



## **Annual General Meeting of Talanx Aktiengesellschaft on 11 May 2016**

### **ADDITIONAL EXPLANATIONS WITH RESPECT TO SHAREHOLDER RIGHTS IN ACCORDANCE WITH § 122 (2), § 126 (1), § 127, § 131 (1) GERMAN STOCK CORPORATION ACT**

The invitation of the Annual General Meeting of Talanx Aktiengesellschaft on 11 May 2016 contains information about shareholder rights in accordance with § 122 (2), § 126 (1), § 127, § 131 (1) German Stock Corporation Act.

These rights are based particularly on the following current articles of the German Stock Corporation Act and of the Articles of Association of Talanx Aktiengesellschaft<sup>1</sup>:

#### **§ 70 German Stock Corporation Act Computation of the Period of Shareholding**

If the exercise of rights arising from a share requires that the shareholder has been the holder of such share for a certain period of time, the right to demand transfer of title from a credit institution, a financial services institute, or an enterprise operating under § 53 (1) sentence 1 or § 53b (1) sentence 1 or (7) of the Banking Act shall be deemed equivalent to ownership. The period during which the share was owned by a predecessor shall be attributed to the shareholder, provided that he has acquired the share without consideration from his fiduciary, as a successor in legal interest by operation of law, in connection with the liquidation of a community of interest, or as a result of a transfer of assets pursuant to § 14 of the Insurance Supervision Act or § 14 of the Building Loan Associations Act.

#### **§ 122 German Stock Corporation Act<sup>2</sup> Convening at the Request of a Minority**

- (1) The general meeting shall be called if shareholders, whose holding in aggregate equals or exceeds one-twentieth of the share capital, request such meeting in writing, stating the purpose and the reasons of such meeting; such request shall be addressed to the management board. The articles of association may provide that the right to convene a general meeting shall require another form or the holding of a lower proportion of the share capital. § 142 (2) sentence 2 shall apply accordingly.
- (2) In the same manner, shareholders whose shares amount in aggregate to not less than one-twentieth of the share capital or represent an amount of the share capital corresponding to € 500,000, may request that items are put on the agenda and published. Each new item shall be accompanied by a statement of reasons or a proposed resolution. The request in the sense of sentence 1 shall be provided to the company at least 24 days, in case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be included in this calculation.

---

<sup>1</sup> Non-binding convenience translation.

<sup>2</sup> § 122 AktG has been amended by the Act on the Amendment of the German Stock Corporation Act (*Gesetz zur Änderung des Aktiengesetzes – Aktienrechtsnovelle 2015*), that was published on 30 December 2015 (BGBl. I, 2015, No. 55, 2556). The amendments of § 122 AktG contained therein, however, will only apply to requests for additions to the agenda received by the company on 1 June 2016 or later. Requests for additions to the agenda received by the company before that date, and therefore requests for additions to the agenda of the Annual General Meeting of Talanx AG on 11 May 2016, will continue to be subject to § 122 AktG in the version applicable to date.

- (3) If any such request is not complied with, the court may authorise the shareholders, who have made the request, to convene a general meeting or publish such items. At the same time, the court may appoint the chairman of the meeting. The convening of the meeting or the publication shall refer to such authorisation. An appeal may be made against such decision.
- (4) The company shall bear the costs of the general meeting and, in the case of para. 3, also the court costs if the court has granted such motion.

