèvre



Jungsthöfel



Dr. Miller



Ooi



Dr. Pickel



Sehm

Report of the Supervisory Board

of Hannover Rück SE

In the 2022 financial year the Supervisory Board fulfilled its tasks and duties in accordance with the law, the Articles of Association and its Rules of Procedure. In our function as the Supervisory Board we considered at length the position and development of the company and its major subsidiaries. We advised the Executive Board on the direction of the company and monitored the management of business on the basis of regular written and verbal reports. The Supervisory Board of Hannover Rück SE held four regular meetings in order to adopt the necessary resolutions after appropriate discussion. In conformity with the applicable safeguards to reduce the risk of infection with Covid-19 the meetings were held in a hybrid format, i.e. with partially physical and partially virtual attendance. All the members took part in the meetings of the Supervisory Board and its committees held in 2022. In addition, two representatives of the Federal Financial Supervisory Authority attended one meeting of the Supervisory Board. The individual participation in the meetings is shown in the following table:

	Participation rate	
	Number of meetings	in %
Participation in full meetings of the Supervisory Board		
Torsten Leue (Chairman)	4/4	100
Herbert K. Haas	4/4	100
Natalie Bani Ardalán	4/4	100
Frauke Heitmüller	4/4	100
Ilka Hundeshagen	4/4	100
Dr. Ursula Lipowsky	4/4	100
Dr. Michael Ollmann	4/4	100
Dr. Andrea Pollak	4/4	100
Dr. Erhard Schipporeit	4/4	100
Participation in meetings of the Finance and Audit Committee		
Torsten Leue	4/4	100
Herbert K. Haas	4/4	100
Dr. Ursula Lipowsky (Chairwoman)	4/4	100
Participation in meetings of the Standing Committee		
Torsten Leue (Chairman)	3/3	100
Herbert K. Haas	3/3	100
Dr. Erhard Schipporeit	3/3	100

We were informed by the Executive Board in writing and orally on the basis of the quarterly statements about the course of business as well as the position of the company and the Group. With regard to reports on topics that fall under the responsibility of key functions, we had an opportunity to engage directly in a dialogue with the respective function holders. The quarterly reports with the components of the financial statements and the key figures for the Hannover Re Group constituted an important source of information for the Supervisory Board. We also held discussions without the presence of the Executive Board, inter alia regarding personnel matters on the level of the Executive Board and regularly in relation to matters of the Supervisory Board's internal organisation.

We received an analysis of the 2021 results in property & casualty and life & health reinsurance as well as a presentation from the Executive Board covering the profit expectations for the 2022 financial year and the operational planning for the 2023 financial year. Outside the meetings, too, the Chairman of the Supervisory Board was constantly kept informed by the Chairman of the Executive Board of major developments and impending decisions as well as of the company's risk situation. The full Supervisory Board was also kept informed of major events outside the meetings in writing. Dr. Lipowsky, since 1 April 2022 Chairwoman of the Finance and Audit Committee, and prior to her Mr. Haas in the same role as Chairman, engaged in a regular dialogue during 2022 with the Chief Financial Officer and the independent auditor on the topics of financial reporting, auditing of the financial statements and the internal control system. All in all, we were involved in decisions taken by the Executive Board and assured ourselves of the lawfulness, regularity and efficiency of the company's management as required by our statutory responsibilities and those placed upon us by the company's Articles of Association.

No audit measures pursuant to § 111 Para. 2 Sentence 1 Stock Corporation Act (AktG) were required in the 2022 financial year.

Key points of deliberation in the full meetings of the Supervisory Board

In 2022 we regularly discussed developments in the global economy and on financial markets with the Executive Board, as well as the direct and strategic implications for the company. Particularly noteworthy here are the Covid-19 pandemic, the war in Ukraine, rising inflation and weather events.

