

*somewhat
different*



Hannover Re: the somewhat different reinsurer

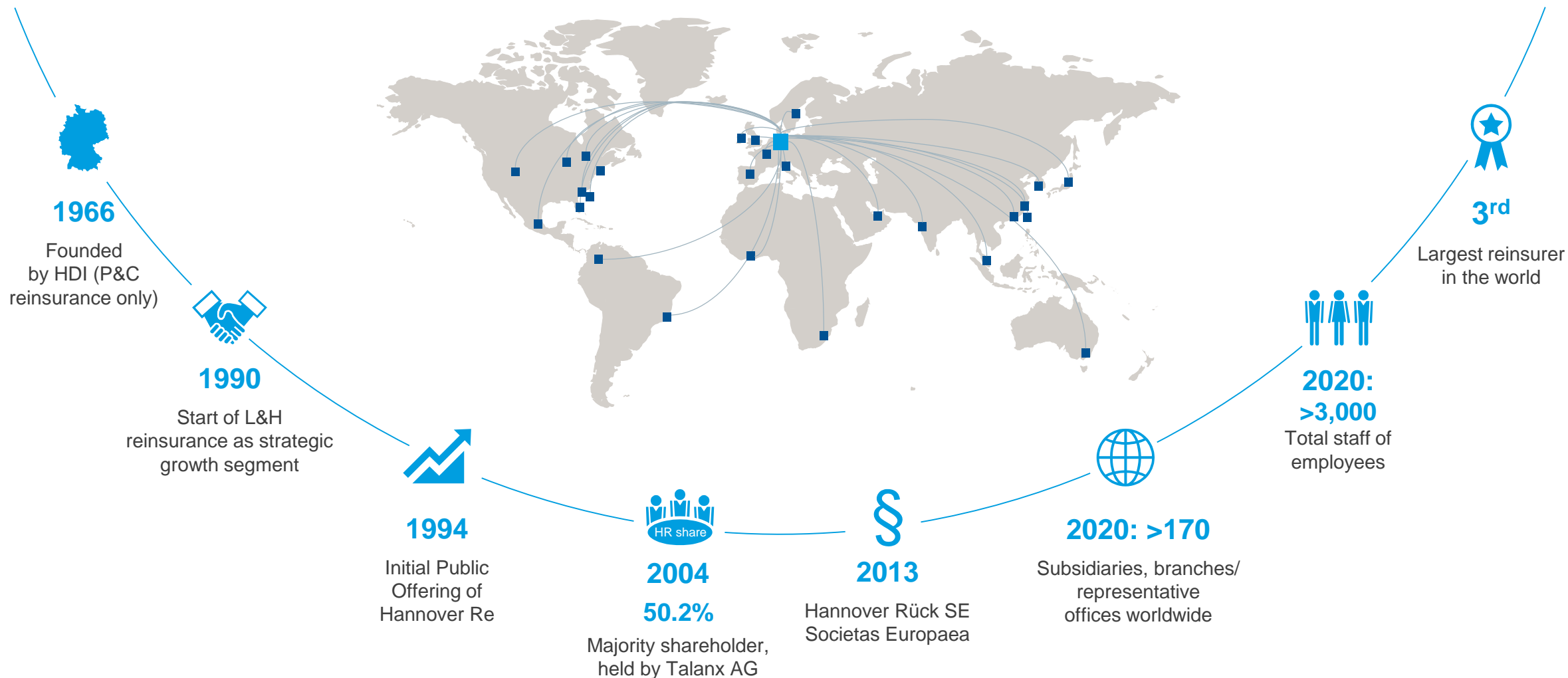
July 2021

hannover re[®]

Agenda

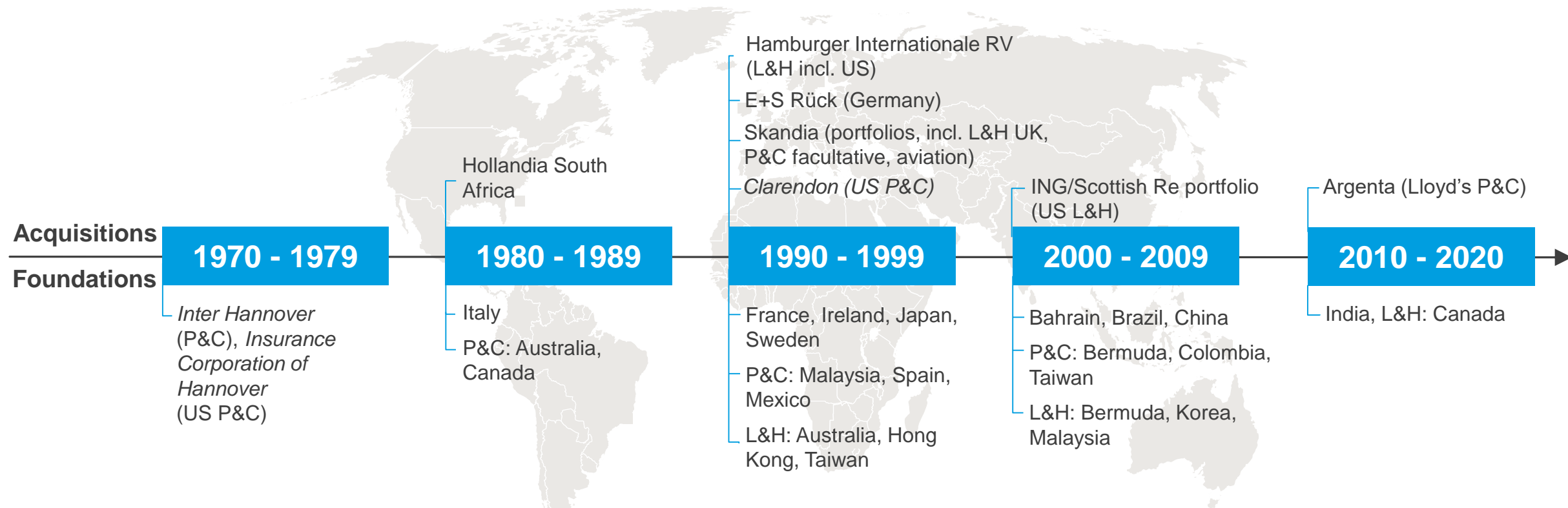
1	Hannover Re Group	2
2	Property & Casualty reinsurance	32
3	Life & Health reinsurance	46
4	Investment management	60
5	Capital management	67
6	Interim results Q1/2021	80
7	Outlook	89
8	Appendix	93

Key facts about Hannover Re



Growth and international expansion mainly organically driven

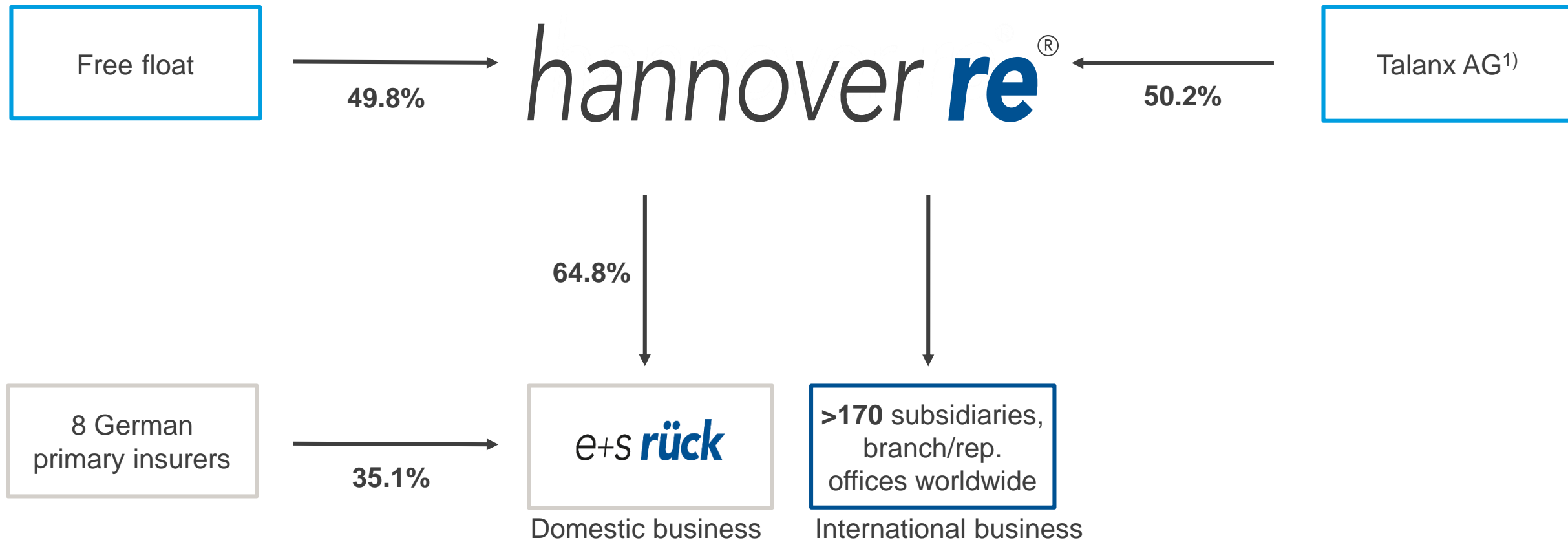
M&A activity not accompanied by high integration cost and complexity



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

Compliance, Controlling, Innovation Management, Human Resources Management, Internal Auditing, Risk Management, Corporate Development, Corporate Communications



Chief Financial Officer

Clemens Jungsthöfel

Finance and Accounting, Information Technology, Investment and Collateral Management, Facility Management



Dr. Michael Pickel

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



Property & Casualty R/I

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



Life & Health R/I

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

We are among the top reinsurers in the world

Premium ranking 2019 in m. USD

Rank	Group	Country	GWP	NPW
1	Swiss Re	CH	42,228	39,649
2	Munich Re	DE	37,864	35,282
3	Hannover Re¹⁾	DE	25,309	22,096
4	SCOR	FR	18,302	16,176
5	Berkshire Hathaway Inc.	US	16,089	16,089
6	Lloyd's ²⁾	UK	14,978	10,433
7	China Re	CN	13,161	12,196
8	RGA	US	12,150	11,297
9	Great West Lifeco	CA	10,149	10,055
10	PartnerRe	BM	7,285	6,909
11	Korean Re	KR	6,963	4,785
12	General Insurance Corporation of India ³⁾	IN	6,862	6,229
13	Everest Re	BM	6,356	5,732
14	XL Group	BM	5,010	4,252
15	Transatlantic Holdings	US	4,946	4,495

For further information please see A. M. Best "Market Segment Report" September 2020 (© A.M. Best Europe - Information Services Ltd. - used by permission)

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

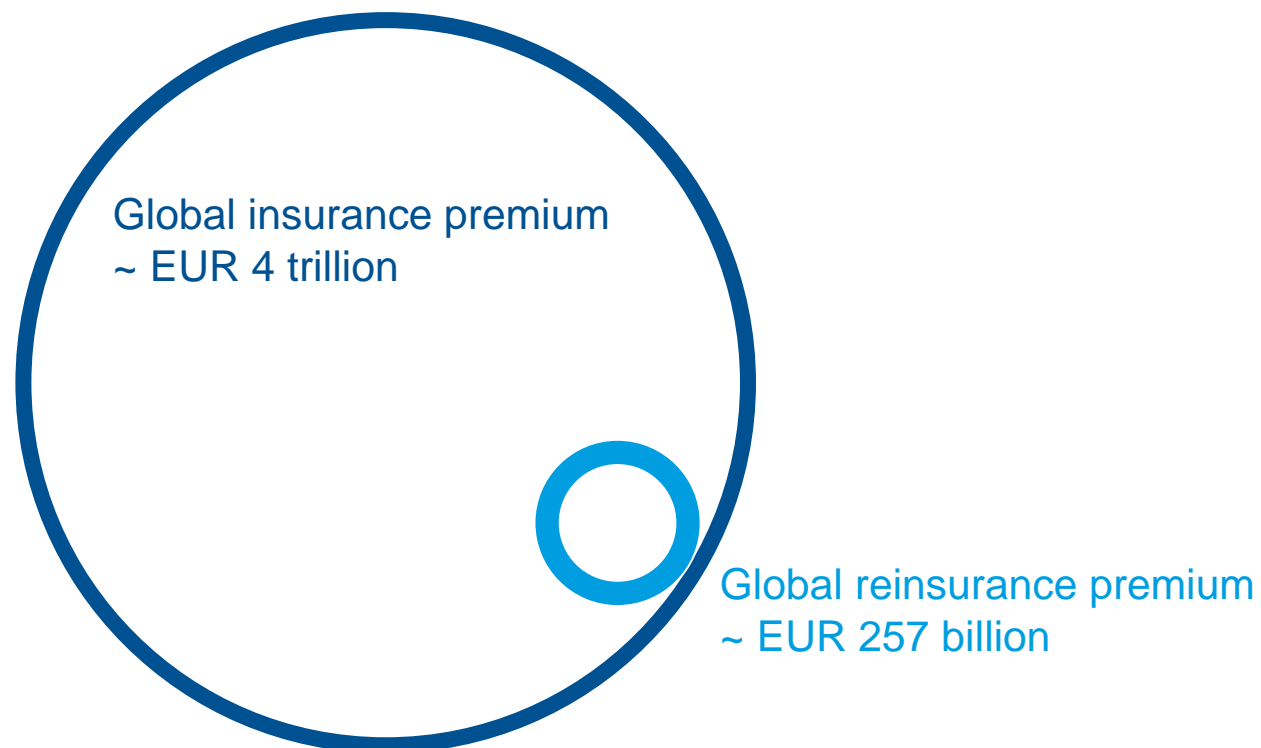
2) Reinsurance only

3) Fiscal year-end 31 March 2020

Reinsurance has the character of a specialty market

With a share of 6% of the overall insurance market

Market size primary insurance vs. reinsurance

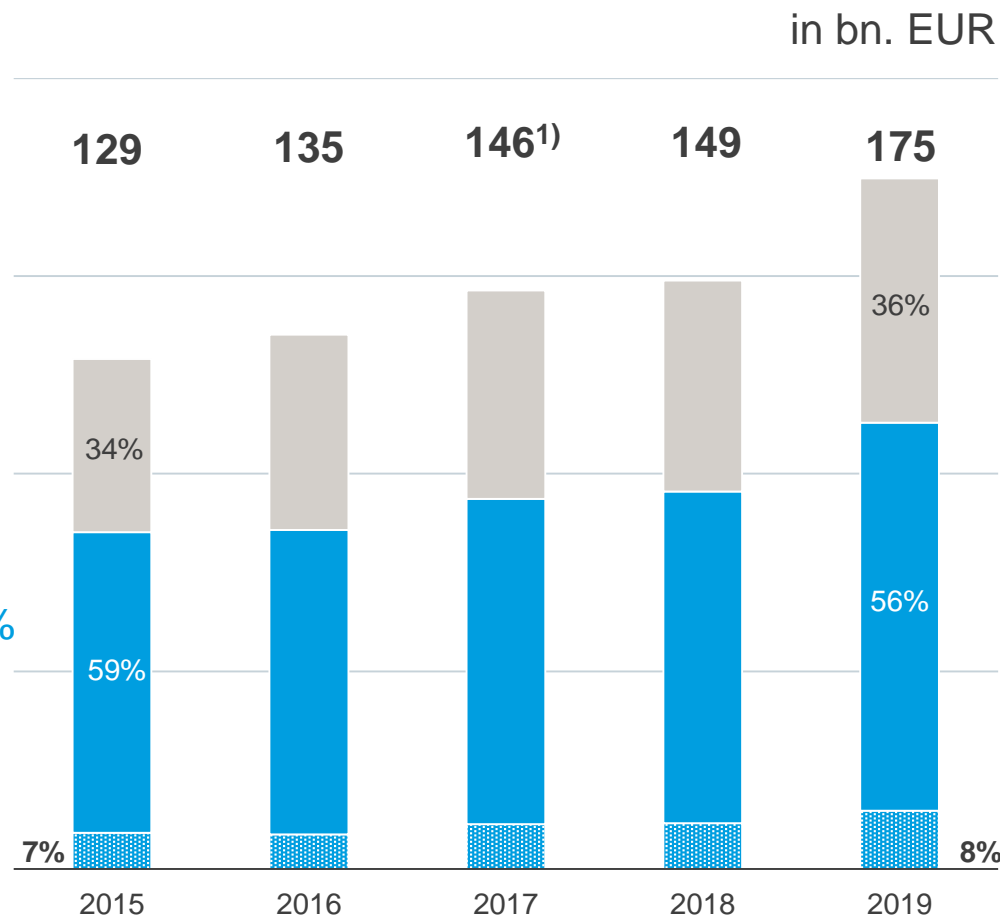
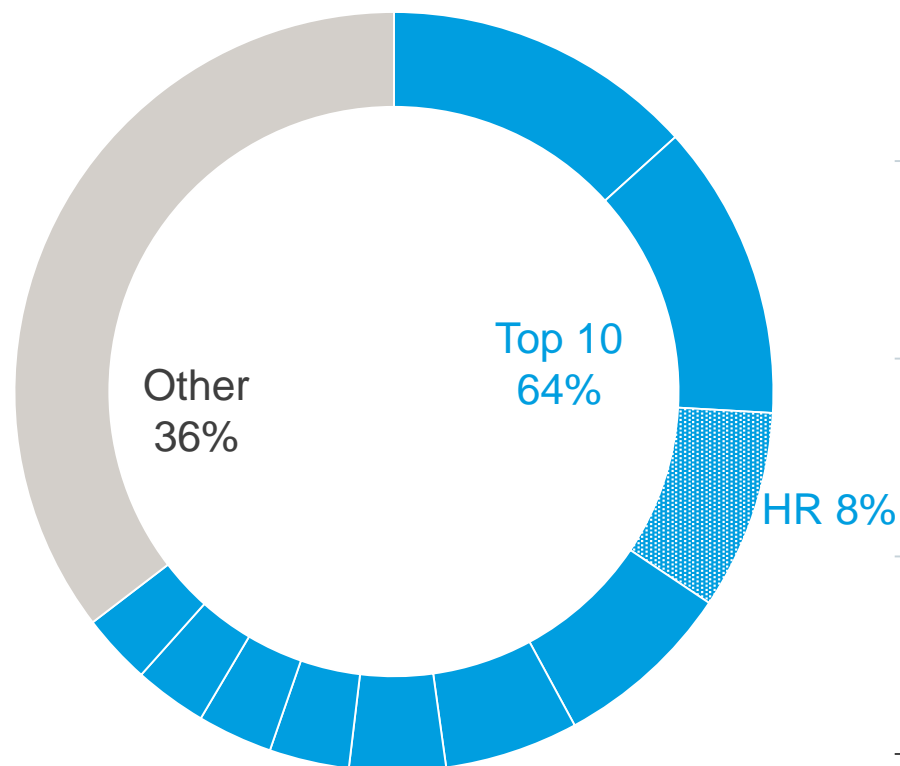


2019 or latest. Global reinsurance premium: gross written premium of the Top 50 Global Reinsurance Groups according to A.M. Best "Segment Report" (September 2020)
Source: © A.M. Best Europe - Information Services Ltd. - used by permission, own research