### **§ 126 German Stock Corporation Act**

#### **Motions by Shareholders**

- (1) Motions by shareholders together with the shareholder's name, the grounds and any position taken by the management board shall be made available to the persons entitled pursuant to § 125 (1) - (3) under the conditions stated therein if at least 14 days before the meeting the shareholder sends to the address indicated in the convening of the meeting a countermotion to a proposal of the management board and supervisory board as to an item on the agenda. The date of receipt shall not be taken into account. In the case of listed companies, access shall be provided via the company's Internet page. § 125 (3) shall apply analogously.
- (2) A countermotion and the grounds for this need not be made available, if:
  1. the management board would by reason of such communication become criminally liable;
  2. the countermotion would result in a resolution of the general meeting which would be illegal or would violate the articles of association;
  3. the grounds contain statements which are manifestly false or misleading in material respects or which are libellous;
  4. a countermotion of such shareholder based on the same facts has already been communicated with respect to a general meeting of the company pursuant to § 125;
  5. the same countermotion of such shareholder on essentially identical grounds has already been communicated pursuant to § 125 to at least two general meetings of the company within the past five years and at such general meetings less than one-twentieth of the share capital represented has voted in favour of such countermotion;
  6. the shareholder indicates that he will neither attend nor be represented at the general meeting; or
  7. within the past two years at two general meeting the shareholder has failed to make or cause to be made on his behalf a countermotion communicated by him.The statement of the grounds need not be communicated if it exceeds more than 5,000 characters.
- (3) If several shareholders make countermotions for resolution in respect to the same subject matter, the management board may combine such countermotions and the respective statements of the grounds.

### **§ 127 German Stock Corporation Act**

#### **Nominations by Shareholders**

§ 126 shall apply analogously to a nomination by a shareholder for the election of a member of the supervisory board or external auditors. Such nomination needs not be supported by a statement of the grounds for this. The management board also need not communicate such nomination if it fails to contain the particulars required by § 124 (3) sentence 3 and § 125 (1) sentence 5.

## **§ 131 German Stock Corporation Act**

### **Right of shareholders to information**

- (1) Each shareholder shall upon request be provided with information at the shareholders' meeting by the management board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. The duty to provide information shall also extend to the company's legal and business relations with any with any affiliated enterprise. If a company makes use of the simplified procedure pursuant to § 266 (1) sentence 3, § 276 or § 288 of the German Commercial Code, each shareholder may request that the annual financial statements be presented to him at the shareholders meeting on such annual financial statements in the form which would have been used if such provisions on the simplified procedure were not applied. The duty of the management board of a parent company (§ 290 (1) and (2) of the German Commercial Code) to provide information at the shareholders meeting at which the consolidated financial statements and managements discussion and analysis of these statements are presented also extends to the consolidated groups position and the enterprises included in the consolidated financial statements.
- (2) The information provided shall comply with the principles of conscientious and accurate accounting. The articles or the rules of procedure pursuant to § 129 may authorise the chairman of the meeting to reasonably limit a shareholders time to speak and ask questions and may provide relevant details in this connection.
- (3) The managing board may refuse to provide information:
  1. to the extent that providing such information is, according to sound business judgment, likely to cause not immaterial damage to the company or an affiliated enterprise;
  2. to the extent that such information relates to tax valuations or the amount of certain taxes;
  3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the shareholders' meeting is to approve the annual financial statements;
  4. with regard to the methods of accounting and valuation, if disclosure of such methods in the notes is sufficient to provide a clear view of the actual condition of the company's as-sets, financial position and profitability within the meaning of § 264 (2) of the German Commercial Code; the foregoing shall not apply if the shareholders' meeting is to ap-prove the annual financial statements;
  5. if the managing board would by providing such information become criminally liable;
  6. if in the case of a credit institution or financial services institution information about the applied balance sheet and methods of accounting and valuation made in the annual financial statement or the group's management report need not be given;
  7. if the information is continuously available on the company's internet page seven or more days prior to the beginning and during the shareholders' meeting.

The provision of information may not be denied for other reasons.

- (4) If information has been provided to a shareholder outside a shareholders' meeting to a shareholder by reason of his status as a shareholder, such information shall upon request be provided to any another shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The management board may not refuse to provide such information on the grounds of § 131 (3) sentence 1, no. 1 through 4. Sentences 1 and 2 shall not apply if a subsidiary (§ 290 (1) and (2) of the German Commercial Code), a cooperative enterprise (§ 310 (1) of the German Commercial Code) or an associated company (§ 311 (1) of the German Commercial Code) provides in-formation to a parent company (§ 290 (1) and (2) of the German Commercial Code) for the purpose of inclusion in the consolidated annual financial statement of the parent company and the

information is required for this purpose.

- (5) A shareholder who has been denied information may request that his question and the reason for which the information was denied be recorded in the minutes of meeting.

