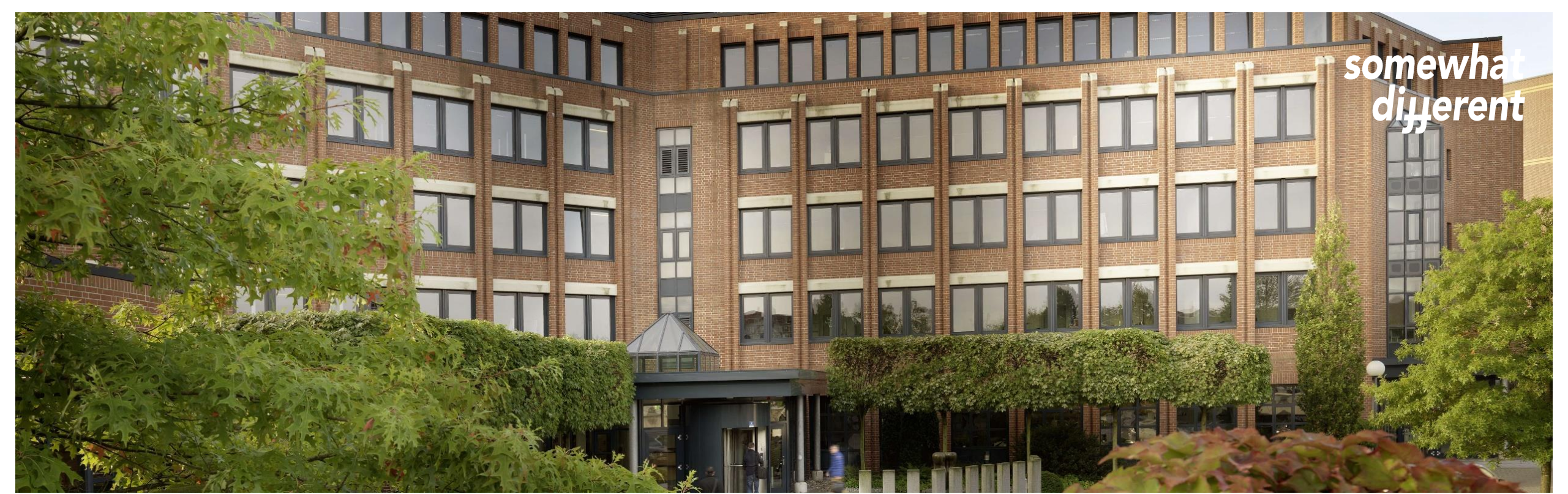




somewhat
different

Hannover Re: the somewhat different reinsurer

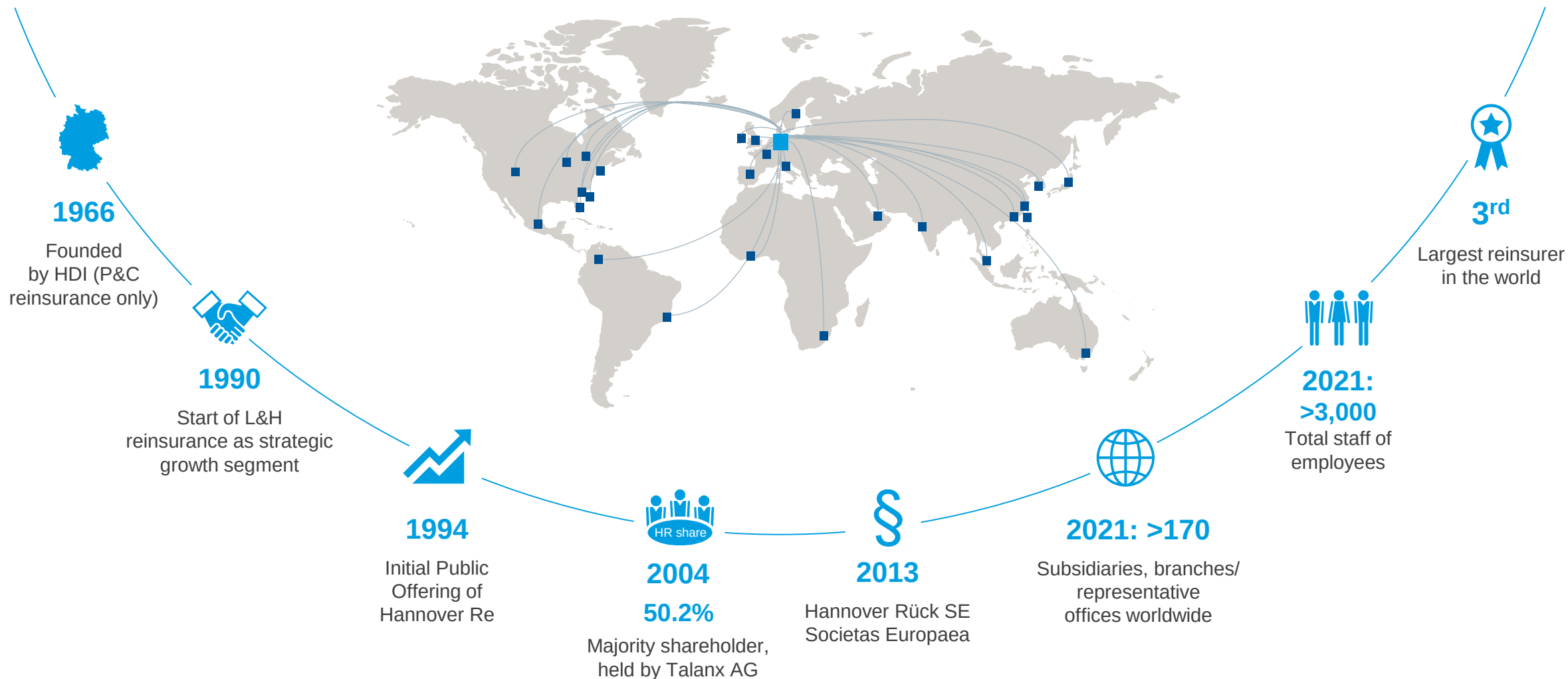
November 2022

hannover **re**[®]

Agenda

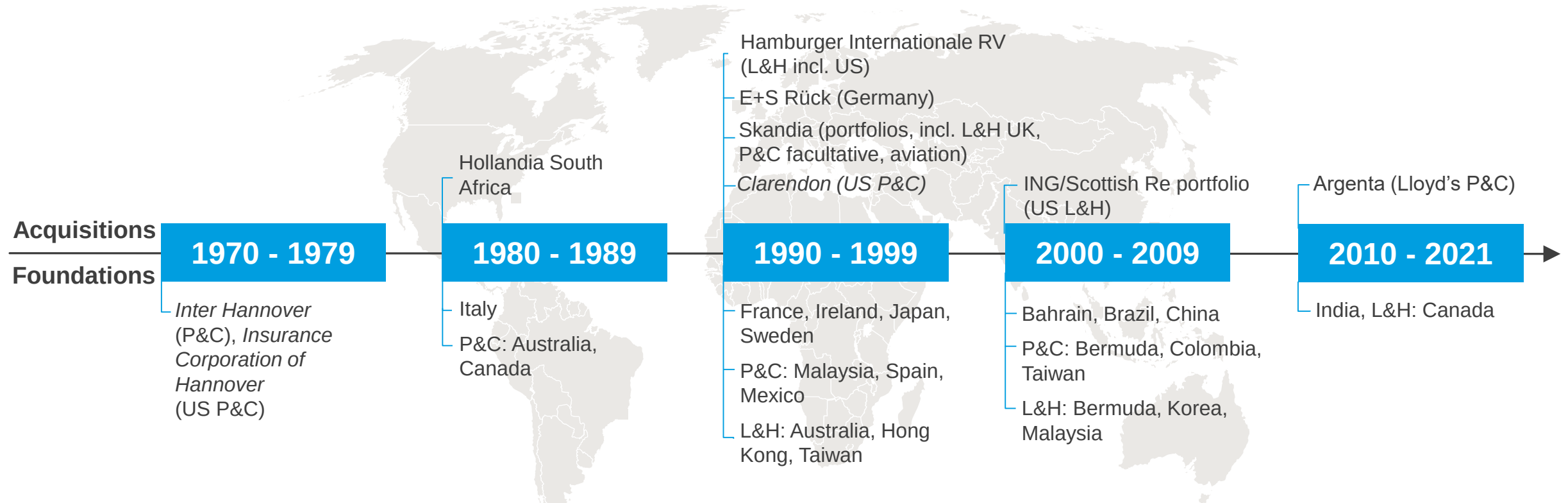
1	Hannover Re Group	2
2	Property & Casualty reinsurance	33
3	Life & Health reinsurance	48
4	Investment management	62
5	Capital management	69
6	Interim results Q1-3/2022	81
7	Outlook	92
	Appendix	94

Key facts about Hannover Re



Growth and international expansion mainly organically driven

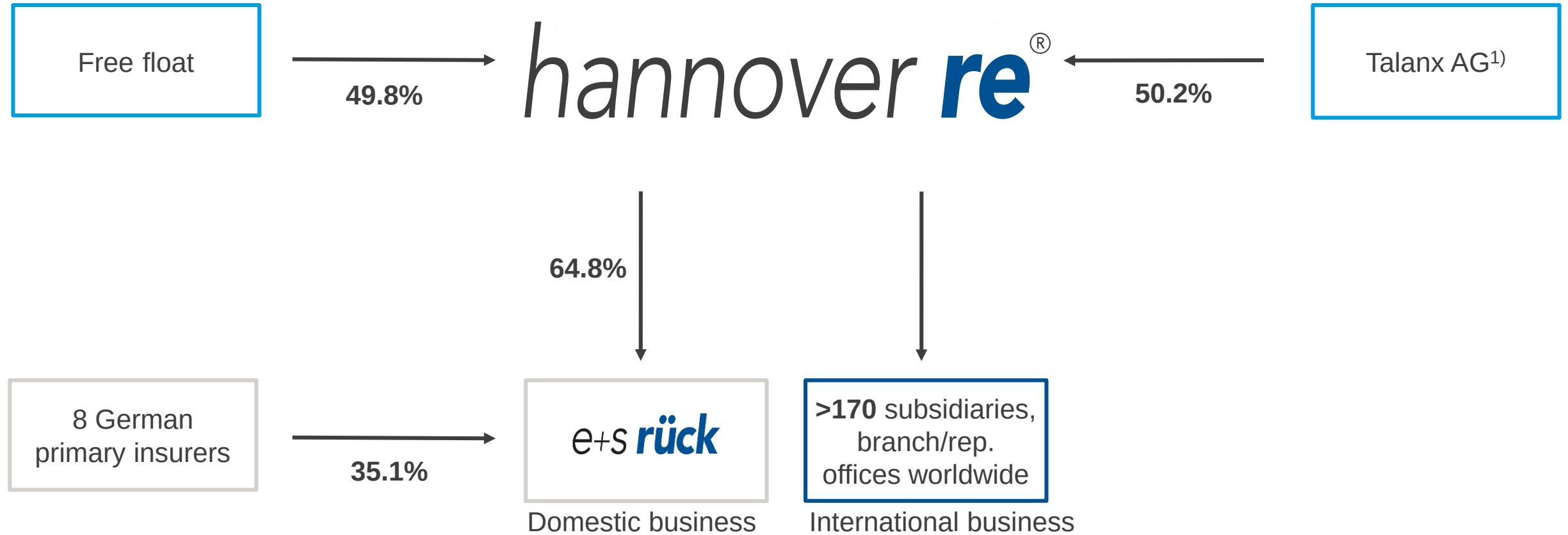
M&A activity not accompanied by high integration cost and complexity



Limited appetite for larger M&A results in lean and efficient structures

Overview of main/material transactions (and main parts of acquisitions) without e.g. minority shareholdings
 All lines of business except those stated separately
italic = (at least in part) sold

Group structure supports our business model



1) Majority shareholder HDI V.a.G.

Executive Board of Hannover Rück SE



Chief Executive Officer

Jean-Jacques Henchoz

Group Operations and Strategy, Information Technology and Facility Management, Human Resources Management, Corporate Communications, Group Audit, Group Risk Management, Compliance



Chief Financial Officer

Clemens Jungsthöfel

Asset Management, Reinsurance Accounting and Valuation, Group Finance, Investor and Rating Agency Relations



Dr. Michael Pickel

APAC & Middle East, Germany, Switzerland, Austria, Italy, Latin America, Iberian Peninsula and Agricultural Risks, Group Legal Services, Run Off Solutions



Sven Althoff

North America, Aviation and Marine, Credit, Surety and Political Risks, UK, Ireland and London Market, Facultative R/I, Coordination of Property & Casualty Business Group, Quotations



Silke Sehm

Continental Europe and Africa, Catastrophe XL (Cat XL), Structured R/I and ILS, Retrocessions



Claude Chèvre

Africa, Asia, Australia/ New Zealand, Latin America, Western and Southern Europe, Longevity Solutions



Dr. Klaus Miller

North America, United Kingdom/ Ireland, Northern, Eastern and Central Europe

Property & Casualty R/I

Life & Health R/I

We are among the top reinsurers in the world

Premium ranking 2021 in m. USD

Rank Group	Country	GWP	NPW
1 Munich Re	DE	46,836	44,417
2 Swiss Re	CH	39,202	36,965
3 Hannover Re¹⁾	DE	31,443	27,344
4 Canada Life Re	CA	23,547	23,514
5 SCOR	FR	19,933	16,242
6 Berkshire Hathaway Inc.	US	19,906	19,906
7 Lloyd's ²⁾	UK	19,343	14,263
8 China Re	CN	17,808	16,181
9 RGA	US	13,348	12,513
10 Everest Re	BM	9,067	8,536
11 Partner Re	BM	8,204	7,134
12 RenaissanceRe	BM	7,834	5,939
13 Korean Re	KR	7,145	5,102
14 Transatlantic Holdings	US	6,034	5,387
15 General Insurance Corporation of India ³⁾	IN	5,821	5,172

For further information please see A.M. Best "Market Segment Report" August 2022 (© A.M. Best Europe - Information Services Ltd. - used by permission)

1) Net premium written data not reported; net premium earned substituted

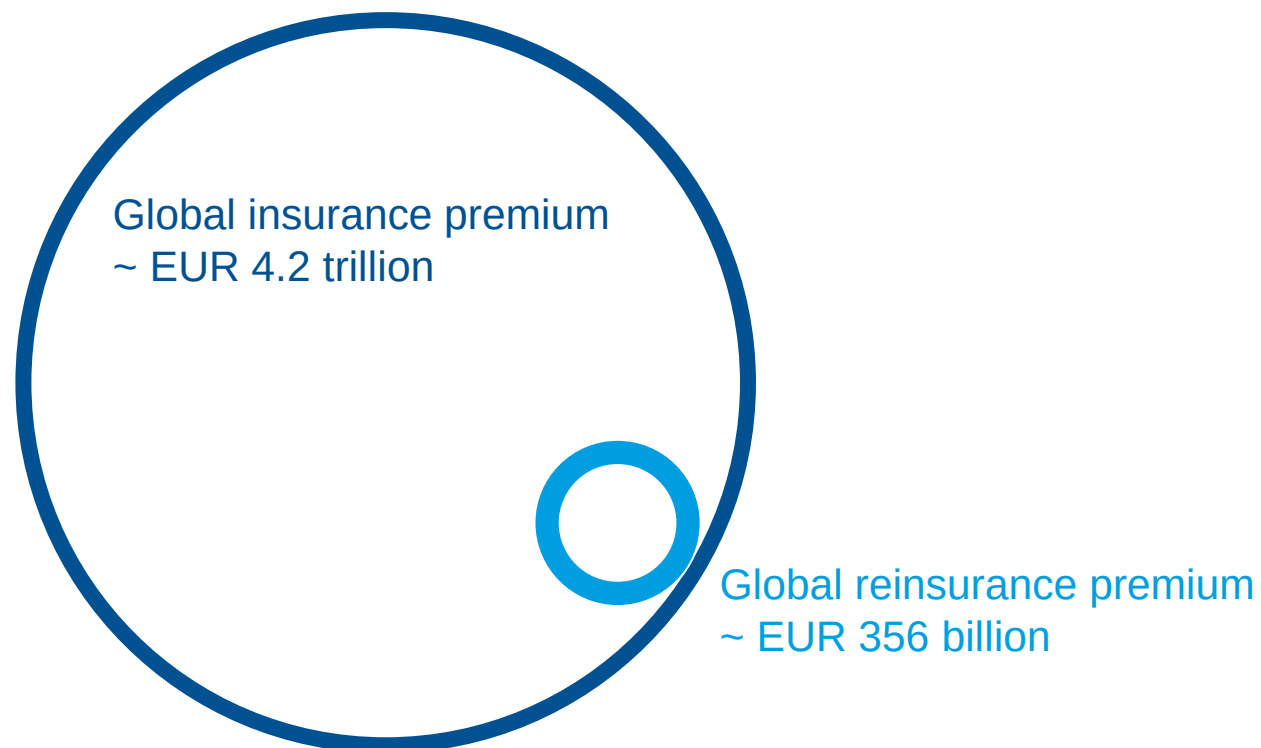
2) Reinsurance only

3) Fiscal year-end 31 March 2022

Reinsurance has the character of a specialty market

With a share of 8% of the overall insurance market

Market size primary insurance vs. reinsurance

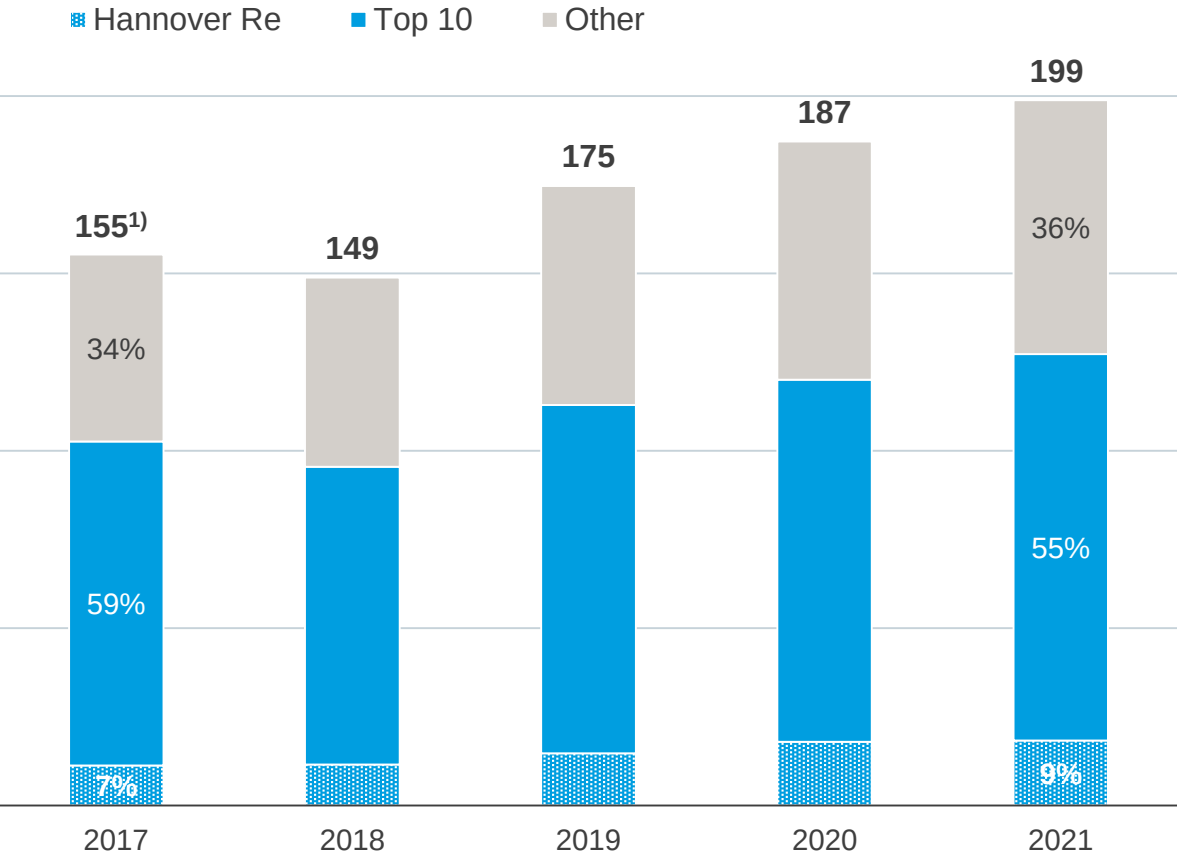


2021 or latest. Global reinsurance premium: gross written premium of the Top 50 Global Reinsurance Groups according to A.M. Best "Segment Report" (August 2022)
Source: © A.M. Best Europe - Information Services Ltd. - used by permission, own research

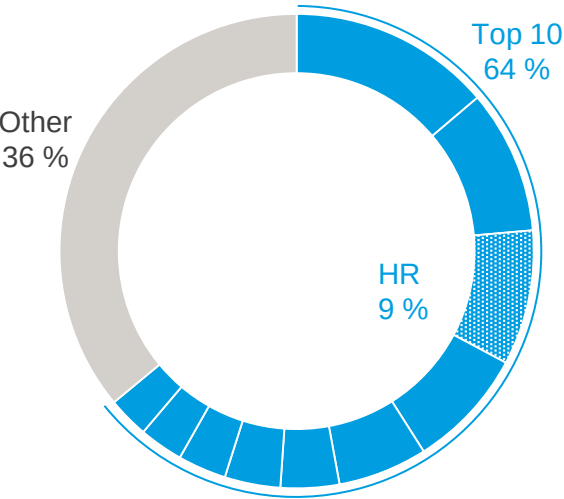
Growing Property and Casualty reinsurance market

Hannover Re outperforms the market

Market size and concentration 2021 in bn. EUR



Market share 2021



- Low market entry barriers lead to high fragmentation

4-year CAGR

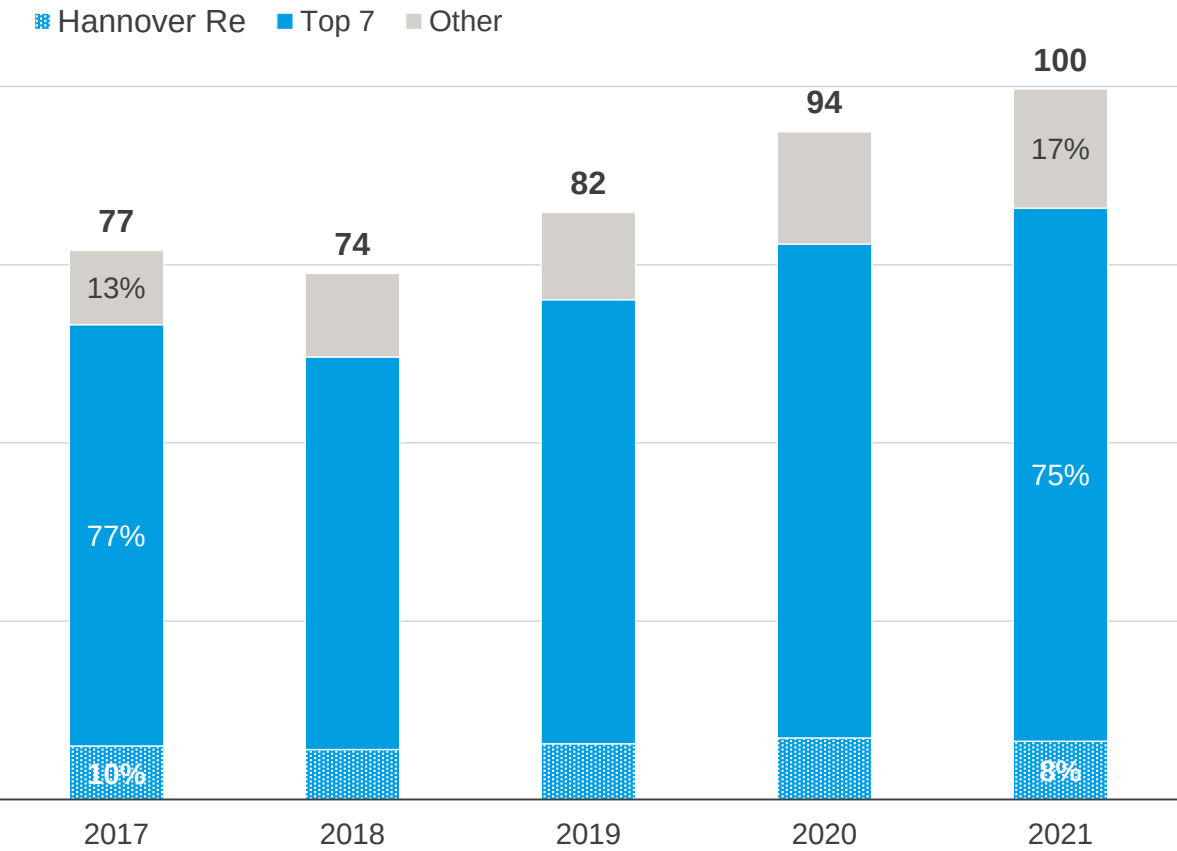
Market	+6.4%	Top 10	+5.5%
Other	+7.9%	HR	+12.8%

Market: Sum of Non-life GWP of Top 50 Global Reinsurance Groups according to A.M. Best "Segment Report" (August 2022)
Top 10 in 2021: Munich Re, Swiss Re, Hannover Re, Lloyd's, Berkshire Hathaway, SCOR, Everest Re, Renaissance Re, China Re, Partner Re
Source: © A.M. Best Europe - Information Services Ltd. - used by permission
1) Includes one-off Berkshire Hathaway AIG transaction

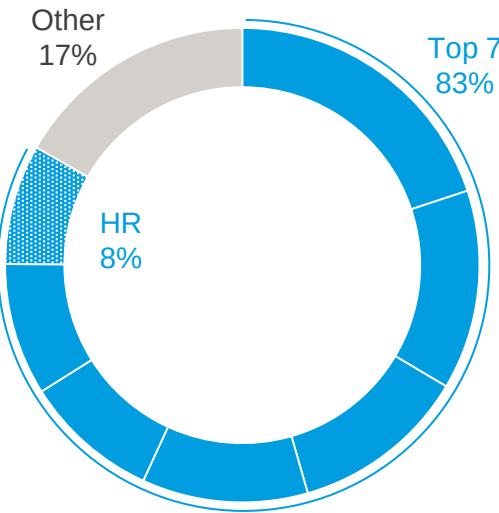
Life and Health reinsurance in a global perspective

Concentrated market due to high entry barriers

Market size and concentration 2021 in bn. EUR



Market share 2021



- High market entry barriers lead to a highly concentrated market

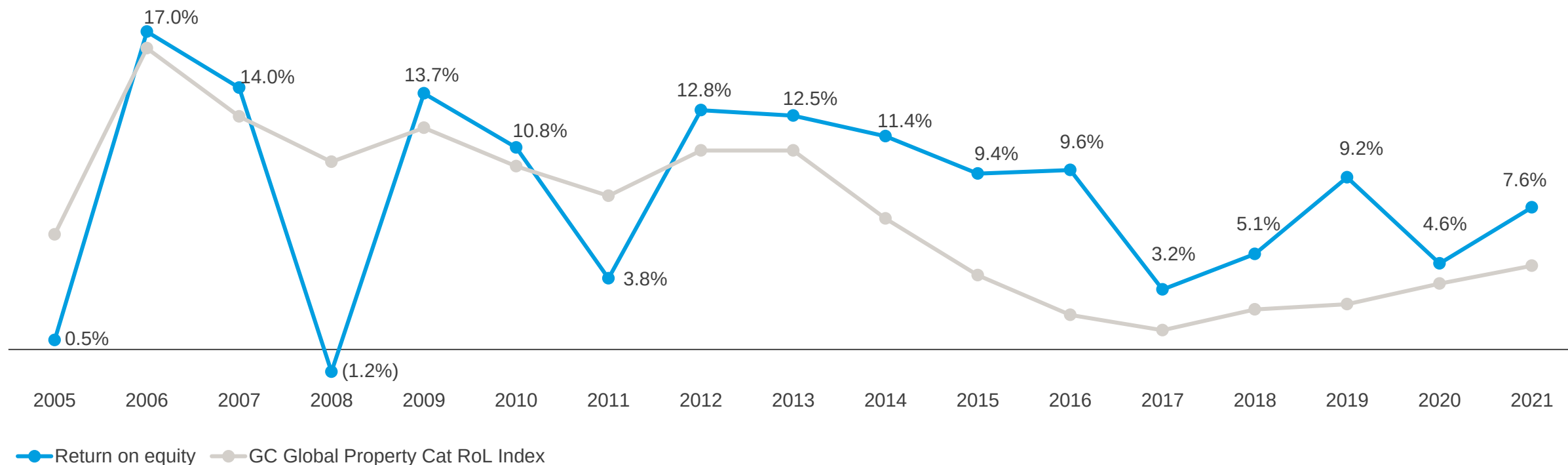
4-year CAGR

Market	+6.6%	Top 7	+5.7%
Other	+12.4%	HR	+2.1%

Market: Sum of Life GWP of Top 50 Global Reinsurance Groups according to A.M. Best "Segment Report" (August 2022)
Top 7 in 2021: Canada Life Re, Swiss Re, Munich Re, RGA, China Re, SCOR, Hannover Re
Source: © A.M. Best Europe - Information Services Ltd. - used by permission

Reinsurance industry returns in recent years highlight the need for further improvements in reinsurance pricing

Development of return on equity and Guy Carpenter Global Property Cat RoL Index



Source: Artemis GC RoL Index

Return on equity based on company data (Top 10 of the Global Reinsurance Index (GloRe) with more than 50% reinsurance business 2005 - 2021), own calculation

Reinsurance is and will be an attractive product

Drivers for reinsurance demand

Drivers



Global trends

- Value concentration
- Protection gap
- Demographic change

New products/markets

- Emerging markets
- Digitalisation/Cyber
- Emerging risks

Capital requirement

- Regulatory changes
- Risk-based capital models
- Ratings, local GAAP, IFRS

Volatile earnings

- Expectations of shareholders, regulators and rating agencies

Impact on insurance



- Increasing demand for insurance of non-diversifying risks
- New risks lead to higher volatility and need for additional know-how
- High cost of capital/need for capital management