Growing Property and Casualty reinsurance market

Hannover Re outperforms the market

Market size and concentration 2019



4-year CAGR

Market	+7.9%
Other	+9.0%
Top 10	+7.3%
HR	+12.7%

Market: Sum of Non-life GWP of Top 50 Global Reinsurance Groups according to A.M. Best "Segment Report" (Sept 2020)
 Top 10 in 2019: Swiss Re, Munich Re, Hannover Re, Lloyd's, Berkshire Hathaway, SCOR, GIC India, Everest Re, Korean Re, Partner Re
 Source: © A.M. Best Europe - Information Services Ltd. - used by permission
 1) Berkshire Hathaway excl. AIG deal

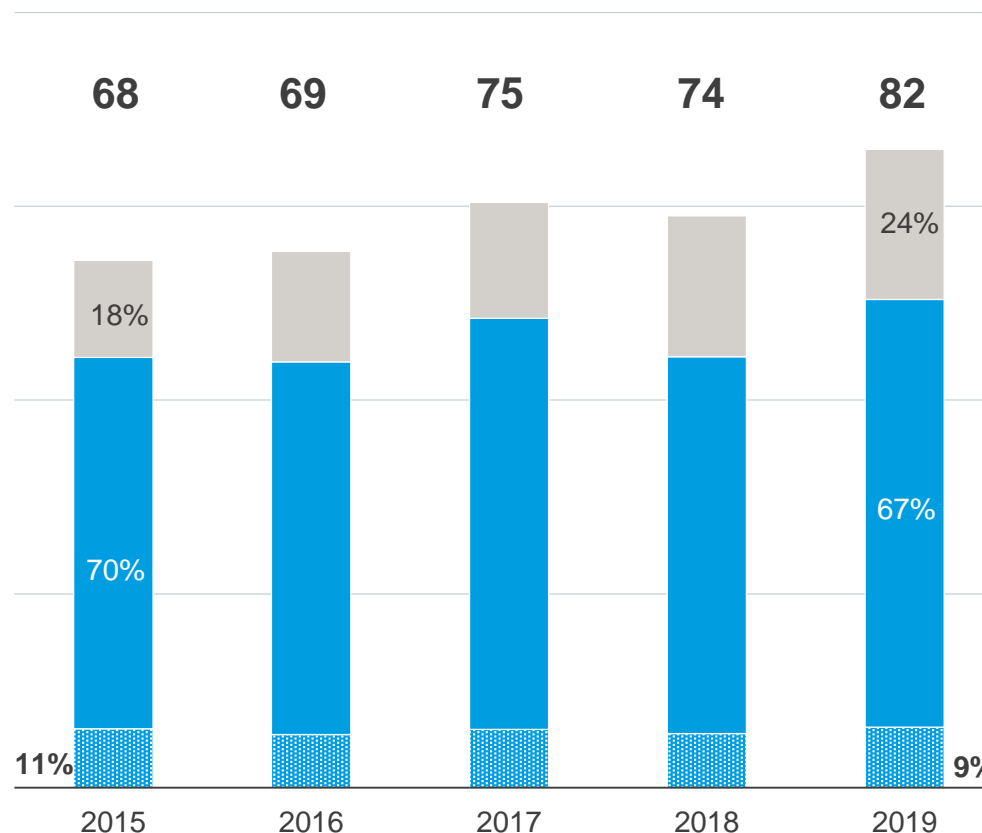
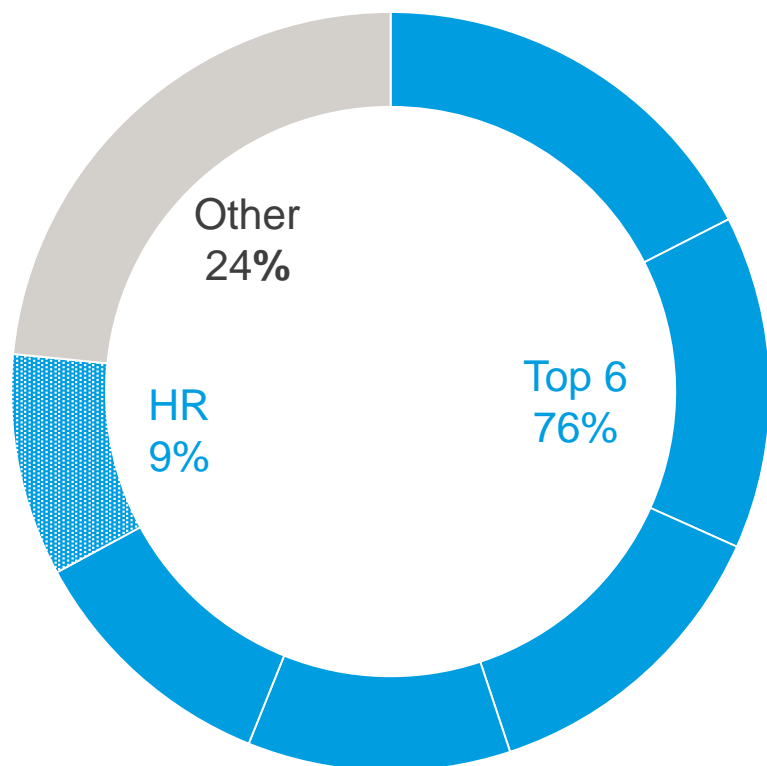
Life and Health reinsurance in a global perspective

Concentrated market due to high entry barriers

Market size and concentration 2019

in bn. EUR

4-year CAGR



Category	4-year CAGR
Market	+4.9%
Other	+11.5%
Top 6	+3.2%
HR	+0.7%

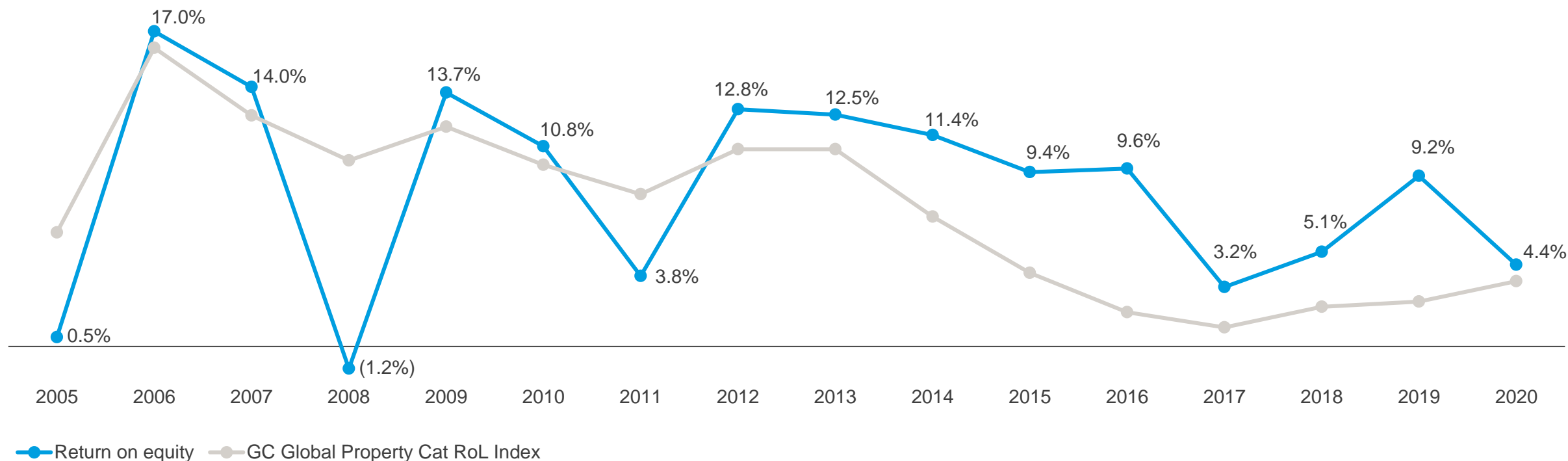
Market: Sum of Life GWP of Top 50 Global Reinsurance Groups according to A.M. Best "Segment Report" (Sept 2020)

Top 6 in 2019: Swiss Re, Munich Re, RGA, SCOR, Great-West Lifeco, 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 - 2020), 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

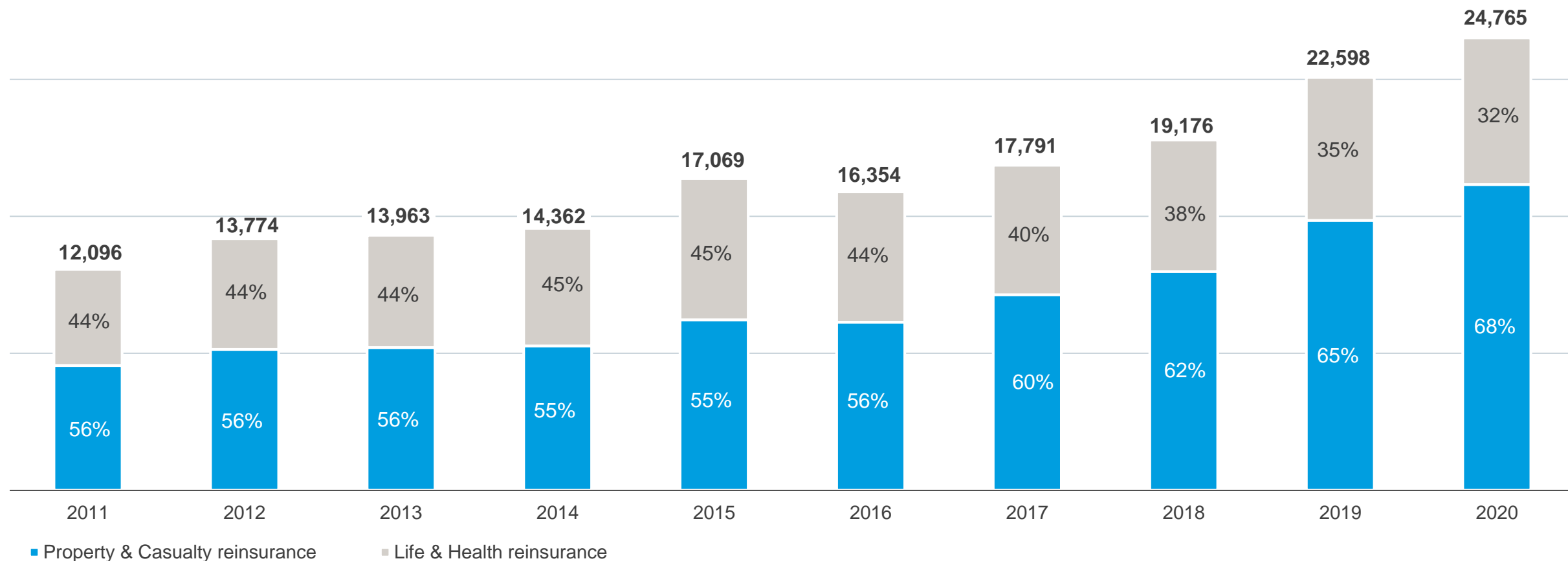
Demand for reinsurance

Favourable premium growth accelerates in last 3 years

10-year CAGR: +8.0%

Gross written premium

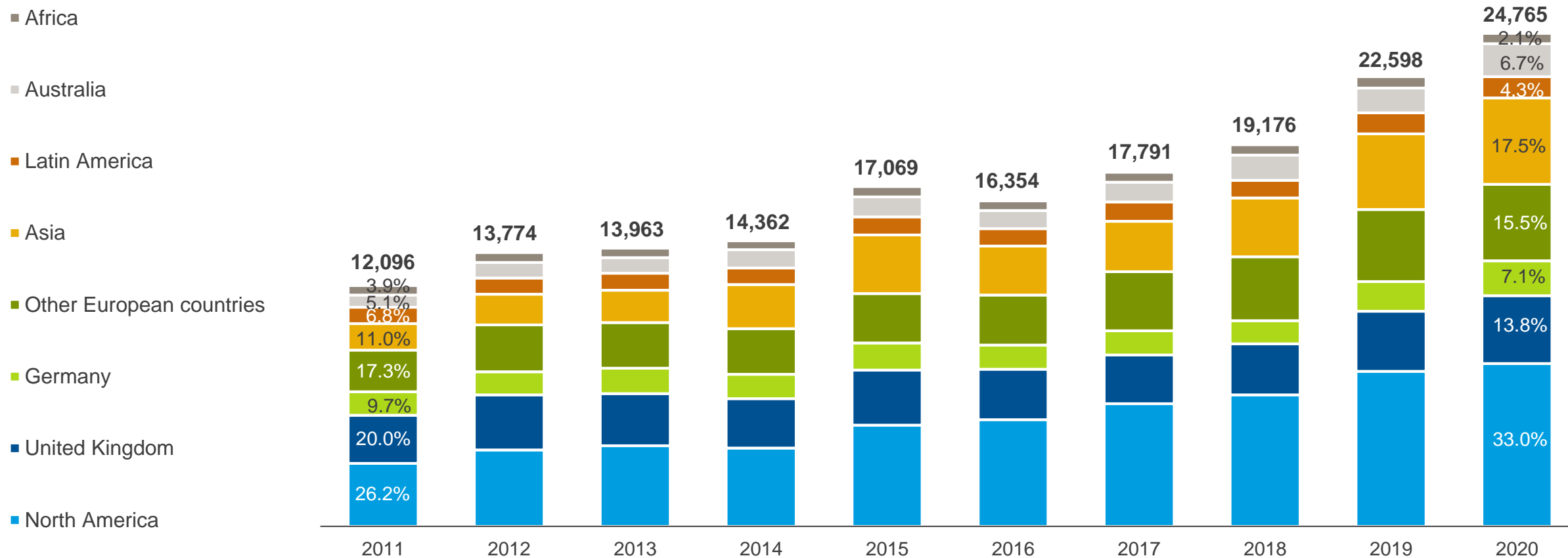
in m. EUR



Well-balanced international portfolio growth

Gross written premium

in m. EUR

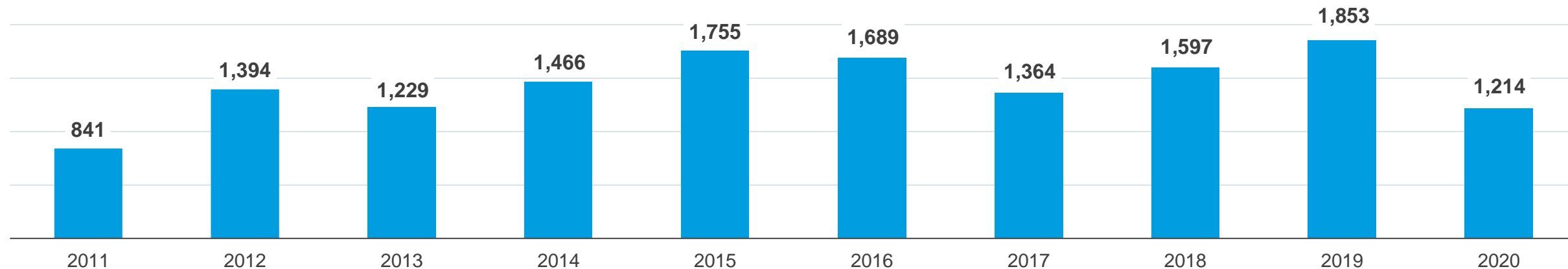


Strong earnings track record

2020: favourable result in a year dominated by the Covid-19 pandemic

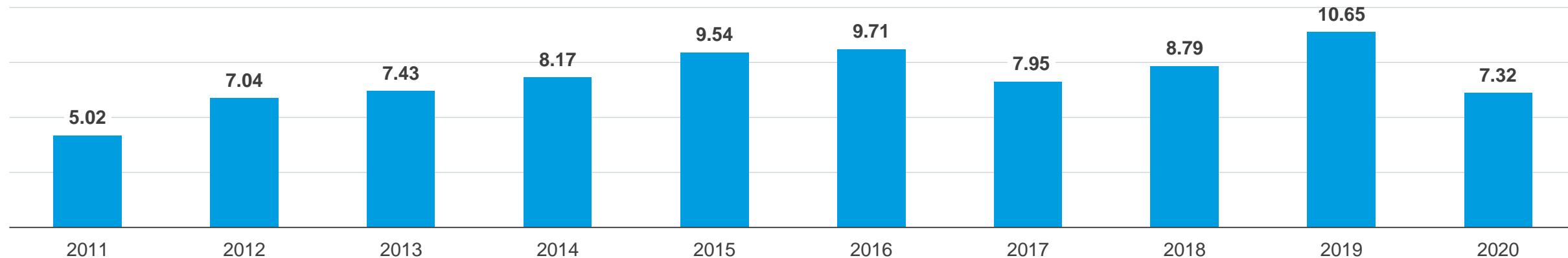
Operating profit (EBIT)

in m. EUR



Earnings per share (EPS)