## **§ 142 German Stock Corporation Act**

### **Appointment of Special Auditors**

- (1) The general meeting may, by simple majority, appoint auditors (special auditors) for the examination of matters relating to the formation of the company or the management of the company's business, and also, in particular, in connection with capital increases or capital reductions. No member of the management board or the supervisory board may vote on any such resolution either on his own behalf or on behalf of another person, if the audit concerns matters related to ratification of the acts of a member of the management board or the supervisory board or to the initiation of litigation proceedings between the company and a member of the management board or the supervisory board. If a member of the management board or the supervisory board shall not be entitled to vote pursuant to sentence 2, such person's voting rights may not be exercised by another person on his behalf.
- (2) If the general meeting rejects a motion to appoint special auditors to audit any matter relating to the formation of the company or the management of the company's business affairs within the last five years, upon petition by shareholders whose aggregate holdings at the time of filing the petition equal or exceed 1 per cent of the share capital or amount to at least € 100,000, the court shall appoint special auditors, provided that facts exist which give reason to suspect that improprieties or gross breaches of the law or the articles of association have occurred in connection with such matter; this also applies to operations for not more than ten years prior, if the company was listed at the time of the operation. The petitioners must furnish evidence that they have been the holders of the shares for at least three months prior to the date of the general meeting and will continue to hold the shares until a decision on the petition is rendered. § 149 shall apply accordingly to agreements that are concluded in order to avoid such special audit.
- (3) Para. 1 and para. 2 shall not apply to matters which may be the subject of special audit pursuant to § 258.
- (4) If the general meeting has appointed special auditors, upon petition by shareholders whose aggregate holdings at the time of filing the petition equal or exceed 1 per cent of the share capital or amount to at least € 100,000, the court shall appoint another special auditor if this appears necessary for reasons relating to the individual special auditor appointed, namely if such auditor lacks the expertise required for this subject matter of the special audit or if concerns as to his impartiality or doubts as to his reliability exist. Such motion shall be made within a period of two weeks from the date of the general meeting.
- (5) The court shall hear, in addition to the parties concerned, the supervisory board and, in the case of para. 4, the special auditor appointed by the general meeting. An appeal may be made against such decision. The regional court of the company's registered seat shall decide on any petitions pursuant to para. 2 and 4.
- (6) Special auditors appointed by the court shall be entitled to reimbursement of reasonable cash expenses and remuneration for their services. The court shall set such expenses and remuneration. An appeal may be made against such decision; appeals on points of law shall be precluded. A decision that has become final and may not be appealed may be enforced in accordance with the provisions of the Code of Civil Procedure.
- (7) If the company has issued securities within the meaning of § 2 (1) sentence 1 of the Securities Trading Act that are admitted to trading on a German stock exchange in the regulated market, then in the case of para. 1 sentence 1, the management board or, in the case of para. 2 sentence 1, the court shall inform the Federal Financial Supervisory Authority of the appointment of a special auditor and his audit report; furthermore, the court shall inform the Federal Financial Supervisory Authority of the receipt of a petition for the appointment of a special auditor.
- (8) The judicial proceedings pursuant to para. 2 through 6 shall be governed by the provisions of

the Act on Court Procedure in Family Matters and Non-litigious Matters unless this Act provides otherwise.

**§ 15 of the Articles of Association of Talanx Aktiengesellschaft**  
**Chairmanship**

- (1) The Annual General Meeting shall be chaired by the Chairman of the Supervisory Board or, in the event of the latter being prevented from attending, by another member of the Supervisory Board whom he has designated. If neither of these members of the Supervisory Board is present or willing to chair the meeting, the Chairman of the Meeting shall be elected by the shareholders' members of the Supervisory Board who are present.
- (2) The Chairman of the Meeting shall direct the course of the Annual General Meeting. In particular, he shall determine the order in which the items on the agenda are dealt with, the type, form and sequence of the votes and the order of the speakers.
- (3) The Chairman of the Meeting may appropriately set and limit the question and speaking times of shareholders. In particular, he is entitled at the beginning or in the course of the Annual General Meeting to set an appropriate time limit for the entire Annual General Meeting, for certain items on the agenda or for individual speakers.
- (4) If announced in the invitation to the Annual General Meeting, the Chairman of the Meeting may direct that the Annual General Meeting be recorded and broadcast in audio and video form in a manner to be specified at his discretion.