At its meeting on 8 March 2022 the Supervisory Board discussed in detail the audited annual and consolidated financial statements as well as the Executive Board's proposal for the appropriation of the disposable profit for the 2021 financial year. In this regard, as in the previous year, the Executive Board described all material indicators from the technical and non-technical accounts as well as key data on the investment side. The independent auditors presented the results of the audit and elaborated on the audit procedure. The assurance report on the non-financial information statement was also discussed. The Executive Board outlined the prospects for the current 2022 financial year, with particular attention focused on the outbreak of war in Ukraine and the initial assessment of the resulting impacts. The insights gained from the important renewals in property and casualty reinsurance as at 1 January 2022 were also described, providing us with a good impression of the development of market conditions and Hannover Re's positioning. We also exchanged views with the Executive Board on the current strategy cycle 2021–2023 and the status of target achievement. We discussed the major findings from the compliance, audit and risk reports. The respective function holders of the key functions were available to answer questions for this purpose. We adopted a resolution on the annual revision of the investment guidelines, in which regard no significant change to the general investment strategy was proposed. Additionally, the variable remuneration of the members of the Executive Board was defined on the basis of the findings with respect to attainment of the respective individual targets for the 2021 financial year. In this context, as usual, we factored the findings of external remuneration surveys into our deliberations for the purpose of making a market comparison. In preparation for the Annual General Meeting on 4 May 2022 the agenda was discussed and approved, and in view of the protracted uncertainties connected with the pandemic we opted to hold the General Meeting virtually with no in-person attendance. In terms of content, the remuneration report for the Executive Board was to be submitted to the General Meeting for approval pursuant to § 120 a Para. 4 Stock Corporation Act (AktG). Details of the remuneration systems can be found in the Declaration on Corporate Governance on pages 107 et seq. and the remuneration report for 2022 on pages 114 et seq. of the Group Annual Report. At the recommendation of the Finance and Audit Committee, we proposed to the General Meeting that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft should again be commissioned and mandated to conduct the audit of the annual financial statements. After extensive deliberations we also decided that with effect from 1 April 2022 Dr. Lipowsky should take over the chair of the exist-

ing Finance and Audit Committee after some years under the leadership of Mr. Haas. Given that, with Dr. Lipowsky, the chair of the committee is now held by a member of the Supervisory Board deemed independent under the German Corporate Governance Code from 1 April 2022 onwards, we updated the Declaration of Conformity with the Code at this date.

At the meeting held on 3 May 2022 the Executive Board reported on the first quarter of 2022. We explored the overall results of the previous year in greater depth, with the quality and adequacy of the loss reserves in property and casualty reinsurance considered in detail. Both internal and external experts were available to answer our questions in this regard. In addition to the outlook for the current financial year, which continued to be shaped by the war in Ukraine and resulting economic effects, the examination of the Own Risk and Solvency Assessment (ORSA) report on the previous year and the capitalisation under Solvency II constituted further key points of deliberation. Following up on this, the structure of the Regular Supervisory Report (RSR) and its differences and overlaps relative to the ORSA report were explained. We also received the audit report on the Solvency II balance sheet. A capital measure to be adopted within the Group was another focus of discussions. In conformity with § 111 Para. 5 Stock Corporation Act (AktG), the targets for women on the Executive Board and Supervisory Board were explored and defined. The current values can be found in the Declaration on Corporate Governance on page 107 et seq. Furthermore, we used the meeting as an opportunity to have the updated Code of Conduct presented to us. The Code of Conduct has now been published on the company's website (<https://www.hannover-re.com/50943/code-of-conduct.pdf>). With regard to the annually conducted self-assessment of the Supervisory Board's areas of expertise, the Supervisory Board decided that in 2023 the current list of topics – which already goes beyond the regulatory requirements – will be expanded to include the important areas of "ESG (Environmental, Social, Governance)", "auditing of financial statements" and "digitalisation".

On 3 August 2022, in a meeting that lasted the entire day, the Executive Board reported on the first half of 2022, describing as usual key performance indicators from the underwriting and non-underwriting side and outlining the progress made in attaining the strategic targets. The potential repercussions of the war in Ukraine remained a primary focus. We discussed the major insights from the risk report and the Chief Risk Officer presented at our request the internal cyber exposure management, including the report on Realistic Disaster Scenarios. Another key topic at the meeting was the discussion of and reporting on the status of implementation of the current IT strategy. Based on a separate item of the reporting, we also looked at the strategy of the property and casualty reinsurance segment in the United States. Furthermore, an account of related party trans-

actions was routinely provided. It was concluded that there were no transactions in the reporting period that fall under the legal requirements governing mandatory approval (§ 111b Stock Corporation Act (AktG)) or compulsory disclosure (§ 111c Stock Corporation Act (AktG)). Within the subject area of corporate governance we explored the recommendations set out in the German Corporate Governance Code, which was revised in the year under review. We were again provided with reports on the latest developments in sustainability and the company's measures and action fields. We shall engage in a regular dialogue about ESG topics, especially those of a strategic nature, in the meetings of the full Supervisory Board and have therefore nominated Dr. Andrea Pollak from among our own ranks as an expert in matters of ESG and sustainability.

On 30 August 2022 all the members of the Supervisory Board came together for a special meeting dedicated exclusively to the functioning and internal implementation of the new accounting regime (IFRS 17 and IFRS 9). Extensive training materials with illustrative examples had been prepared for the Supervisory Board for this purpose.