Value proposition R/I



- Strong capital base
- Diversification
- Expertise in risk management
- Support and expertise in product development and pricing
- Optimising capital requirements
- Reducing cost of capital
- Managing earnings volatility
- Support in distributing products in new markets

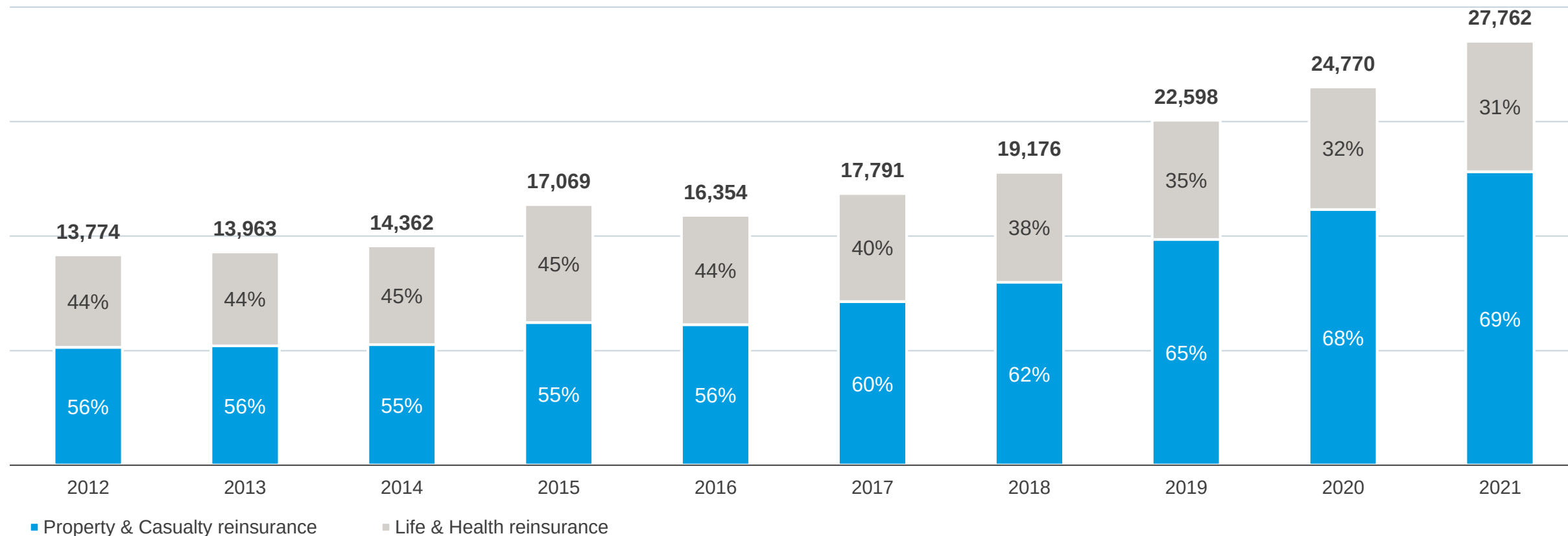
Demand for reinsurance

Favourable premium growth accelerates in last 4 years

10-year CAGR: +8.7%

Gross written premium

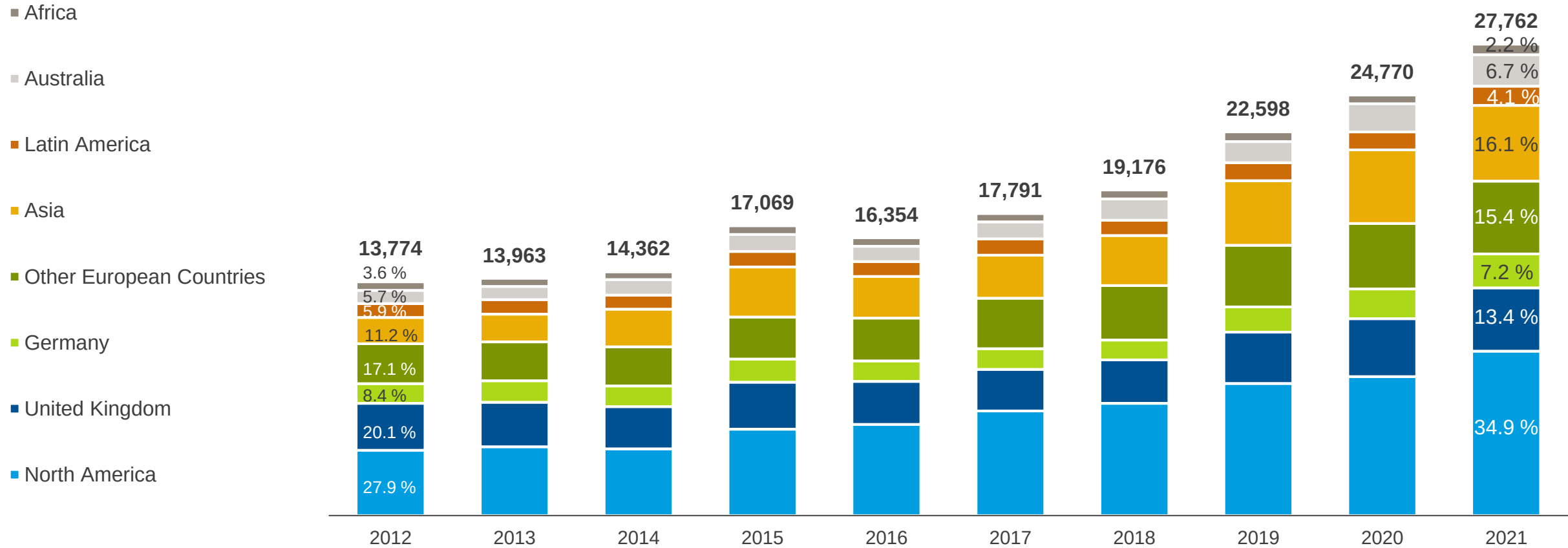
in m. EUR



Well-balanced international portfolio growth

Gross written premium

in m. EUR

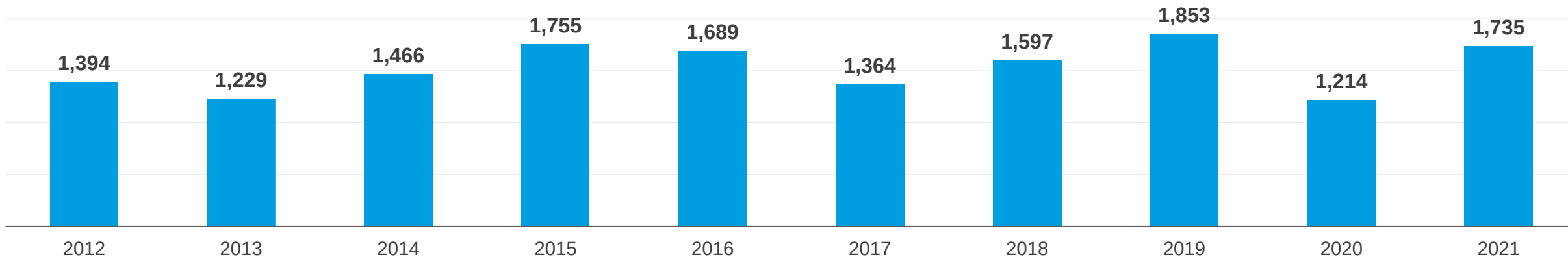


Strong earnings track record

2021: strong results despite high large losses and Covid-19 impact in L&H

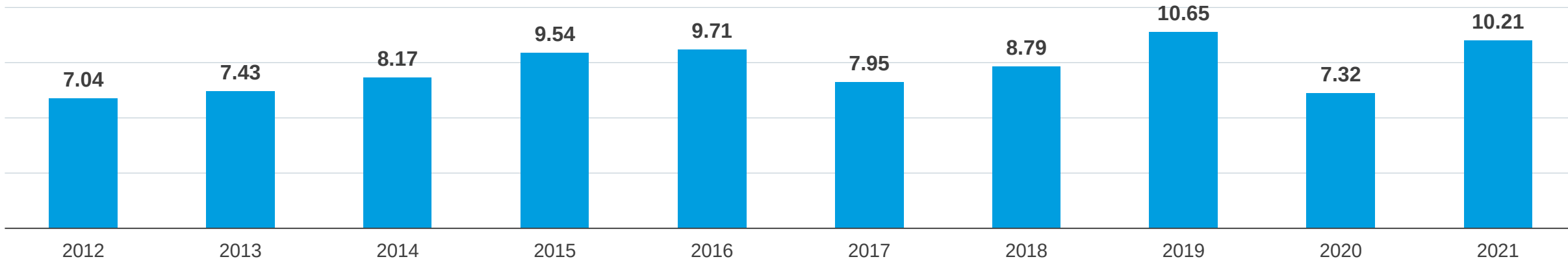
Operating profit (EBIT)

in m. EUR



Earnings per share (EPS)

in EUR

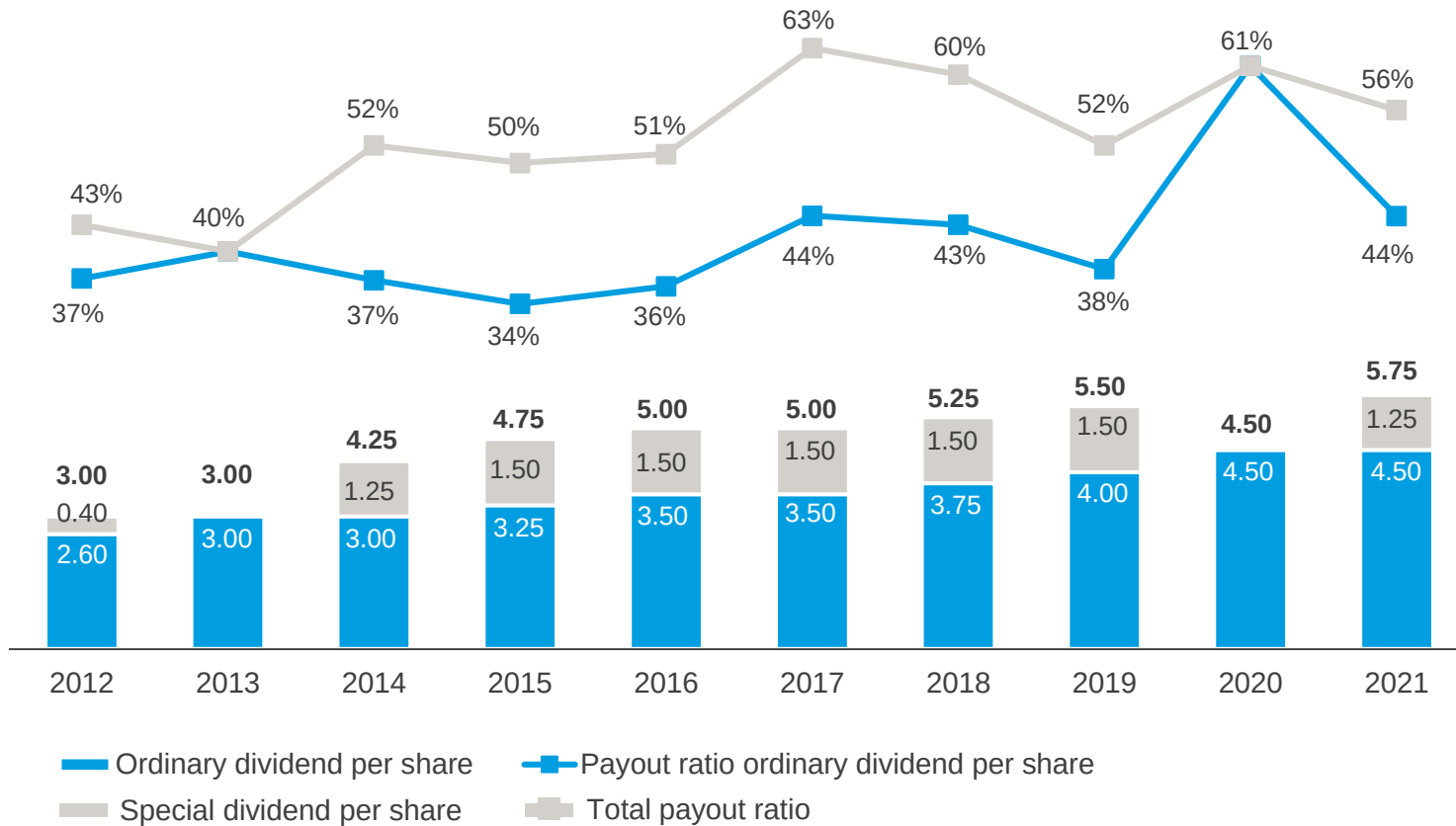


Stronger emphasis on continuity of ordinary dividend distribution

Continued use of special dividend for efficient and flexible capital management

Dividend per share

in EUR



Dividend strategy changed in 2021

Ordinary DPS $\geq$ prior year

+

Special dividend

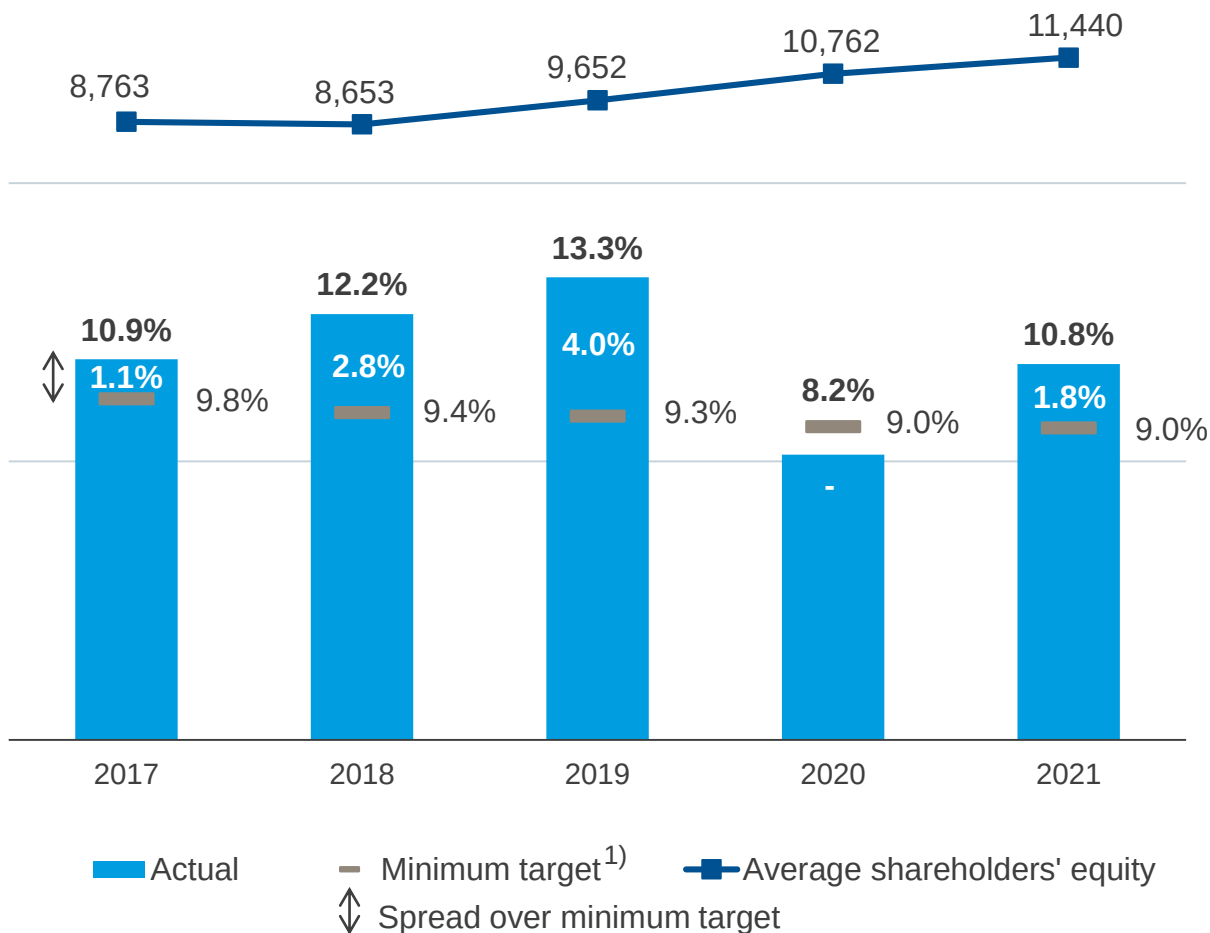
if capitalisation exceeds capital requirements for future growth and profit targets are achieved

- ➔ Continuity of ordinary dividend now more explicit
- ➔ Payout ratio target discontinued

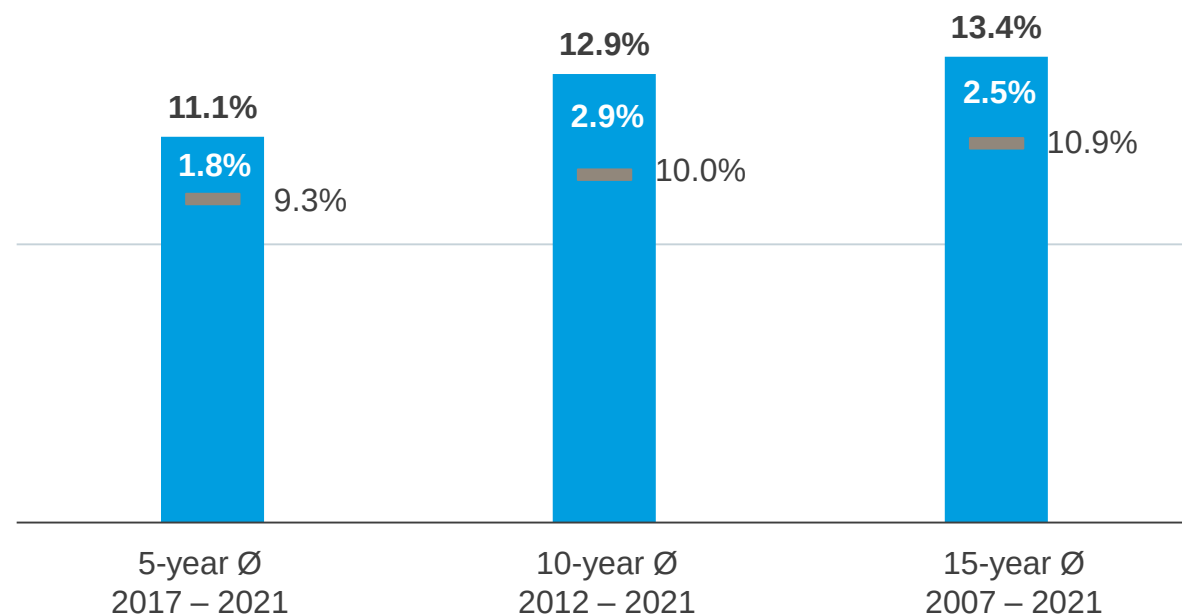
RoE of 10.8% well above target for 2021

5-year average RoE of 11.1% is highly satisfactory despite exceptional loss burden

Return on Equity: yearly



Return on Equity: average



1) After tax; target: 900 bps above 5-year rolling average of 10-year German government bond rate ("risk free")

Hannover Re is one of the most profitable reinsurers

No. 1 position on 5-year average RoE - significantly above peer average

Company	2017		2018		2019		2020		2021		2017 - 2021	
	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	avg. RoE	Rank
Hannover Re	10.9%	2	12.2%	1	13.3%	1	8.2%	2	10.8%	3	11.1%	1
Peer 6, US, Life & Health	21.9%	1	7.9%	3	8.7%	6	3.2%	8	4.5%	9	9.2%	2
Peer 5, Bermuda, Property & Casualty	5.7%	5	1.3%	9	11.9%	3	5.5%	5	13.9%	1	7.6%	3
Peer 1, Germany, Composite	1.3%	7	8.5%	2	9.6%	5	4.0%	6	9.7%	4	6.6%	4
Peer 9, China, Composite	7.2%	3	4.9%	5	7.3%	8	6.3%	3	6.8%	7	6.5%	5
Peer 10, Korea, Composite	6.2%	4	4.7%	6	8.1%	7	6.1%	4	7.1%	6	6.4%	6
Peer 8, France, Composite	4.4%	6	5.4%	4	6.9%	9	3.7%	7	7.3%	5	5.6%	7
Peer 4, US, Property & Casualty	1.1%	8	0.5%	10	10.4%	4	1.2%	9	11.5%	2	4.9%	8
Peer 7, Bermuda, Property & Casualty	-5.3%	10	4.2%	7	12.9%	2	10.8%	1	-1.0%	10	4.3%	9
Peer 2, Switzerland, Composite	1.0%	9	1.4%	8	2.5%	10	-3.1%	10	5.7%	8	1.5%	10
Average	5.4%		5.1%		9.2%		4.6%		7.6%		6.4%	

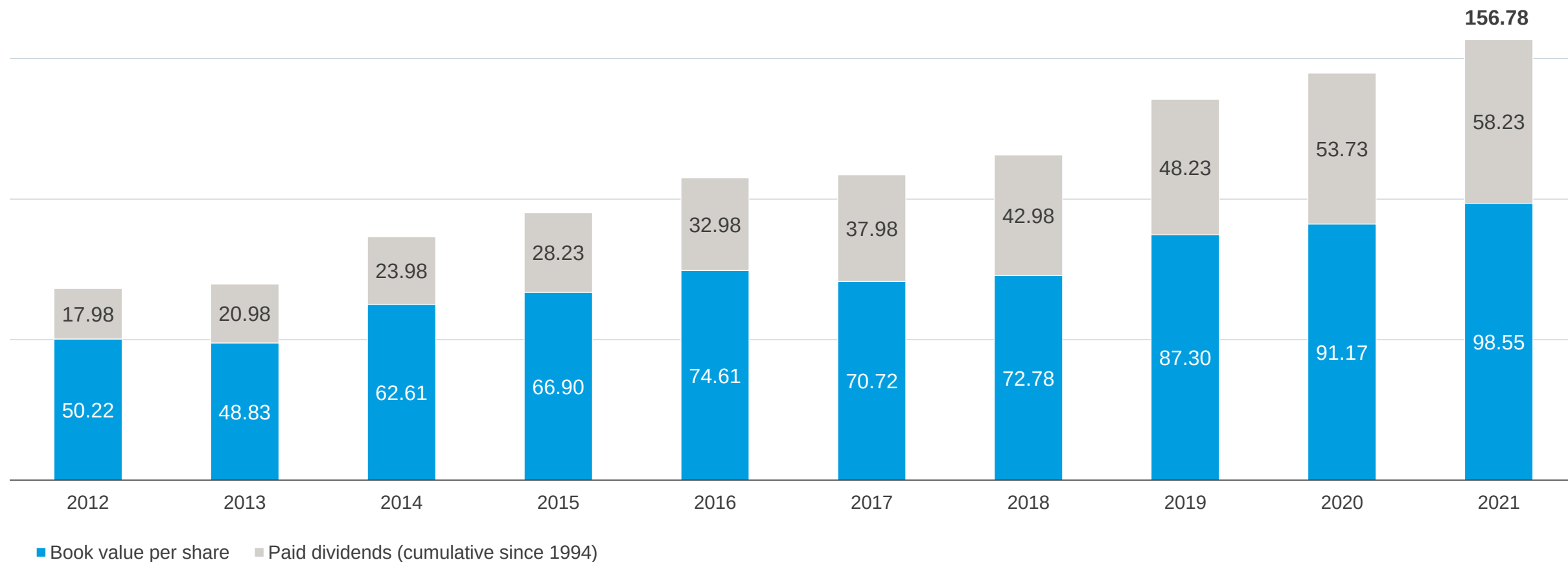
List shows the Top 10 of the Global Reinsurance Index (GloRe)
RoE based on company data, own calculation