in EUR

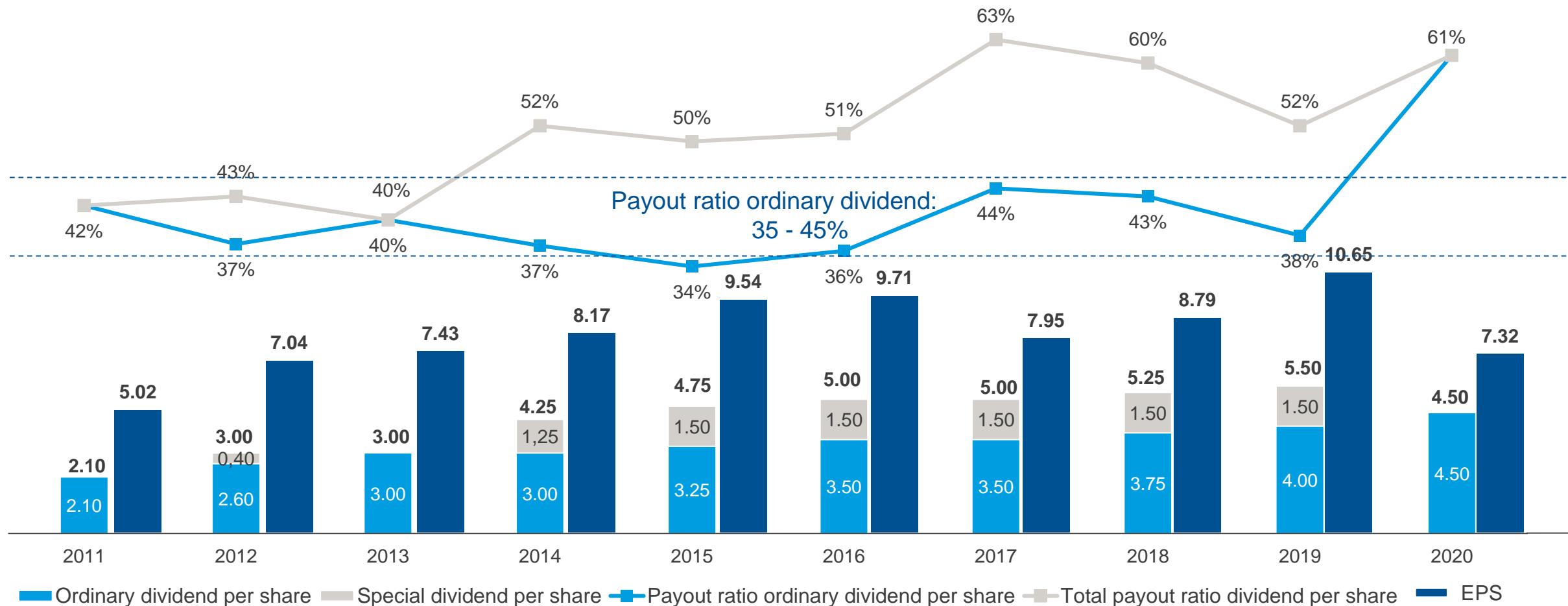


2020 dividend reflects continuing strong performance

Overall payout ratio in line with prior years

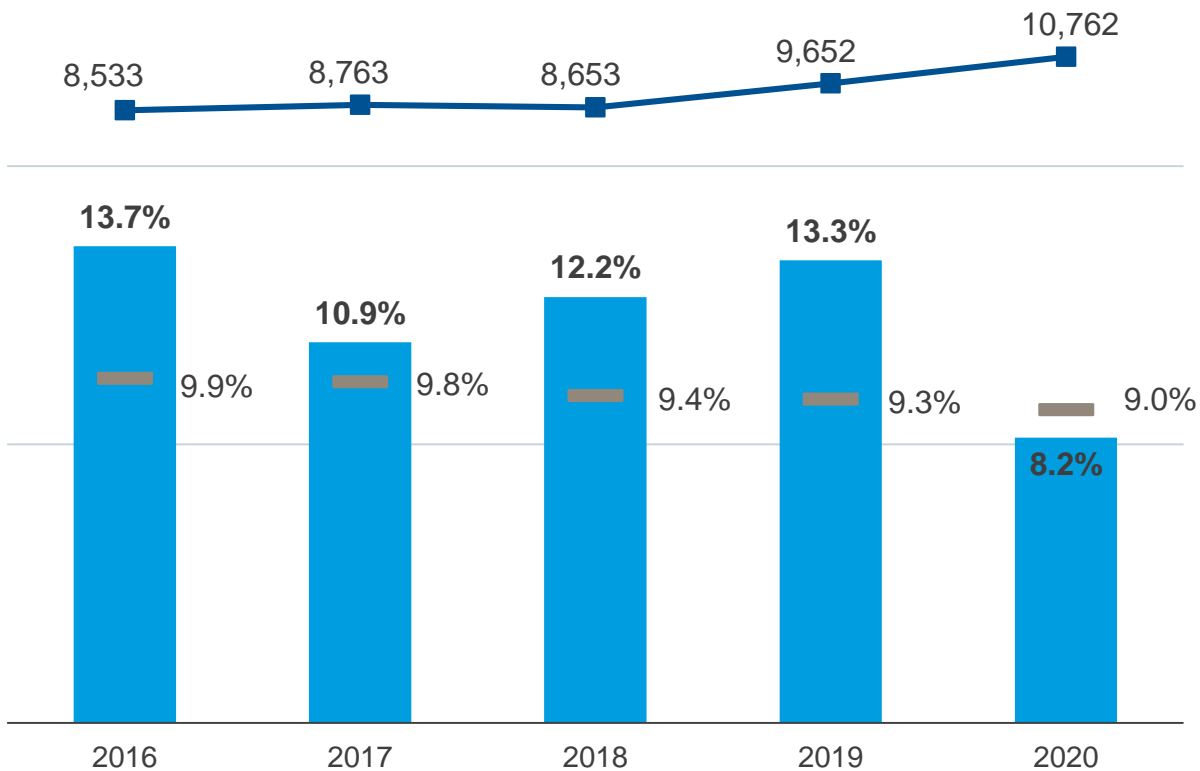
Dividend per share

in EUR

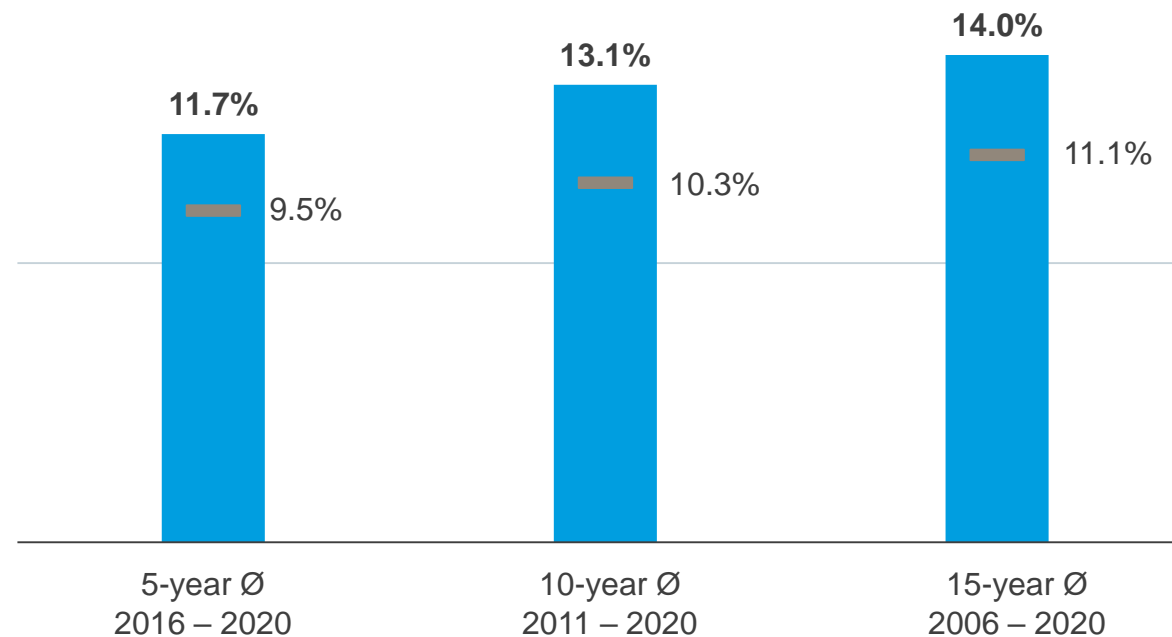


RoE of 8.2% is highly satisfactory against the backdrop of the Covid-19 impact

Return on Equity: yearly



Return on Equity: average



■ Actual
 — Minimum target ¹⁾
 ■ Average shareholders' equity (in m. EUR)

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	2016		2017		2018		2019		2020		2016 - 2020	
	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	RoE	Rank	avg. RoE	Rank
Hannover Re	13.7%	1	10.9%	2	12.2%	1	13.3%	1	8.2%	2	11.7%	1
Peer 6, US, Life & Health	10.6%	4	21.9%	1	7.9%	3	8.7%	6	3.2%	7	10.5%	2
Peer 5, Bermuda, Property & Casualty	12.7%	2	5.7%	5	1.3%	9	11.9%	3	5.5%	4	7.4%	3
Peer 10, Korea, Composite	7.8%	8	6.2%	4	4.7%	6	8.1%	7	6.1%	3	6.6%	4
Peer 7, Bermuda, Property & Casualty	10.0%	5	-5.3%	10	4.2%	7	12.9%	2	10.8%	1	6.5%	5
Peer 1, Germany, Composite	8.3%	7	1.3%	7	8.5%	2	9.6%	5	4.0%	5	6.3%	6
Peer 8, France, Composite	9.3%	6	4.4%	6	5.4%	4	6.9%	9	3.7%	6	6.0%	7
Peer 4, US, Property & Casualty	5.9%	10	1.1%	8	0.5%	10	10.4%	4	1.2%	8	3.8%	8
Peer 2, Switzerland, Composite	10.6%	3	1.0%	9	1.4%	8	2.5%	10	-3.1%	9	2.5%	9
Peer 9, China, Composite	7.2%	9	7.2%	3	4.9%	5	7.3%	8	not yet reported	-	-	-
Average	9.6%		5.4%		5.1%		9.2%		4.4%		6.8%	

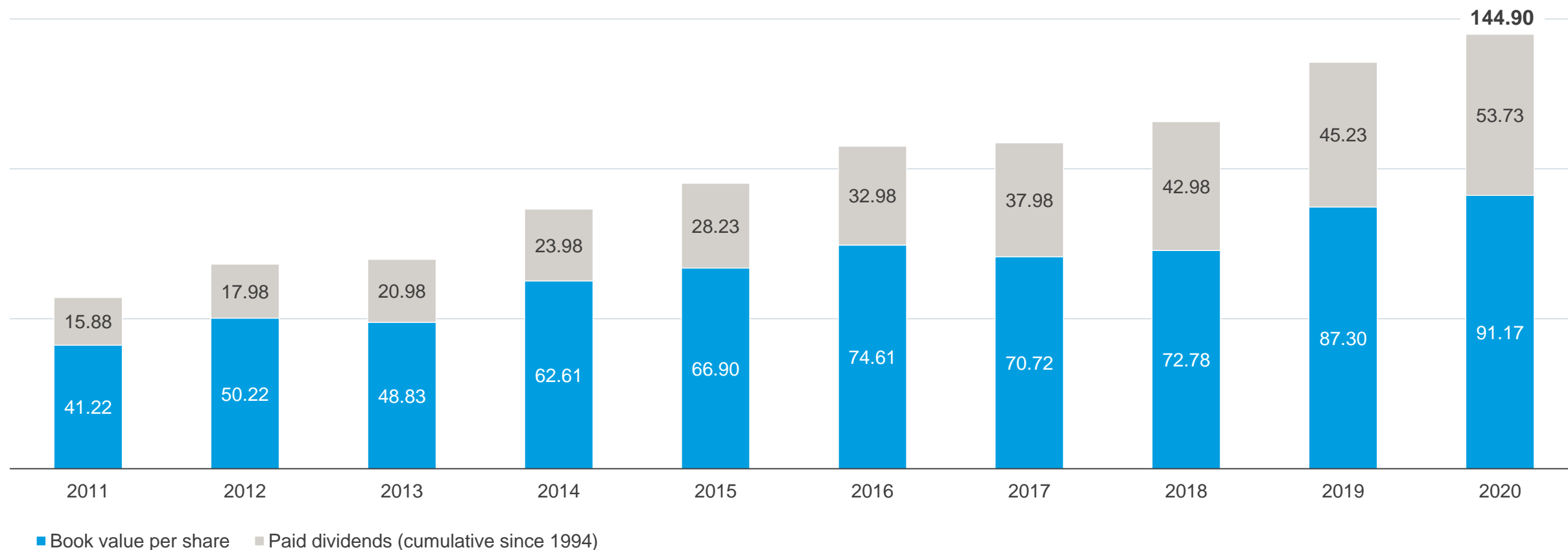
List shows the Top 10 of the Global Reinsurance Index (GloRe)
Data based on company data, own calculation

