

Declaration of Conformity 2009

Declaration of Conformity pursuant to § 161 Stock Corporation Act (AktG) regarding compliance with the German Corporate Governance Code at Hannover Rückversicherung AG

The German Corporate Governance Code sets out major statutory requirements governing the management and supervision of German listed companies. It contains both nationally and internationally recognised standards of good and responsible enterprise management. The purpose of the Code is to foster the trust of investors, clients, employees and the general public in German enterprise management. Under § 161 Stock Corporation Act (AktG) it is incumbent on the Management Board and Supervisory Board of German listed companies to provide an annual declaration of conformity with the recommendations of the "German Corporate Governance Code Government Commission" published by the Federal Ministry of Justice or to explain which recommendations of the Code were/are not applied.

The Executive Board and Supervisory Board declare pursuant to § 161 Stock Corporation Act (AktG) that in its implementation of the German Corporate Governance Code Hannover Rückversicherung AG diverged in one respect from the recommendations contained in the version of the Code dated 6 June 2008 (Code Section 4.2.3 Para. 4; Cap on severance payments in Management Board contracts). In its implementation of the version of the Code dated 18 June 2009 Hannover Rückversicherung AG again diverged in one respect from the recommendations:

(Code Section 4.2.3 Para. 4; Caps on severance payments in Management Board contracts)

Premature termination of a service contract without serious cause may only take the form of cancellation by mutual consent. Even if the Supervisory Board insists upon setting a severance cap when concluding or renewing an Executive Board contract, this does not preclude the possibility of negotiations also extending to the severance cap in the event of a member leaving the Executive Board. Whilst it is true that the legal literature discusses structuring options that would permit the legally secure implementation of the recommendation contained in Section 4.2.3 Para. 4, it is, however, open to question whether qualified candidates for a position on the company's Executive Board would accept appropriate clauses. In addition, the scope for negotiation over a member leaving the Executive Board would be restricted, which could be particularly disadvantageous in cases where there is ambiguity surrounding the existence of serious cause for termination. In the opinion of Hannover Rückversicherung AG, it is therefore in the interest of the company to diverge from the recommendation contained in Section 4.2.3 Para. 4.

(Supplementary note on Code Section 3.8; D&O insurance, appropriate deductible for members of the Management Board and Supervisory Board)

Hannover Rückversicherung AG will comply with the recommendation to agree a deductible of at least 10 % of the loss up to at least the amount of one and a half times the fixed annual compensation of the Management Board member under the directors' & officers' (D&O) insurance taken out by the company within the deadline set out in § 23 Para. 1 Introductory Act to the Stock Corporation Act (EgAktG) (1 July 2010). This shall also apply accordingly to members of the Supervisory Board.

We are in compliance with all other recommendations of the Code.

Hannover, 4 November 2009

Executive Board Supervisory Board