Continuous increase of value creation

10-year CAGR: +10.6%

Book value and accumulated paid dividends

in EUR

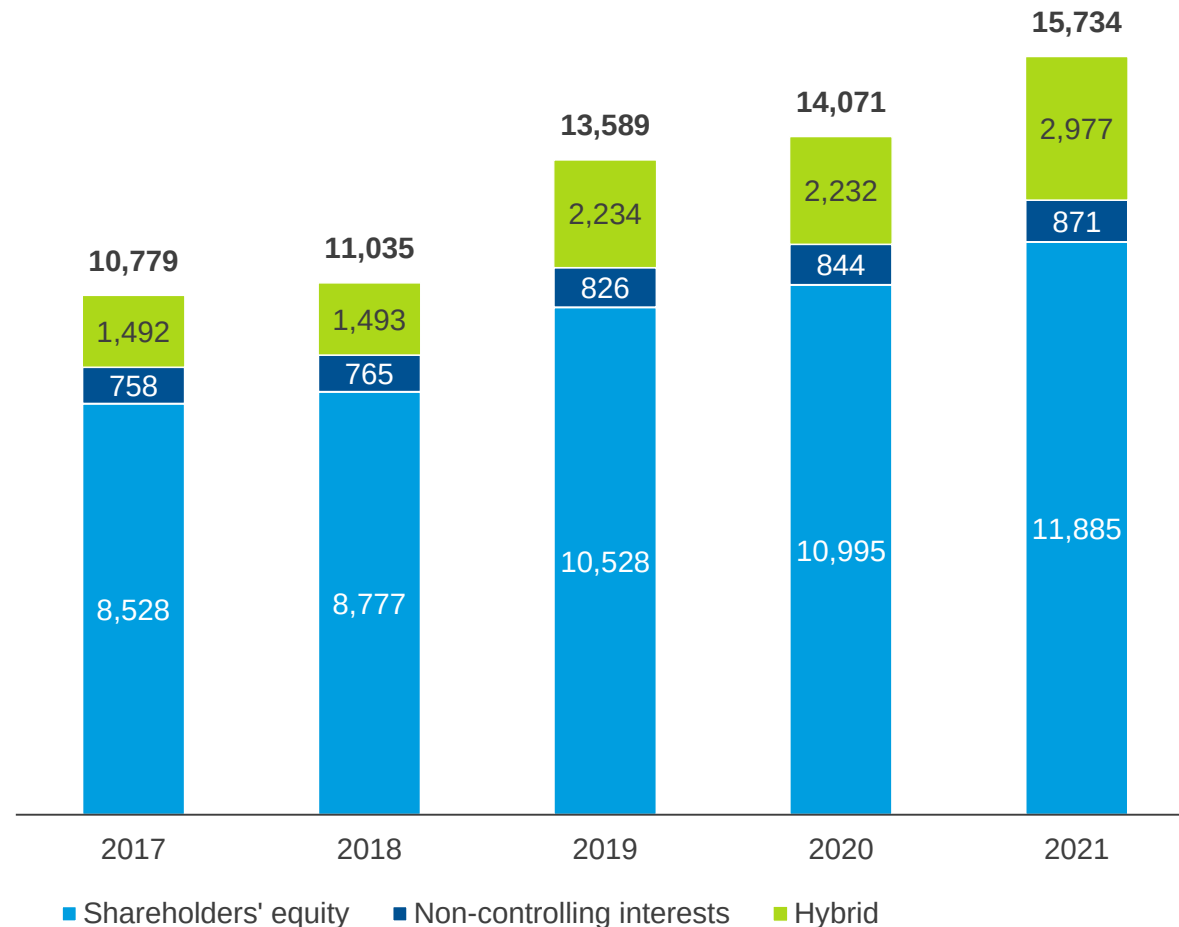


Shareholders' equity up by 8.1%

Policyholders' surplus increased by 46% since 2017

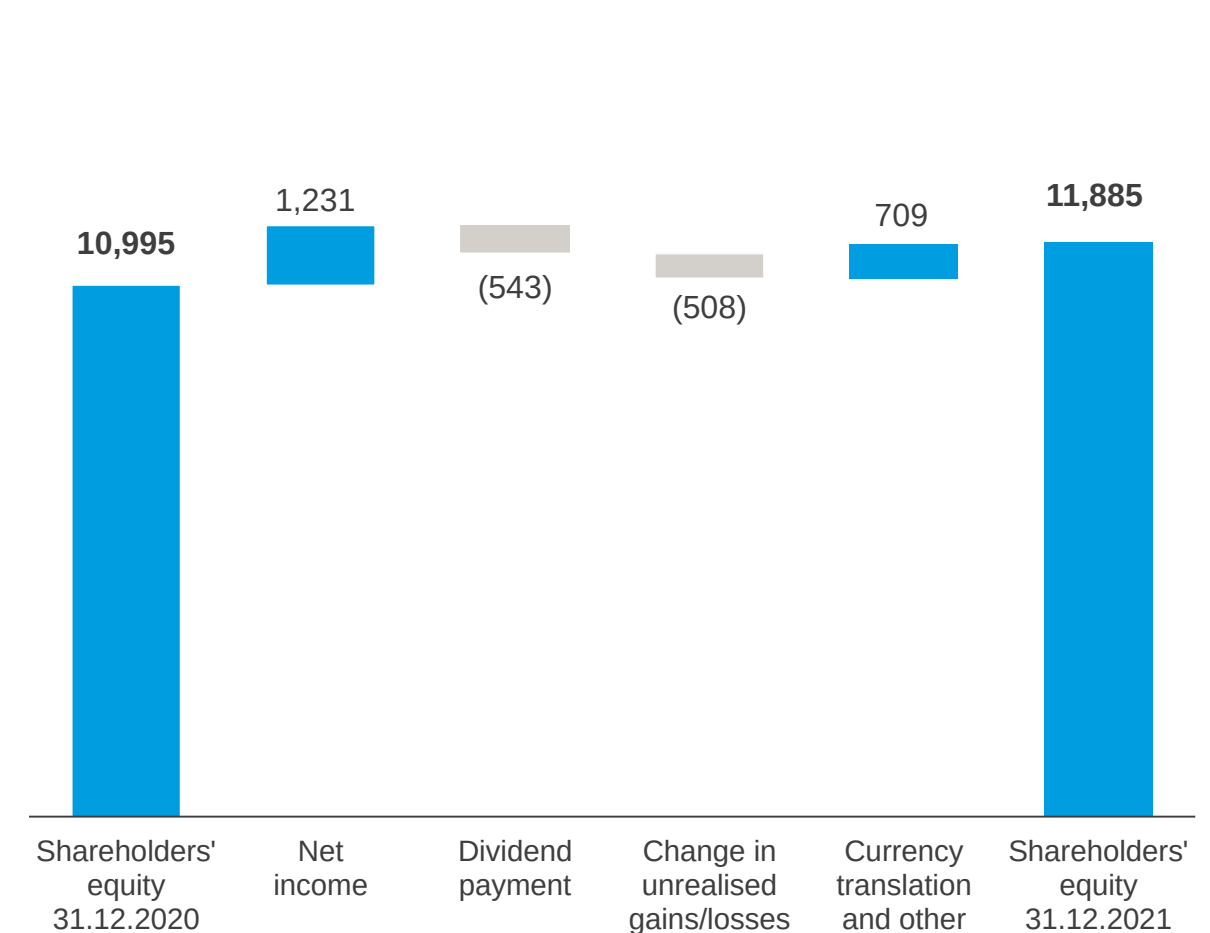
Policyholders' surplus

in m. EUR



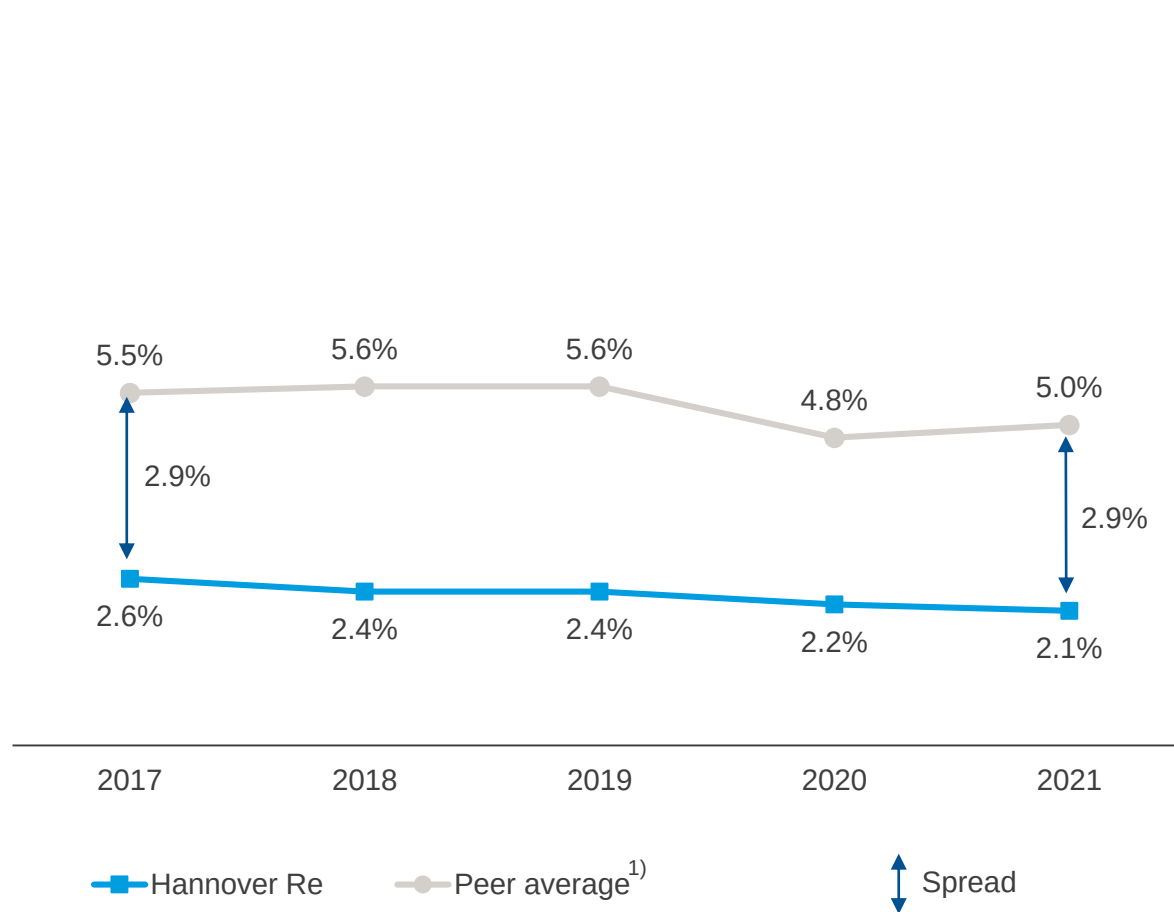
Change in shareholders' equity

in m. EUR



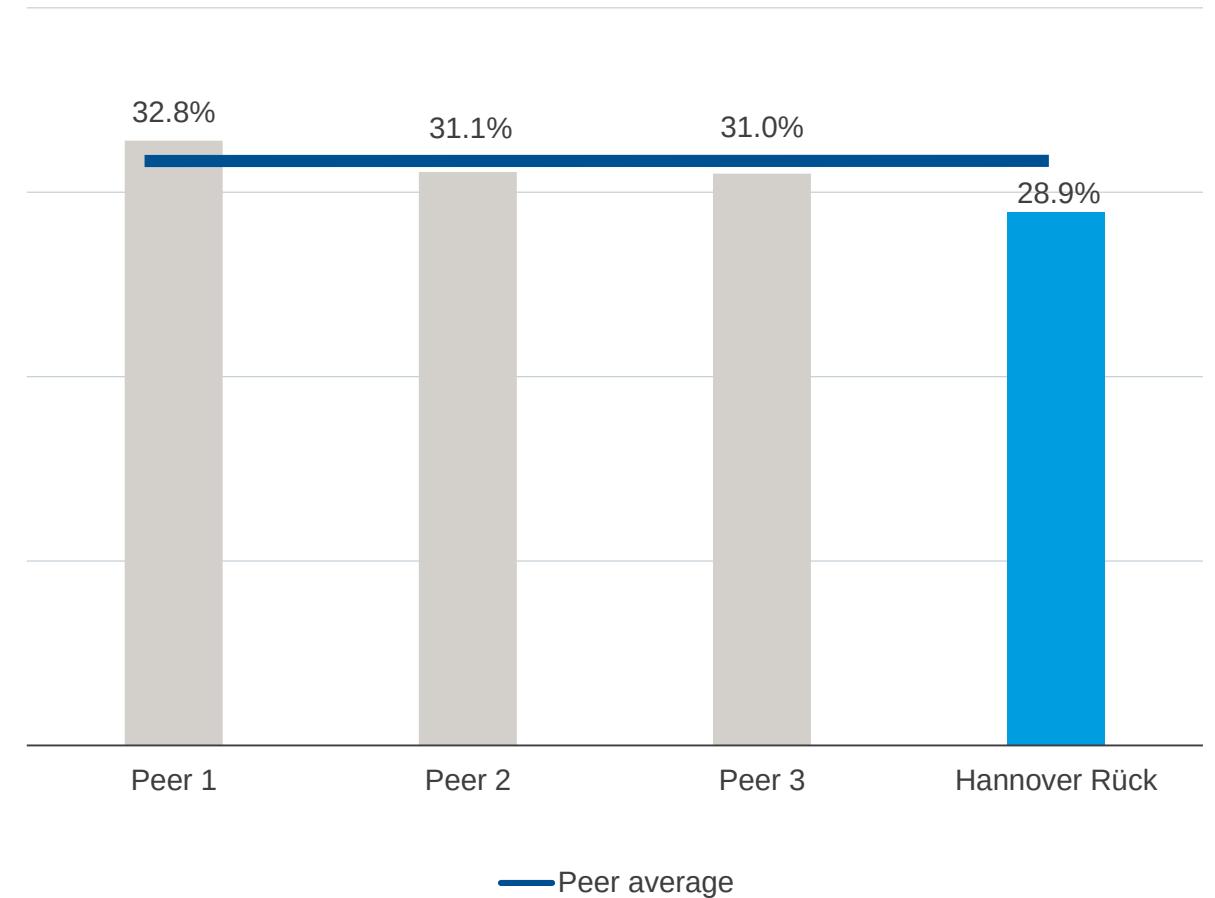
Low expense ratio is an important competitive advantage

Administrative expense ratio



Expense ratio (P&C reinsurance)

5-year average



1) Peers: Munich Re, Swiss Re, SCOR; own calculation

Purpose & Values

The “why” and the “how” articulate our distinctive corporate culture

Our self-conception



Our values



Purpose

Why do we do what we do?

**Beyond risk sharing –
we team up
to create opportunities**

Strategy

What do we want to achieve?

Core values
Which guiding principles are important for us?

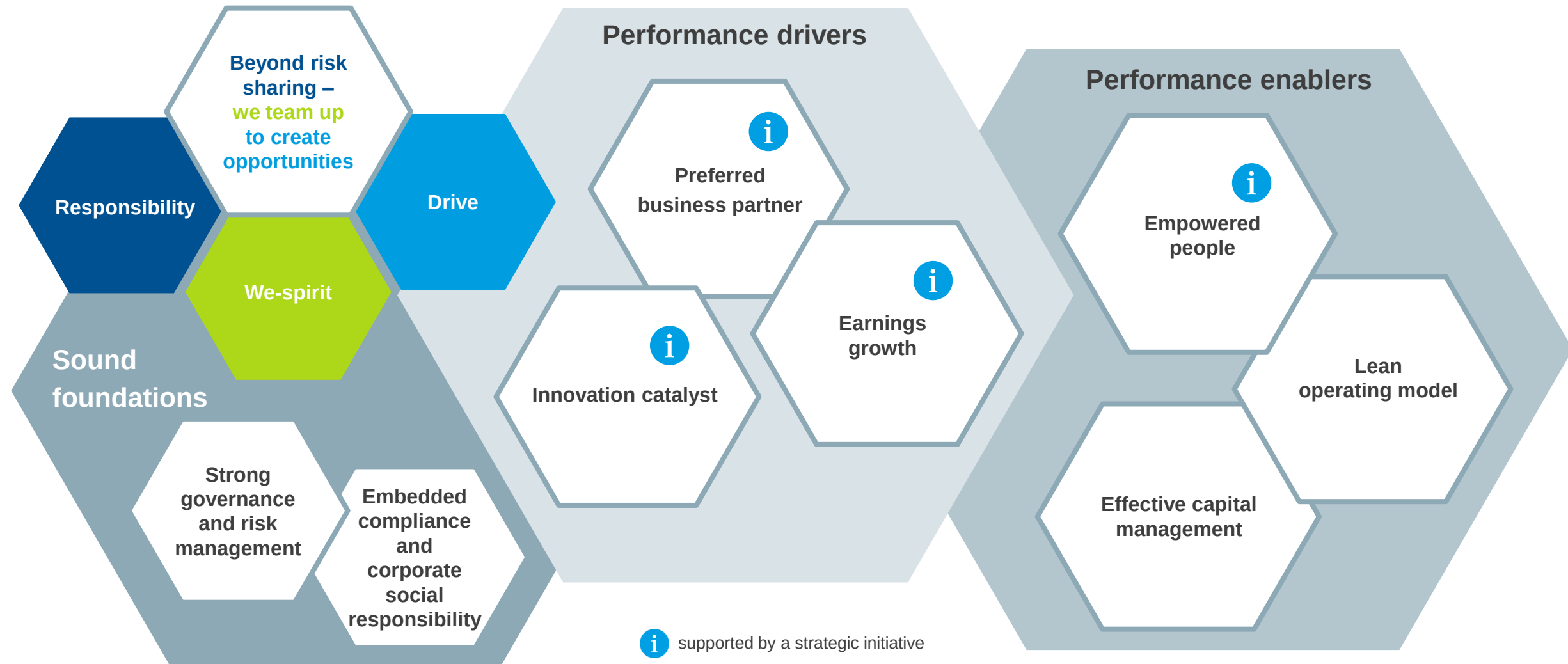


Our competitive strengths lie in our corporate culture and operating model and lead to higher profitability with lower volatility



Striving for sustainable outperformance

Group strategy 2021 - 2023



Target Matrix

Strategy cycle 2021 - 2023

Business group	Key figures	Strategic targets
Group	Return on equity ¹⁾	900 bps above risk-free
	Solvency ratio ²⁾	≥ 200%
Property & Casualty reinsurance	Gross premium growth ³⁾	≥ 5%
	EBIT growth ⁴⁾	≥ 5%
	Combined ratio	≤ 96%
	xRoCA ⁵⁾	≥ 2%
Life & Health reinsurance	Gross premium growth ³⁾	≥ 3%
	EBIT growth ⁴⁾	≥ 5%
	Value of New Business (VNB) ⁶⁾	≥ EUR 250 m.
	xRoCA ⁵⁾	≥ 2%

1) After tax; risk-free: 5-year average return of 10-year German government bonds

3) Average annual growth at constant f/x rates

5) Excess return (one-year economic profit in excess of the cost of capital) on allocated economic capital

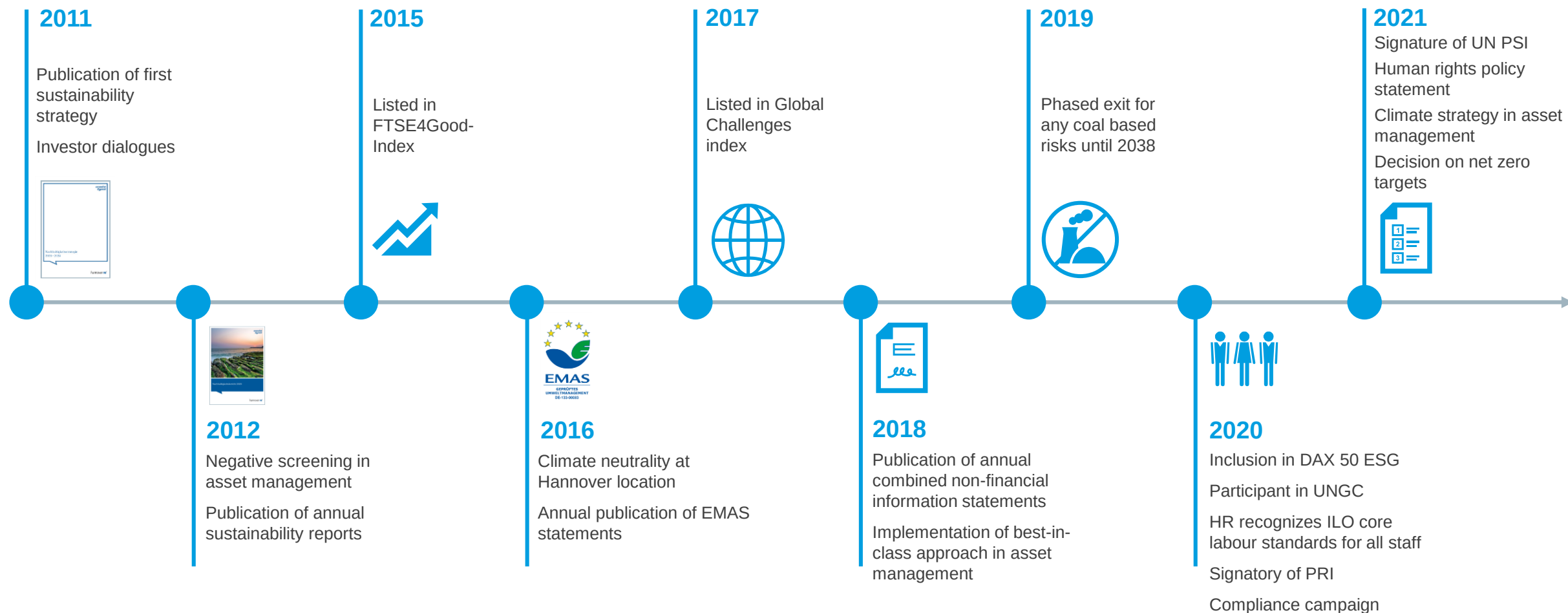
2) According to our internal capital model and Solvency II requirements

4) Average annual growth

6) Based on Solvency II principles; pre-tax reporting

Sustainability at Hannover Re

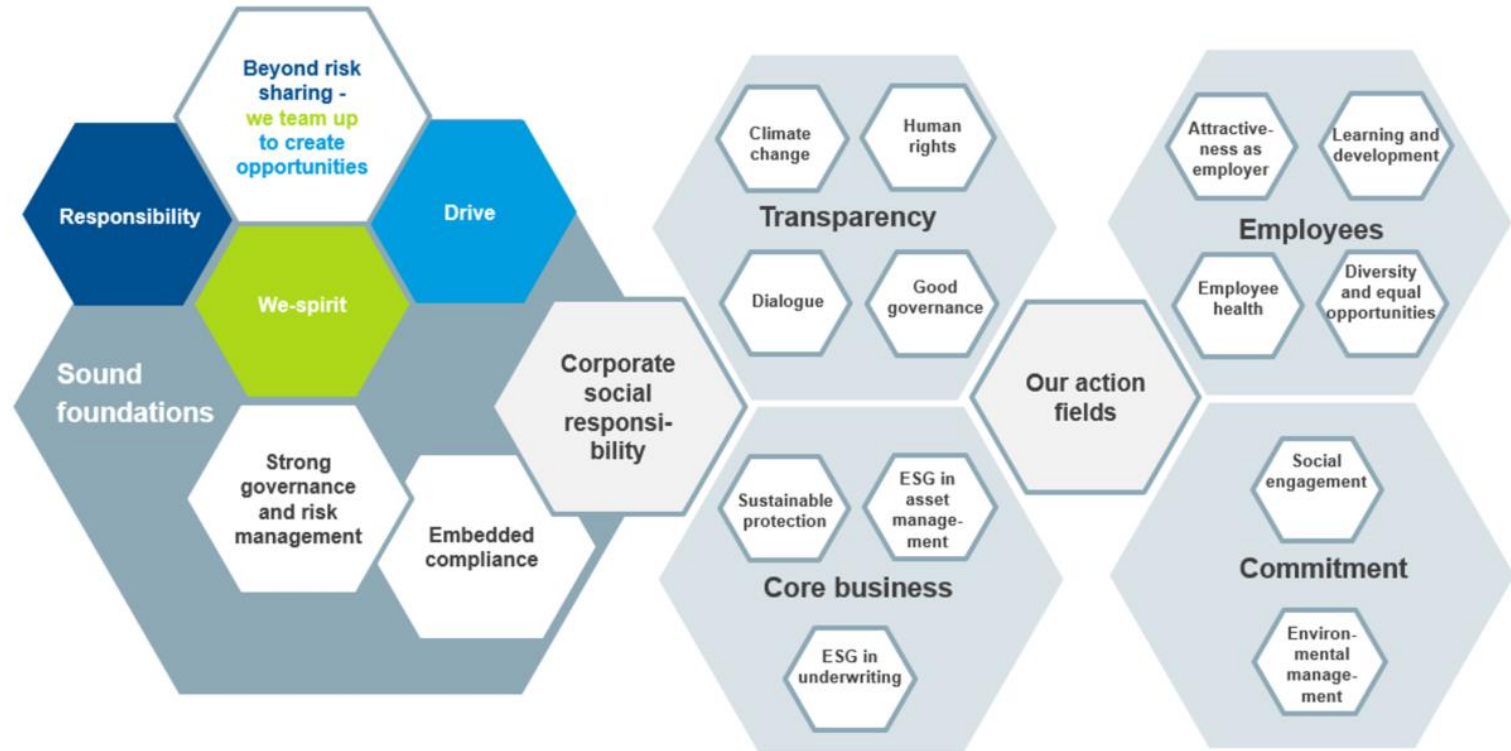
How we evolved



Sustainability at Hannover Re

Sustainability Strategy 2021 - 2023 – Overview

- In summer 2020, [we teamed up](#) to develop our new Sustainability Strategy 2021 - 2023
- The sustainability strategy serves our [purpose and values](#)
- It is closely related to the [Group strategy](#) and encompasses its sound foundations
- [Corporate Social Responsibility](#) bridges the sound foundations of our Group strategy and the four defined action fields
- The [action fields](#) encompass the identified material plus additional topics
- All topics were translated in [specific goals](#) and [target indicators](#)



Sustainability at Hannover Re

Sustainability Strategy 2021 - 2023 – Action fields encompass our material topics

Transparency encompasses voluntary commitments and fundamental issues with implications for all other action fields.

- **Climate change** and **human rights** are interdisciplinary topics, operationalised in the other action fields.
- **Dialogue** is our commitment to interact with our stakeholders.
- **Good governance** aims for ethical governance and good corporate citizenship.

Motivated and well-trained employees are a crucial factor in the success of our company.

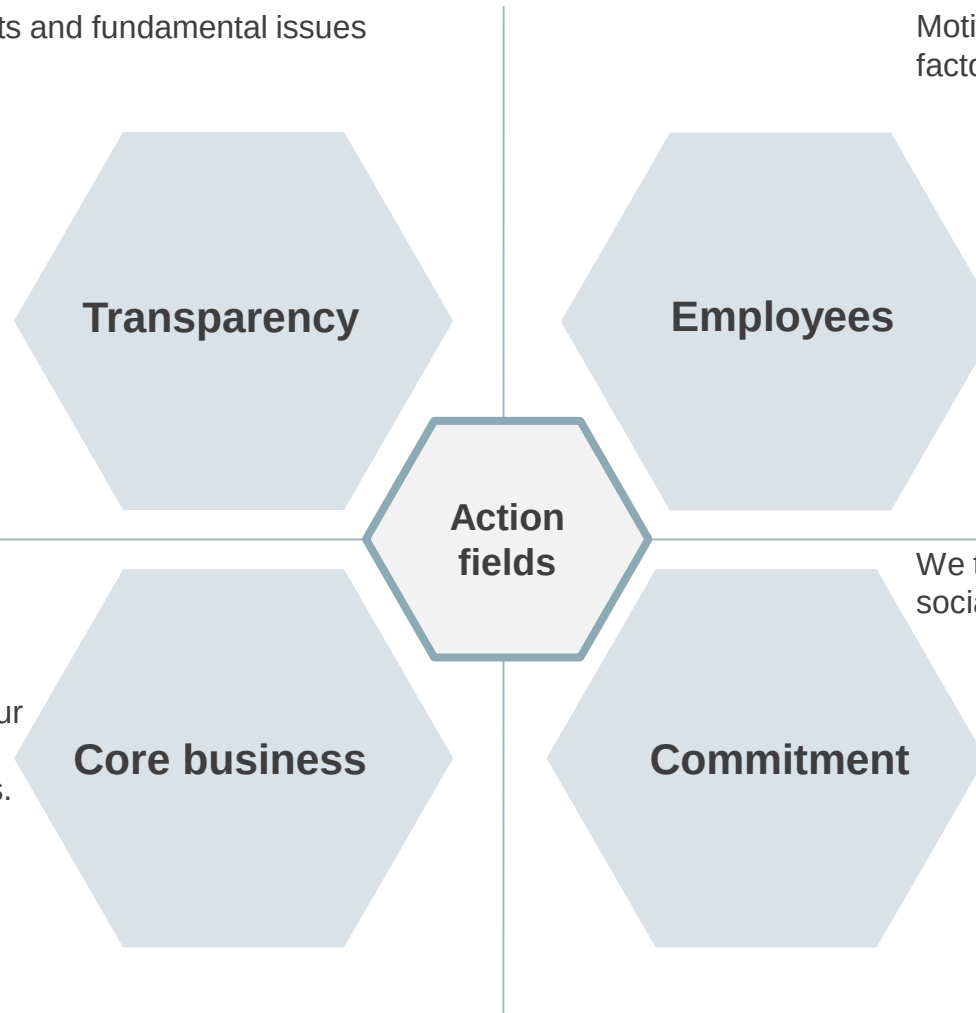
- **Attractiveness an employer**: We want to be the "employer of first choice" for existing and potential future employees alike.
- We support **learning and development** and **employee health and wellness**.
- We embrace and support **diversity and equal opportunities**.

How we organise our core business serves as vital leverage for our contribution to the sustainable development of our world.

- In **sustainable protection**, we bring together all our activities that support the transformation to a sustainable world and offer sustainable solutions.
- With **ESG in underwriting** and **asset management**, we aim to minimize our negative impact.

We take responsibility for the environment and the social landscape in which we operate.

- **Environmental management** and **social engagement** are not defined as material topics.
- Nevertheless, they are important elements of our strategy.



Net zero targets

Comprehensive goal setting in core business and own business operations



Asset Management

- Climate strategy:
 - Decarbonisation: -30% of CO₂ footprint by 2025¹⁾
 - Active investment in sustainable assets
 - Engagement; via proxy voting
- Application of specific exclusion criteria – e.g. thermal coal, oil sands
- Negative screening / active divestment since 2012



Underwriting

- Exit from all risks connected with thermal coal and related infrastructure by 2038 in the entire P&C portfolio
- Development of P&C ESG position paper
- Further exclusions are defined in accordance with the ESG Manual for the facultative division
- Participation in Net-Zero Insurance Alliance

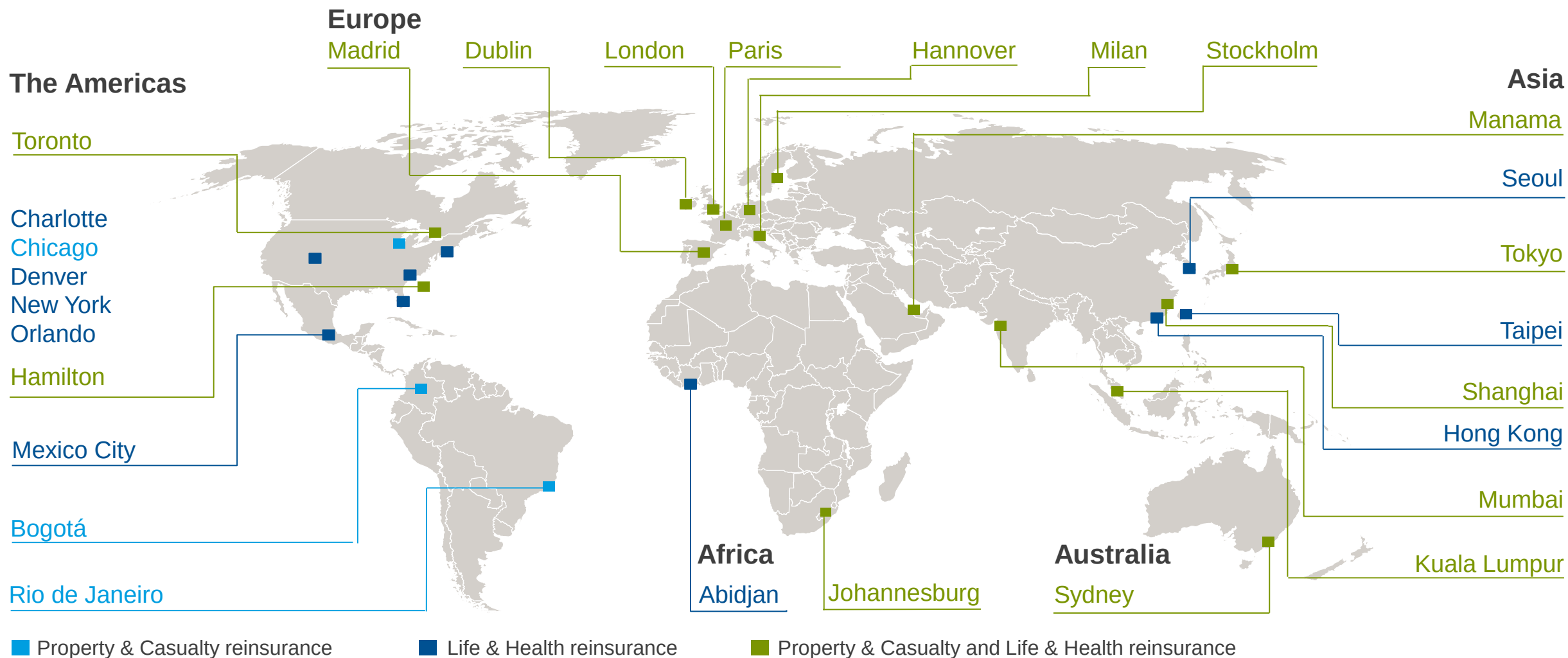


Own business operations

- Carbon neutral at Hannover Office since 2016
- Certified according to ISO 14001 and publication of annual EMAS-III statements
- Implementation of a process to collect carbon emissions data groupwide

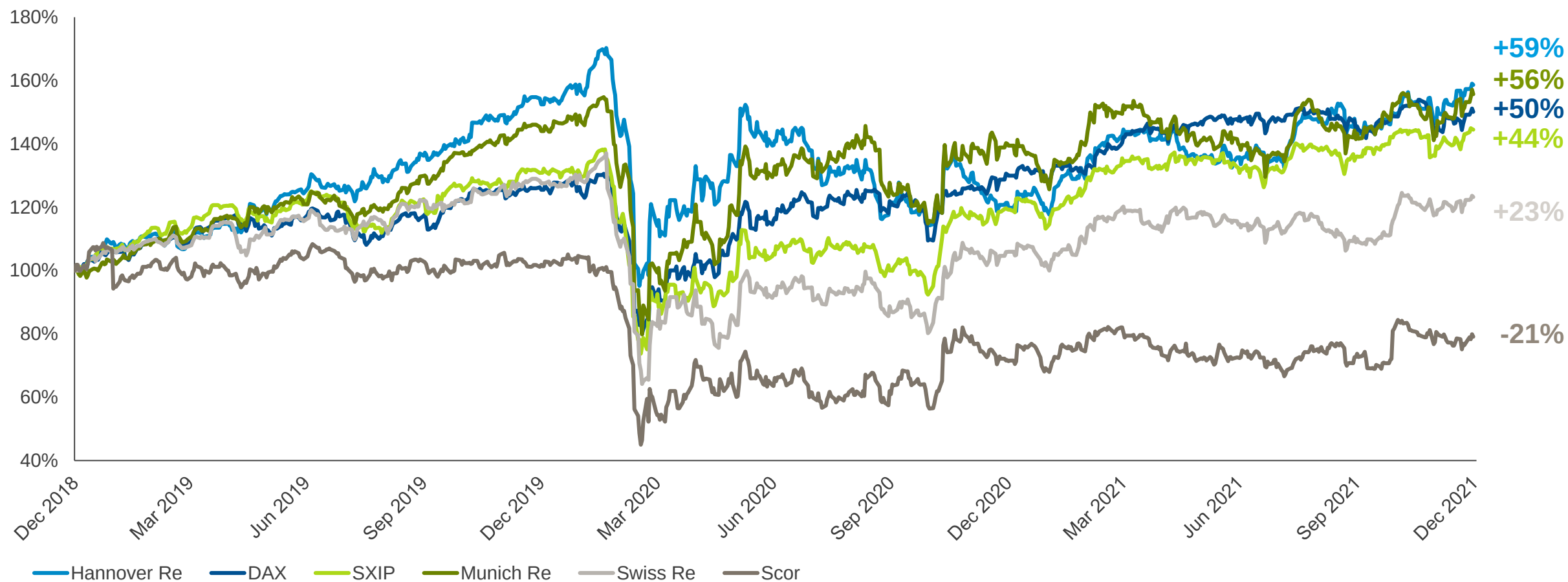
1) Corporates, covered bonds and equities; compared to base year 2019