Continuous increase of value creation

10-year CAGR: +11.0%

Book value and accumulated paid dividends

in EUR

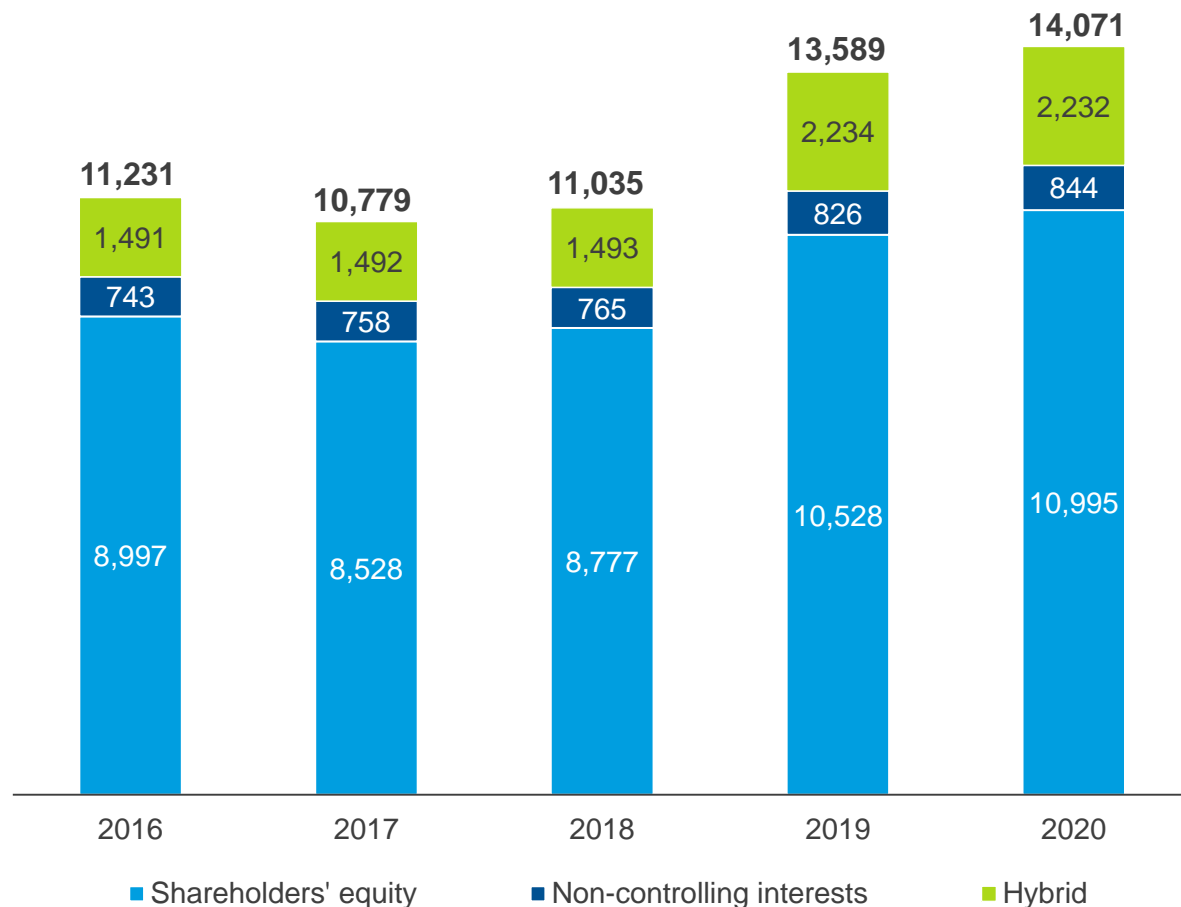


Shareholders' equity up by 4.4%

Dividend payment comfortably covered by 2020 net income

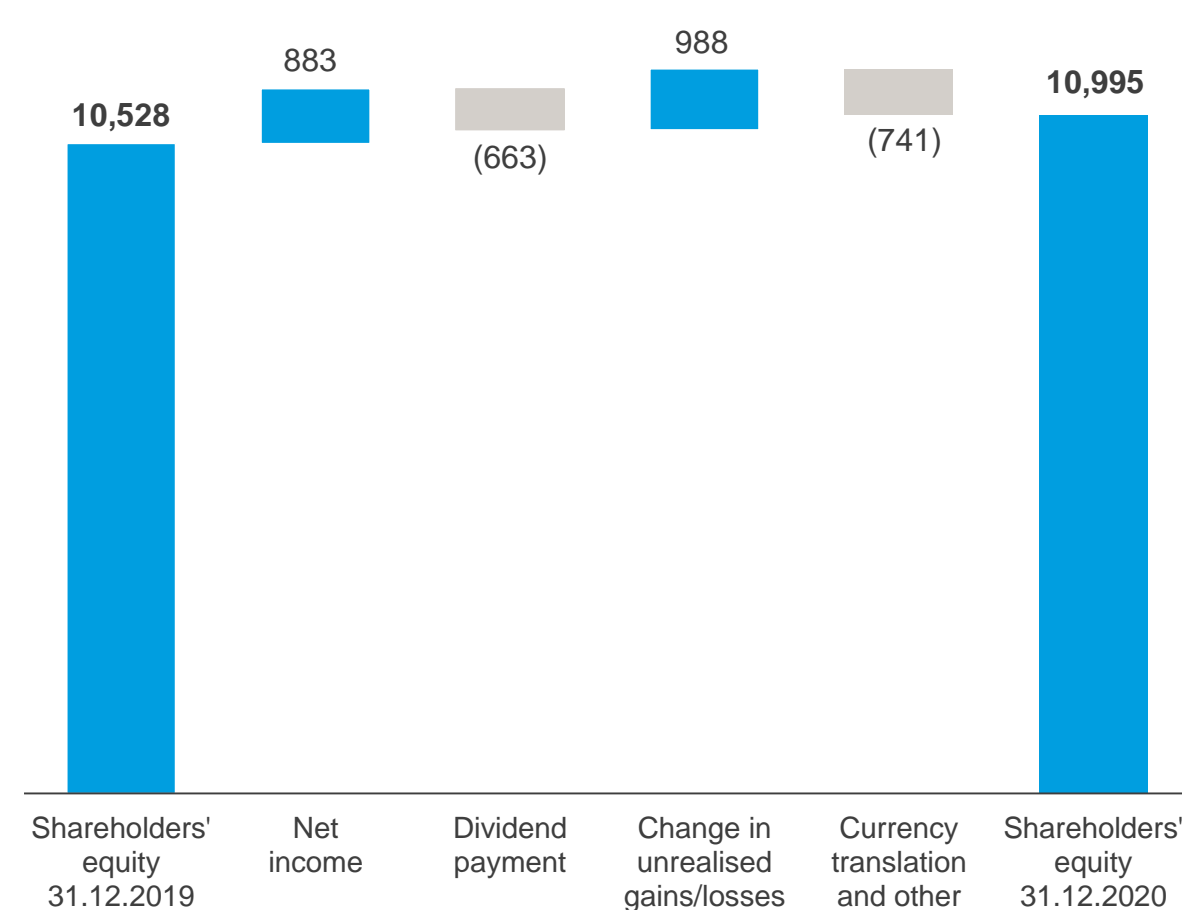
Policyholders' surplus

in m. EUR



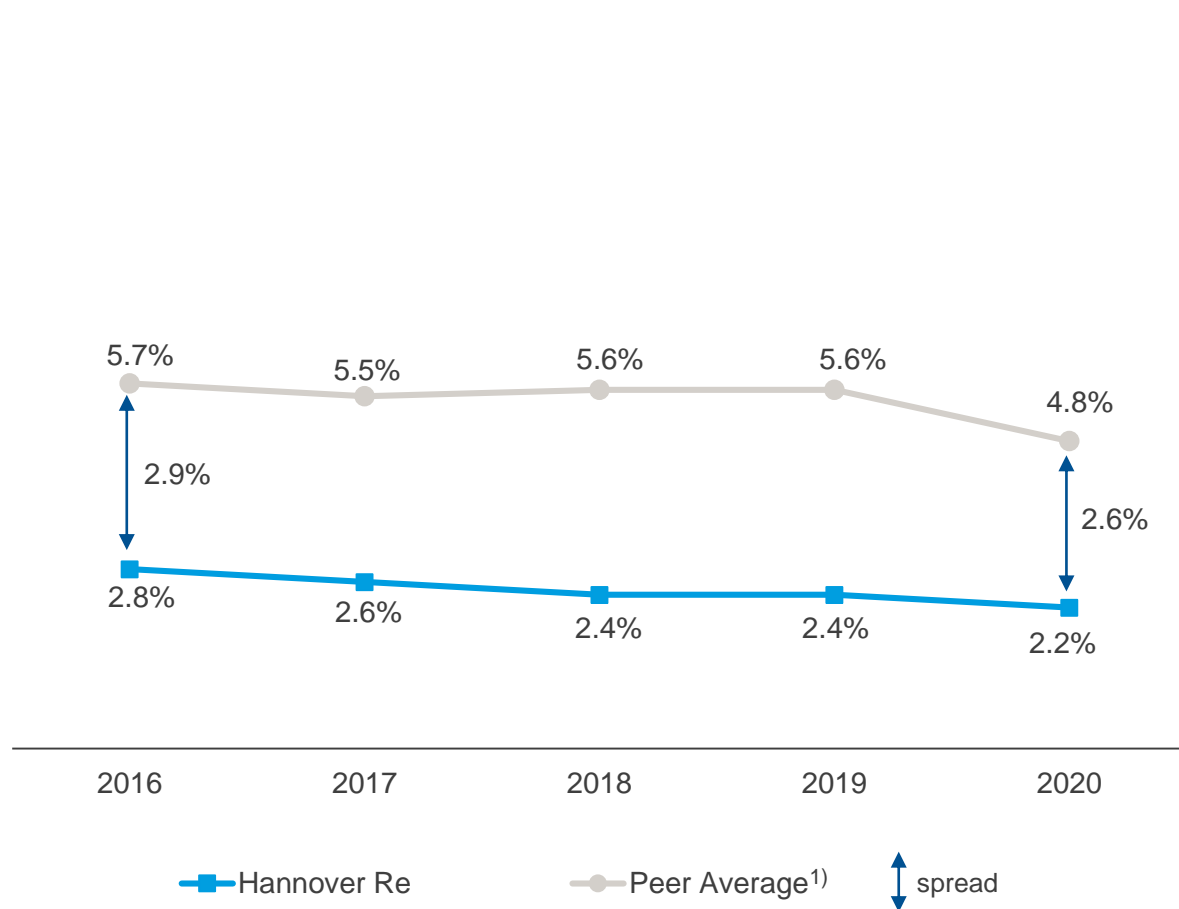
Change in shareholders' equity

in m. EUR



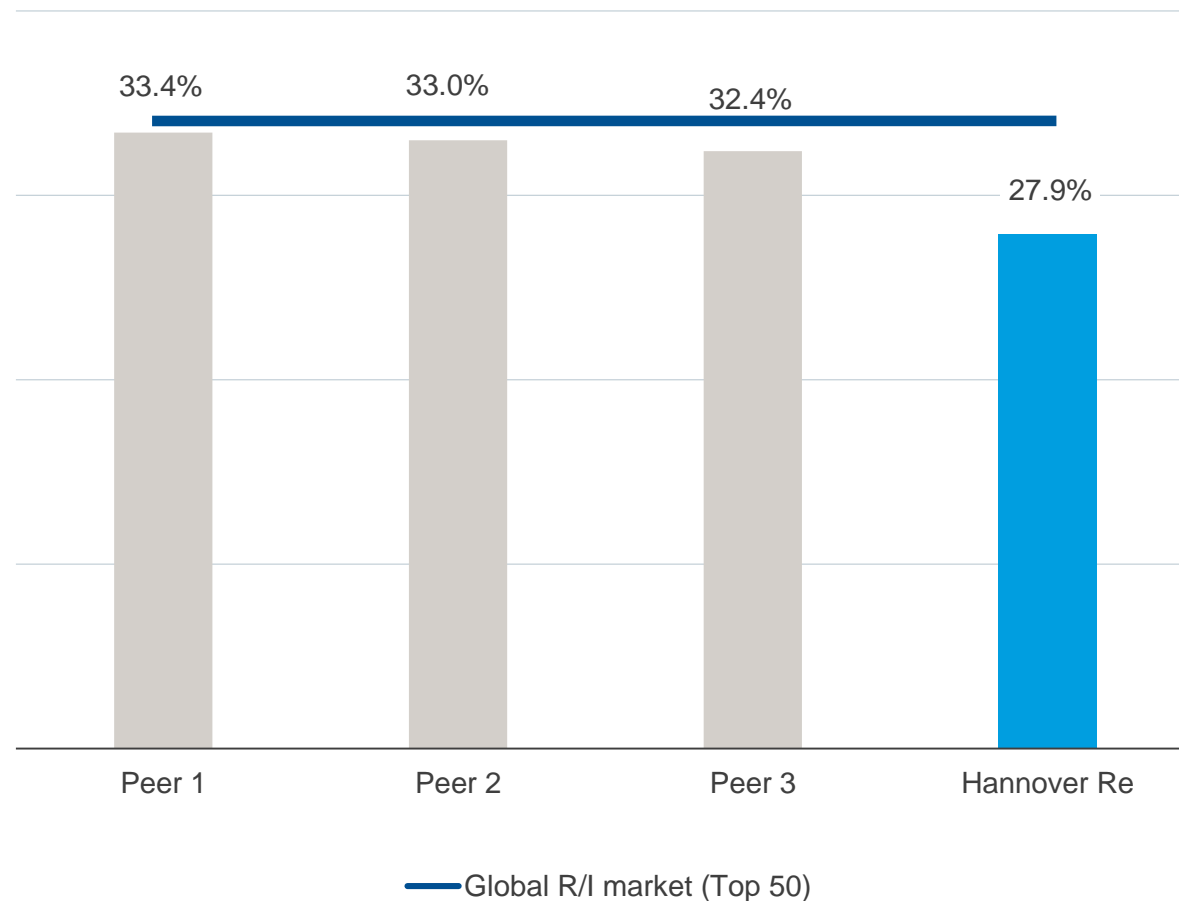
Low expense ratio is an important competitive advantage

Administrative expense ratio



Expense ratio (P&C reinsurance)²⁾

5-year average



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

2) Source: A.M. Best "Market Segment Report" 2016 - 2020, (© A.M. Best Europe - Information Services Ltd. - used by permission); Peers: Munich Re, SCOR, Swiss Re

Purpose & Values

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

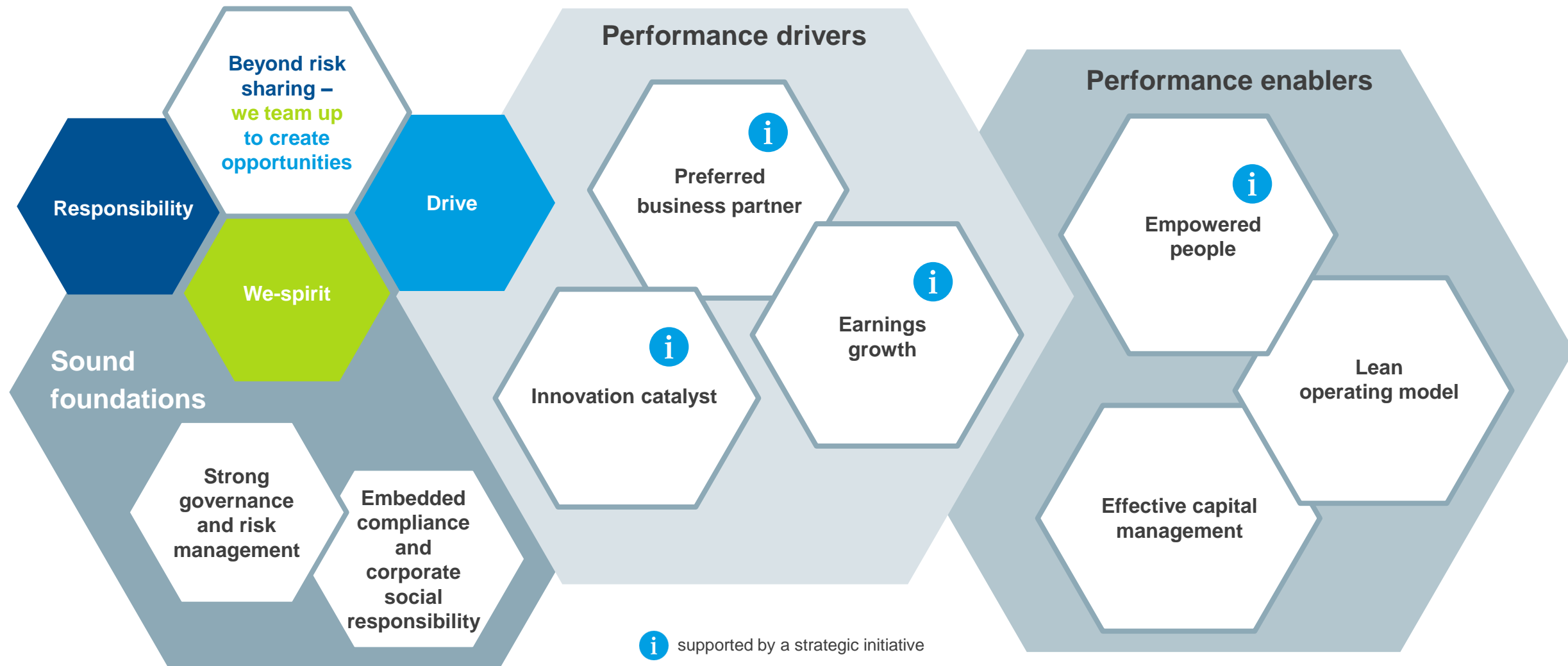


Our competitive strengths lie in our corporate culture and operating model and lead to higher profitability with lower volatility



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; based on normalised EBIT 2020

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

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](#)

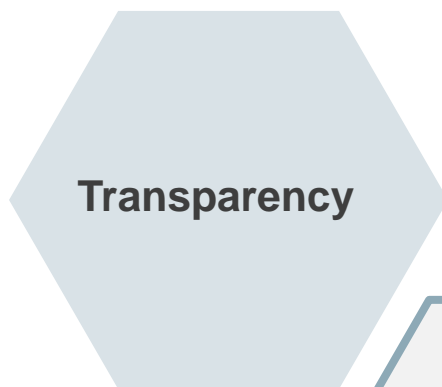


Sustainability at Hannover Re

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

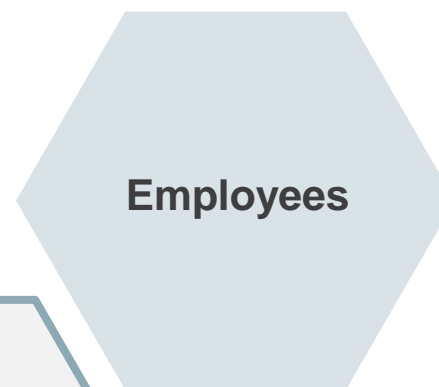
Transparency encompasses voluntary commitments and fundamental issues with implications for all other action fields.

- **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.



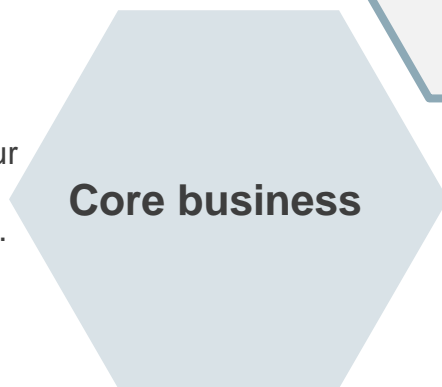
Motivated and well-trained employees are a crucial factor in the success of our company.

- **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**.



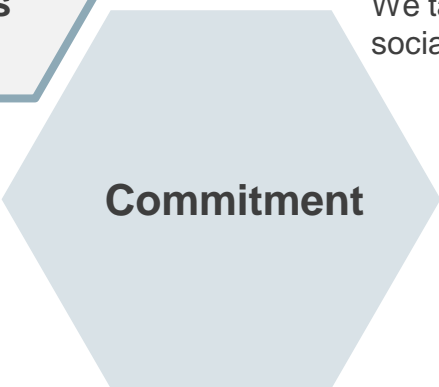
How we organise our core business serves as vital leverage for our contribution to the sustainable development of our world.

- 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.

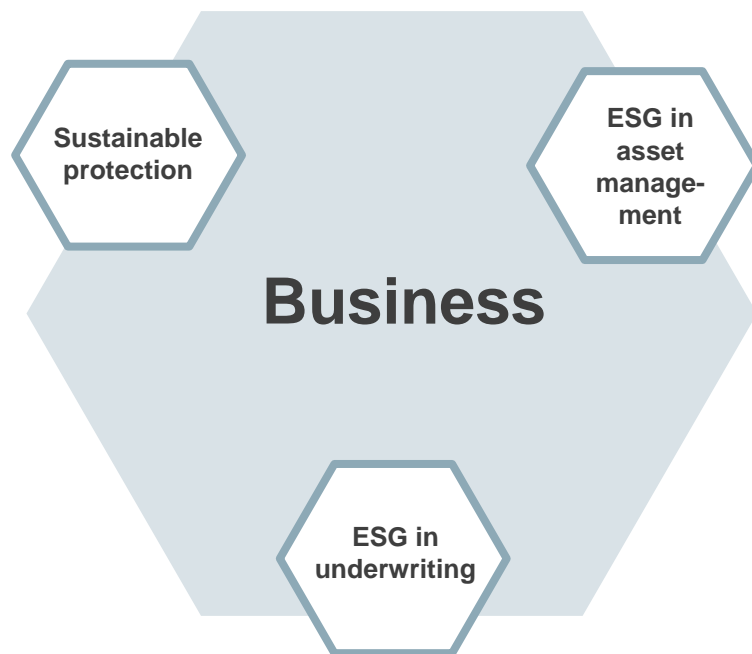
- **Environmental management** and **social engagement** are not defined as material topics.
- Nevertheless, they are important elements of our strategy.



Sustainability at Hannover Re

Sustainability Strategy 2021 - 2023 – Selected targets and goals

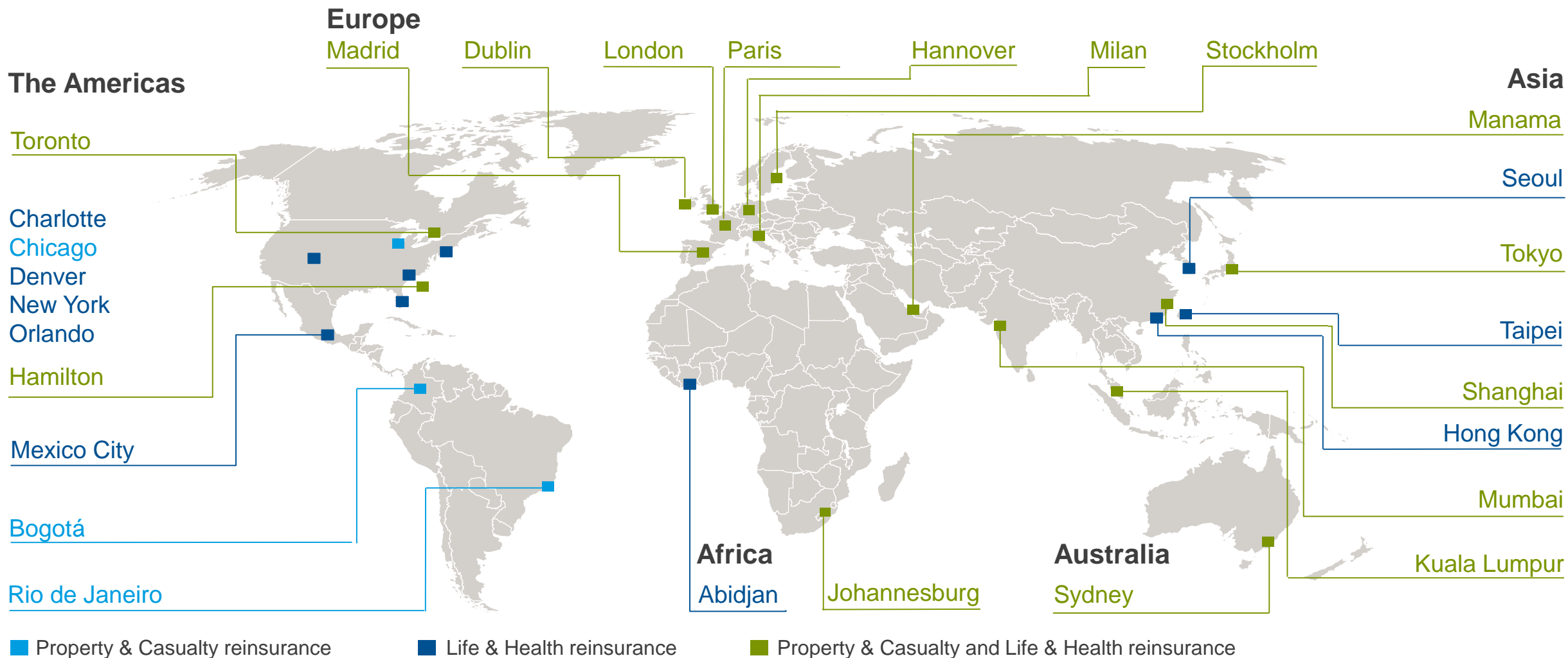
- Expansion of NatCat aggregates in emerging and developing countries to close the protection gap
- Extended participation in initiatives to mitigate adverse effects from climate change and NatCat
- Increase of 60% in the facultative premium volume for renewable energies
- Expansion of premium volume in developing and emerging countries in L&H
- Expansion of longevity business in L&H



- Reduction of CO₂-load in our asset portfolio by 10%
- Expansion of investments that support sustainable transformation
- Signing the UN Principles for Responsible Investment (PRI)
- Ongoing screening of investments portfolio according to ESG criteria

- Integrating ESG criteria into the underwriting policy for the facultative reinsurance department
- No new business in thermal coal and related infrastructure in the facultative division
- Complete withdrawal from all thermal coal and related infrastructure risks in the entire P&C reinsurance business by 2038

