

Tax Strategy

Introduction

Hannover Rück SE (in the following Hannover Re) is a multinational reinsurance company which aims at complying with the tax rules of each country it operates in. This document describes Hannover Re's approach to conducting its tax affairs and dealing with tax risks. This tax strategy, approved by the Chief Financial Officer of Hannover Rück SE, applies to Hannover Rück SE including its worldwide Branches. It is consistent with Hannover Re's overall business strategy.

Our attitude towards the treatment of taxes is being a fair and reliable partner to clients, our employees and shareholders and to all external regulatory compliance bodies, including tax authorities. Hannover Re considers its obligation to pay the amount of tax legally due in any territory in accordance with the rules set by local governments. We are committed to acting in prudent and responsible manner. We are an open, transparent and dependable taxpayer.

Hannover Re's approach to Governance Arrangements and Risk Management

Hannover Re has introduced a set of rules for all its employees worldwide. This code of conduct explains the fundamental values for the Group:

"The success of any corporation relies to a large extent on its integrity in dealing with all internal and external partners. It has always been our aim – both in our strategic planning and in our day-to-day business activities – to play the utmost importance on ethical and legal standards since the manner and behaviour of every one of us, whether a member of the executive board or an employee, have in impact on the image projected by Hannover Re. Our Corporate Strategy and Governance Principles are intended to help compliance with essential rules in acting with integrity in our dealings with all internal and external partners. These principles have been designed to help counter the challenges facing each and every one of us in his/her day-to-day business activities."

Group Tax Department and all employees of Hannover Re dealing with taxes are committed to conduct the tax affairs in order to achieve the following objectives:

- Compliance with all relevant laws, rules, regulations and reporting requirements in the jurisdictions in which it operates
- Establish and manage robust tax governance processes to ensure full compliance with tax disclosures and filing obligations
- Ensure professional diligence and care in the management of all tax risk matters

- Work in a collaborative, constructive, transparent and proactive way with policy makers and revenue authorities
- Hannover Re does not engage in aggressive tax planning strategies, instead seeking to minimize its tax liability whilst complying with the relevant laws and regulations

Effective risk management enables us to identify uncertainties at an early stage and suitable measures mitigate potential adverse consequences. This includes financial risks in the form of interest on tax payments, fines or penalties, as well as damage to the reputation of Hannover Re or a lasting deterioration in its relationship with the authorities.

In that sense recognition of taxation issues are an essential part of our worldwide management. Hannover Re ensures that tax risk management is part of our internal control systems by having robust processes in place for identifying and addressing tax risks. Through all countries senior management meet on a regular basis to discuss various financial issues including tax. Additionally once a year a mandatory tax questionnaire gathers a detailed set of information to be presented to the Executive Board. Our Transfer Pricing guideline supports the dealing at arm's length pricing approach through the Group which meets OECD requirements.

Where necessary we obtain advice from external qualified tax professionals such as direct & indirect or employment tax matters, transfer pricing or other tax aspects which are finally part of our tax return processes.

Tax Planning Approach

Hannover Re recognises its responsibility to pay an appropriate amount of tax in each jurisdiction in which it operates and seeks to minimise the risk of dispute with Tax Authorities by being open and transparent about our tax affairs. We aim to balance this with our responsibility to our shareholders and clients to structure our and their affairs in an efficient manner. Hannover Re does not utilize corporate structures aimed at aggressive tax planning or tax avoidance. This is especially reflected in the Group's tax rate of approximately 24-27% over the years.

Approach of dealing with Tax Authorities

Hannover Re cooperates intensively with public institutions and local financial authorities with the aim of fostering an enduring, open and constructive approach to discussing tax matters. We take care to ensure that our tax affairs are reported accurately. In case of identifying an error in a filed tax return, we would seek to voluntarily disclose it, quantifying the effect and paying any additional tax amount and interest due.

Special UK requirement

Hannover Re regards the publication of this tax strategy as complying with the duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish the tax strategy in the current financial year (2024).