Present on all continents



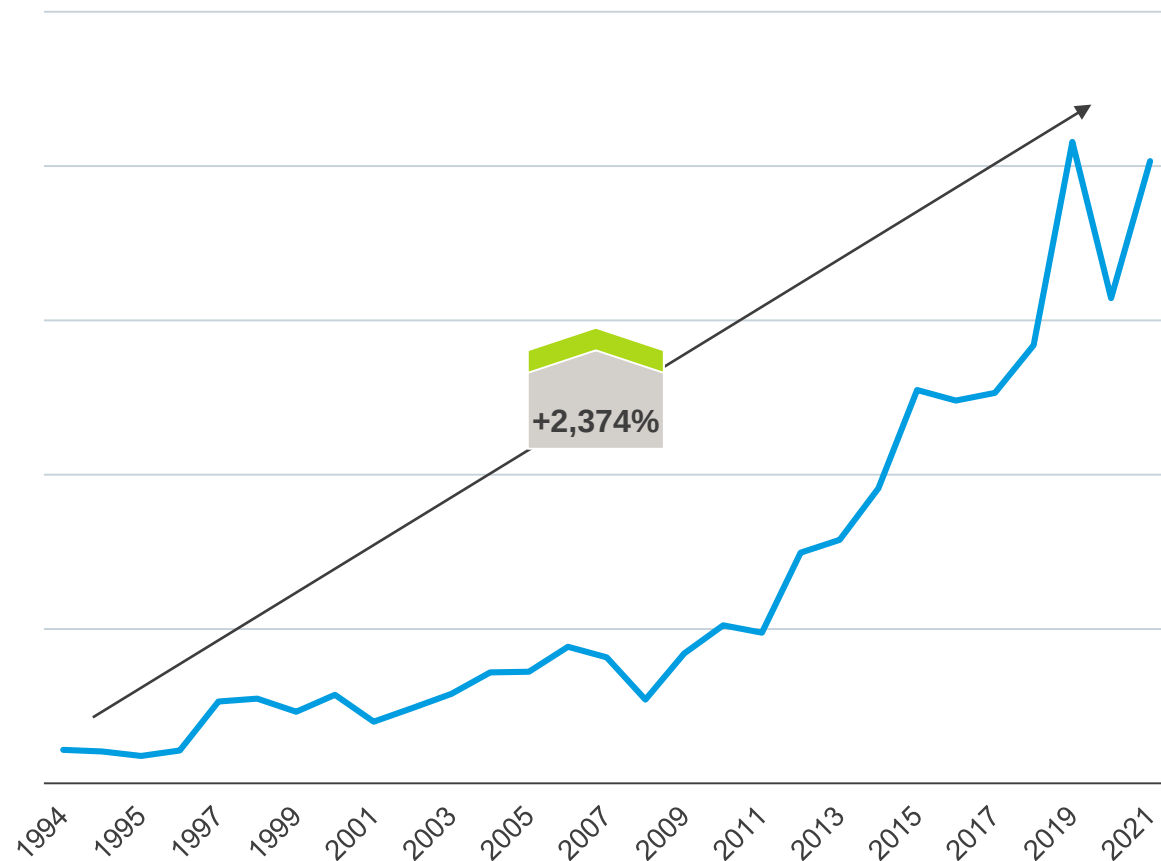
HR share price performance over a 3-year rolling period

Performance comparison (incl. reinvested dividends)



Yearly Total Shareholder Return (TSR) of 12.6%

Value creation since IPO

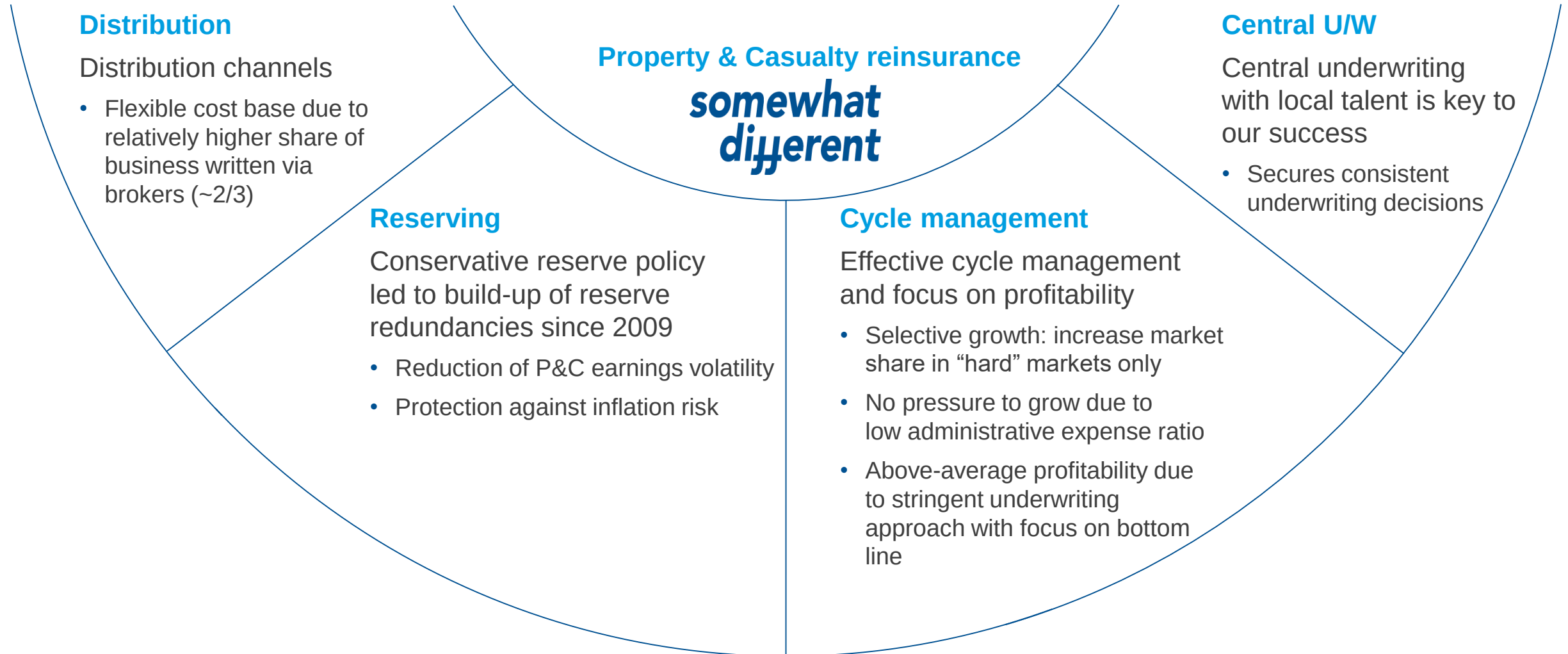


in m. EUR	2020	2021
Market capitalisation as of date	15,714	20,158
- Market capitalisation at IPO (Nov 1994)	1,084	1,084
+ Dividend payments (cumulative)	6,780	7,473
- Capital increases (1996, 1997, 2001, 2003)	811	811
Value creation since IPO	20,599	25,736

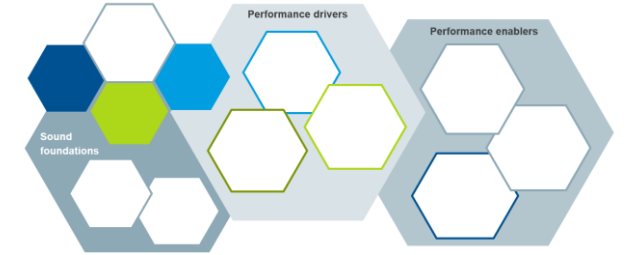
Agenda

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We are somewhat different



Property & Casualty: Strategy



Further expand our bottom line through existing and new client relationships

- Customer Excellence (holistic customer management approach) for clients
- Foster our leadership position in specialty markets
- Expand our corporate client basis to enlarge our portfolio of captive clients
- Build on the strength of E+S Rück as “The Reinsurer for Germany”, based on its unique cooperation model

Continue to build out our position as innovation partner for our clients and position accordingly towards the outside world

- Embed the offering of tailor-made solutions (including AS & ILS)
- Embed digital business accelerator for P&C (including insurtech partnerships and partnerships with global technology firms)
- Foster our capabilities in data analytics and become a preferred partner for ceding companies or other service providers to benefit from new sources/pools of data like telematics
- Develop Cyber reinsurance (including exposure management)
- Increase our activities in the parametric reinsurance field
- Increase private-public partnerships to address the Protection Gap
- Increase the external awareness (incl. investors & applicants) of innovation at HR



Use internal and external retrocession to optimise the internal model and rating agency capital requirements as well as capital fungibility within the Hannover Re Group and reduce volatility of earnings

- Explore the use of Advanced Solutions type retrocessions
- Establish a (composite) framework for effective internal retrocessions

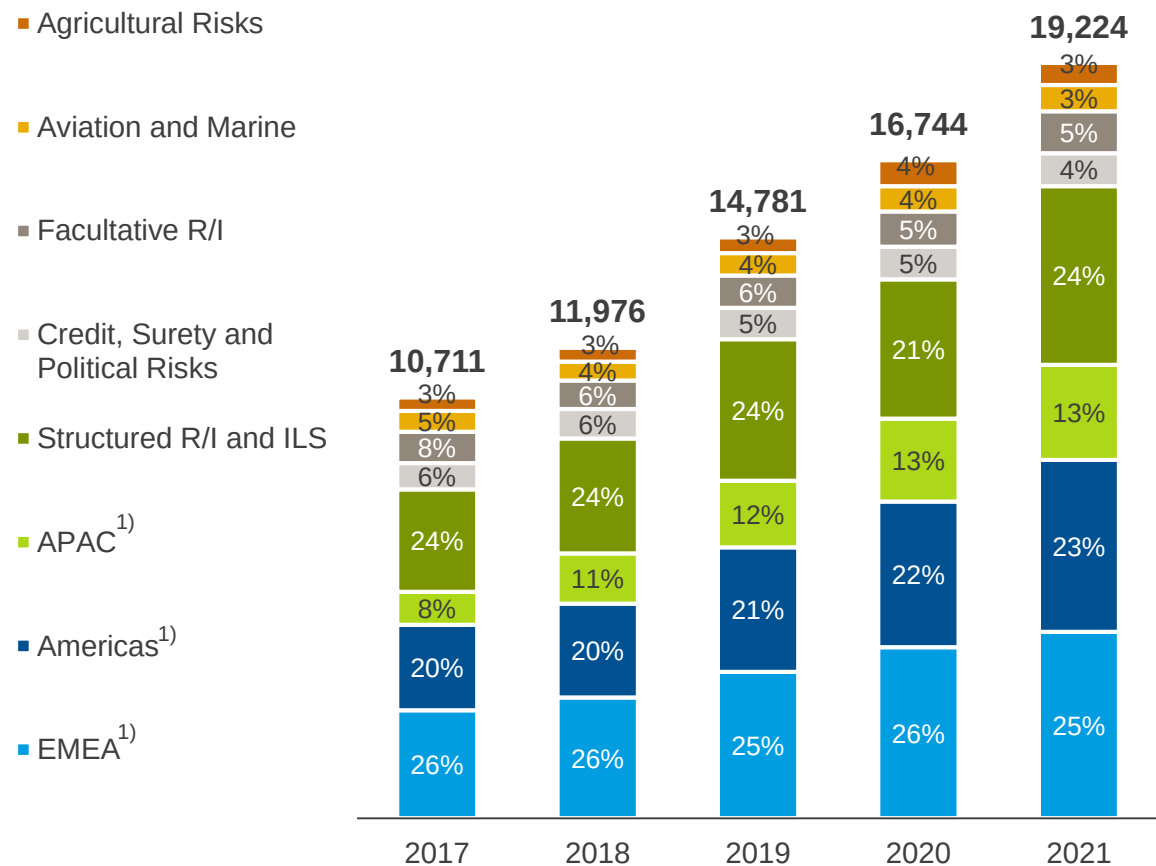
Grow profitably in the APAC region whilst maintaining our strong underwriting culture

- Deliver on current APAC initiative
- Include Specialty lines and foster growth of Advanced Solutions business in the region by decentralized underwriting approach
- Ensure strong Hannover Re underwriting culture is maintained in the APAC offices
- Increase collaboration between the APAC offices whilst maintaining strong links to Hannover

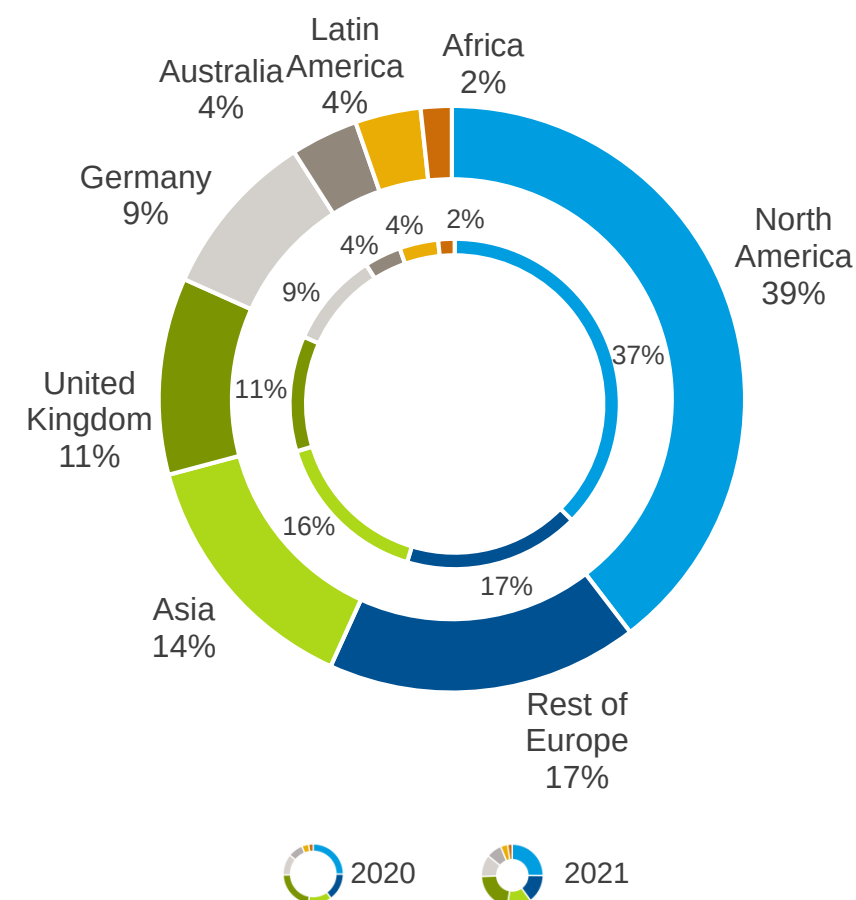
Property & Casualty reinsurance: strong and diversified growth

5-year CAGR: +15.9%

GWP split by reporting categories



Gross written premium split by regions

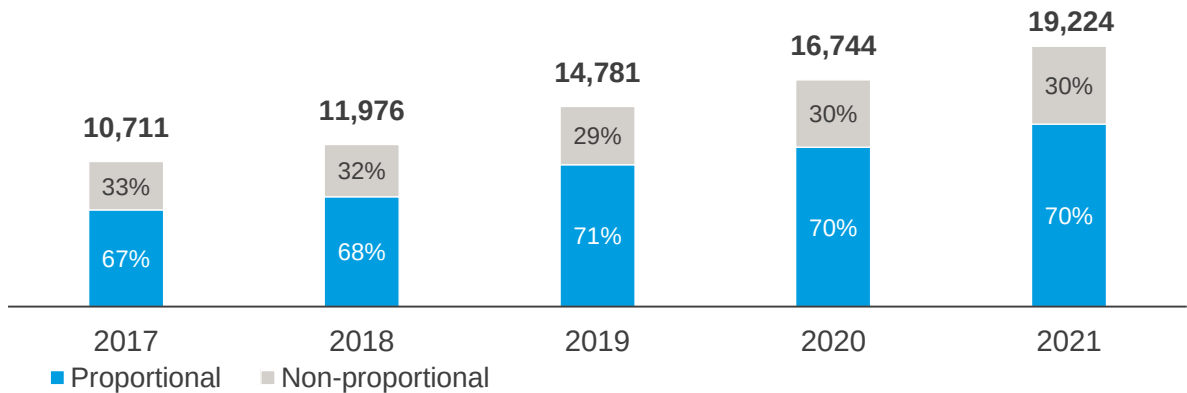


1) All lines of Property & Casualty reinsurance except those stated separately
2020 restated pursuant to IAS 8

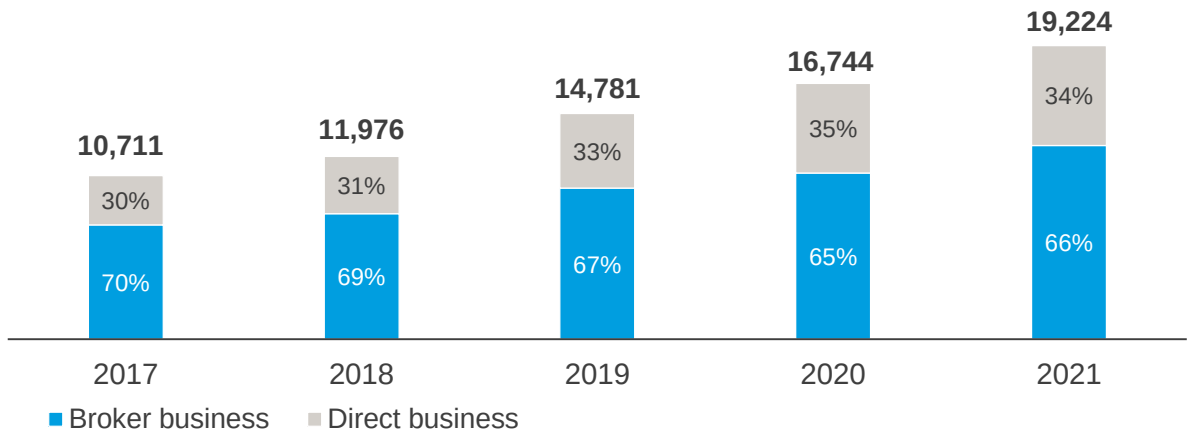
Around 2/3 of our business is written via brokers

~1/3 of our business is non-proportional

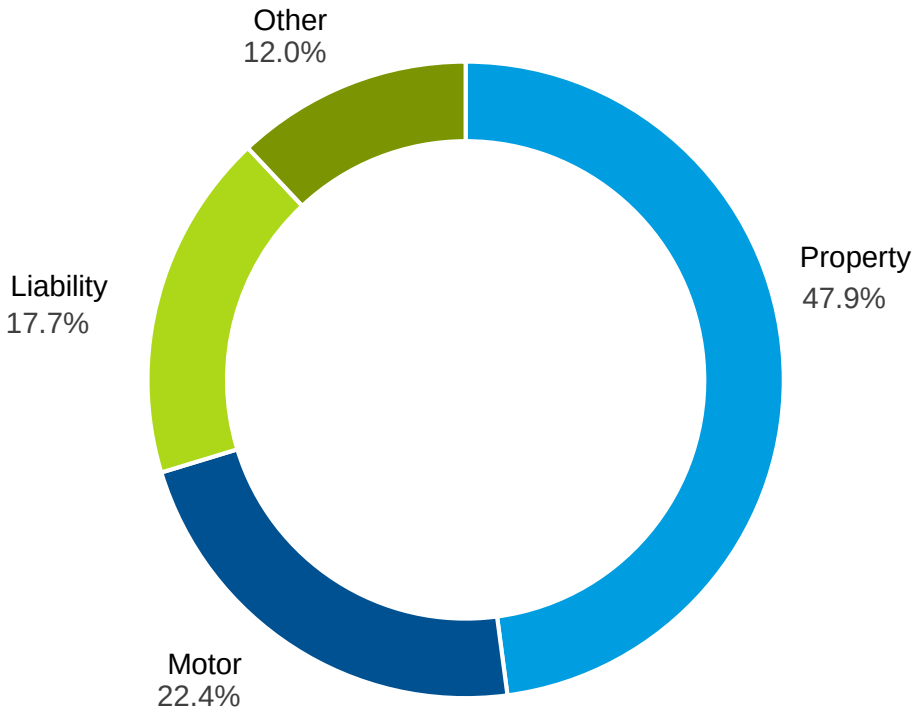
Breakdown of treaties by volume in % and m. EUR



Breakdown of business written in % and m. EUR



GWP by segment



Margin-oriented U/W approach leads to profitable growth

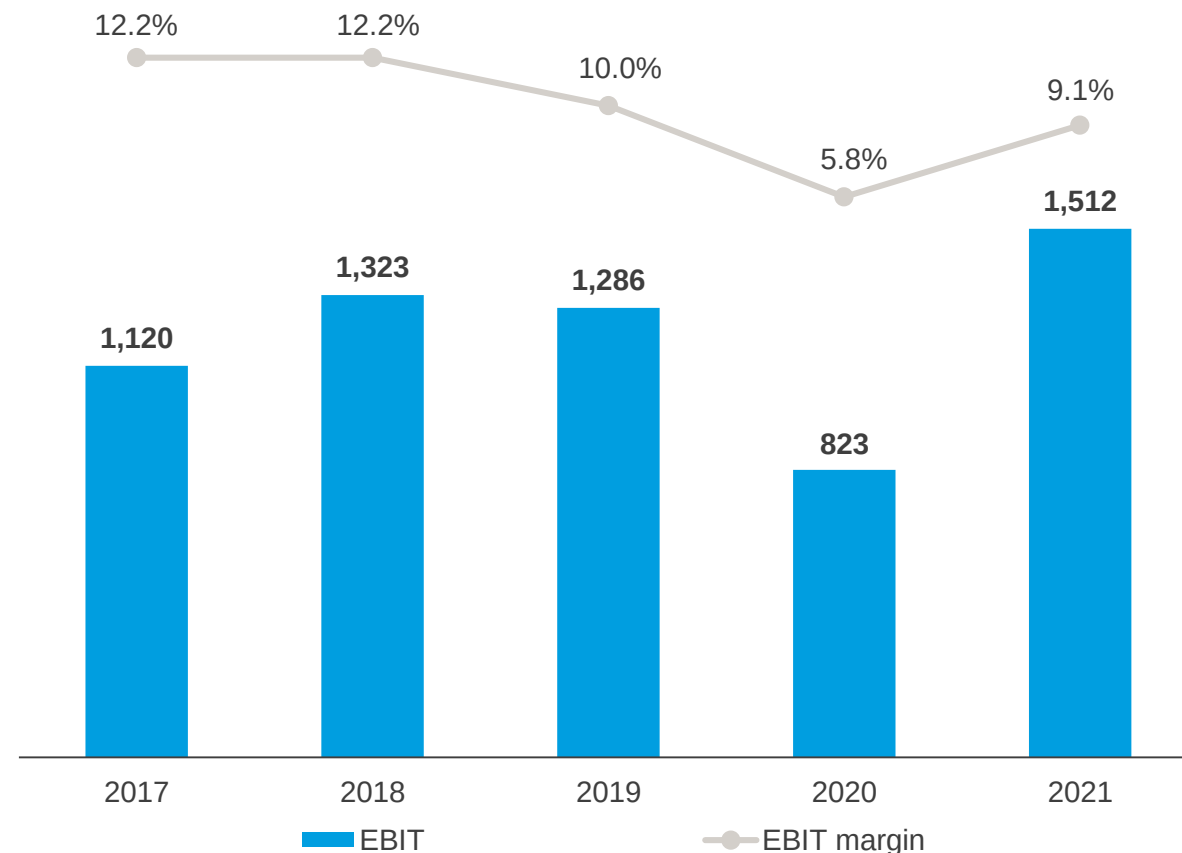
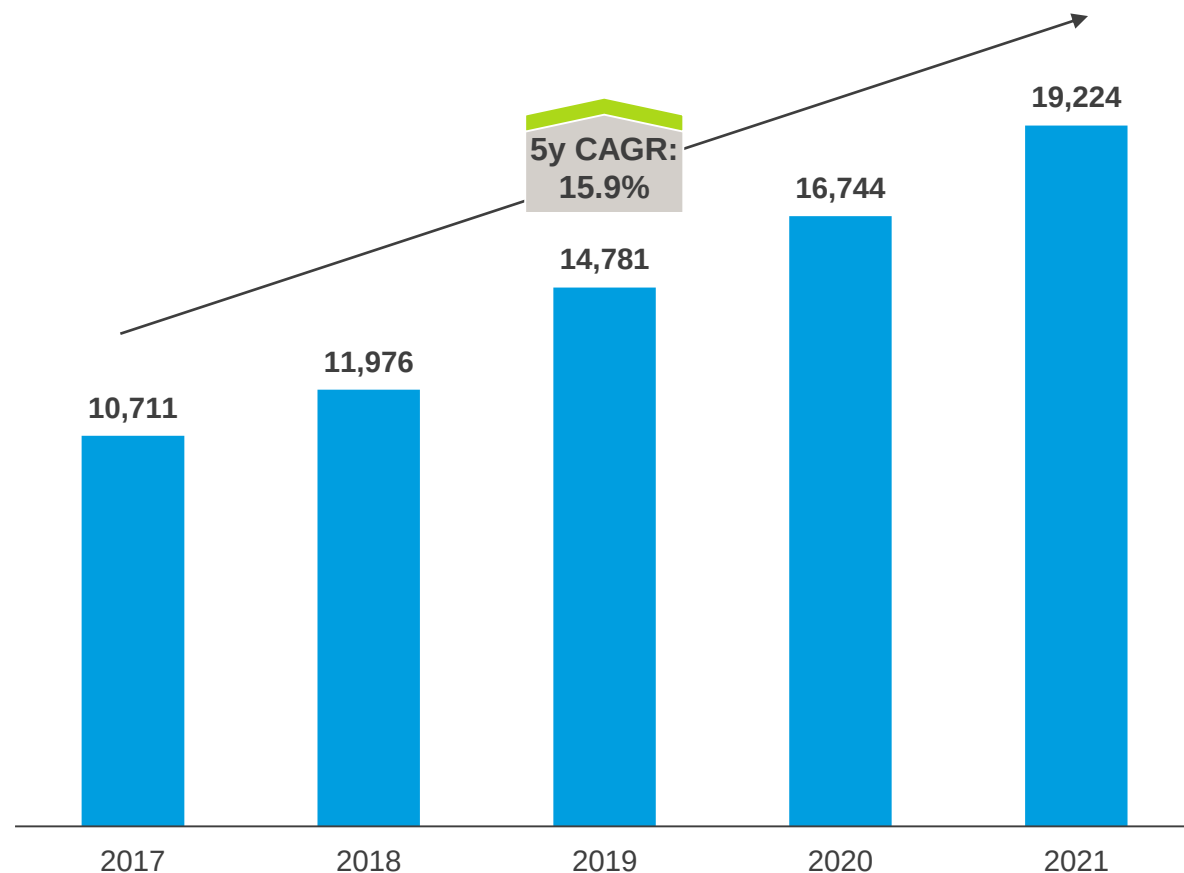
2021: strong premium growth – large losses exceed budget by EUR 150 m.