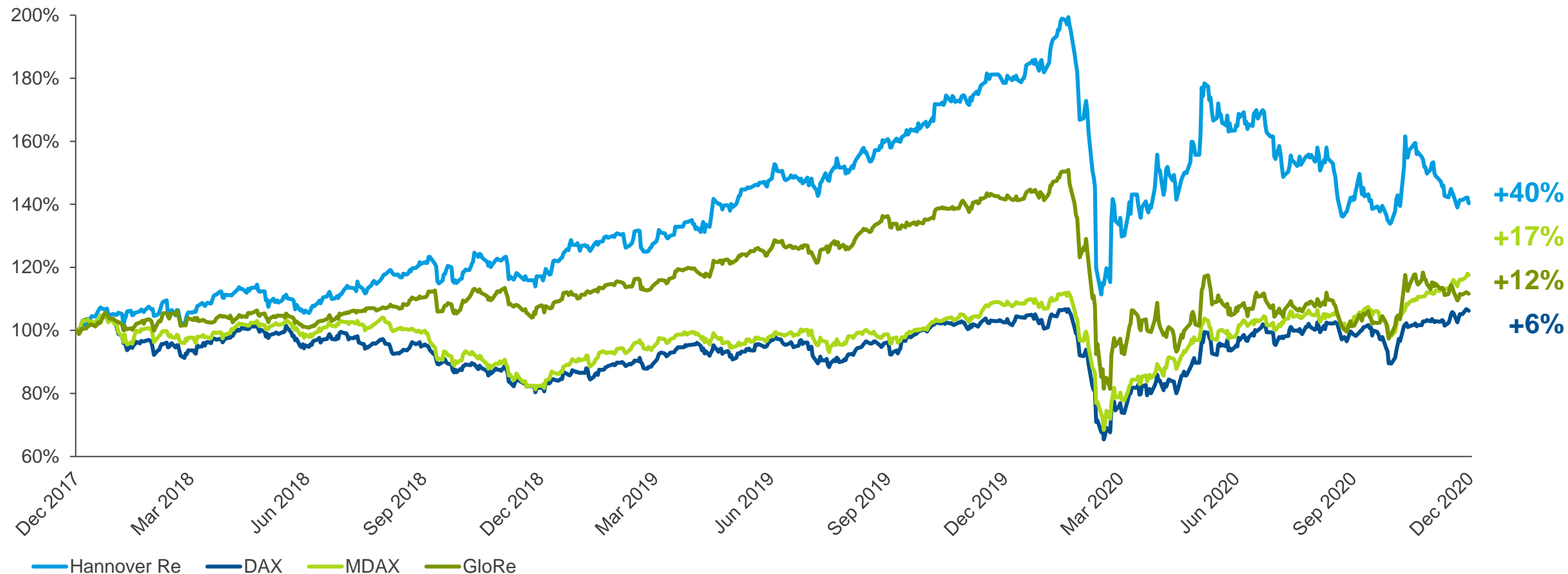
Present on all continents



HR share outperforms indices over a 3-year rolling period

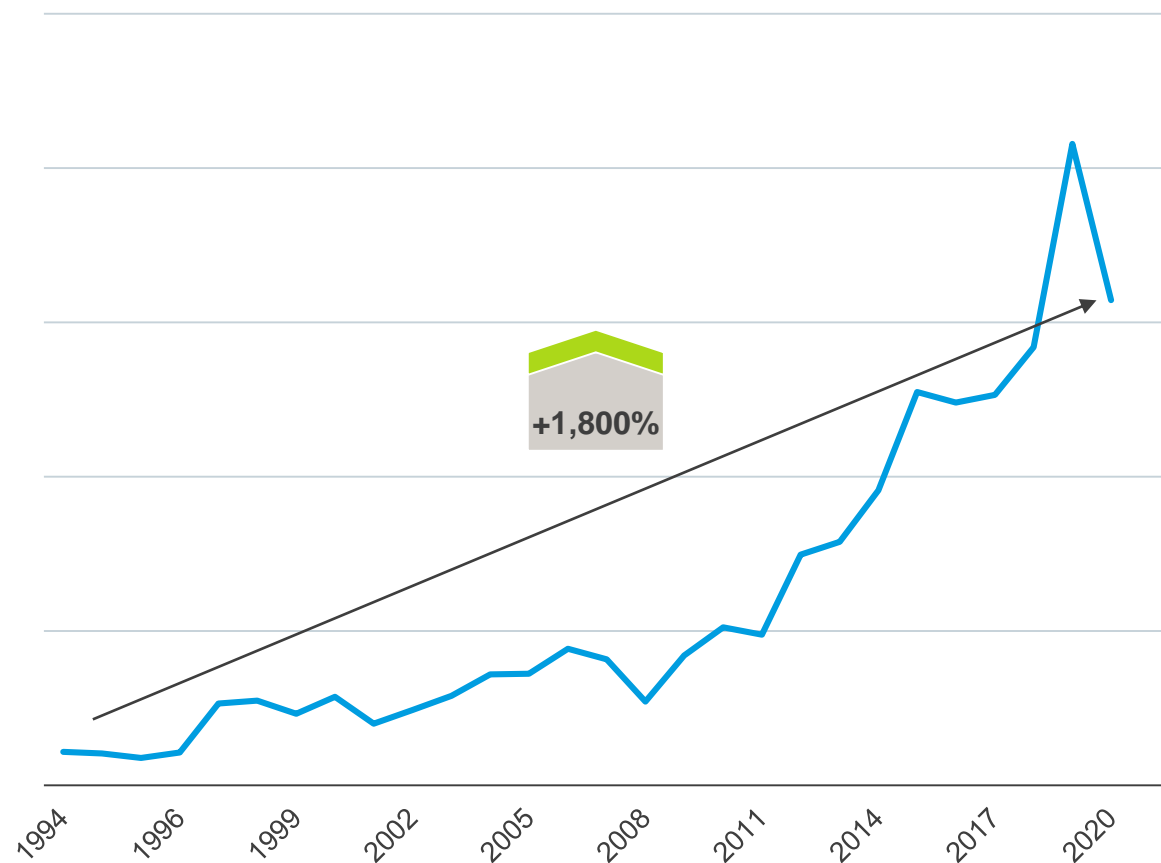
Performance vs. indices

Performance comparison (incl. reinvested dividends)



Yearly Total Shareholder Return (TSR) of 12.0%

Value creation since IPO

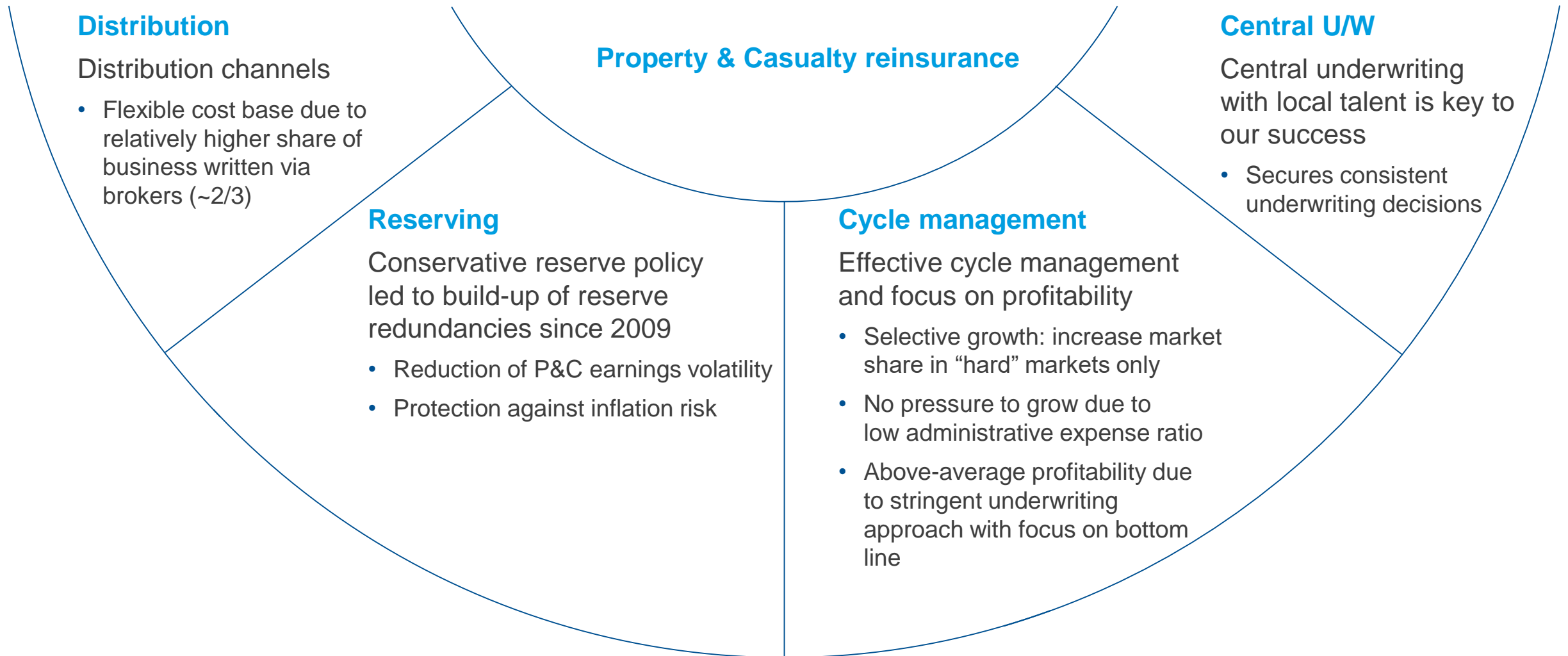


in m. EUR	2019	2020
Market capitalisation as of date	20,779	15,714
- Market capitalisation at IPO (Nov 1994)	1,084	1,084
+ Dividend payments (cumulative)	6,237	6,780
- Capital increases (1996, 1997, 2001, 2003)	811	811
Value creation since IPO	25,121	20,599

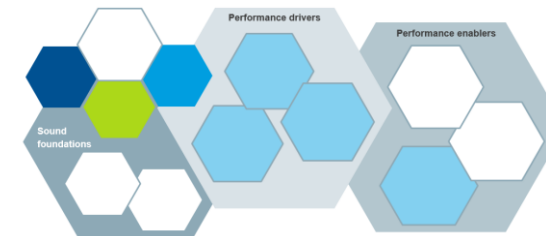
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We are somewhat different



Property & Casualty: Strategy



Preferred business partner

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
- Develop and expand our joint venture HDI Global Specialty
- 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

Innovation catalyst

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

Earnings growth

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

Effective capital management

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

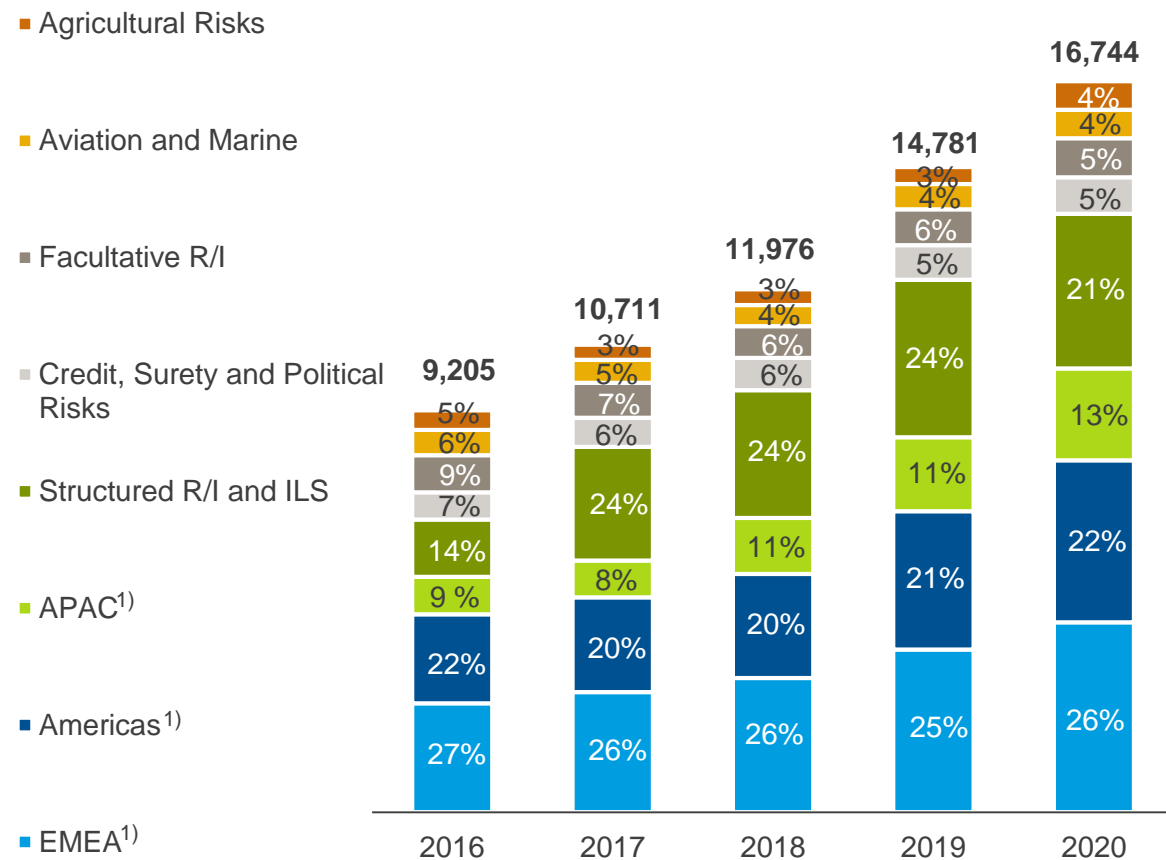
- Explore the use of Advanced Solutions type retrocessions
- Establish a (composite) framework for effective internal retrocessions

Property & Casualty reinsurance: diversified growth

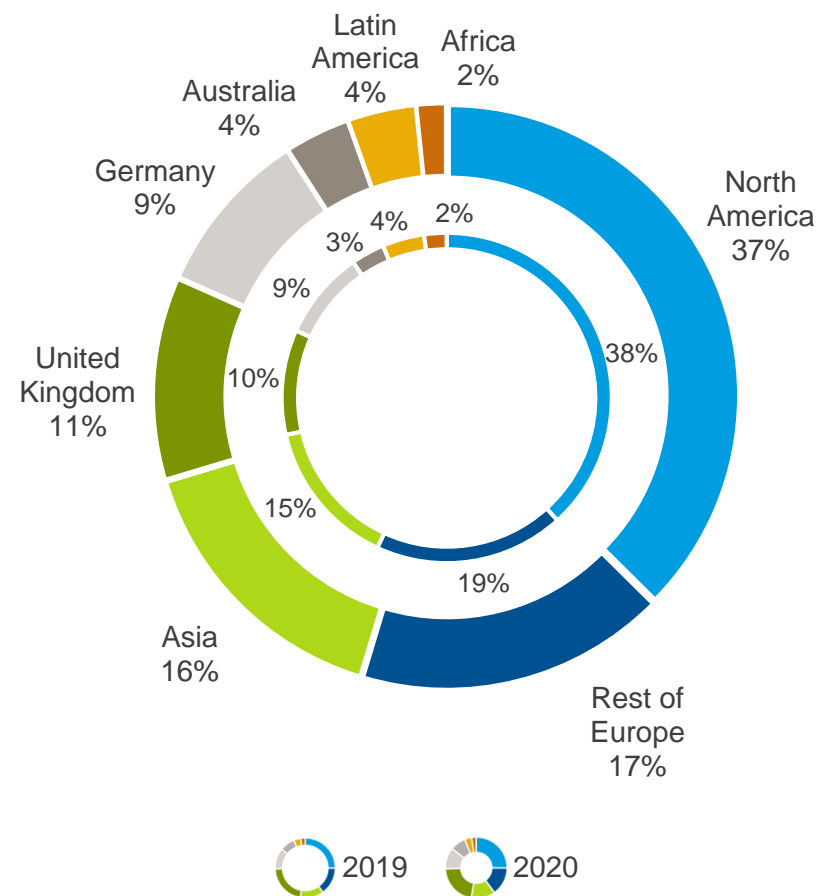
5-year CAGR: +12.4%

GWP split by reporting categories

in m. EUR



Gross written premium split by regions

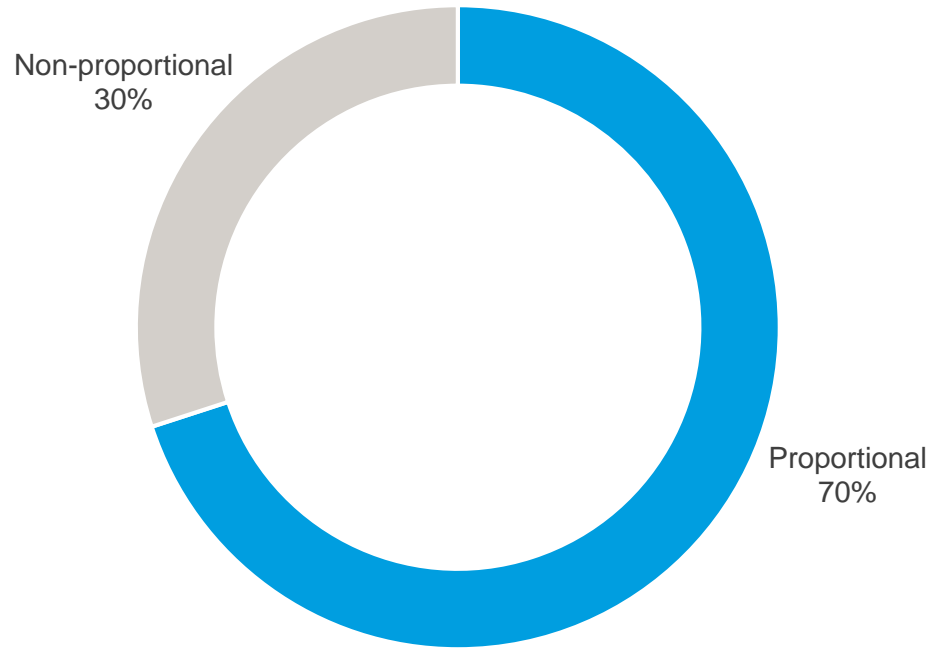


1) All lines of Property & Casualty reinsurance except those stated separately; EMEA incl. CIS

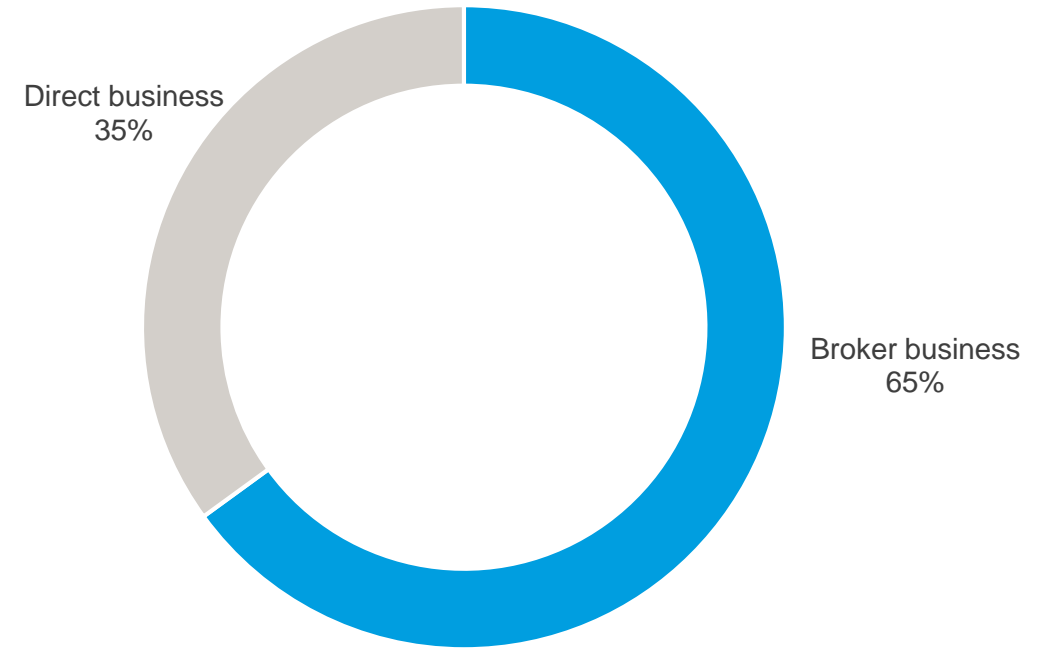
Around 2/3 of our business is written via brokers

~1/3 of our business is non-proportional

Breakdown of treaties by volume



Breakdown of business written



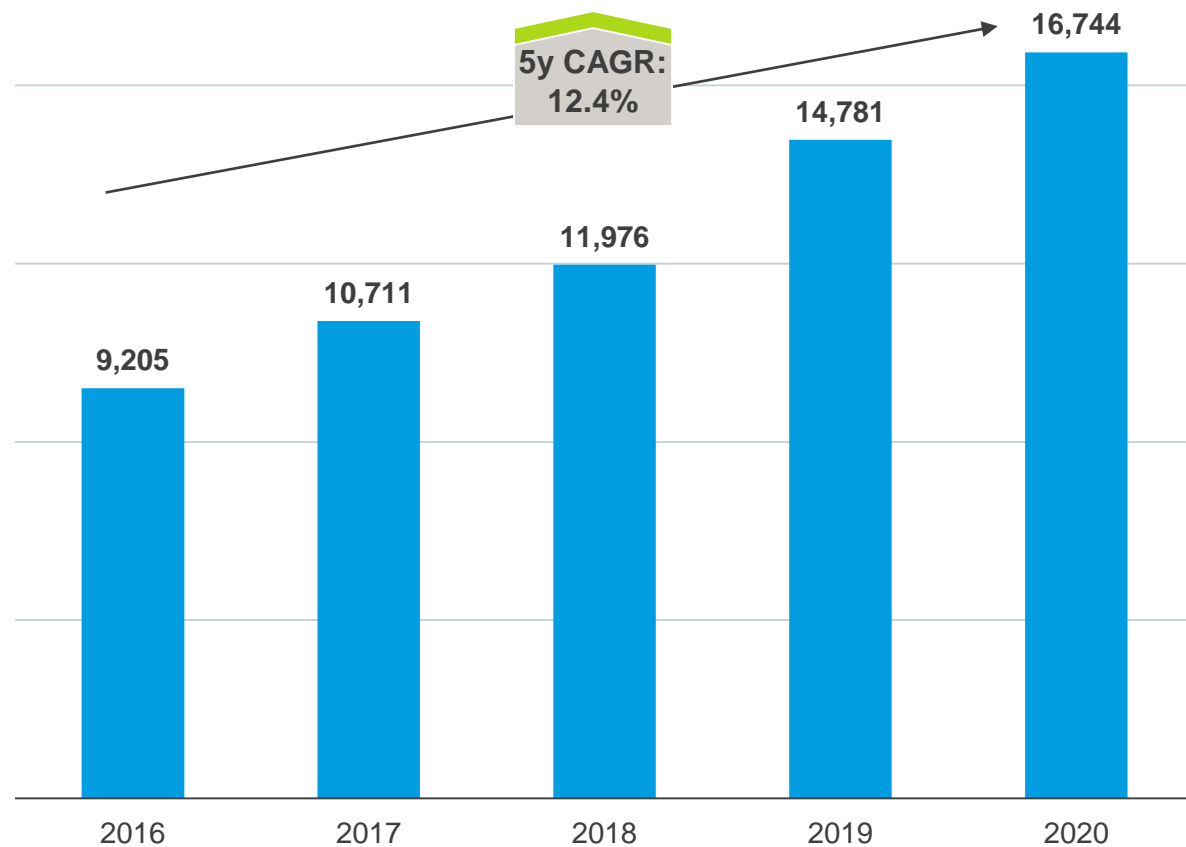
GWP 2020: EUR 16,744 m.
(2019: EUR 14,781 m.)