At the last meeting of the year held on 2 November 2022, we deliberated at length on the key preliminary results in the business performance and the outlook for the current financial year. The above-average large loss expenditure in 2022, which again confronted the entire industry with exceptional challenges in the year under review, was our primary focus. In addition, we discussed with the Executive Board the impacts of inflation and the protracted war in Ukraine. The Executive Board also presented to us the operational planning for 2023, which we considered in detail and subsequently approved. We discussed the latest insights from the risk report, including a special report on climate risks, and were informed of the status of major pending legal proceedings. The Executive Board provided routine reporting on employee capacities and the elaboration of the remuneration system for senior executives pursuant to § 3 Para. 5 of the Regulation on the Supervisory Law Requirements for Remu-

neration Schemes in the Insurance Sector (VersVergV). At this meeting we also adopted the resolution on issuance of subordinated debt. The bond was successfully issued on 14 November 2022 in the planned volume and with a coupon of 5.875% p.a. (<https://www.hannover-re.com/1914419/bonds>). Furthermore, the Supervisory Board explored the possible contribution of part of the company's private equity portfolio to a joint venture.

A significant part of the meeting was also devoted to corporate governance matters. Based on the findings of the "Fit and Proper" self-assessment that had been conducted among the Supervisory Board members, the Supervisory Board engaged in an extensive exchange of views on a development plan for the entire Supervisory Board. It was again the case this year that the individual members of the Supervisory Board attended advanced training measures in relation to various core topics; the costs incurred in this connection were paid by the company. Topics covered in 2022 included IFRS and ESG. We also approved the Supervisory Board's current competency profile in the form of a skills matrix. This is published in the combined management report as part of the Declaration on Corporate Governance (p. 113) in the Group Annual Report. In addition, we nominated Dr. Lipowsky and Mr. Haas as "financial experts" in accordance with § 100 Para. 5 Stock Corporation Act (AktG), with Dr. Lipowsky having the necessary expertise particularly in accounting matters and Mr. Haas in particular when it comes to the auditing of financial statements. With these further advances in corporate governance, we were then able to join the Executive Board in issuing an unqualified Declaration of Conformity pursuant to § 161 Stock Corporation Act (AktG) regarding compliance with the German Corporate Governance Code. We also discussed and approved as the full Supervisory Board the individual targets for the members of the Executive Board for 2023. The focus here was on the findings of the Organisational Health Check, sustainability and the strategic objectives.

As in every year, we were regularly briefed on the work of the Supervisory Board committees.

Committees of the Supervisory Board

Of the committees formed by the Supervisory Board within the meaning of § 107 Para. 3 Stock Corporation Act (AktG), the Finance and Audit Committee met on four occasions and the Standing Committee met three times in 2022. The committee chairs updated the full Supervisory Board on the major deliberations of the committee meetings at its next meeting and provided an opportunity for further questions. In the case of activities conducted by the committees preparatory to adoption of a resolution, we have consistently taken care to ensure that the full Supervisory Board remains extensively informed in order to fulfil its duties of due diligence.

The Finance and Audit Committee considered inter alia the consolidated financial statement and the quarterly reports drawn up in accordance with IFRS and the annual financial statement of Hannover Rück SE drawn up in accordance with the German Commercial Code (HGB), and it discussed with the independent auditors their reports on these financial statements. As in the previous years, an expert opinion on the adequacy of the loss reserves in property and casualty reinsurance was noted, the retrocession structure of the Hannover Re Group as well as reports of the key functions were received and considered. In addition, the Committee examined the investment structure and investment income – including the stress tests with regard to the investments and their implications for net income and the equity

base. The review of the quality of the auditing was carried out using the system put in place in previous years. In one meeting the Committee focused on the development of the company's major equity participations. The important topic of ESG/sustainability was also discussed by the Committee on multiple occasions, including in connection with the current reporting framework. The Committee again opted for an external audit of the non-financial information statement 2022 and commissioned PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft to conduct this. The implementation of the new financial reporting standard (IFRS 17) was another point of emphasis in the Committee's deliberations in the financial year. On 31 August 2022 the Committee came together for additional, more in-depth training following the meeting of the full Supervisory Board. At each meeting the Chief Risk Officer gave an account of the latest developments in risk management and answered questions about the risk report. We were able to discuss special topics, such as climate change, with him. The Committee also explored further matters relating to the internal control system. In addition, the Committee regularly engaged with the latest developments in the run-off of losses and exchanged views on this with the Executive Board. The Committee defined the audit concentrations for the auditing of the annual accounts for the financial year and considered at length the audit plan and the audit approach for the auditing of the annual financial statements. It explored the evaluation of the audit risk and the resulting audit

scope with the auditors of the annual financial statements. The Finance and Audit Committee also maintained a dialogue with the auditors independently of the Executive Board.