Gross written premium

in m. EUR

EBIT/EBIT margin

in m. EUR



Target Combined Ratio varies substantially by line of business

Targets for FY 2022

NPE	+	Economic revaluation	-	Capital margin	=	Target Combined Ratio
Net premium earned (100%)		Discount effect on P&C net loss reserves (% of NPE)		Capital margin above risk free (pre-tax)		Target Combined Ratio
EMEA ¹⁾		 2.0%		 6.9%		95.2%
Americas ¹⁾		 4.9%		 10.6%		94.3%
APAC ¹⁾		 3.8%		 6.3%		97.5%
Structured Reinsurance and ILS		 0.4%		 1.7%		98.7%
Credit, Surety and Political Risks		 2.3%		 8.3%		93.9%
Facultative Reinsurance		 4.1%		 6.7%		97.4%
Aviation and Marine		 3.4%		 8.1%		95.3%
Agricultural Risks		 1.9%		 8.8%		93.1%
Total Property & Casualty R/I		 2.8%		 6.8%		96.0%

As at March 2022

1) All lines of business except those stated separately

Reserve redundancies increased by EUR 167 m. in 2021

Level of additional IBNR is 50% of total reserves

in m. EUR

Year end ¹⁾	Redundancy ²⁾	Increase redundancy	Effect on loss ratio	P&C premium (net earned)
2010	956	89	1.6%	5,394
2011	1,117	162	2.7%	5,961
2012	1,308	190	2.8%	6,854
2013	1,517	209	3.1%	6,866
2014	1,546	29	0.4%	7,011
2015	1,887	341	4.2%	8,100
2016	1,865	-22	-0.3%	7,985
2017	1,813	-52	-0.6%	9,159
2018	1,694	-118	-1.1%	10,804
2019	1,457	-238	-1.9%	12,798
2020	1,536	80	0.6%	14,205
2021	1,703	167	1.0%	16,624
2010 - 2021 total		838		111,761
2010 - 2021 average		70	0.7%	9,313

Average impact on loss ratio: 0.7% in the past 12 years (not f/x-adjusted)

1) Figures unadjusted for changes in foreign exchange rate, i.e. based on actual exchange rates at respective year end

2) Redundancy of loss and loss adjustment expense reserve for its non-life insurance business against held IFRS reserves, before tax and minority participations

Willis Towers Watson reviewed these estimates - more details shown in appendix

The risk is manageable

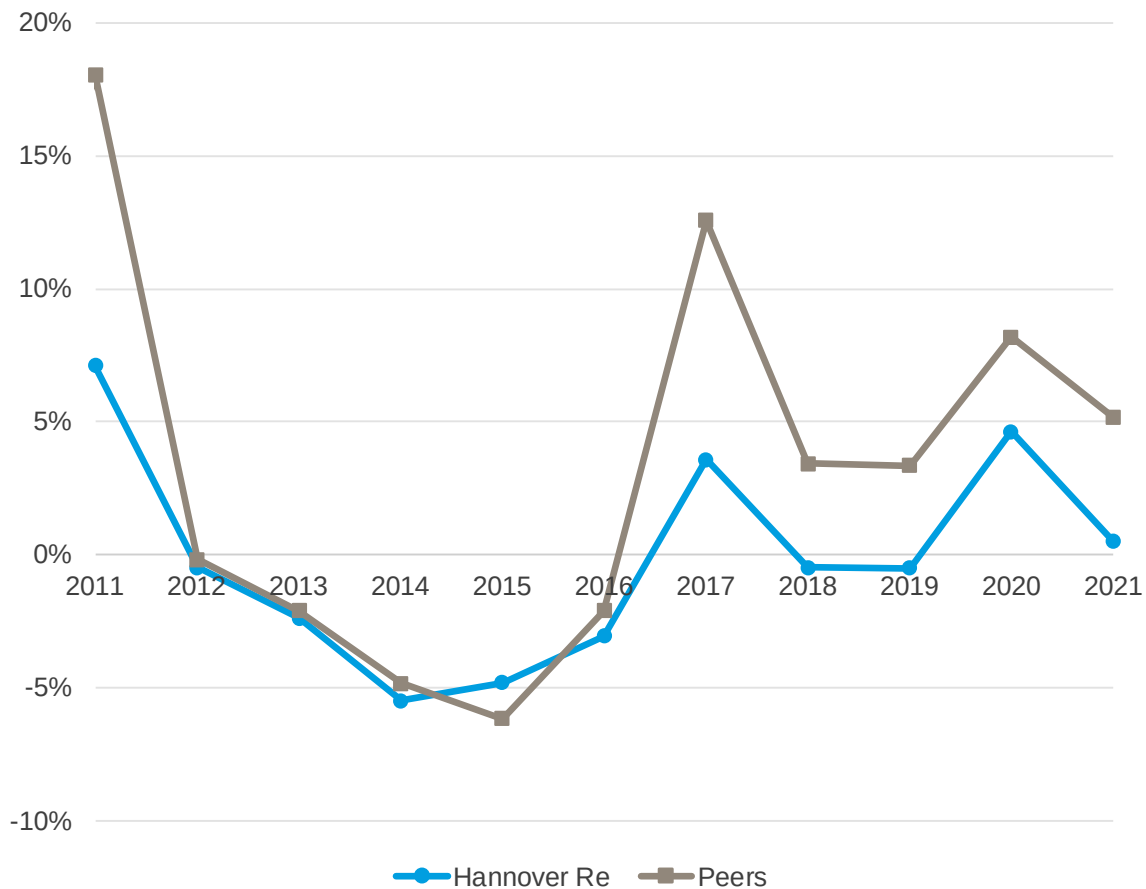
Stress tests for natural catastrophes after retrocessions

Effect on forecast net income in m. EUR

		2020	2021
Hurricane US/Carribean	100-year loss	(1,107)	(1,452)
	250-year loss	(1,594)	(1,959)
Earthquake US West Coast	100-year loss	(554)	(839)
	250-year loss	(1,184)	(1,615)
Winter storm Europe	100-year loss	(377)	(667)
	250-year loss	(631)	(1,009)
Earthquake Japan	100-year loss	(347)	(758)
	250-year loss	(747)	(1,203)
Earthquake Chile	100-year loss	(223)	(493)
	250-year loss	(777)	(1,277)

Previous years confirm our reliable planning of nat-cat budget

Δ nat-cat losses vs. budget in % of NPE



All numbers as % of net premium earned and as reported; 2021 and 2020 numbers include Covid-19 impact; Peers: Munich Re, Swiss Re, SCOR

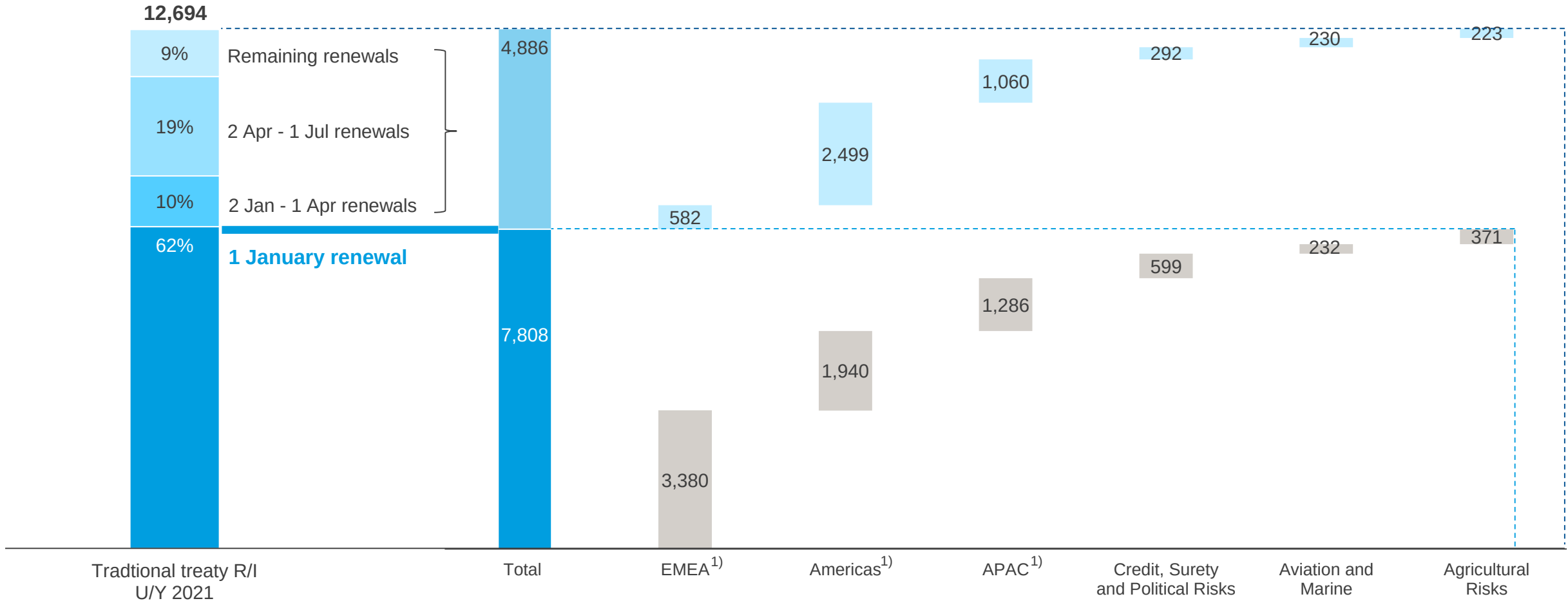
1) Standard deviation

	Δ average nat-cat losses vs. budget	Volatility ¹⁾
<i>hannover re</i> [®]	(0.1%)	3.9%
Peers	3.2%	7.6%

- On average, Hannover Re stays within nat-cat budget
- Lower volatility of nat-cat budget utilisation by Hannover Re compared to peers

38% of traditional treaty reinsurance comes up for renewal later in a favourable market environment

Estimated premium income U/Y by regions



All figures in m. EUR

1) All lines of business except those stated separately

Risk-adjusted price increase of 4.1% supported growth in most regions and lines of business

Reporting lines	Traditional treaty reinsurance			
	Premium 1/1/2021	Premium 1/1/2022	Premium changes	Price changes
EMEA ¹⁾	3,380	3,712	+9.8%	+5.3%
Americas ¹⁾	1,940	2,075	+7.0%	+5.0%
APAC ¹⁾	1,286	1,392	+8.2%	+1.4%
Credit, Surety and Political risks	599	666	+11.2%	+1.3%
Aviation and Marine	232	234	+0.8%	+5.2%
Agricultural Risks	371	381	+2.6%	+2.0%
Total 1 January renewals	7,808	8,460	+8.3%	+4.1%

Premium estimates in m. EUR

1) All lines of business except those stated separately (excl. Structured R/I and ILS as well as Facultative R/I)

Satisfactory renewal in both treaty types

6.1% risk-adjusted rate increase in non-proportional business

Reporting lines	Proportional			Non-proportional		
	Premium 1/1/2022	Premium changes	Price changes	Premium 1/1/2022	Premium changes	Price changes
EMEA ¹⁾	2,750	+7.9%	+5.1%	961	+15.8%	+6.1%
Americas ¹⁾	912	+0.9%	+4.3%	1,163	+12.3%	+5.6%
APAC ¹⁾	1,280	+7.0%	+1.3%	112	+25.1%	+3.1%
Credit, Surety and Political risks	555	+10.9%	-0.1%	111	+12.5%	+8.8%
Aviation and Marine	92	-5.6%	+2.1%	142	+5.4%	+7.5%
Agricultural Risks	340	+3.1%	+0.4%	41	-1.5%	+14.6%
Total 1 January renewals	5,929	+6.3%	+3.4%	2,530	+13.5%	+6.1%

Premium estimates in m. EUR

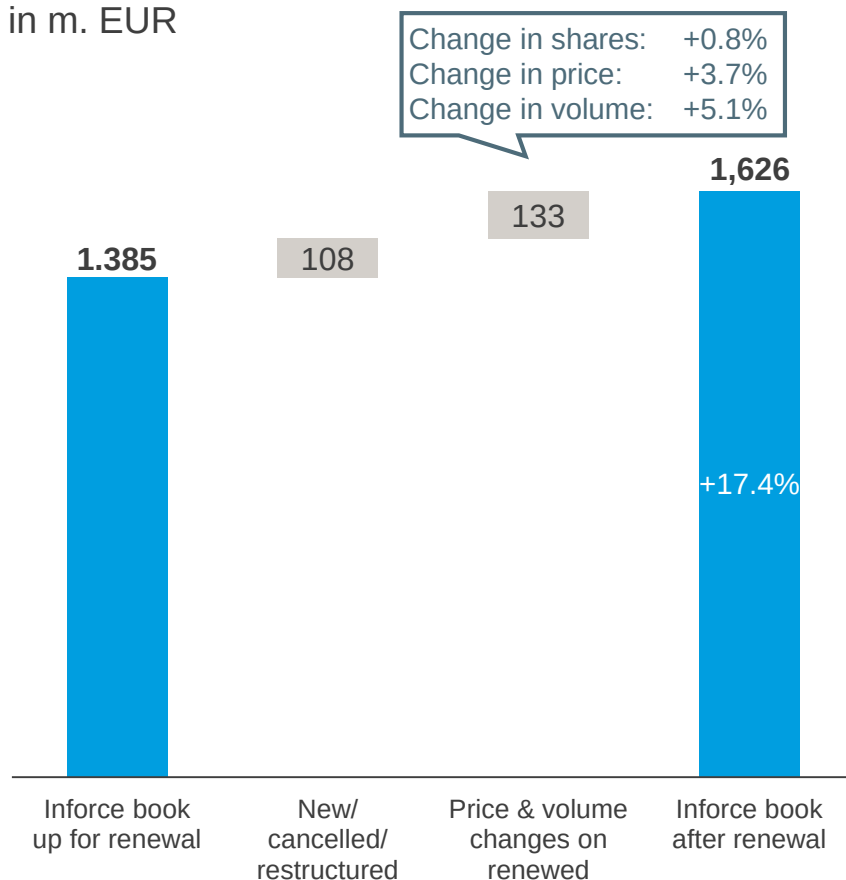
1) All lines of business except those stated separately (excl. Structured R/I and ILS as well as Facultative R/I)

Positive renewal trends lead to continued premium growth

Risk-adjusted overall price increase of 3.7%

2 Jan - 1 Apr 2022

in m. EUR



Americas¹⁾

- Stable reinsurance terms and conditions with low single-digit risk-adjusted rate increases for loss-free nat-cat business
- High demand in cyber; growth driven by significant rate increases, limited exposure growth

APAC¹⁾

- Overall premium growth of up to 30% depending on region and class of business, mainly driven by Southeast Asia. Considerable hardening in Malaysia after recent flood losses
- Despite sufficient capacity, single-digit rate increases in the Japanese market

Aviation & Marine

- Overall pricing development remains positive in aviation
- Pronounced rating improvements in respect of the Protection & Indemnity marine line
- New business opportunities from all geographies at satisfactory pricing

Agricultural Risks

- Stable renewals and attractive pipeline

Underwriting year figures at unchanged f/x rates (31 December 2021)

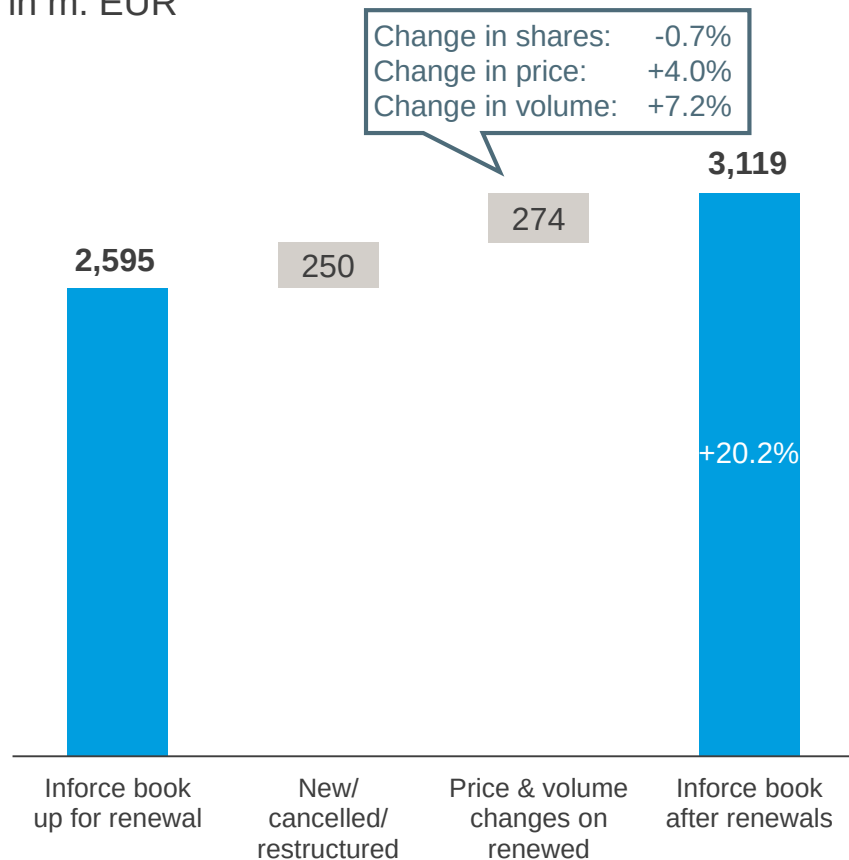
1) Excluding specialty business mentioned separately

Continued high demand for Hannover Re security

Risk-adjusted price increase of 4%; thereof non-proportional 5.5%

2 Apr - 1 Jul 2022 P&C renewals

in m. EUR



Americas¹⁾

- Primary pricing trends continue to improve taking inflation into account
- Property remains attractive due to underlying price increases and improved terms for loss-affected programs, resulting in higher margin expectations
- Standard Casualty and Regional business remained stable with further rate improvements, plus some additional shares at attractive reinsurance terms and conditions
- Overall, significant premium growth on the back of a hardening market

Australia¹⁾

- Considerable hardening of property market with rates increasing and capacity withdrawing
- Casualty rates up 5-6% despite good results, riding off the back of the property renewals
- Substantial premium increase due to new business and price hardening

Asia¹⁾

- Property growth observed in most emerging markets impacted by inflation of insured values

Credit & Surety

- Stable reinsurance limits and wordings
- Inflation, appreciation of the USD vs EUR and some organic growth pushing premium up

Underwriting year figures at unchanged f/x rates (31 December 2021)

1) Excluding specialty business

Agenda

1	Hannover Re Group	2
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We are somewhat different

Undogmatic

We have an undogmatic approach

- Strong entrepreneurial spirit
- Appetite to innovate industry solutions

Life & Health reinsurance

somewhat different

Responsive

We are committed to time to market & responsiveness

- Rapid decision-making processes
- In-depth knowledge of local markets

Efficient

We foster an efficient organisational set-up

- >1,100 experts in 26 offices on all continents
- Highly empowered and qualified staff

Flexible

We are a highly flexible business partner

- Tailor-made services and solutions
- Ability to anticipate market and client demands

Life & Health: Strategy

Support our clients in optimizing consumer experience and risk segmentation

- Deepen data analytics expertise in combination with artificial intelligence
- Widen data analytics service offering, including third-party data
- Expand partnerships: consumer experience & digitalisation of sales channels
- Enhance lifestyle & wellness product propositions

Provide our clients with tailored risk-transfer solutions beyond core expertise

- Select appropriate partners to address investment, biometric & expense risk

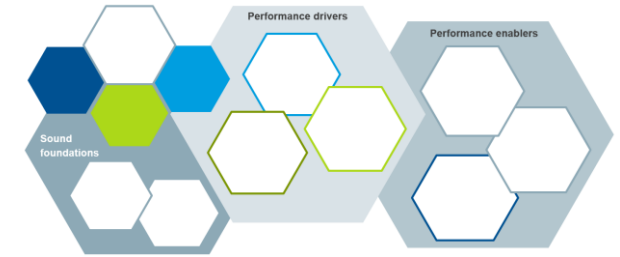


Identify and actively manage value-destroying risks in our portfolio

- Expand inforce management capabilities and activities
- Derive appropriate pricing from lessons learned for new business

Outperforming competition in the fastest growing L&H markets

- Expand our offering in ...
 - Asia
 - Longevity
 - Financial Solutions

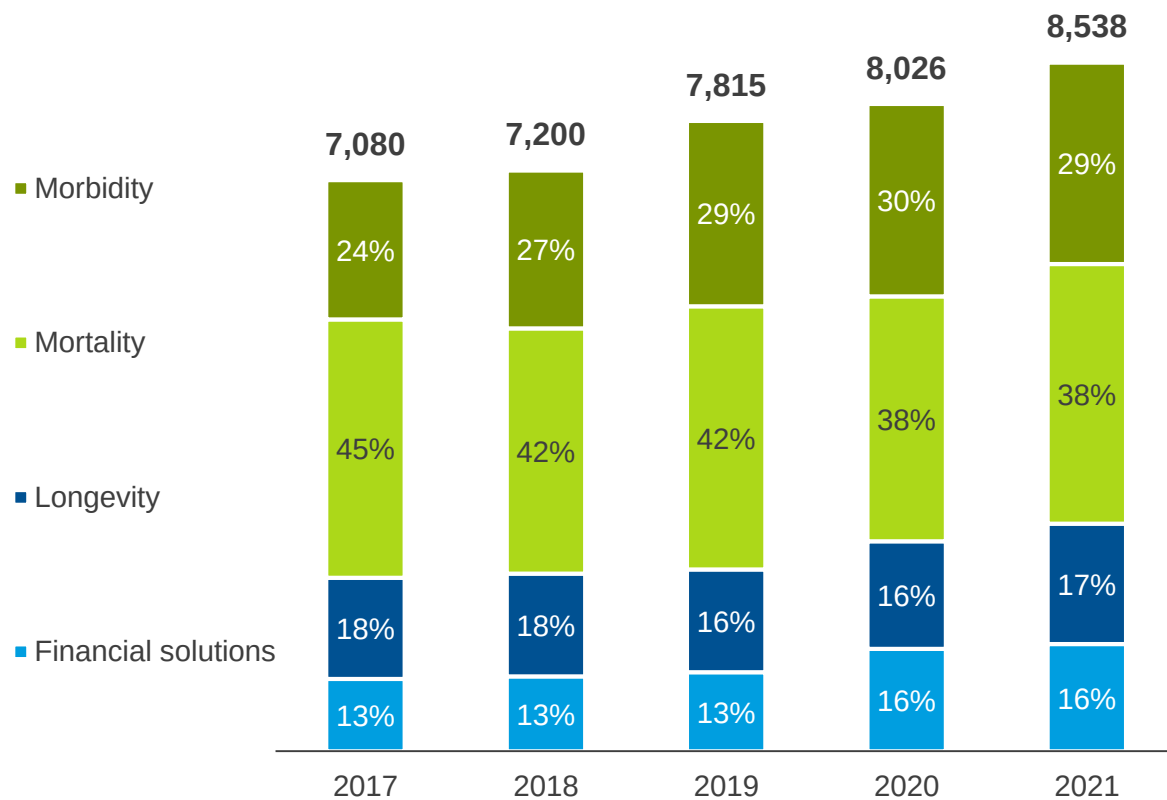


Life & Health reinsurance: diversified growth in line with strategic target

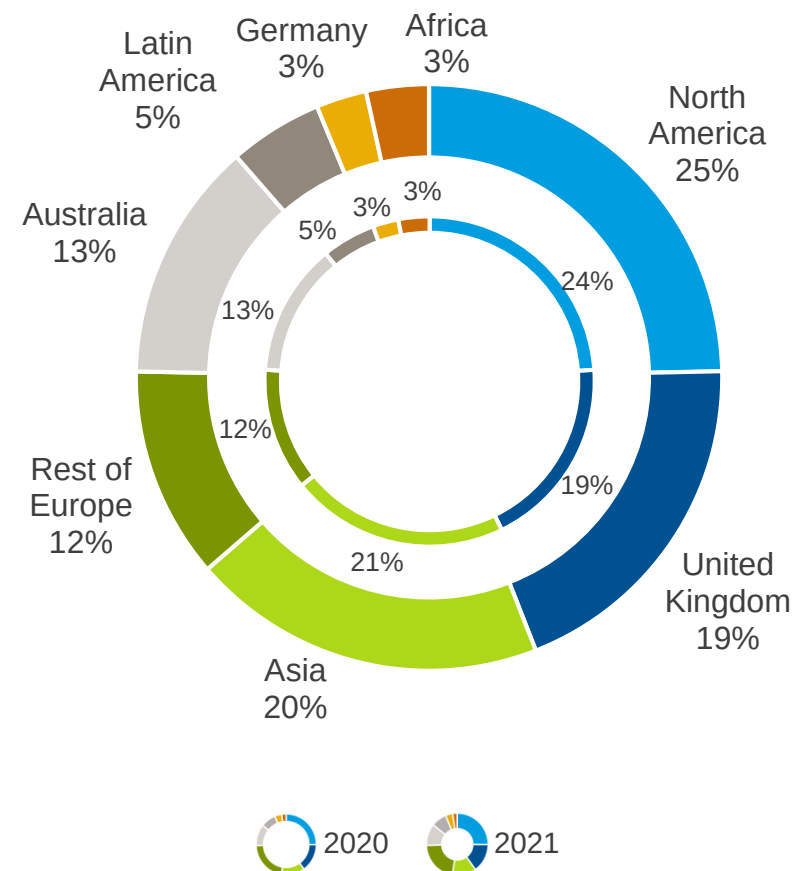
5-year CAGR: +3.6%

GWP split by reporting categories

in m. EUR



Gross written premium split by regions



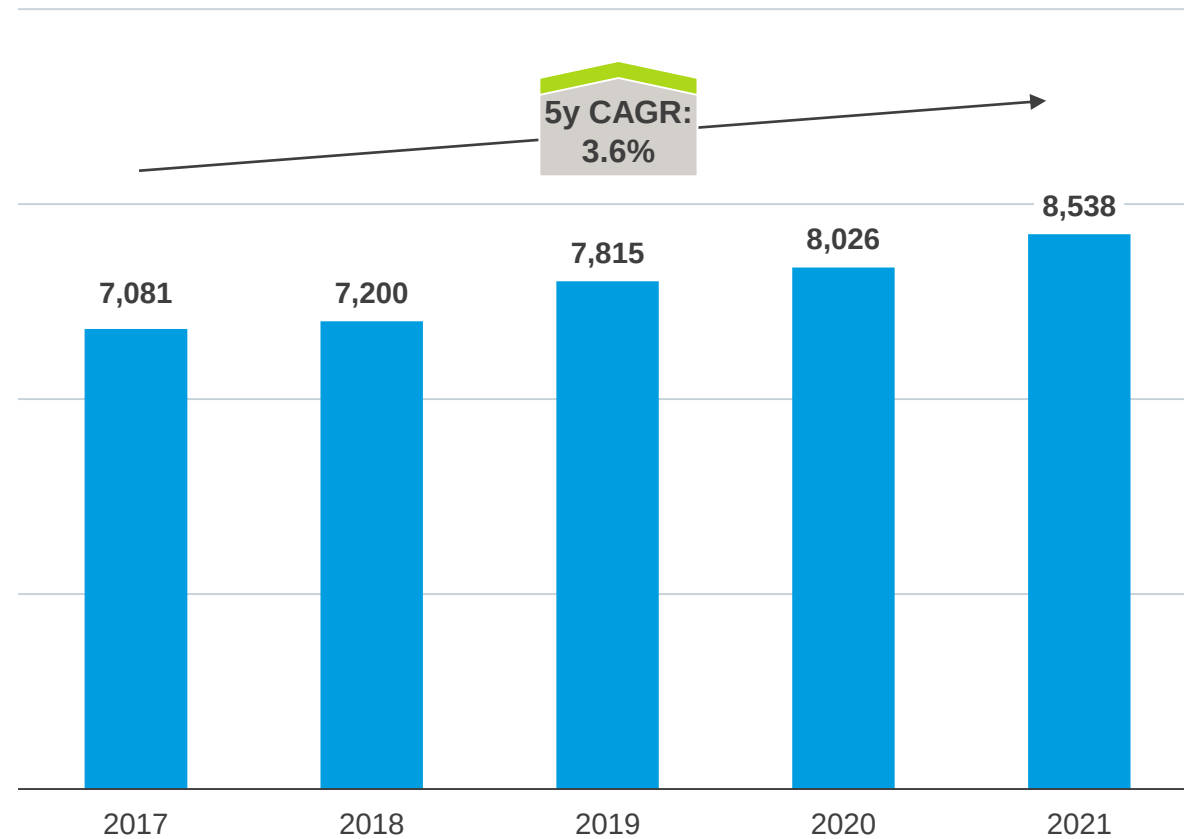
2020 restated pursuant to IAS 8

Favourable premium growth

2021: result impacted by Covid-19 losses – strong earnings in Financial Solutions

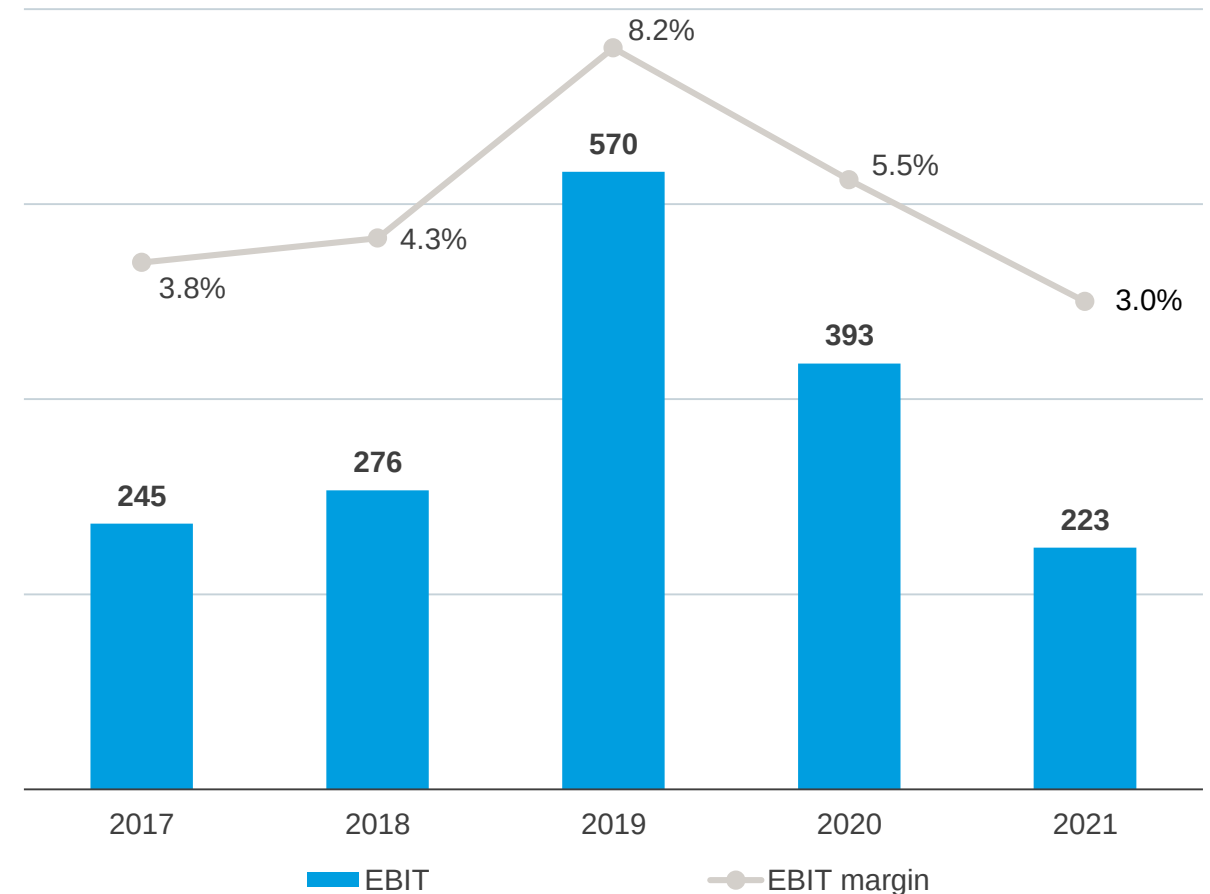
Gross written premium

in m. EUR



EBIT/EBIT margin

in m. EUR

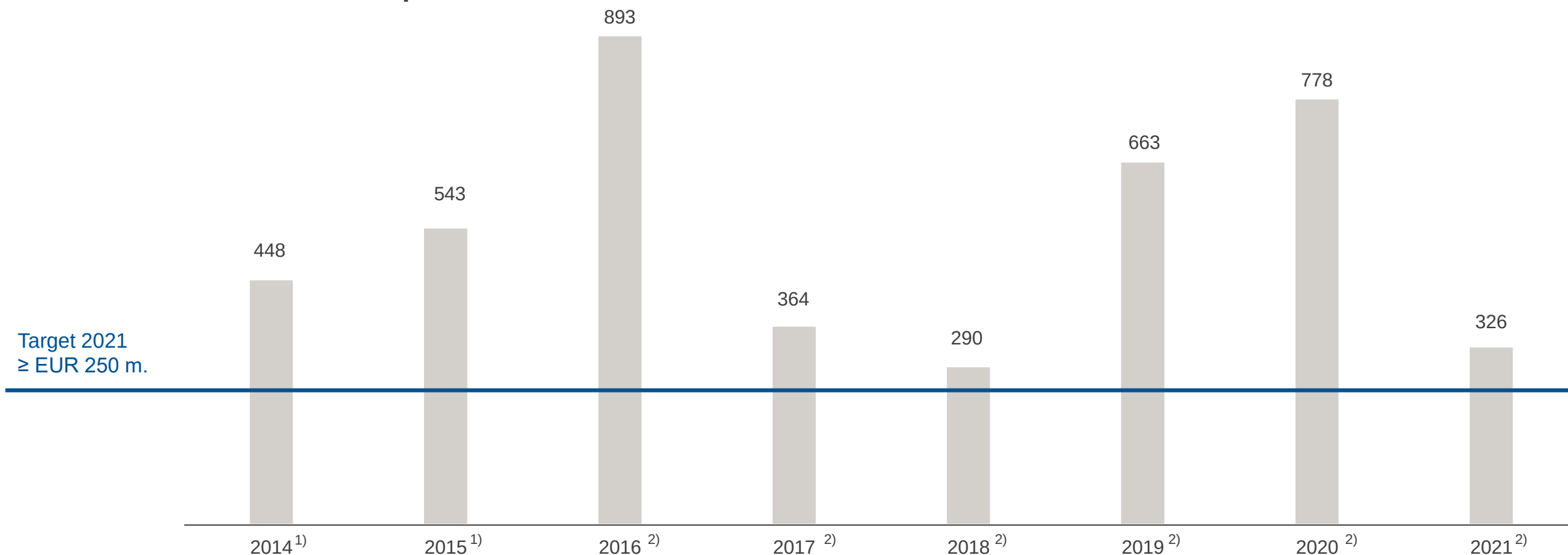


Value of New Business well above target

Mainly driven by Financial Solutions and Longevity business

Value of New Business development

in m. EUR



1) Based on MCEV principles and post-tax reporting (in 2015 cost of capital already increased from 4.5% to 6% in line with Solvency II)