Margin-oriented U/W approach leads to profitable growth

2020: underwriting result impacted by reserving for Covid-19 loss estimates

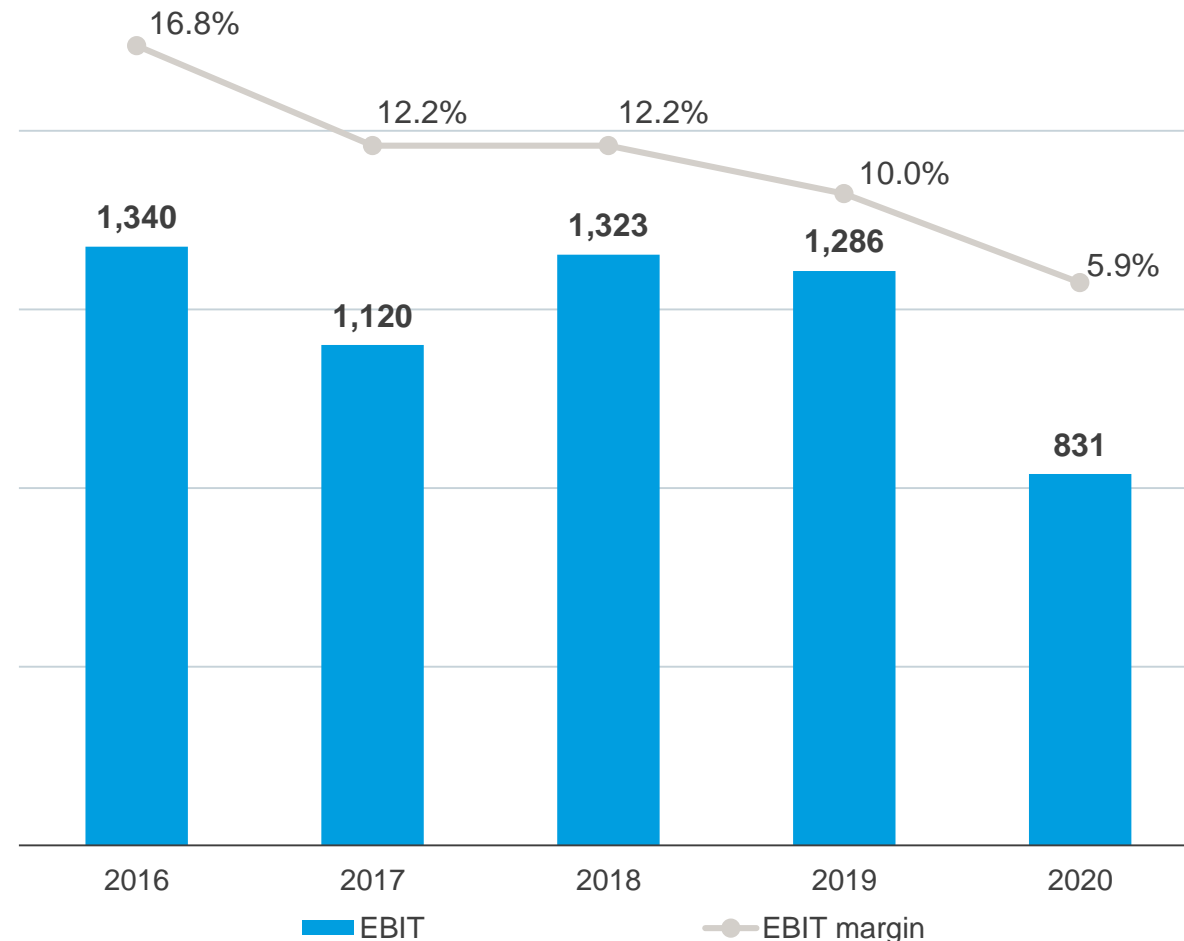
Gross written premium

in m. EUR





















EBIT/EBIT margin

in m. EUR



Target Combined Ratio varies substantially by line of business

Targets for FY 2021

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 (incl. CIS) ¹⁾		 2.0%		 6.7%		95.4%
Americas ¹⁾		 4.8%		 10.0%		94.8%
APAC ¹⁾		 3.8%		 6.7%		97.0%
Structured Reinsurance and ILS		 0.4%		 1.7%		98.7%
Credit, Surety and Political Risks		 2.1%		 7.6%		94.5%
Facultative Reinsurance		 3.9%		 7.4%		96.5%
Aviation and Marine		 3.1%		 8.1%		95.0%
Agricultural Risks		 1.8%		 8.9%		92.9%
Total Property & Casualty R/I		 2.7%		 6.7%		96.0%

As at April 2021

1) All lines of business except those stated separately; EMEA incl. CIS

Stable redundancy despite challenging environment

Reserve study review by Willis Towers Watson confirms reserving level

in m. EUR

Year end ¹⁾	Redundancy ²⁾	Increase redundancy	Effect on loss ratio	P&C premium (net earned)
2009	867	276	5.3%	5,230
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
2009 - 2019 total	867			86,162
2009 - 2019 average	79		1.0%	7,833

Average impact on loss ratio: 1.0% in the past 11 years (not f/x-adjusted)

1) Figures in m. EUR and 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

		2019	2020
Hurricane US/Caribbean	100-year loss	(1,155)	(1,107)
	250-year loss	(1,595)	(1,594)
Earthquake US West Coast	100-year loss	(603)	(554)
	250-year loss	(1,258)	(1,184)
Winter storm Europe	100-year loss	(376)	(377)
	250-year loss	(602)	(631)
Earthquake Japan	100-year loss	(341)	(347)
	250-year loss	(733)	(747)
Earthquake Chile	100-year loss	(212)	(223)
	250-year loss	(778)	(777)

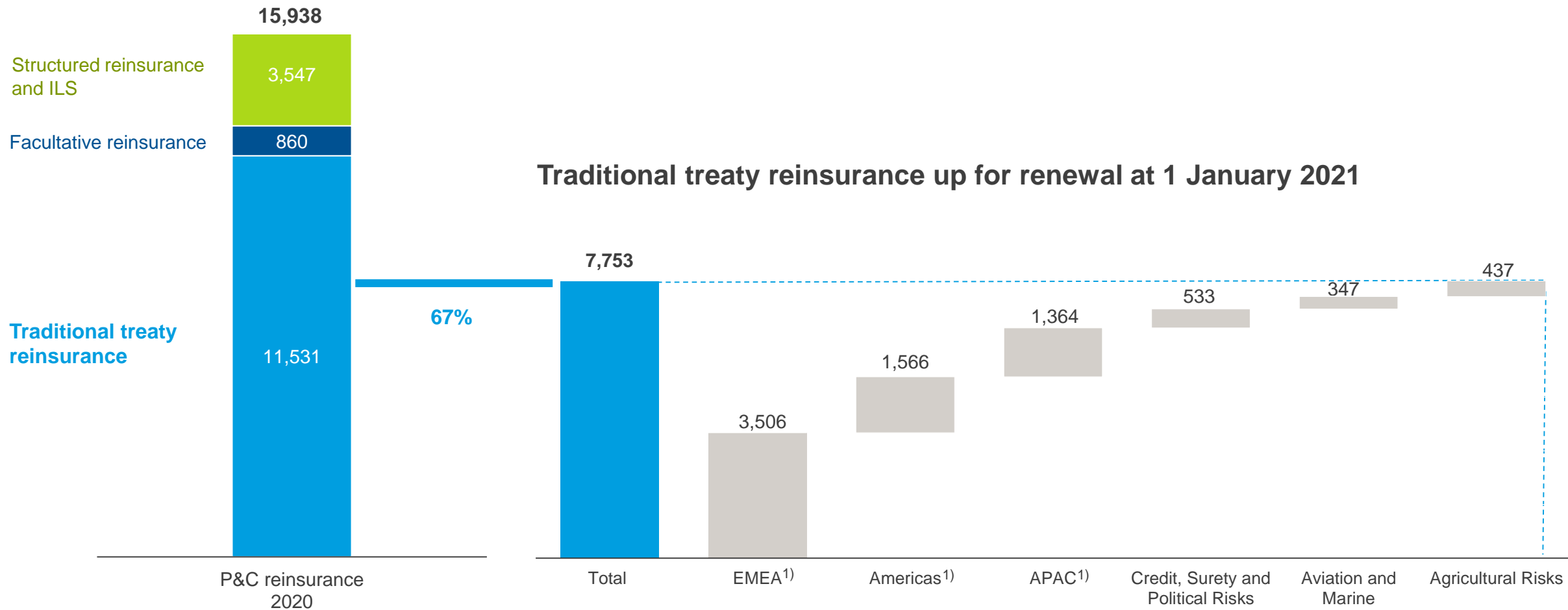
in m. EUR	Limit 2020	Threshold 2020	Actual utilisation (July 2020)
All natural catastrophe risks ¹⁾			
200-year aggregate annual loss	2,299	2,069	1,702

1) Loss relative to the underwriting result

67% of traditional treaty reinsurance up for renewal at 1 January 2021

Equates to 49% of the total P&C inforce premium

Estimated premium income U/Y by reporting lines

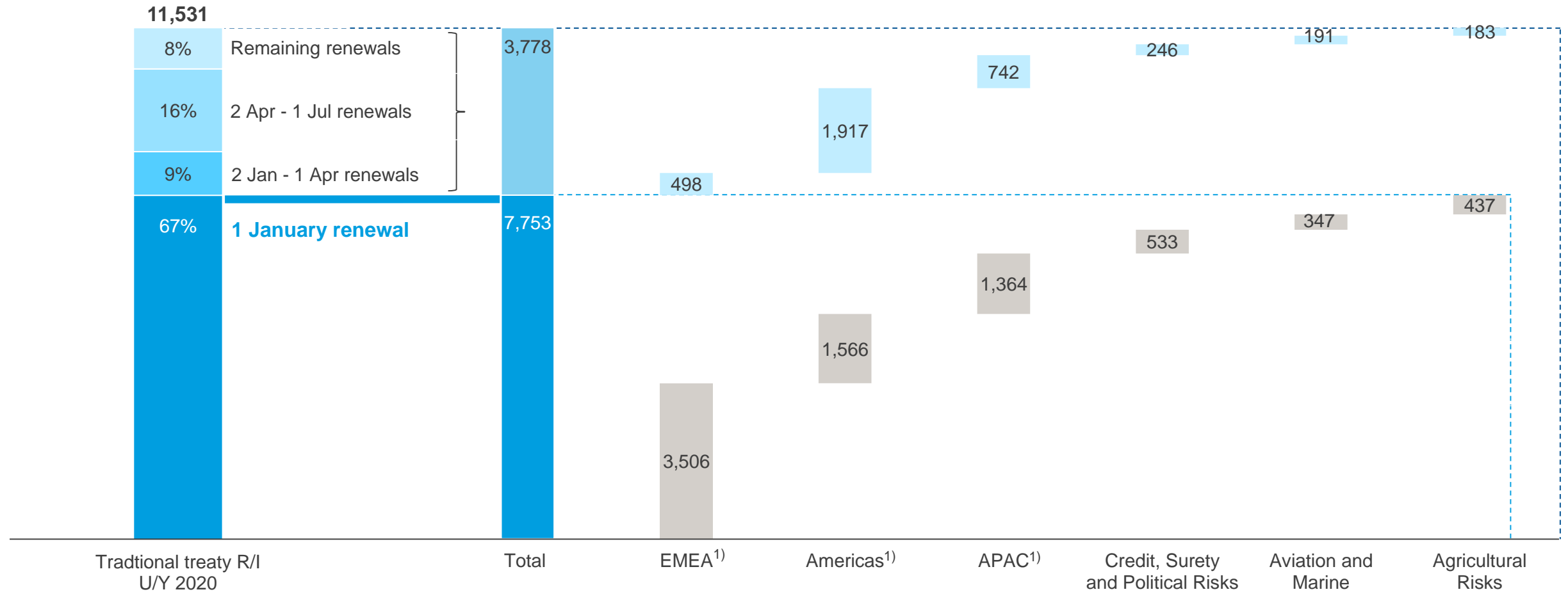


All figures in m. EUR

1) All lines of business except those stated separately; EMEA incl. CIS

33% of traditional treaty reinsurance comes up for renewal later in a favourable market environment

Estimated premium income U/Y by reporting lines



All figures in m. EUR

1) All lines of business except those stated separately; EMEA incl. CIS

Price increases across all lines and regions, with most dynamic development in US, UK and Specialty lines

Reporting lines	Traditional treaty reinsurance			
	Premium 1/1/2020	Premium 1/1/2021	Premium changes	Price changes
EMEA ¹⁾	3,506	3,878	+10.6%	+3.0%
Americas ¹⁾	1,566	1,806	+15.3%	+8.3%
APAC ¹⁾	1,364	1,420	+4.1%	+6.1%
Credit, Surety and Political Risks	533	561	+5.3%	+9.9%
Aviation and Marine	347	375	+8.2%	+11.1%
Agricultural Risks	437	374	-14.5%	+3.4%
Total 1 January renewals	7,753	8,414	+8.5%	+5.5%

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); EMEA incl. CIS

Proportional business benefited from improved primary insurance markets

Split by proportional and non-proportional business

Reporting lines	Proportional			Non-proportional		
	Premium 1/1/2021	Premium changes	Price changes	Premium 1/1/2021	Premium changes	Price changes
EMEA ¹⁾	3,072	+12.1%	+2.0%	806	+5.3%	+6.4%
Americas ¹⁾	874	+19.6%	+6.5%	932	+11.6%	+9.9%
APAC ¹⁾	1,338	+3.5%	+6.3%	82	+16.1%	+2.9%
Credit, Surety and Political Risks	456	+2.2%	+9.0%	105	+20.8%	+14.7%
Aviation and Marine	245	+7.4%	+8.9%	130	+9.8%	+15.2%
Agricultural Risks	344	-15.5%	+2.9%	29	-1.9%	+9.8%
Total 1 January renewals	6,329	+8.3%	+4.4%	2,085	+9.3%	+8.8%

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); EMEA incl. CIS

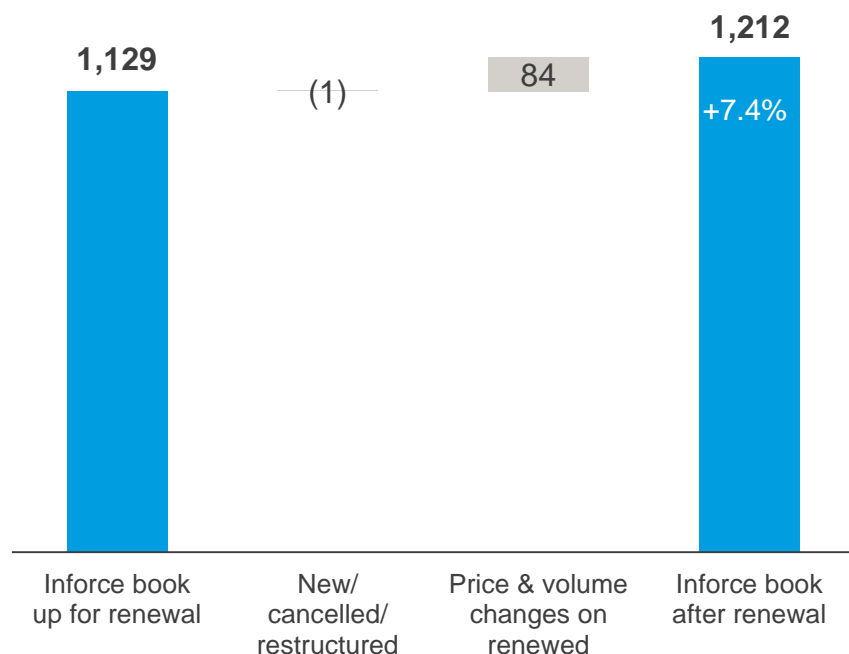
Positive renewal trends lead to continued premium growth

Risk-adjusted price increase of 9.0% in non-proportional business

2 Jan - 1 Apr 2021

in m. EUR

Change in shares: +0.6%
 Change in price: +5.0%
 Change in volume: +1.9%



Americas¹⁾

- Double-digit increase in premium in North America
 - Strong (double-digit) primary rate movement continues in targeted segments (Excess & Surplus lines, large accounts, engineered risks)
 - Reinsurers’ margin on proportional business has improved as underlying rate trends outweigh loss cost and commission developments
- Stable to improved conditions in the Caribbean

Japan

- Successful renewal in line with our expectations. Portfolio has been renewed with a single-digit growth rate
- We were able to continue and partially increase our participation on business that has seen 3 successive rounds of rate increases

Aviation & Marine

- Aviation: Positive price momentum continued with risk-adjusted price increases averaging around 25% and in line with 1/1 renewals
- Marine: Single-digit price increases on loss-free and higher on loss-affected business. Cyber and Communicable Disease exclusionary language incorporated successfully

Agricultural Risks

- Renewals still underway; premium growth expected from new accounts

Underwriting year figures at unchanged f/x rates (31 December 2020)