As in the previous years, the Standing Committee reviewed the adequacy of the remuneration system for the members of the Executive Board, determined the variable remuneration of the members of the Executive Board for the 2021 financial year based on the findings pertaining to attainment of their respective targets and examined the remuneration for the Board members who were due for review, among other things. With regard to all these matters the Committee drew up corresponding recommendations for the full Supervisory Board. In the context of the extensions of the terms of office for individual members of the Executive Board that were up for discussion in 2022, we engaged in an ongoing dialogue on medium- and long-term succession arrangements. The Committee further addressed the enlargement of the Executive Board from seven to eight members and the preparations for appointment of the new member of the Executive Board. Furthermore, the individual targets of the members of the Executive Board for 2023 were defined on the basis of the updated remuneration system and prepared for adoption of a resolution by the full Supervisory Board.

The Nomination Committee was not convened in 2022.

Audit of the annual financial statements and consolidated financial statements

The accounting, annual financial statements, consolidated financial statements and the combined management report were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. The auditor was chosen by the General Meeting following the recommendation of the Supervisory Board; the Chairman of the Supervisory Board awarded the audit mandate. The auditor's independence declaration was received. Along with the audit concentrations defined by the European Securities and Markets Authority and the Federal Financial Supervisory Authority, auditing activities relating to the implementation of IFRS 17 were also included in the scope of the audit. The mandate for the review report by the independent auditors on the Half-yearly Financial Report and the audit of the Solvency II balance sheet was also awarded again. The special challenges associated with the international aspects of the audits were met without reservation. Since the audits did not give rise to any objections, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft issued unqualified audit certificates. It was also determined that the annual financial statement contains the information pursuant to § 289f German Commercial Code (HGB). The Finance and Audit Committee discussed the financial statements and the combined management report with the participation of the auditors and in light of the audit reports, and it informed the Supervisory Board of the outcome of its reviews. The audit reports were distributed to all the members of the Super-

visory Board and explored in detail – with the participation of the auditors – at the Supervisory Board meeting held in March to consider the annual results. The auditors will also be present at the Annual General Meeting.

The report on the company's relations with affiliated companies drawn up by the Executive Board has likewise been examined by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft and given the following unqualified audit certificate:

“Having audited the report in accordance with our professional duties, we confirm that

1. the factual details of the report are correct;
2. in the case of the transactions detailed in the report, the expenditure of the company was not unreasonably high.”

We have examined

- a. the annual financial statements of the company, the financial statements of the Hannover Re Group and the combined management report prepared by the Executive Board for the company and the Group, and

b. the report of the Executive Board pursuant to § 312 Stock Corporation Act (AktG) (Report on relations with affiliated companies)

– in each case drawn up as at 31 December 2022 – and have no objections in this regard; nor do we have any objections to the statement made by the Executive Board at the end of the report on relations with affiliated companies.

The Supervisory Board concurred with the opinions of the auditors and approved the annual financial statements and the consolidated financial statements; the annual financial statements are thereby adopted. Our proposal regarding the appropriation

of the disposable profit for 2022 is in accordance with that of the Executive Board.

We considered the report by the Executive Board on non-financial matters (cf. pages 59 et seq. of the combined management report in the Group Annual Report) and examined it. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft also reviewed the information statement with limited assurance in accordance with the audit standard ISAE 3000 (Revised) (see here the Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting on pages 270 et seq. of the Group Annual Report).

Changes on the Supervisory Board and the Executive Board

There were no changes in the composition of the Supervisory Board or its committees in the year under review. The term of office of the company's Supervisory Board ends pursuant to § 10 (3) of the Articles of Association of Hannover Rück SE at the end of the General Meeting that ratifies the acts of management for the 2023 financial year. Nor were any changes made to the composition of the Executive Board in 2022. At its meeting in August 2022, however, the Supervisory Board appointed Ms. Sharon Ooi as a member of the Executive Board of Hannover

Rück SE with effect from 11 January 2023, thereby expanding the body from seven to eight members. This decision was based on extensive deliberations by the Standing Committee and the full Supervisory Board. In a direct exchange with the candidate the Supervisory Board had assured itself of her fit and proper qualifications. Ms. Ooi will be responsible for property and casualty reinsurance in the Asia-Pacific region. An appropriate onboarding programme has been set up for Ms. Ooi by the Executive Board.

Word of thanks to the Executive Board and members of staff

Thanks to the extraordinary performance and prudent management of the Executive Board in this and past years and even though the 2022 financial year once again presented enormous challenges, Hannover Rück SE generated a good result. A great debt of gratitude is owed here in particular to the employees of the company and the Group for their dedication and their considerable flexibility.

The Supervisory Board would like to express its recognition and special appreciation to the Executive Board and above all to the employees for their efforts.

Hannover, 8 March 2023

For the Supervisory Board



Torsten Leue

Chairman of the Supervisory Board of Hannover Rück SE

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For reasons of sustainability Hannover Re does not print or mail out the annual and interim reports. The present Annual Report of Hannover Rück SE can be accessed online in English and German as a PDF file:

www.hannover-re.com

The Annual Report of the Hannover Re Group is also available here in English and German.

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