2) Based on Solvency II principles and pre-tax reporting

Writing attractive traditional life & health business

Whilst positioning ourselves for sustainable growth with a clear strategic focus

Risk Solutions

Provide terms and capacity
for all types of technical risks

Financial Solutions

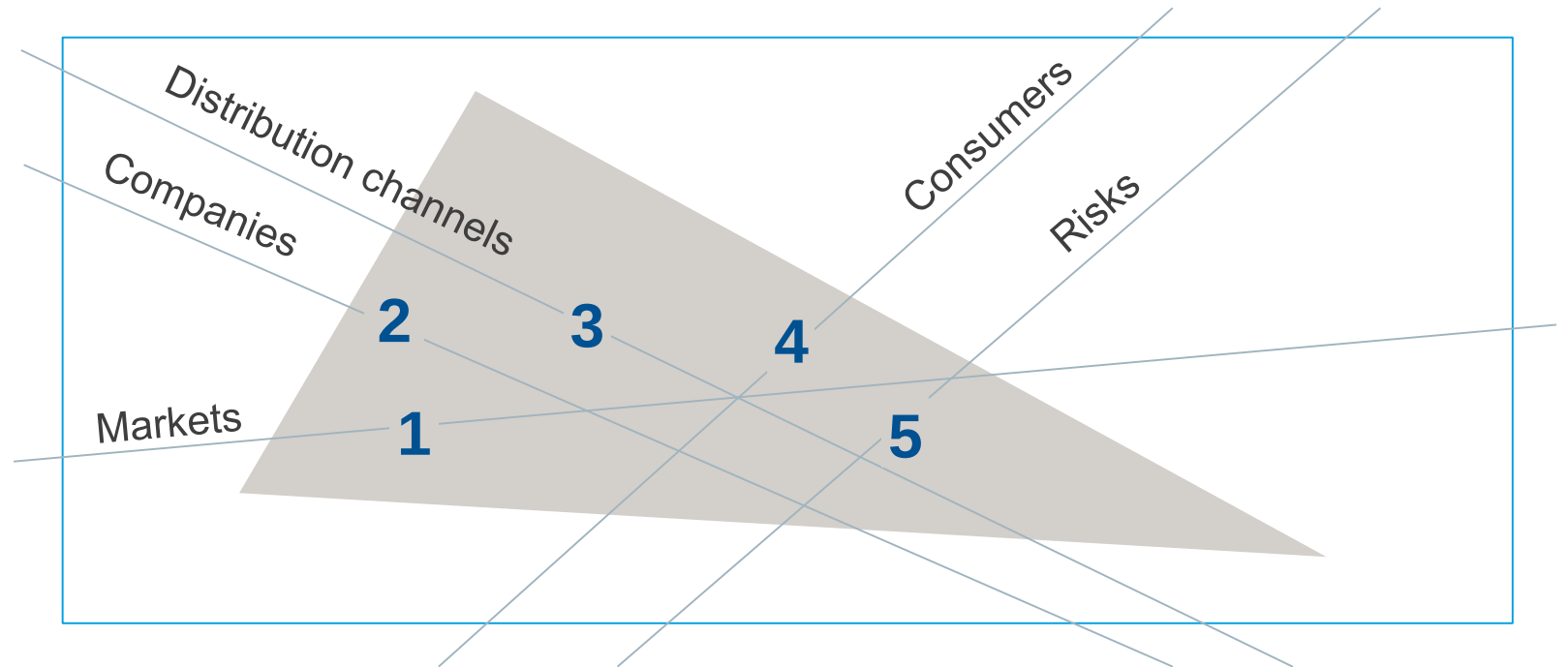
Achieve financial objectives
for our clients

Reinsurance Services

Meet the individual
needs of our clients

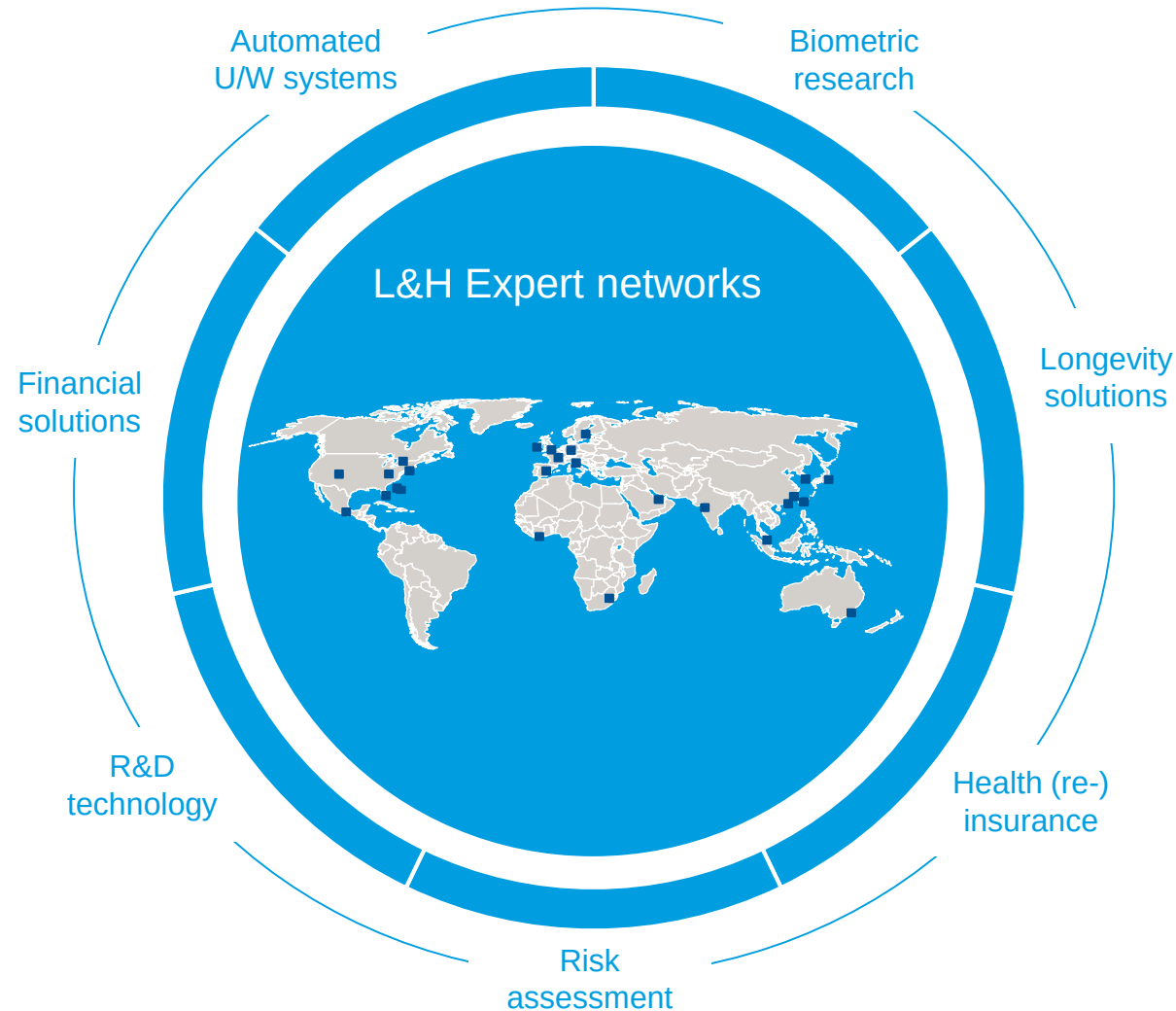
Our strategic focus

- 1 High growth markets
- 2 Companies in transition
- 3 Alternative distribution channels
- 4 Underserved consumers
- 5 Hard-to-quantify risks



□ Reinsurance universe ▲ Positive economic value expected

Our clients are served in the markets by our network of offices and by our solution-orientated expert networks



Complete offerings

Risk and financial solutions & services

Risk Solutions Competitive terms and appropriate capacity for technical risks	
Mortality	Longevity
Morbidity Health Disability	
Long Term Care	Critical Illness

Profitability depends largely on the underlying biometric risks

Financial Solutions Structured agreements to achieve certain financial objectives
New Business Financing
Reserve & Solvency Relief
Embedded Value Transaction

Profitability is less likely to be affected by the underlying biometric risks

Reinsurance Services Comprehensive range geared towards individual needs	
Products	Processes
Biometrics	Risk Assessment
Underwriting Systems	

Only in combination with risk solutions and/or financial solutions

Example risk solution: mortality & longevity

Risks

Mortality

Risk of paying more death benefits than expected

Longevity

Risk of paying annuities longer than expected

Trigger



Longevity: enhanced annuities¹⁾

Illustration: 50k single premium; male 65; 3% interest

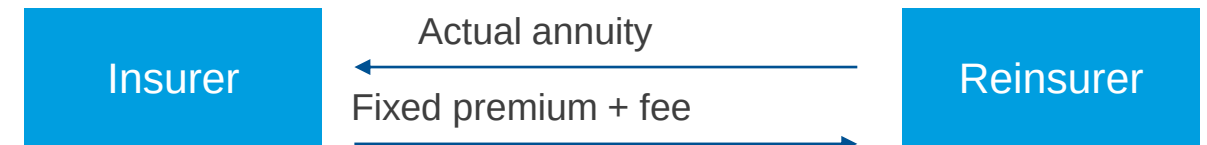
Status of health →	Healthy	Obesity	Diabetes	Cancer
Annuity increase →	+0% (standard)	+9%	+23%	+85%
Monthly annuity →	244	267	300	452

Longevity: risk transfer



Lifelong annuity

no investment participation



1) Allows people in ill health to receive a higher regular income in recognition of the fact that they, on average, have a shorter life expectancy than a healthy person

Example risk solution: morbidity - critical illness

Morbidity

Risk of experiencing a higher claims burden from traditional health, critical illness, long-term care, and disability covers

Product: Critical illness insurance



Helps consumers to protect their life quality in case of a life-threatening disease



Payment



Income protection/medical insurance
Payment of claim incurred

Critical Illness
Payment of lump sum insured

Hannover Re's contribution



- + Coverage of > than 160 diseases
- + Design, pricing & claims assessment
- + Advice & training in underwriting risks
- + Track record as innovator in the market

Example: services offered with risk and/or financial solutions



Products

Innovative, e.g. products with little or no underwriting



Processes

Lean, e.g. distribution directly to individuals, without advisers



Biometrics

Cover of death, disease or disability risks at an appropriate cost



Risk assessment

Support for proper medical & claims assessment



U/W systems

hr | Quirc, hr | ReFlex or hr | Ascent

Primary differences between L&H and P&C business

Simplified illustration

Accounting considerations (premium)

Single



Recurring

IBNR reserve impact

Low



High

Involvement of brokers

Low



High

Number of competitors

Few



Many

Number of reinsurer participating in one treaty

Few



Many

Premium margin as meaningful benchmark

Low



High

Reinsurance contract terms

Short term



Long term

Saving component in premium

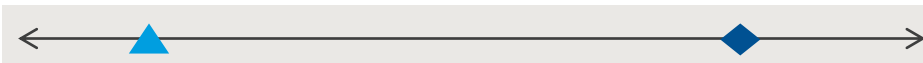
None



Common

Share of proportional business

Low



High

Property & Casualty business ▲ Life & Health business ◆

Takeaways for the Life & Health Business Group

1

Business

All lines of life, health & annuities

2

Focus

Biometric risks not asset risk

3

Relationship

Long term due to very long run-off

4

Service

An important component

5

Premium

Not the only meaningful benchmark → EBIT

6

Financial solutions business

Key driver of earnings

Agenda

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Strong operating cash flow driven by premium growth

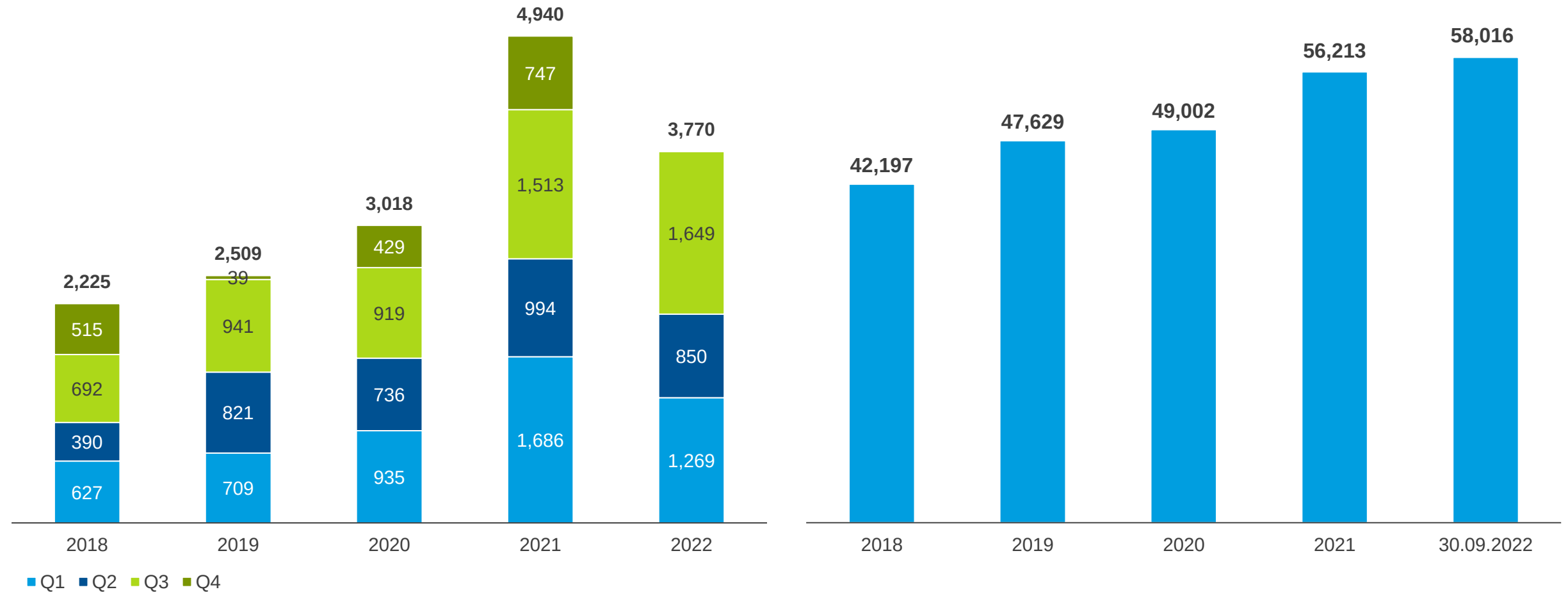
AuM +3.2%, cash flow and stronger USD offset impact of rising interest rates

Operating cash flow

in m. EUR

Assets under own management (AuM)

in m. EUR



Good net investment income in a volatile market environment

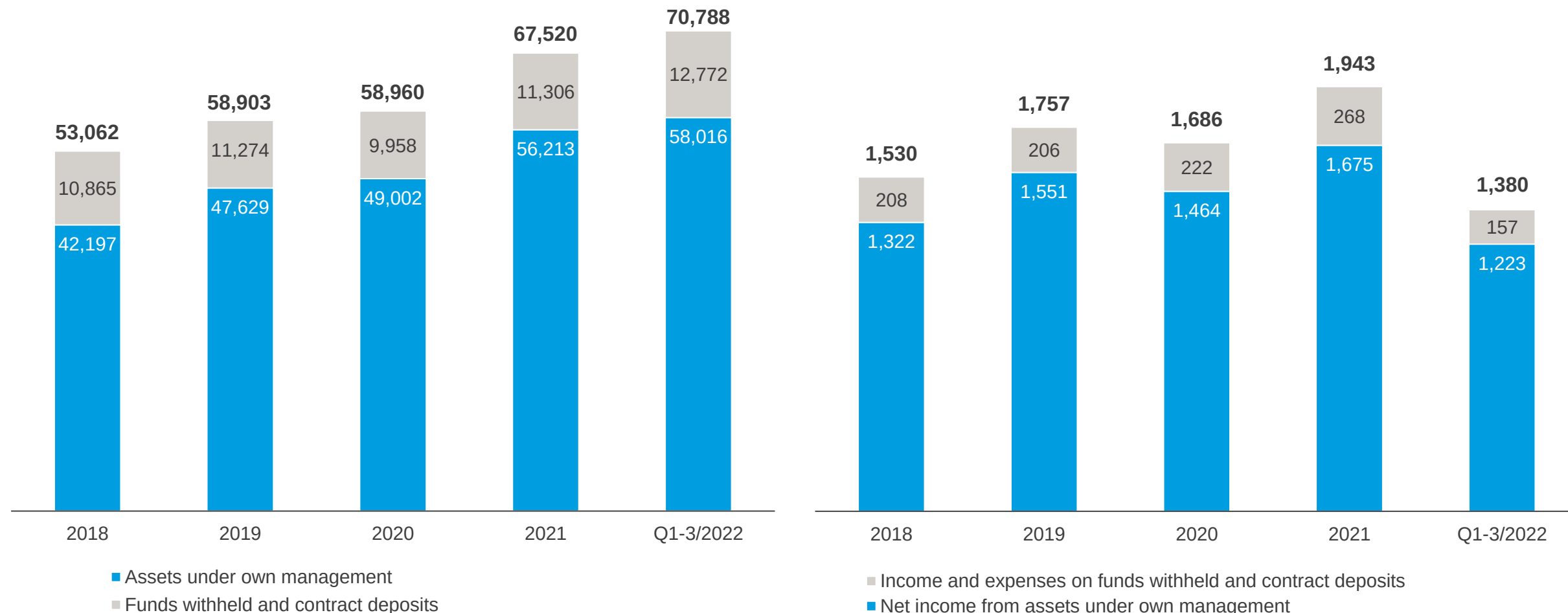
Assets under own management at EUR 58 bn.

Total investments

in m. EUR

Investment income

in m. EUR



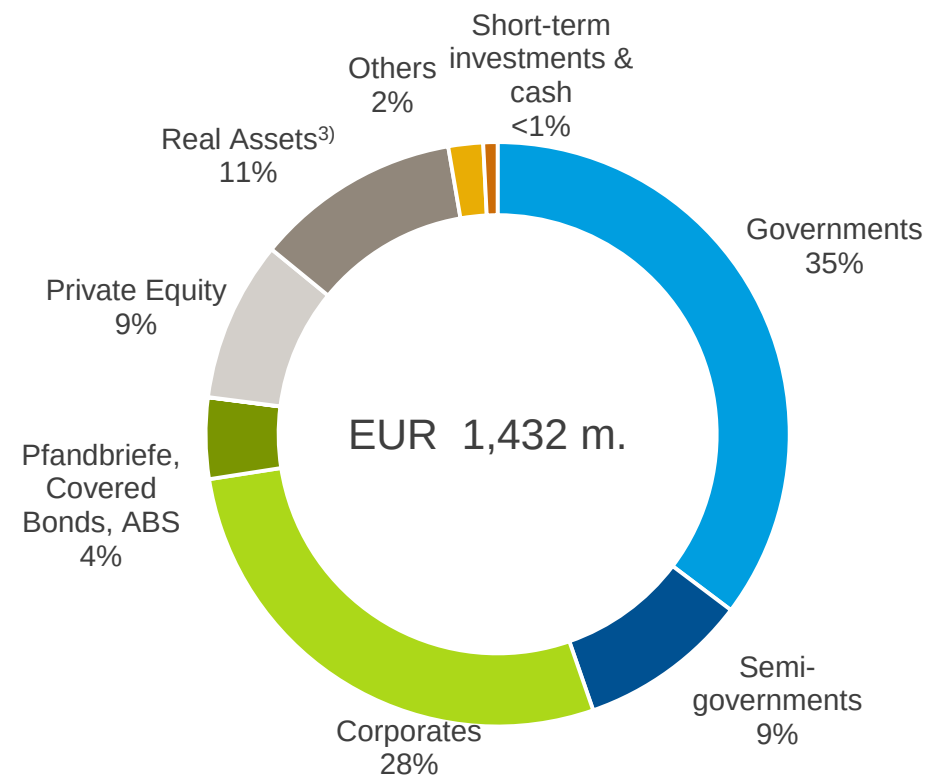
Ordinary income with increased return from government bonds

Rather stable asset allocation with defensive credit risk taking since beginning of year

Asset allocation¹⁾

Investment category	2018	2019	2020	2021	Q3/2022
Fixed-income securities	87%	87%	85%	86%	83%
- Governments	35%	35%	34%	34%	36%
- Semi-governments	16%	15%	15%	14%	13%
- Corporates	29%	31%	30%	32%	27%
Investment grade	25%	26%	25%	28%	23%
Non-investment grade	4%	4%	4%	4%	4%
- Pfandbriefe, Covered bonds, ABS	7%	7%	6%	6%	6% ²⁾
Equities	2%	3%	3%	4%	4%
- Listed equity	>0%	>0%	1%	1%	>0%
- Private equity	2%	2%	3%	3%	4%
Real Assets	6%	5%	5%	5%	7%
Others	1%	2%	3%	2%	3%
Short-term investments & cash	4%	3%	3%	3%	5%
Total market values in bn. EUR	42.7	48.2	49.8	56.2	58.5

Ordinary income split



1) Economic view based on market values without outstanding commitments for Private Equity and Alternative Real Estate as well as fixed-income investments of EUR 1,951.0 m. (EUR 1,588.2 m.) as at 30 September 2022

2) Of which Pfandbriefe and Covered Bonds = 58.7%

3) Before real estate-specific costs. Economic view based on market values as at 30 September 2022

High-quality fixed-income book well balanced

Geographical allocation mainly in accordance with our broad business diversification

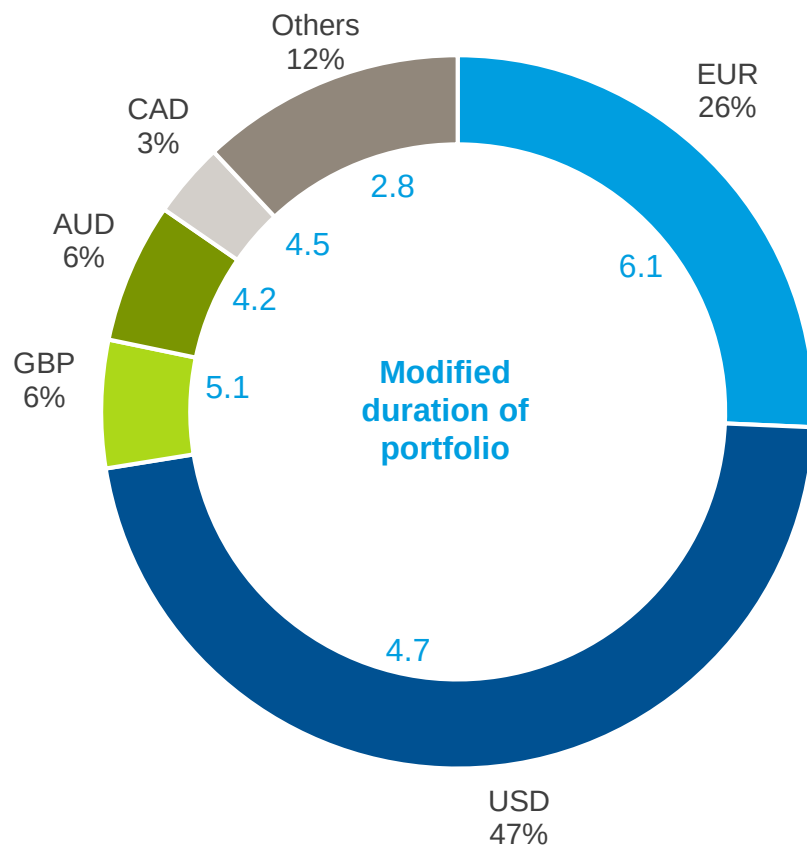
	Governments	Semi-governments	Corporates	Pfandbriefe, Covered bonds, ABS	Short-term investments, cash	Total
AAA	76%	52%	1%	59%	-	47%
AA	10%	23%	10%	13%	-	12%
A	10%	8%	35%	13%	-	18%
BBB	3%	2%	43%	13%	-	17%
<BBB	2%	14%	11%	2%	-	7%
Total	100%	100%	100%	100%	-	100%
Germany	12%	26%	3%	18%	25%	12%
UK	6%	1%	6%	6%	7%	5%
France	2%	1%	6%	8%	1%	4%
GIIPS	0%	3%	5%	8%	0%	3%
Rest of Europe	3%	14%	12%	19%	2%	9%
USA	55%	13%	33%	20%	17%	38%
Australia	2%	18%	6%	5%	5%	6%
Asia	17%	23%	19%	10%	39%	19%
Rest of World	2%	1%	9%	5%	5%	4%
Total	100%	100%	100%	100%	100%	100%
Total b/s values in m. EUR	21,317	7,585	15,264	3,670	2,644	50,480

IFRS figures as at 30 September 2022

Currency allocation matches balance sheet liability profile as much as possible

Duration-neutral strategy intact; lower modified duration as result of yield increases

Currency split of investments



- Modified duration of fixed-income mainly congruent with liability- and capital-driven targets
- GBP's higher modified duration predominantly due to life business

Modified duration

Q3/2022	4.8
2021	5.8
2020	5.8
2019	5.7
2018	4.8

Stress tests on assets under own management

After listed equity liquidation, main focus turns back to credit exposures

Portfolio	Scenario	Change in market value in m. EUR	Change in OCI before tax in m. EUR
Equity (listed and private equity)	-10%	-215	-215
	-20%	-429	-429
Fixed-income securities	+50 bps	-1,226	-1,191
	+100 bps	-2,391	-2,323
Credit spreads	+50%	-1,094	-1,076

As at 30 September 2022

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Our capital structure consists not only of equity

Use of hybrids, securitisations etc. lowers cost of capital and levers RoE

- Equity capital is by far the most expensive form of capital. Therefore, we make optimal use of equity substitutes:
 - Conventional reinsurance/retrocession on an opportunistic basis (i. e. use of other reinsurers' capital)
 - Alternative capital market transactions
 - Hybrid capital

Type	Nominal amount	Issue date	Issue ratings S&P / A.M. Best	First call date	Maturity	Coupon rate
Dated subordinated bond ISIN: XS2320745156	EUR 750 m.	2021-03-22	A / -	2031-12-30	2042-06-30	Until 2032-06-30: 1.375% p. a. and thereafter 2.33% p. a. above 3 months EURIBOR
Dated subordinated bond ISIN: XS2198574209	EUR 500 m.	2020-07-08	A / -	2030-07-08	2040-10-08	Until 2030-10-08: 1.75% p. a. and thereafter 3.00% p. a. above 3 months EURIBOR
Dated subordinated bond ISIN: XS2063350925	EUR 750 m.	2019-10-09	A / -	2029-07-09	2039-10-09	Until 2029-10-09: 1.125% p. a. and thereafter 2.38% p. a. above 3 months EURIBOR
Senior unsecured bond ISIN: XS1808482746	EUR 750 m.	2018-04-18	AA- / -	2028-01-18	2028-04-18	Annually on every April 18: 1.125% p. a.
Undated subordinated bond Format: PerpNC10,8 ISIN: XS1109836038	EUR 500 m.	2014-09-15	A / a+	2025-06-26	Perpetual	Until first call date: 3.375% p. a. and thereafter 3.25% p. a. above 3 months EURIBOR
Dated subordinated bond Format: 30,6NC10,6 ISIN: XS0856556807	EUR 500 m.	2012-11-20	A / aa-	2023-06-30	2043-06-30	Until first call date: 5.00% p. a. and thereafter 4.30% p. a. above 3 months EURIBOR