1) Excluding specialty business mentioned separately

Agenda

1	Hannover Re Group	2
2	Property & Casualty reinsurance	32
3	Life & Health reinsurance	46
4	Investment management	60
5	Capital management	67
6	Interim results Q1/2021	80
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8	Appendix	93

We are somewhat different

Undogmatic

We have an undogmatic approach

- Strong entrepreneurial spirit
- Appetite to innovate industry solutions

Life & Health reinsurance

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

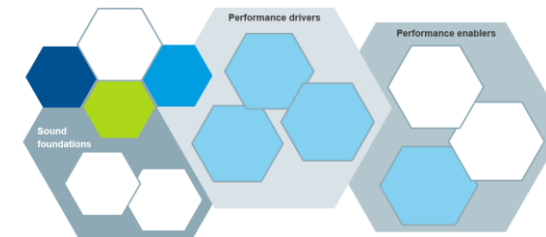
- 950 experts in 26 offices on all continents
- Highly empowered and qualified staff

Flexible

We are a highly flexible business partner

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

Life & Health: Strategy



Preferred
business
partner

Support our clients in optimising 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

Innovation
catalyst

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

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

Earnings
growth

Outperform the competition in the fastest growing L&H markets

- Expand our offering in Asia, Longevity and Financial Solutions

Effective
capital
management

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

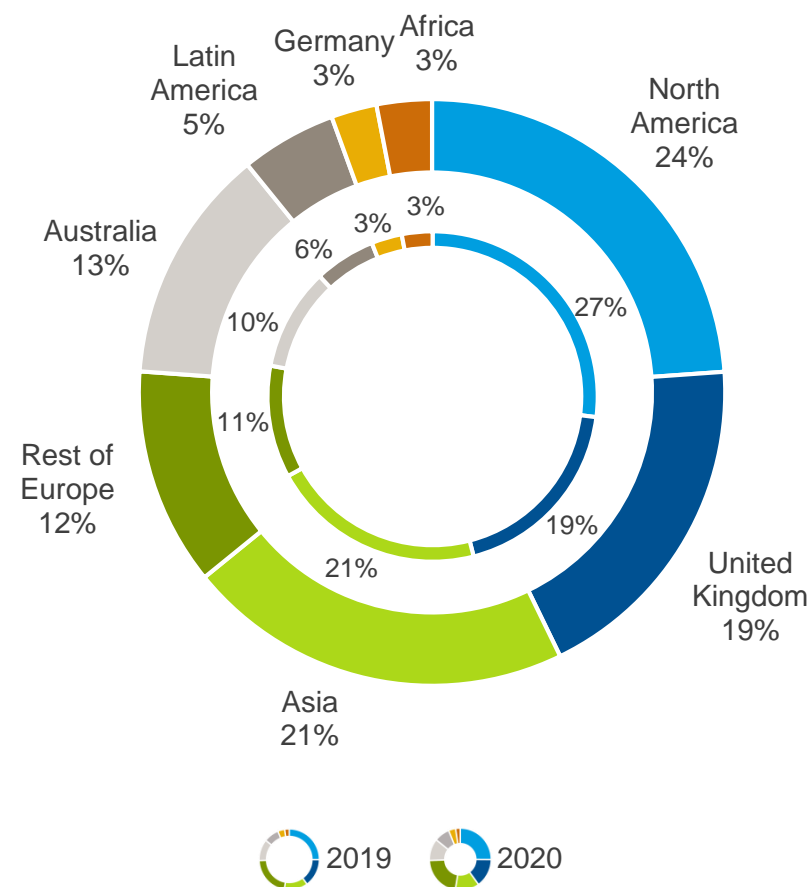
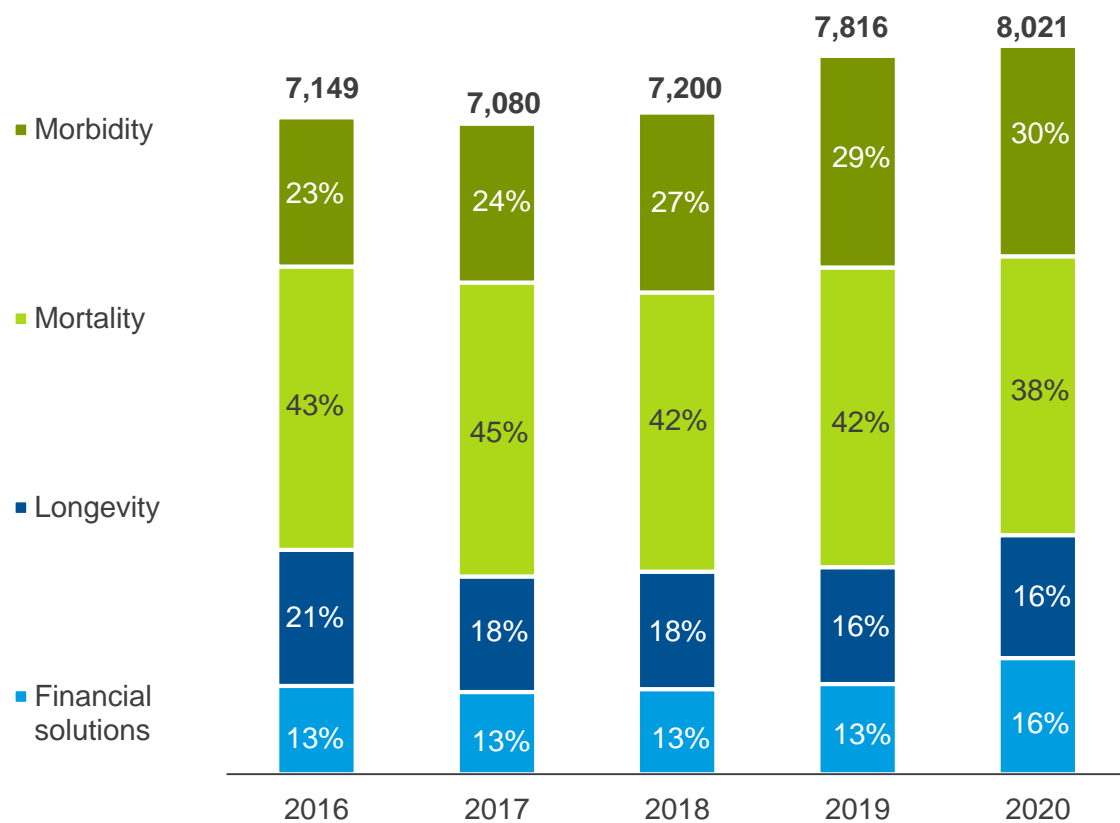
Life & Health reinsurance: portfolio structure largely unchanged

5-year CAGR: +0.7%

GWP split by reporting categories

in m. EUR

Gross written premium split by regions

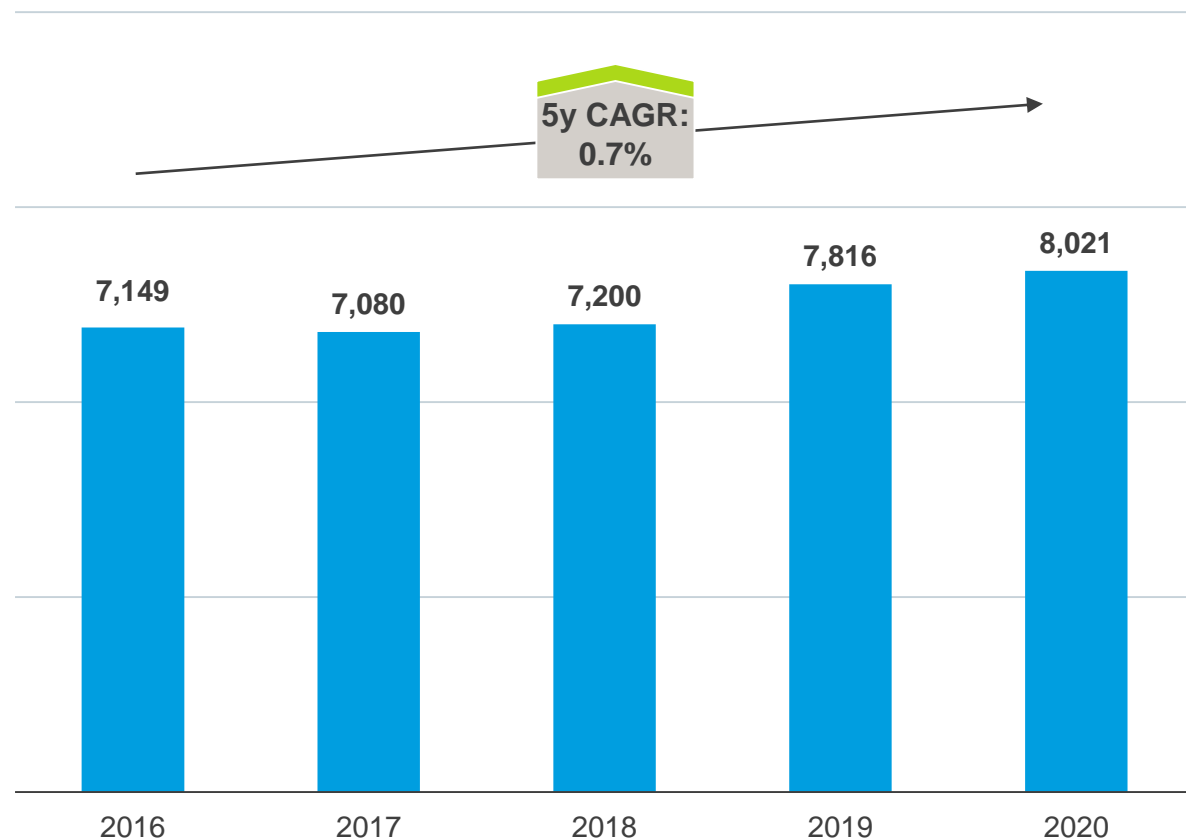


Improving profitability in Life & Health reinsurance

2020: Favourable underlying result impacted by Covid-19 losses

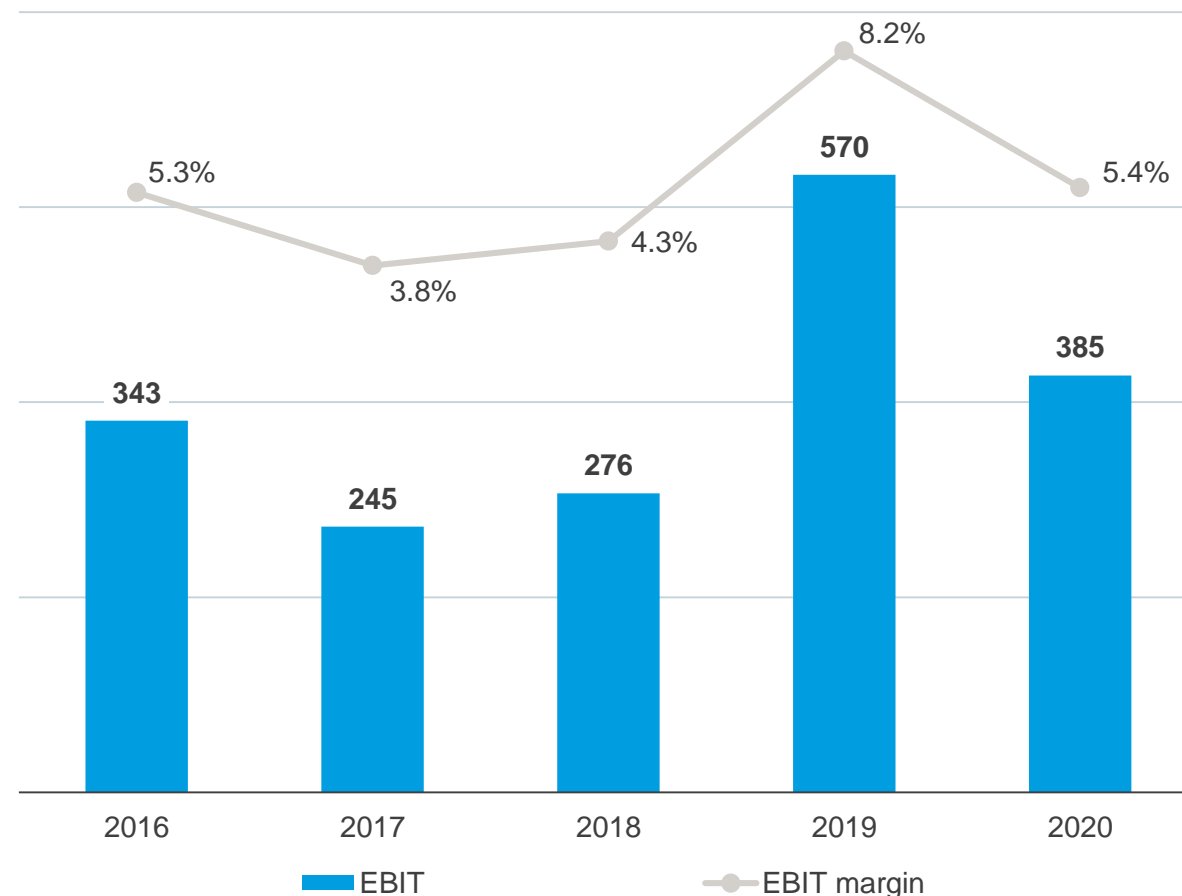
Gross written premium

in m. EUR



EBIT/EBIT margin

in m. EUR

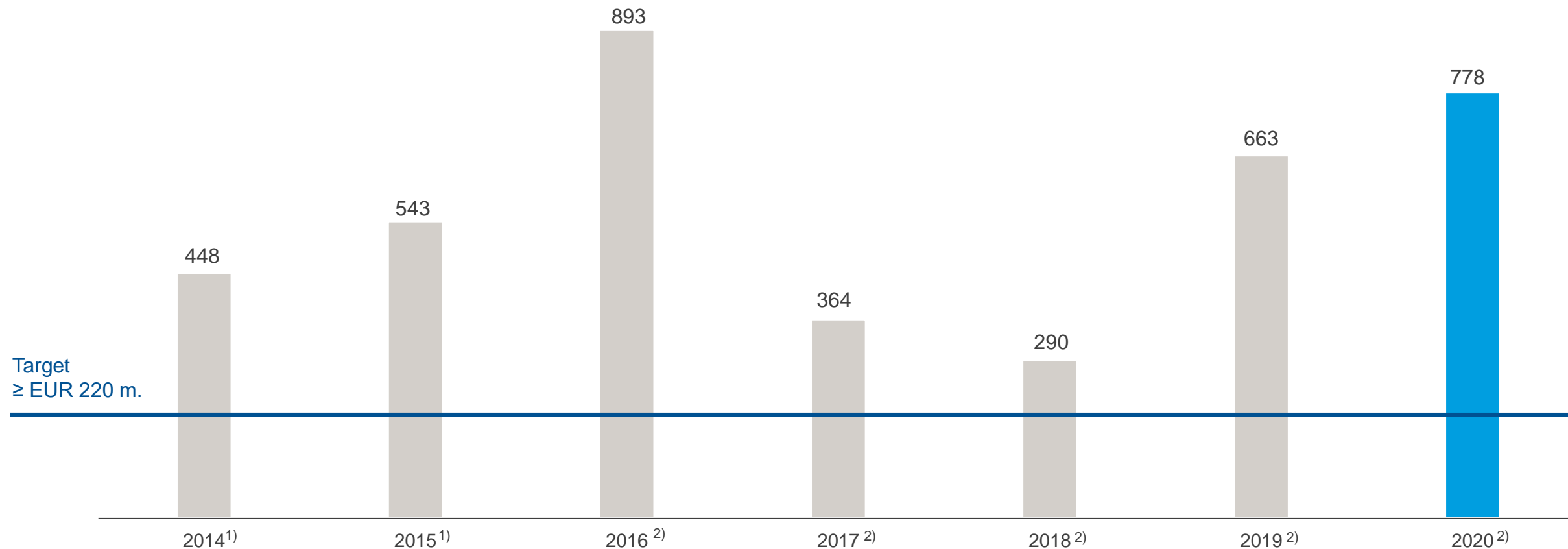


Value of New Business well above target

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

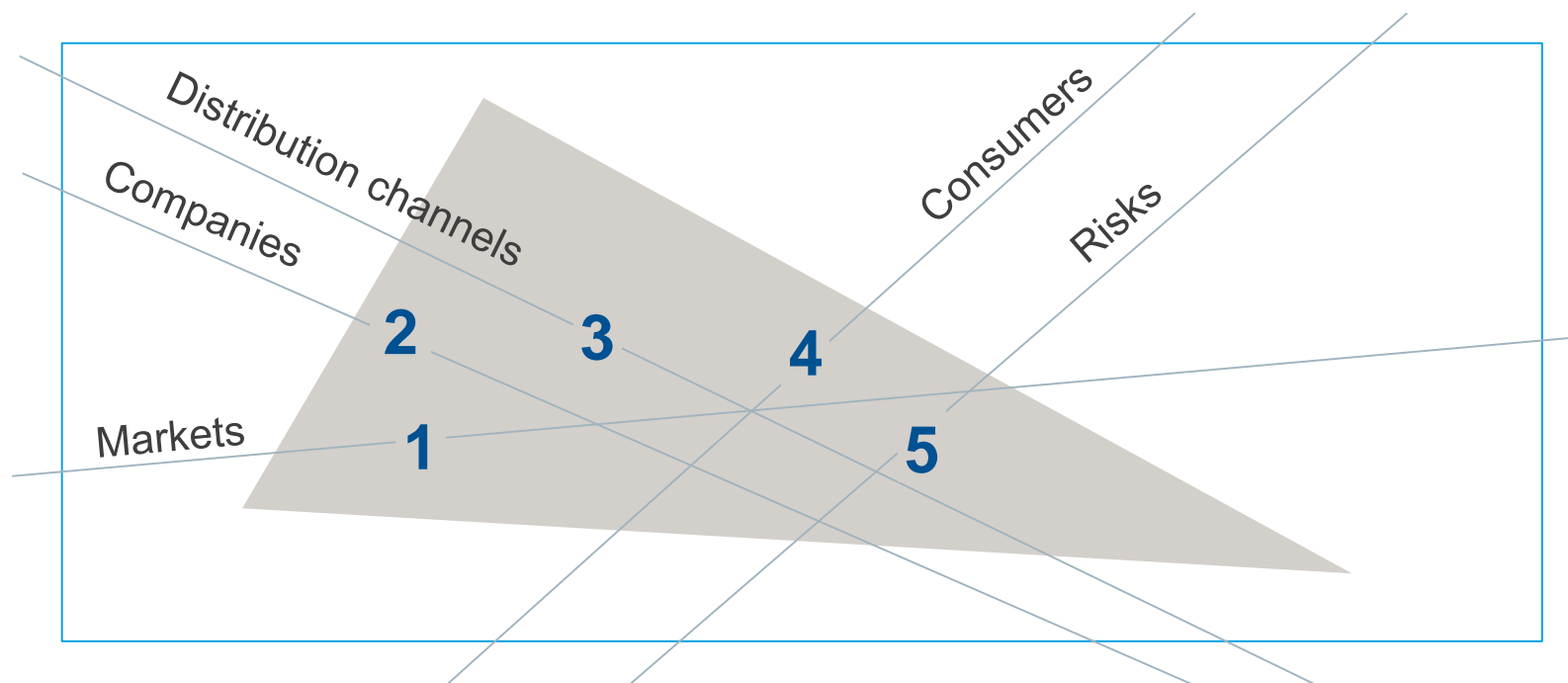
Achieve financial objectives for our clients