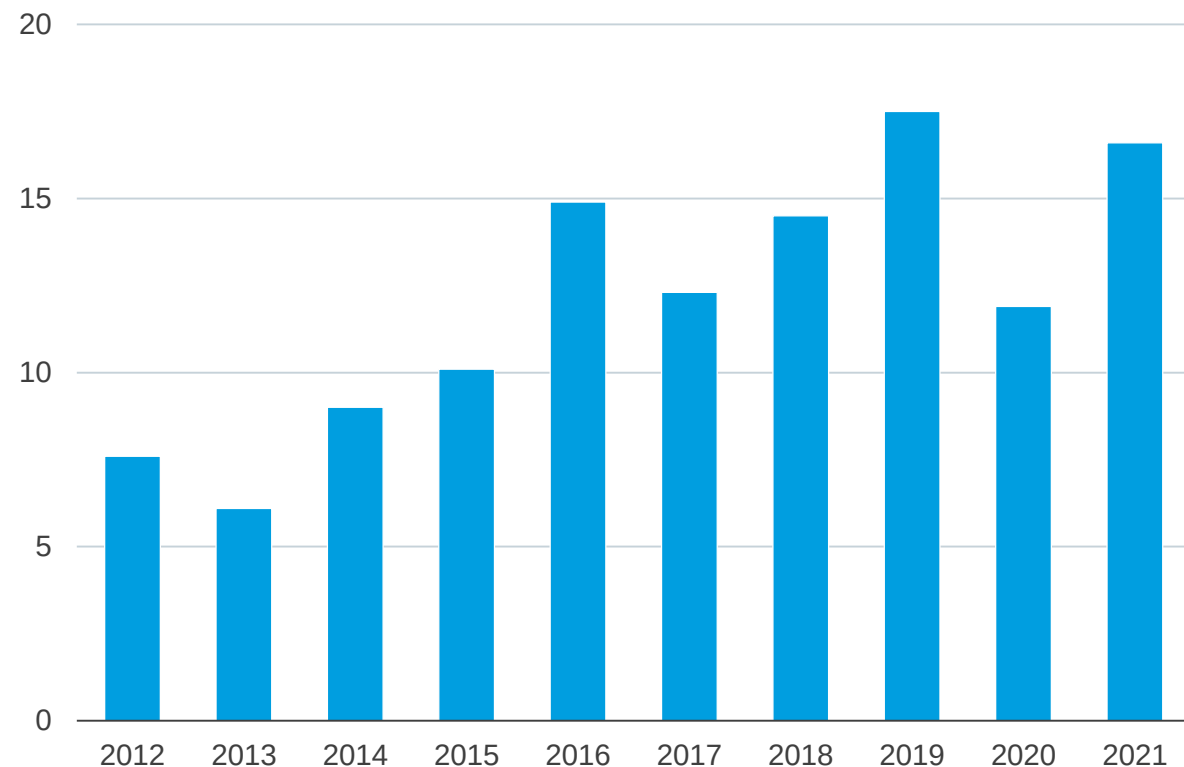
Competitive advantage through low cost of capital (WACC)

Senior bond not recognised as regulatory capital

Leverage ratios support HR's excellent ratings

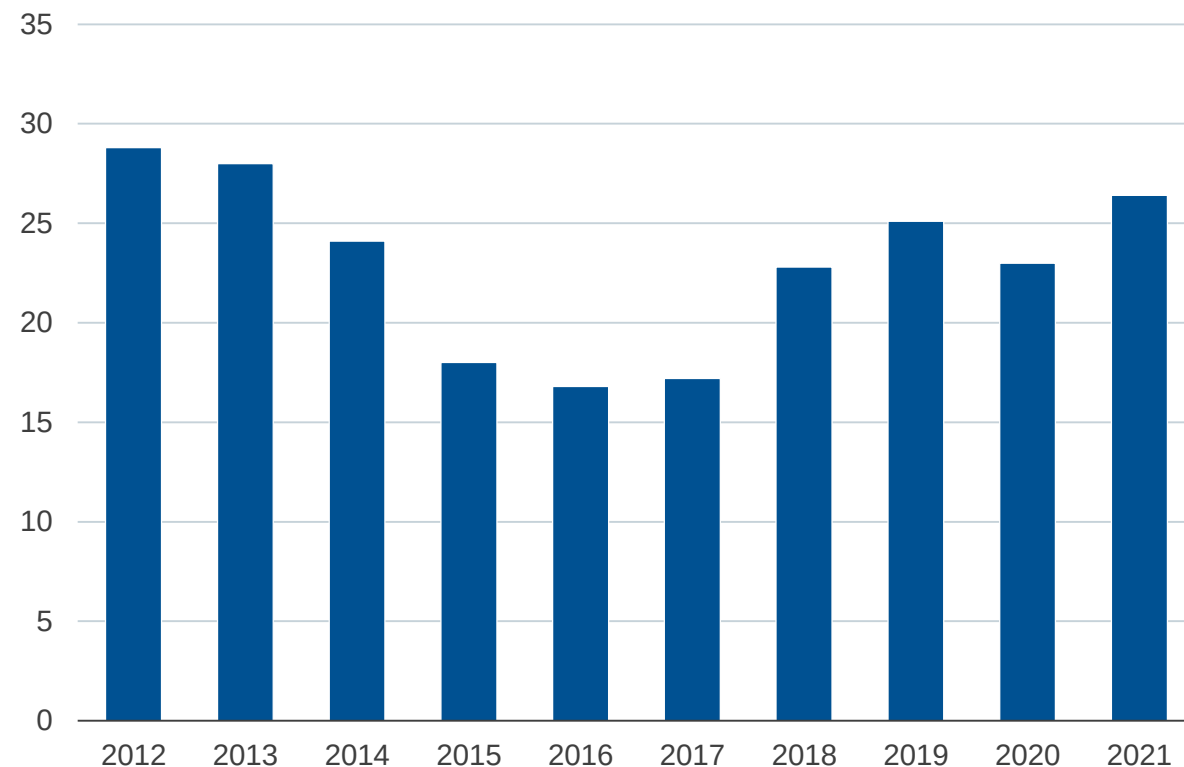
S&P's view on Hannover Re

EBITDA fixed charge coverage (x)¹⁾



Financial leverage²⁾

in %

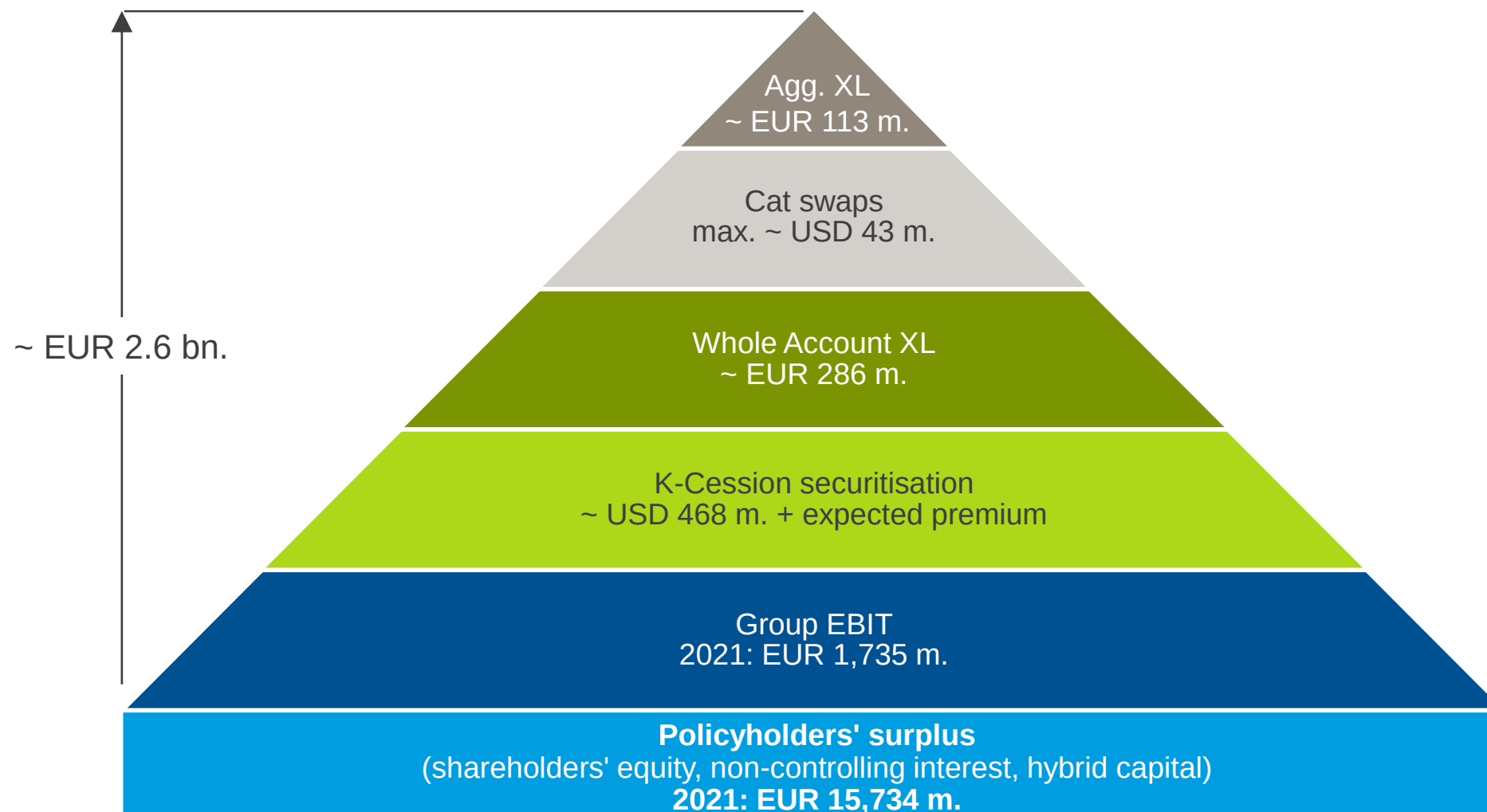


Source: Standard & Poor's rating report of Hannover Re as of 22 August 2022

1) Fixed charge coverage: EBITDA divided by sum of interest expenses and interest on operating lease (S&P definition)

2) Financial leverage: calculated as debt & hybrid capital, pension and operating lease commitments as of economic capital available (S&P definition)

Net risk appetite geared to the desired level with one of the largest retrocession programme in the market



As at March 2022

We pioneered in transferring risks into capital markets via securitisations

Equity Substitutes

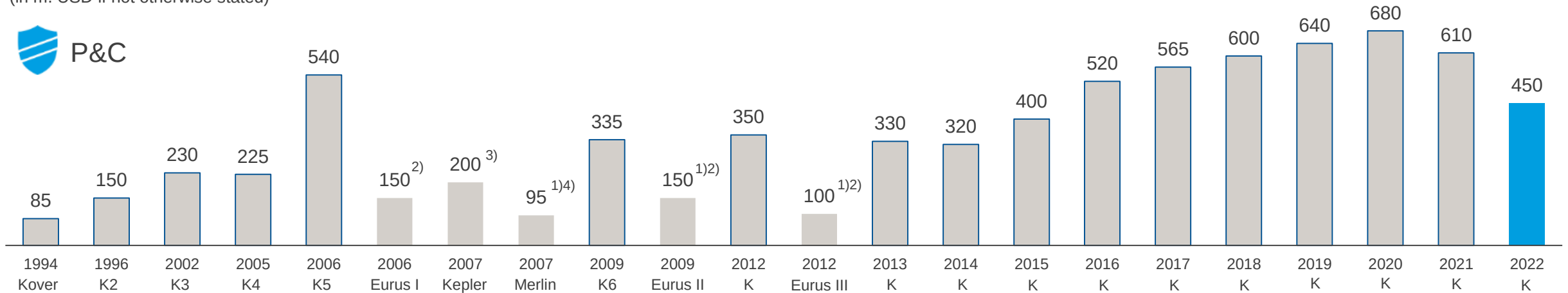
Transactions

(in m. USD if not otherwise stated)

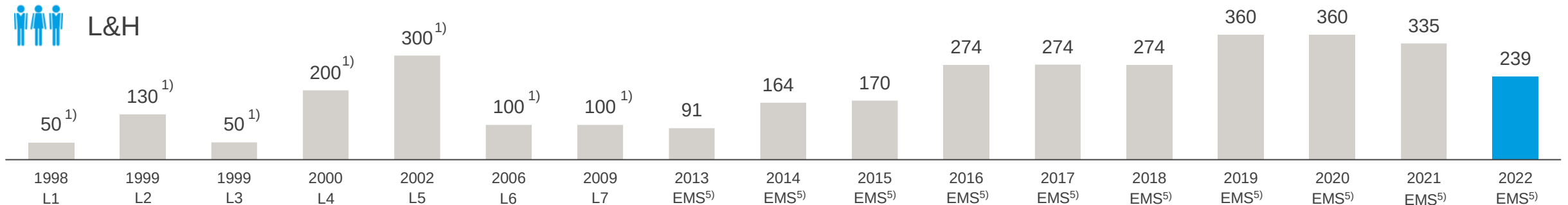
■ Expired transactions ■ On-going transactions ■ Portfolio-linked securitisation (P&C), K-Cessions



P&C



L&H



- 1) In m. EUR
- 2) Index-linked securitisation
- 3) Aggregate XL cover (P&C)
- 4) Credit-linked floating rate note
- 5) EMS = Extreme Mortality Swap

- In **1994** Hannover Re pioneered the first securitisation of natural catastrophe risks (**Kover**) followed by further transactions (K2-K6 & K-Cessions)
- In **1998** we started with the first-ever transfer of acquisition costs from L&H business to the capital market (“L” deals, L1-L7)

Financial strength ratings

Group

General Reinsurance Corp.

Transatlantic Re

Hannover Re

Munich Re

XL Bermuda

Swiss Re

SCOR

Everest Re

Partner Re

Lloyd's

S&P

AA+

AA+

AA-

AA-

AA-

AA-²⁾

AA-²⁾

A+

A+

A+

A.M. Best

A++

A+¹⁾

A+

A+

A+

A+

A+²⁾

A+

A+

A

As at 4 November 2022

1) Under review with positive implications

2) Negative outlook

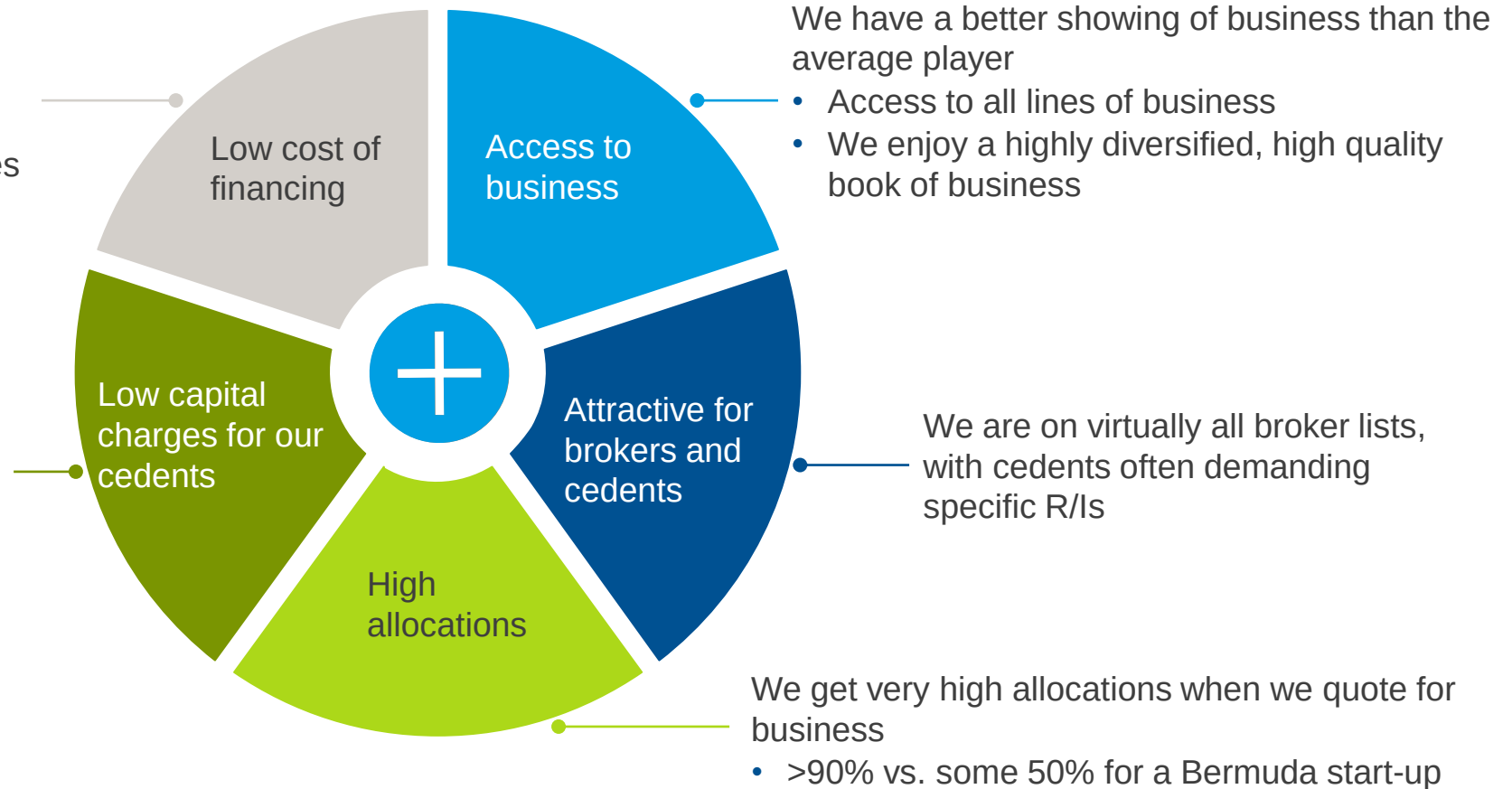
Benefits of an above-average rating

Our cost of financing in the capital markets is lower

- Hybrid bonds trade at tighter spreads
- Better conditions for LoCs and credit lines

We create lower capital charges for our cedents

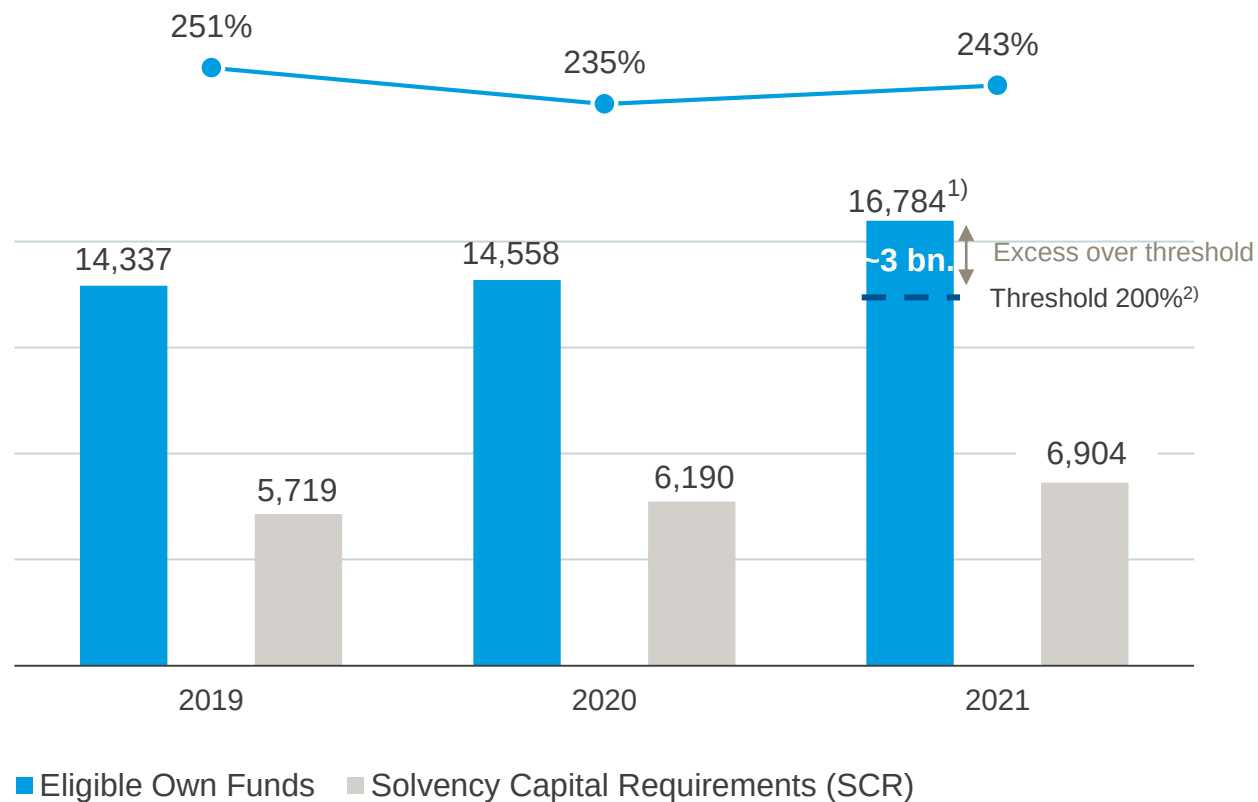
- "AA" range S&P capital charge on reinsurance recoverables = 0.8% ("A" = 1.4%, BBB = 3.1%)
- As an above-average rated R/I, we "minimise" our cedents' cost of capital



Capital adequacy ratio remains well above targets

Increase in SCR driven by business growth and higher asset volumes

Development of the Solvency II ratio

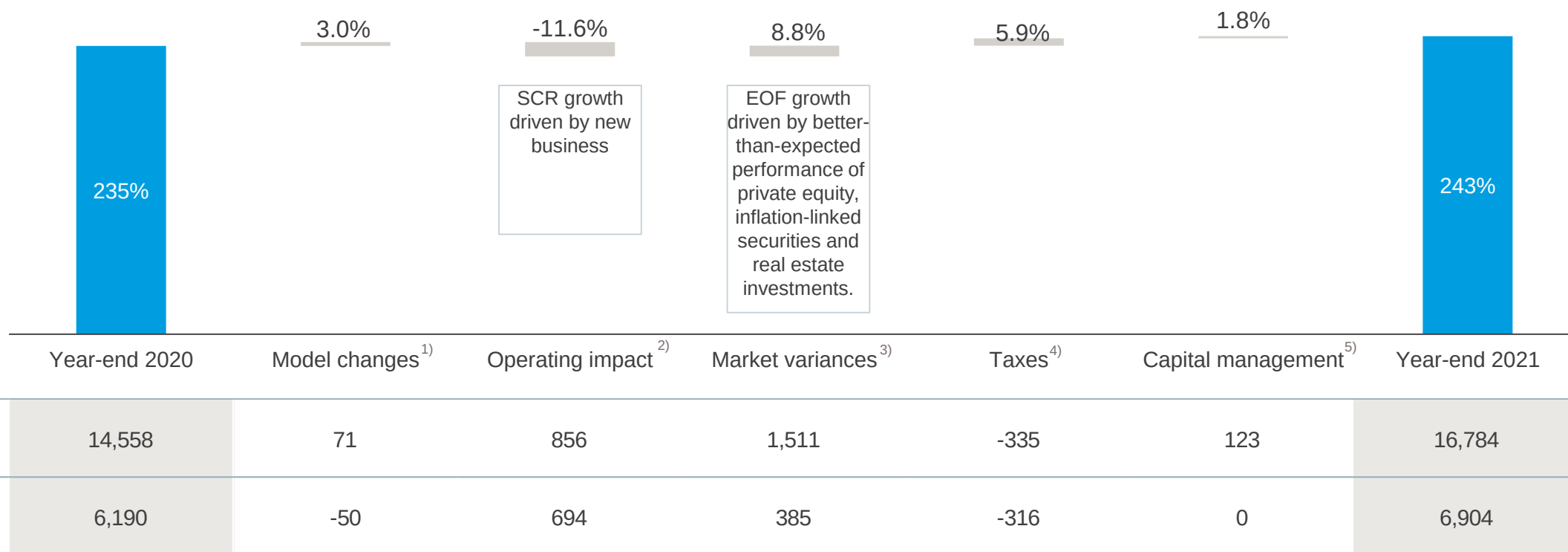


- Increase in eligible own funds due to issuance of new hybrid bond (EUR 750 m.) as well as positive economic impacts and strong operating result
- SCR increased mainly as a result of business growth and higher asset volumes as well as stronger f/x rates compared to EUR
- Increase in excess capital supports further business growth

Strong capital generation in line with overall business growth

Increase in solvency ratio supported by issuance of new hybrid bond

Solvency II movement analysis



Figures in m. EUR.

1) Model changes (pre-tax) in terms of Eligible Own Funds (EOF) relate to the calculation of technical provisions, mainly L&H. Changes in terms of Solvency Capital Requirements (SCR) relate to the regulatory approved internal capital model.

2) Operating earnings and assumption changes (pre-tax). EOF increase includes the L&H new business value of 326 m. EUR.

3) Changes (pre-tax) due to movements in foreign exchange rates, interest rates, credit spreads, inflation (mainly investments) and other financial market indicators.

4) Tax payments and changes in deferred taxes.

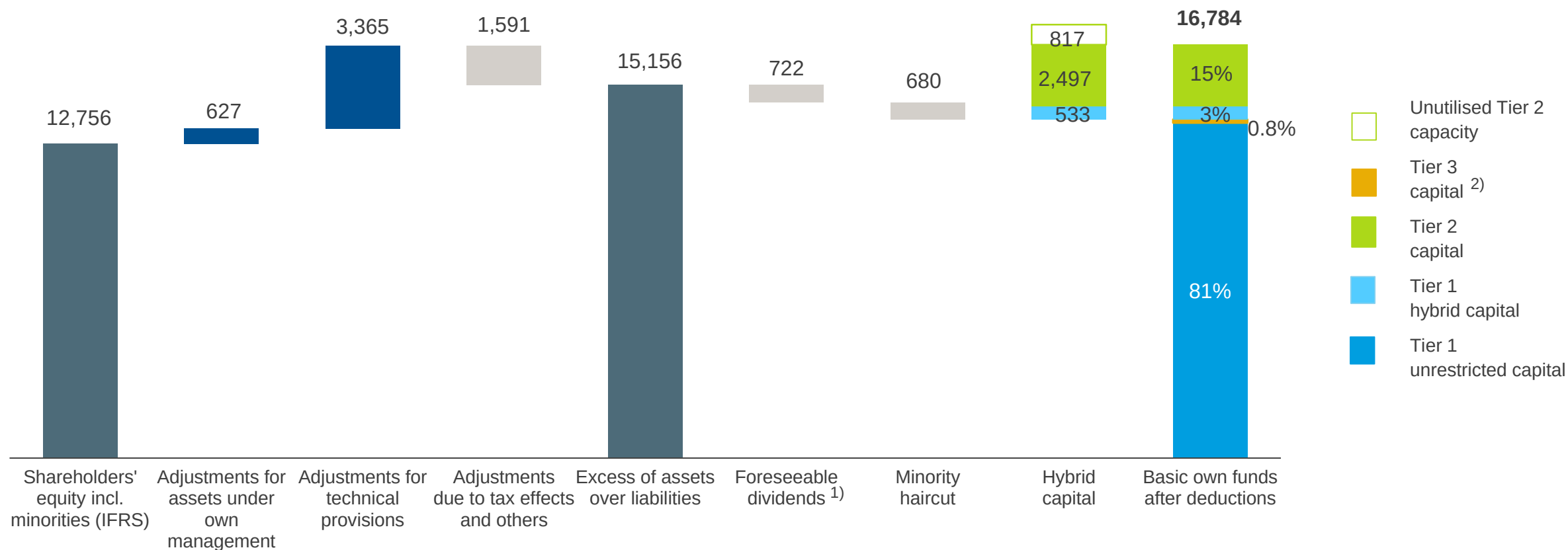
5) Incl. dividend payments and changes in foreseeable dividends and the issuance of a hybrid bond of 750 m. EUR.

High-quality capital base with 82% Tier 1

Unutilised Tier 2 provides additional flexibility

Reconciliation of IFRS Shareholders' equity vs. Solvency II own funds

in m. EUR



As at 31 December 2021

1) Foreseeable dividends and distributions incl. non-controlling interests

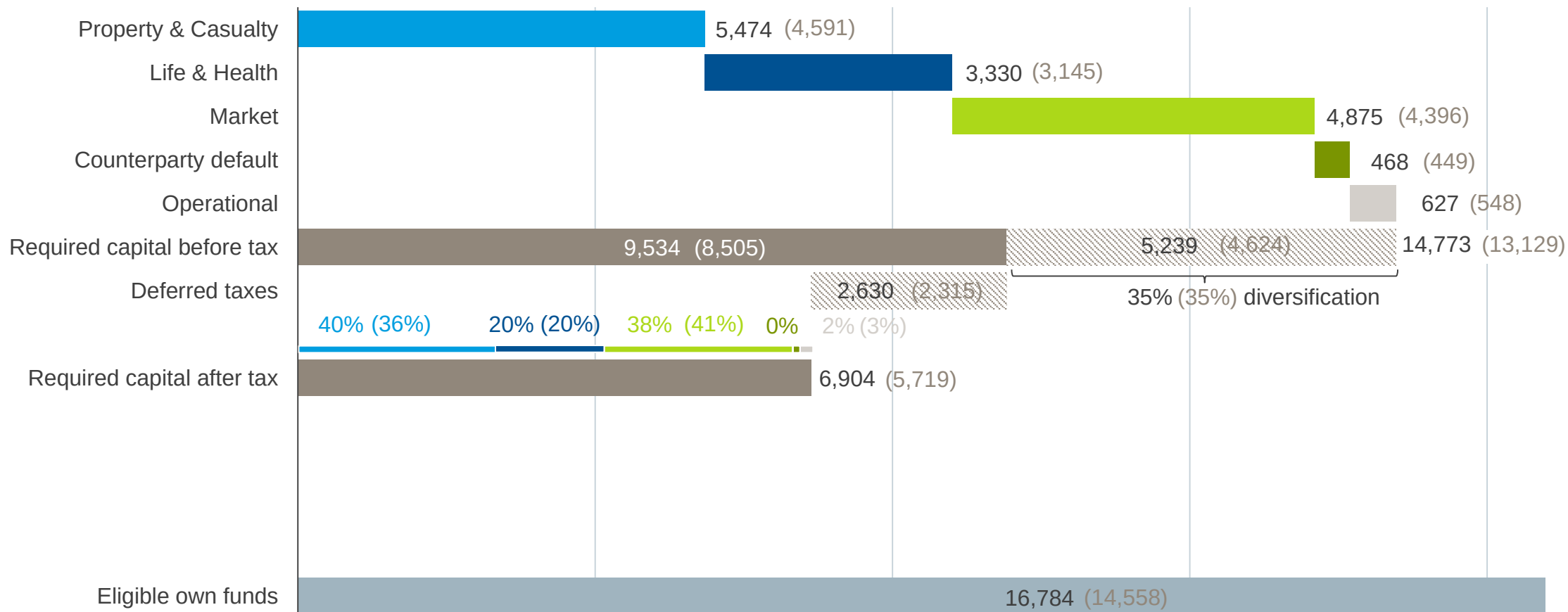
2) Net deferred tax assets

Efficient capital deployment supported by significant diversification

Increase in own funds and capital requirements in line with business growth

Solvency Capital Requirements

in m. EUR



As at 31 December 2021 (2020)
 Solvency capital requirements based on the internal model
 Capital allocation based on Tail Value-at-Risk taking account of the dependencies between risk categories

Hannover Re is well diversified within each risk category and has a well balanced risk profile

Risk capital for the 99.5% VaR (according to economic capital model)

in m. EUR

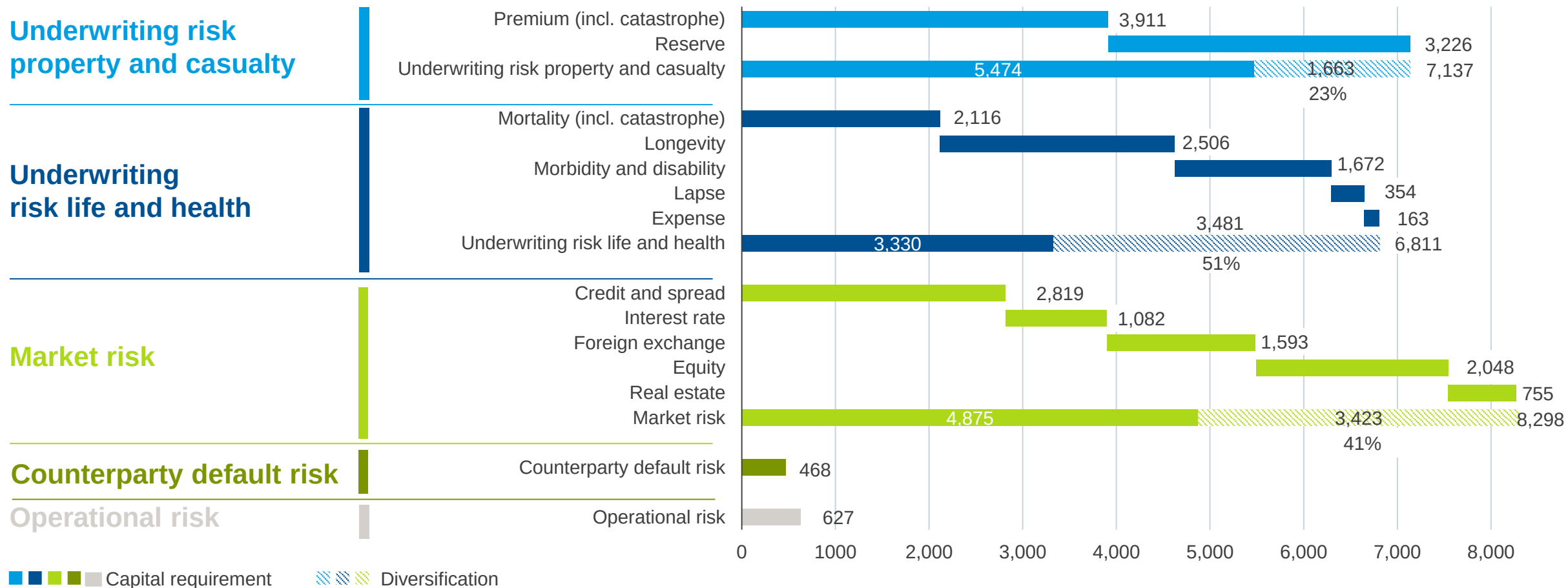
Underwriting risk property and casualty

Underwriting risk life and health

Market risk

Counterparty default risk

Operational risk



As at 31 December 2021

Agenda

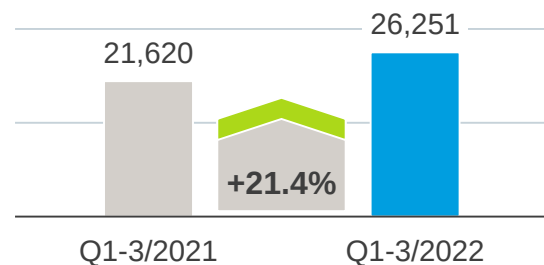
1	Hannover Re Group	2
2	Property & Casualty reinsurance	33
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Group net income target for 2022 remains achievable

Return on equity of 11.5% despite significant loss burden in first nine months 2022

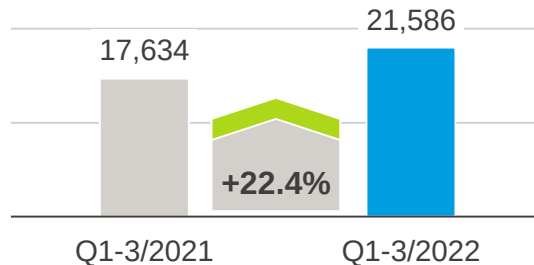
GWP

F/x-adj. +13.5%

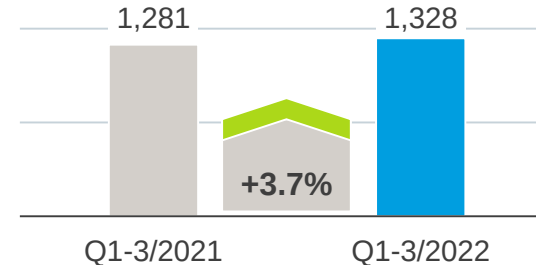


NPE

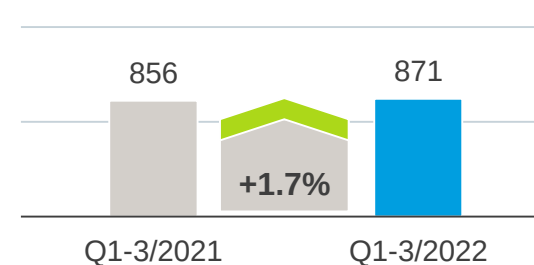
F/x-adj. +14.6%



EBIT



Group net income



11.5%
Return on Equity

above target of 8.8%

EUR 68.42
Book value per share

-30.6%; due to lower OCI

232%
Solvency II ratio

30.09.2022



P&C R/I

C/R: 99.2%

- Strong and diversified premium growth +27.6% (f/x adjusted +18.6%)
- Large losses of EUR 1,484 m. exceeding budget of EUR 1,079 m. (incl. EUR 276 m. for hurricane "Ian")
- Precautionary reserving related to war in Ukraine at EUR 331 m. (1H/2022: EUR 316 m.)
- Negative PYD for large losses
- Covid-19: increased frequency of claims in Asia A&H business, partly offset by reserve releases in Credit



L&H R/I

EBIT: 441 m.

- Moderate premium growth +6.6% (f/x adjusted +1.1%)
- Strong underlying performance, particularly in Financial Solutions and Longevity
- EBIT impacted by
 - declining Covid-19 mortality claims of EUR 228 m. partly offset by positive effect of EUR 97 m. from extreme mortality retro cover
 - Negative effect from reinsurance derivative (EUR -144 m.)



Investments

RoI: 2.9%

- AuM at EUR 58.0 bn. (+3.2%), strong operating cash flow offsets negative effects from asset valuation
- RoI from AuM 2.9%, above target of >2.5%
- Ordinary investment income +30.1%, supported by contribution from inflation-linked bonds, rising reinvestment yields and real estate

Figures in EUR millions, unless otherwise stated

Continued strong growth in an improving pricing environment

Result impacted by loss activity, partly offset by inflation protection

Property & Casualty R/I in m. EUR	Q3/2021	Q3/2022	Q1-3/2021	Q1-3/2022
Gross written premium	5,003	6,562	15,269	19,484
Net premium earned	4,229	5,742	12,076	15,562
Net underwriting result incl. funds withheld	(64)	25	253	121
Combined ratio incl. interest on funds withheld	101.5%	99.6%	97.9%	99.2%
Net investment income from assets under own management	387	340	957	993
Other income and expenses	(40)	(64)	(148)	(227)
Operating profit/loss (EBIT)	283	301	1,061	887
Tax ratio	43.7%	37.3%	26.1%	29.0%
Group net income	147	146	739	545

YTD

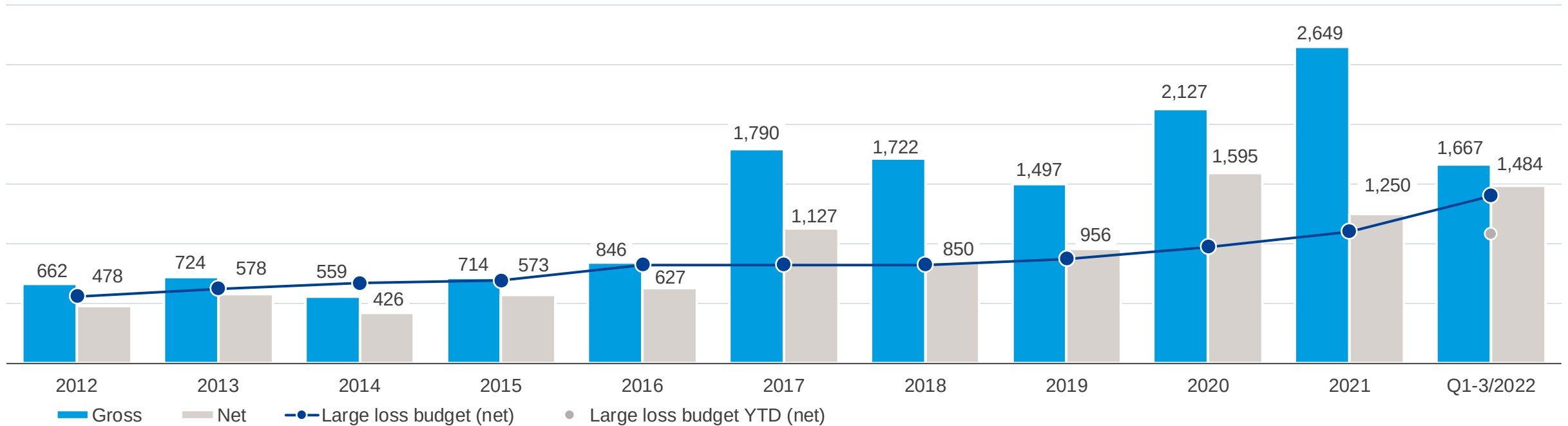
- GWP f/x-adjusted +18.6%, diversified growth from traditional and Structured Reinsurance business
- NPE f/x-adjusted +20.2%
- Net large losses of EUR 1,484 m. (9.5% of NPE) above budget of EUR 1,079 m. for Q1-3/2022
- Precautionary reserving related to war in Ukraine at EUR 331 m. (1H/2022: 316 m.)
- Covid-19: increased frequency of claims in Asia accident & health business, partly offset by reserve releases in Credit, net negative impact of ~EUR 150 m.
- Negative PYD for large losses (e.g. Brazil drought (EUR 130 m.), Texas Freeze and Malaysia Floods)
- Increase in net investment income principally due to strong ordinary investment income, supported by inflation linkers (EUR 301 m.)
- Other income and expenses mainly driven by negative currency effects

Major losses already above full-year budget 2022

EUR 321 m. remains budgeted for large losses in Q4

Natural and man-made catastrophe losses¹⁾

in m. EUR



Natural and man-made catastrophe losses in % of Property & Casualty premium

9%	7%	9%	8%	7%	6%	8%	7%	9%	8%	17%	12%	14%	8%	10%	7%	13%	11%	14%	8%	9%	10%
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Large loss budget (net) in m. EUR

560	625	670	690	825	825	825	875	975	1,100	1,400
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1) Natural catastrophes and other major losses in excess of EUR 10 m. gross

NatCat losses above YTD budget, driven by increased loss activity in Q3

Hurricane “Ian” net loss reflects our modest market share in Florida

Catastrophe losses ¹⁾ in m. EUR	Date	Gross	Net
Storm "Ylenia/Zeynep", Europe	16 - 19 Feb	130.4	114.8
Rain and flood, Australia	21 Feb - 3 Mar	272.5	210.6
Earthquake, Japan	16 Mar	14.0	14.0
Floods, South Africa	8 - 15 Apr	85.5	85.4
Storm / hail, USA	10 - 15 Apr	22.3	10.3
Storm / hail , USA	9 - 12 May	75.4	49.3
Storm, Canada	21 May	15.7	8.7
Tornadoes / hail, USA	27 - 31 May	12.8	9.4
Storm / hail, France	2 - 6 Jun	44.7	33.2
Storm / hail, USA	4 - 7 Jun	14.4	4.5
Storm "Qiara", France	19 - 23 Jun	111.1	84.1
Floods, South Korea	7 - 10 Aug	28.7	28.7
Typhoon "Nanmandol", Japan ²⁾	18 - 19 Sep	64.5	64.5
Hurricane "Fiona", Caribbean, USA, Canada ²⁾	18 - 22 Sep	47.0	43.0
Typhoon "Noru", Philippines ²⁾	25 - 26 Sep	15.0	15.0
Hurricane "Ian", USA ²⁾	27 - 29 Sep	276.0	276.0
16 Natural catastrophes		1,229.8	1,051.4

1) Natural catastrophes and other major losses in excess of EUR 10 m. gross

Large loss budget 2022: EUR 1,400 m., thereof EUR 250 m. man-made and EUR 1,150 m. NatCat

2) Based on own IBNR estimate only (top-down approach); actual gross loss expected to be higher due to retrocession and ILS business

Man-made losses within budget; Russia/Ukraine IBNR unchanged

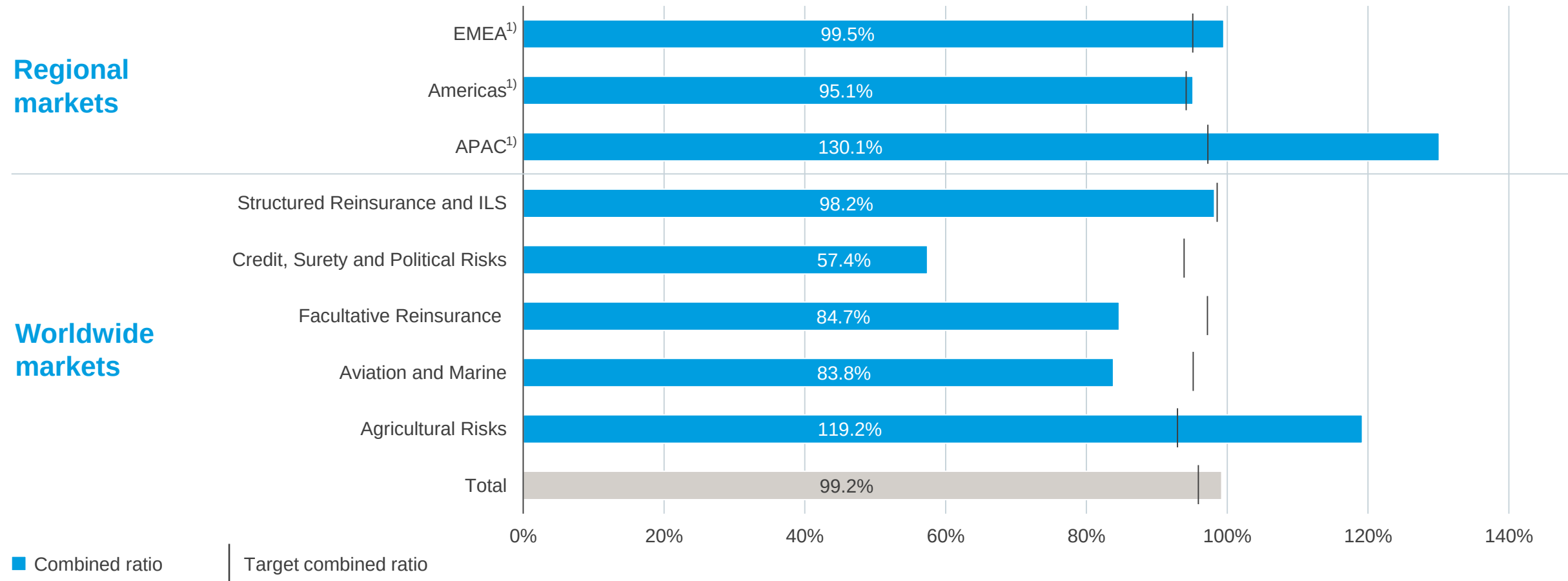
Catastrophe losses¹⁾ in m. EUR

	Gross	Net
16 Natural catastrophes	1,229.8	1,051.4
1 Marine loss	16.9	14.8
1 Credit loss	16.9	16.9
4 Property losses	72.2	70.1
6 Man-made losses	106.1	101.8
22 Major losses	1,335.9	1,153.2
War Russia/Ukraine	330.8	330.8
Total	1,666.7	1,484.0

1) Natural catastrophes and other major losses in excess of EUR 10 m. gross
 Large loss budget 2022: EUR 1,400 m., thereof EUR 250 m. man-made and EUR 1,150 m. NatCat

Combined ratios impacted by large losses

Q1-3/2022: Combined Ratio vs. target combined ratios



1) All lines of Property & Casualty reinsurance except those stated separately; EMEA incl. CIS

Strong underlying profitability

Strong earnings in Financial Solutions and Longevity – Covid-19 claims decreasing

Life & Health R/I in m. EUR	Q3/2021	Q3/2022	Q1-3/2021	Q1-3/2022
Gross written premium	2,152	2,347	6,350	6,767
Net premium earned	1,889	2,076	5,558	6,024
Net underwriting result incl. funds withheld	(122)	(41)	(315)	(177)
Net investment income from assets under own management	61	29	185	229
Other income and expenses	102	120	351	389
Operating profit/loss (EBIT)	41	108	220	441
EBIT margin	2.2%	5.2%	4.0%	7.3%
Tax ratio	(9.8%)	15.4%	31.3%	15.4%
Group net income	45	90	150	369

YTD

- GWP f/x-adjusted +1.1%
- NPE f/x-adjusted +2.5%
- Technical result includes declining Covid-19 losses of EUR 228 m. (Q1-3/2021 EUR 404 m.), thereof US: EUR 113 m.
- Ordinary investment income increased primarily due to higher contribution from fixed income
- Fair value of financial instruments includes positive valuation effect of EUR 97 m. from extreme mortality cover and negative effect from reinsurance-related derivative in UK (EUR -144 m.)
- Other income and expenses mainly driven by strong contribution from deposit accounted treaties of EUR 338 m. (Q1-3/2021: EUR 282 m.) and one-off recapturing fee income of EUR 40 m.

Stable return on investment of 2.9% above target

Strong and increased ordinary investment income

in m. EUR	Q3/2021	Q3/2022	Q1-3/2021	Q1-3/2022	RoI
Ordinary investment income ¹⁾	408	529	1,106	1,432	3.3%
Realised gains/losses	96	(37)	238	15	0.0%
Impairments/appreciations & depreciations	(13)	(61)	(52)	(113)	-0.3%
Change in fair value of financial instruments (through P&L)	(5)	(18)	(48)	10	0.0%
Investment expenses	(36)	(44)	(101)	(122)	-0.3%
NII from assets under own management	449	370	1,142	1,223	2.9%
NII from funds withheld	42	31	215	157	
Total net investment income	491	400	1,357	1,380	

Unrealised gains/losses on investments

	31 Dec 21	30 Sep 22
On-balance sheet	2,310	(4,820)
thereof Fixed income AFS	1,299	(5,836)
Off-balance sheet	629	496
thereof Fixed income HTM, L&R	148	(62)
Total	2,939	(4,324)

1) Incl. results from associated companies

YTD

- Increasing ordinary income from inflation-linked bonds, higher reinvestment yields, higher return from real estate investments as well as higher asset volume
- Realised gains primarily from liquidation of portfolio of listed equity, largely offset by reallocations due to strategic and regular portfolio adjustments, liquidity management and partial realisation of a reinsurance-related derivative
- Stable depreciation on direct real estate investments; rise in impairments mainly due to fixed income securities impacted by Russia/Ukraine war and alternatives
- Change in fair value of financial instruments through P&L impacted by valuation of reinsurance-related derivatives (UK and extreme mortality cover)
- Decrease in valuation reserves due to higher risk-minimal yield curves and credit spreads on corporates

Our business groups at a glance

Q1-3/2022 vs. Q1-3/2021

in m. EUR	Property & Casualty R/I		Life & Health R/I		Total	
	Q1-3/2021	Q1-3/2022	Q1-3/2021	Q1-3/2022	Q1-3/2021	Q1-3/2022
Gross written premium	15,269	19,484	6,350	6,767	21,620	26,251
Change in GWP	-	+27.6%	-	+6.6%	-	+21.4%
Net premium earned	12,076	15,562	5,558	6,024	17,634	21,586
Net underwriting result	220	71	(497)	(284)	(277)	(213)
Net underwriting result incl. funds withheld	253	121	(315)	(177)	(63)	(56)
Net investment income	989	1,043	367	336	1,357	1,380
From assets under own management	957	993	185	229	1,142	1,223
From funds withheld	32	50	182	107	215	157
Other income and expenses	(148)	(227)	351	389	201	161
Operating profit/loss (EBIT)	1.061	887	220	441	1,281	1,328
Financing costs	(2)	(2)	(1)	(1)	(61)	(64)
Net income before taxes	1.060	886	219	440	1,219	1,264
Taxes	(276)	(257)	(69)	(68)	(318)	(306)
Net income	784	629	150	373	901	958
Non-controlling interest	44	84	1	3	45	87
Group net income	739	545	150	369	856	871
Retention	90.4%	91.3%	88.3%	88.8%	89.8%	90.7%
Combined ratio (incl. interest on funds withheld)	97.9%	99.2%	-	-	-	-
EBIT margin (EBIT / Net premium earned)	8.8%	5.7%	4.0%	7.3%	7.3%	6.2%
Tax ratio	26.1%	29.0%	31.3%	15.4%	26.1%	24.2%
Earnings per share (in EUR)	6.13	4.52	1.24	3.06	7.10	7.22

Our business groups at a glance

Q3/2022 vs. Q3/2021

in m. EUR

	Property & Casualty R/I		Life & Health R/I		Total	
	Q3/2021	Q3/2022	Q3/2021	Q3/2022	Q3/2021	Q3/2022
Gross written premium	5,003	6,562	2,152	2,347	7,155	8,909
Change in GWP	-	+31.2%	-	+9.0%	-	+24.5%
Net premium earned	4,229	5,742	1,889	2,076	6,119	7,819
Net underwriting result	(82)	16	(147)	(63)	(229)	(47)
Net underwriting result incl. funds withheld	(64)	25	(122)	(41)	(187)	(16)
Net investment income	405	349	86	50	491	400
From assets under own management	387	340	61	29	449	370
From funds withheld	18	9	25	21	42	31
Other income and expenses	(40)	(64)	102	120	63	55
Operating profit/loss (EBIT)	283	301	41	108	325	409
Financing costs	(1)	(1)	(0)	(0)	(21)	(21)
Net income before taxes	283	301	41	107	303	387
Taxes	(124)	(112)	4	(16)	(106)	(122)
Net income	159	189	45	91	197	266
Non-controlling interest	12	43	(0)	1	12	44
Group net income	147	146	45	90	185	222
Retention	88.4%	90.6%	88.4%	88.8%	88.4%	90.1%
Combined ratio (incl. interest on funds withheld)	101.5%	99.6%	-	-	-	-
EBIT margin (EBIT / Net premium earned)	6.7%	5.2%	2.2%	5.2%	5.3%	5.2%
Tax ratio	43.7%	37.3%	(9.8%)	15.4%	35.0%	31.4%
Earnings per share (in EUR)	1.22	1.21	0.37	0.74	1.54	1.84

Agenda

1	Hannover Re Group	2
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Guidance for 2022 remains achievable

Hannover Re Group

- Gross written premium¹⁾ _____ > 7.5%
- Return on investment²⁾ _____ > 2.5%
- Group net income²⁾ _____ at the lower end of the EUR 1.4 - 1.5 bn. range
- Ordinary dividend _____ ≥ prior year
- Special dividend _____ if capitalisation exceeds capital requirements for future growth and profit targets are achieved

1) At unchanged f/x rates

2) Subject to no major distortions in capital markets and/or major losses not exceeding the large loss budget of EUR 321 m. in Q4/2022 and no unexpected material Covid-19 impact in L&H

Agenda

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Financial calendar and our Investor Relations contacts

8 February 2023

1 January P&C Treaty Renewals

9 March 2023

Annual Press Conference and Analysts' Conference

3 May 2023

Annual General Meeting

11 May 2023

Quarterly Statement as at 31 March 2023

9 August 2023

Half-year Report as at 30 June 2023



Karl Steinle

General Manager

Phone: +49 511 5604 - 1500
karl.steinle@hannover-re.com



Axel Bock

Senior Investor Relations Manager

Phone: +49 511 5604 - 1736
axel.bock@hannover-re.com



Rebekka Brust

Investor Relations Manager

Phone: +49 511 5604 - 1530
rebekka.brust@hannover-re.com

Basic information on the Hannover Re share

Basic information

International Securities Identification Number (ISIN)	DE 000 840 221 5
Ticker symbols	
-Bloomberg	HNR1
-Thomson Reuters	HNRGn
-ADR	HVRRY
Exchange listings	
-Germany	Xetra, Frankfurt, Munich, Stuttgart, Hamburg, Berlin, Düsseldorf, Hannover (official trading: Xetra, Frankfurt and Hannover)
-USA	American Depositary Receipts (Level 1 ADR programme; 2 ADR = 1 share)
Market segment	Prime Standard
Index inclusion	DAX
First listed	30 November 1994
Number of issued shares ¹⁾	120,597,134
Common shares ¹⁾	EUR 120,597,134
Share class	No-par-value registered shares

1) As at 31 December 2020

Details on reserve review by WTW

- The scope of WTW's work was to review certain parts of the held loss and loss adjustment expense reserve, net of outwards reinsurance, from Hannover Re Group's consolidated IFRS financial statements as at each 31 December 2021, and the implicit redundancy margin, for the non-life business of Hannover Re Group. WTW concludes that the reviewed loss and loss adjustment expense reserve, net of reinsurance, less the redundancy margin is reasonable in that it falls within WTW's range of reasonable estimates.
- Life reinsurance and health reinsurance business are excluded from the scope of this review.
- WTW's review of non-life reserves as at 31 December 2021 covered 98.6% / 99.7% of the gross and net held non-life reserves of €35.1 billion and €32.6 billion respectively. Together with life reserves of gross €5.7 billion and net €5.5 billion, the total balance sheet reserves amount to €40.8 billion gross and €38.1 billion net.
- The results shown in this presentation are based on a series of assumptions as to the future. It should be recognised that actual future claim experience is likely to deviate, perhaps materially, from WTW's estimates. This is because the ultimate liability for claims will be affected by future external events; for example, the likelihood of claimants bringing suit, the size of judicial awards, changes in standards of liability, and the attitudes of claimants towards the settlement of their claims.
- The results shown in WTW's reports are not intended to represent an opinion of market value and should not be interpreted in that manner. The reports do not purport to encompass all of the many factors that may bear upon a market value.
- WTW's analysis is carried out based on data as at evaluation dates for each 31 December review; WTW has undertaken annual reviews since year-end 2009 onwards. WTW's analysis may not reflect developments or information that became available after the valuation dates and WTW's results, opinions and conclusions presented herein may be rendered inaccurate by developments after the valuation dates. Specifically, consequences of the Russia-Ukraine conflict are not reflected in our analyses and projections as at 31 December 2021.
- As is typical for reinsurance companies, claims reporting can be delayed due to late notifications by some cedents. This increases the uncertainty in the estimates.
- Hannover Rück SE has asbestos, environmental and other health hazard (APH) exposures which are subject to greater uncertainty than other general liability exposures. WTW's analysis of the APH exposures assumes that the reporting and handling of APH claims is consistent with industry benchmarks. However, there is wide variation in estimates based on these benchmarks. Thus, although Hannover Re Group's held reserves show some redundancy compared to the indications, the actual losses could prove to be significantly different to both the held and indicated amounts.
- WTW has not anticipated any extraordinary changes to the legal, social, inflationary or economic environment, or to the interpretation of policy language, that might affect the cost, frequency, or future reporting of claims. In addition, WTW's estimates make no provision for potential future claims arising from causes not substantially recognised in the historical data (such as new types of mass torts or latent injuries, terrorist acts), except in so far as claims of these types are included incidentally in the reported claims and are implicitly developed.
- In accordance with its scope WTW's estimates are on the basis that all of Hannover Re Group's reinsurance protection will be valid and collectable. Further liability may exist for any reinsurance that proves to be irrecoverable.
- WTW's estimates are in Euros based on the exchange rates provided by Hannover Re Group as at each 31 December evaluation date. However, a substantial proportion of the liabilities is denominated in foreign currencies. To the extent that the assets backing the reserves are not held in matching currencies, future changes in exchange rates may lead to significant exchange gains or losses.
- WTW has not attempted to determine the quality of Hannover Re Group's current asset portfolio, nor has WTW reviewed the adequacy of the balance sheet provisions except as otherwise disclosed herein.
- In its review, WTW has relied on audited and unaudited data and financial information supplied by Hannover Rück SE and its subsidiaries, including information provided orally. WTW relied on the accuracy and completeness of this information without independent verification.
- Except for any agreed responsibilities WTW may have to Hannover Re Group, WTW does not assume any responsibility and will not accept any liability to any person for any damages suffered by such person arising out of this commentary or references to WTW in this document.

Disclaimer

This presentation does not address the investment objectives or financial situation of any particular person or legal entity. Investors should seek independent professional advice and perform their own analysis regarding the appropriateness of investing in any of our securities.

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