Reinsurance Services

Meet the individual needs of our clients

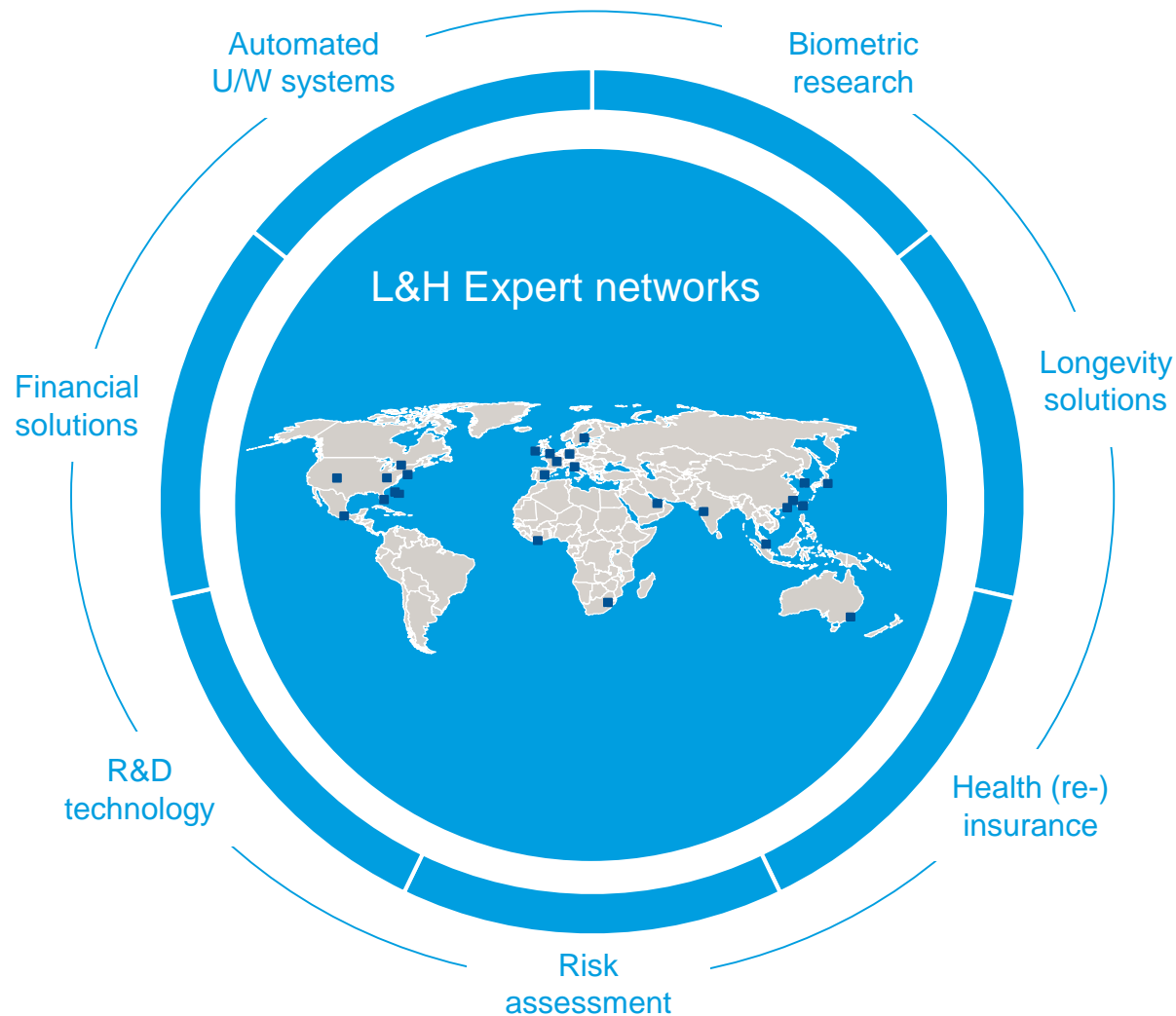
Our strategic focus

- 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

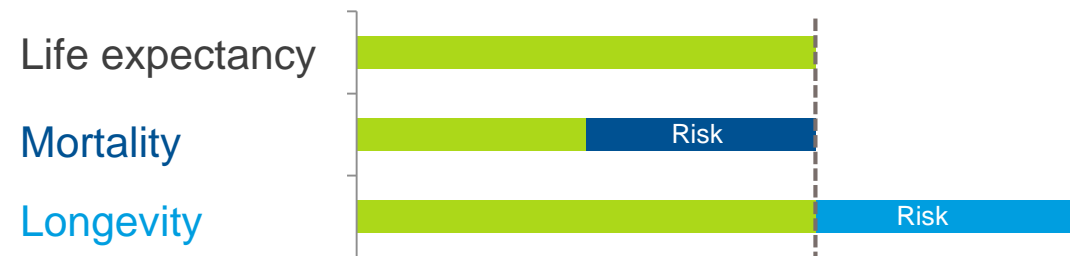
Mortality

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

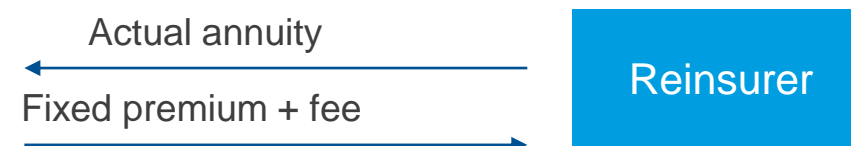
Longevity: risk transfer



Lifelong annuity

Insurer

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



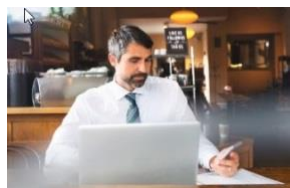
- + Coverage of > than 160 diseases
- + Design, pricing & claims assessment
- + Advice & training in underwriting risks
- + Track record as innovator in the market

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

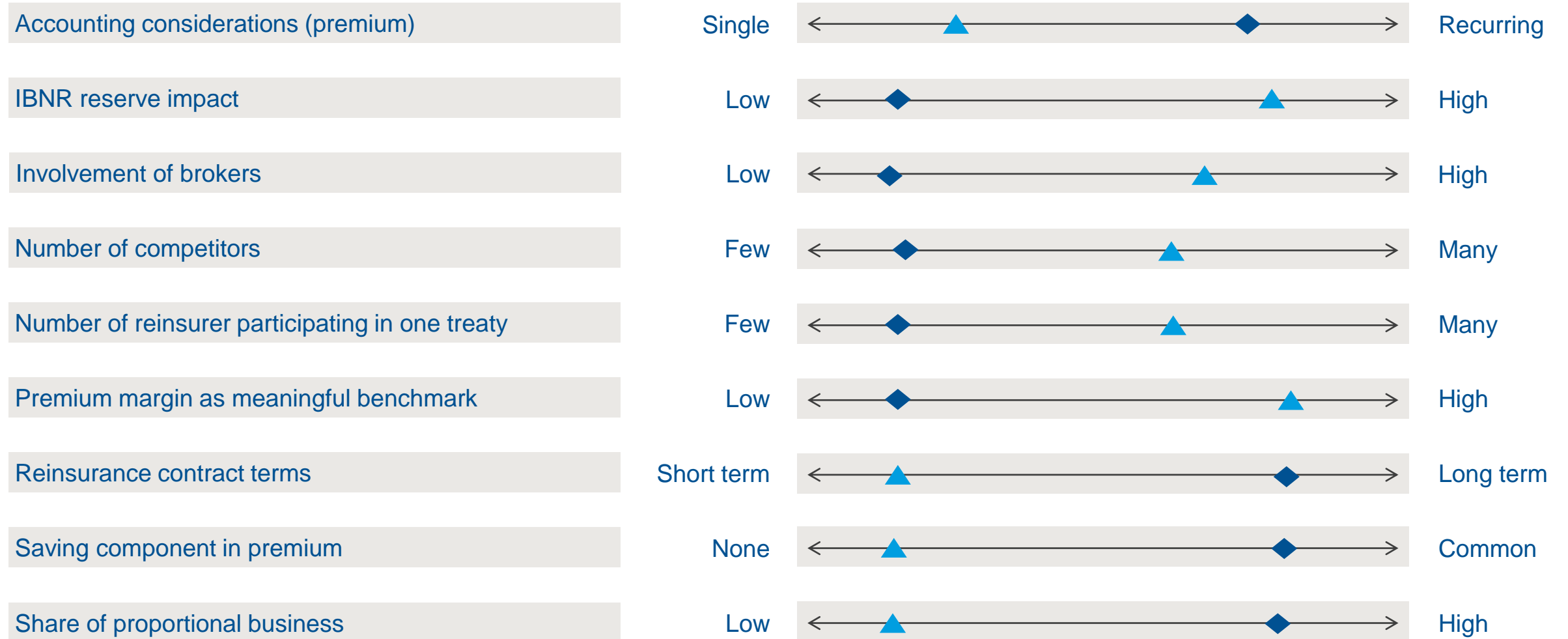


U/W systems

hr | Quirc, hr | ReFlex or hr | Ascent

Primary differences between L&H and P&C business

Simplified illustration



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

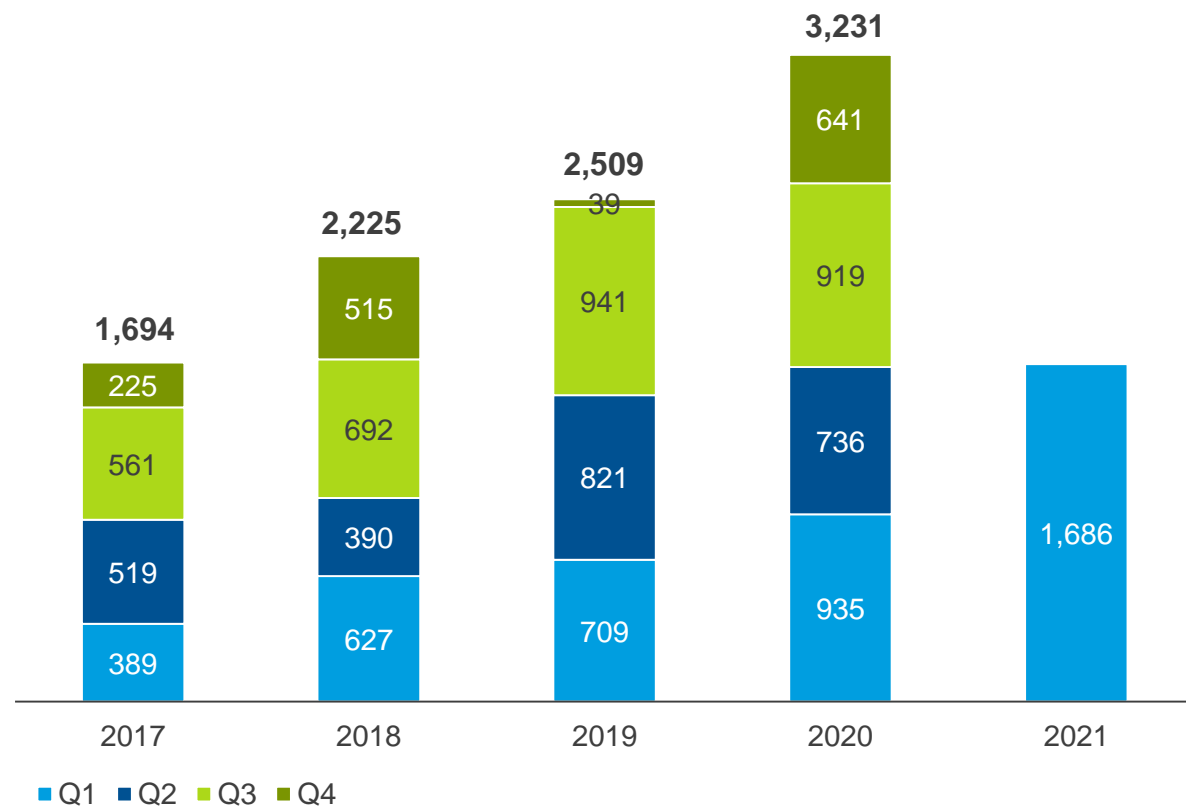
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Very strong operating cash flow driven by profitable premium growth

AuM +6.7%, cash flow and f/x effects more than offset lower asset valuation

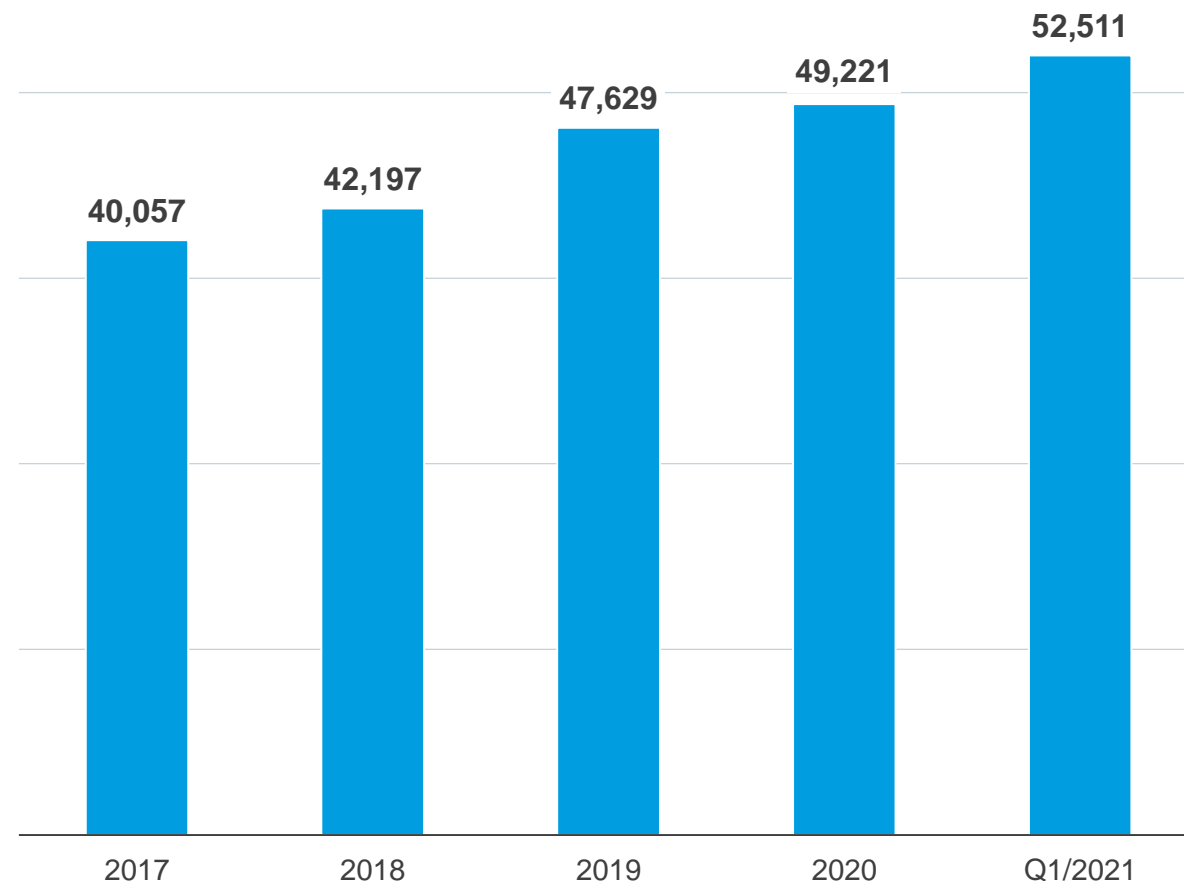
Operating cash flow

in m. EUR



Assets under own management (AuM)

in m. EUR

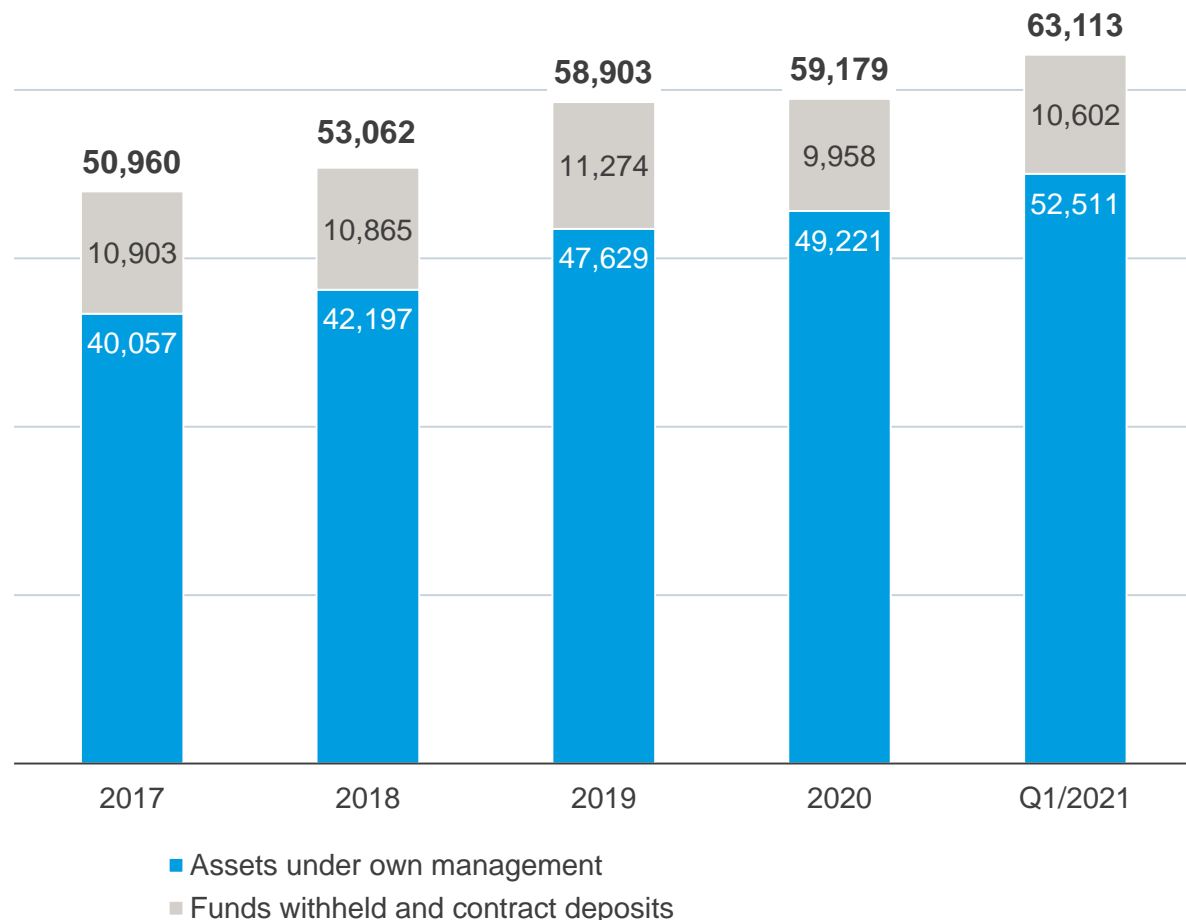


Good net investment income in a volatile market environment

Increase in assets under own management of 6.7%

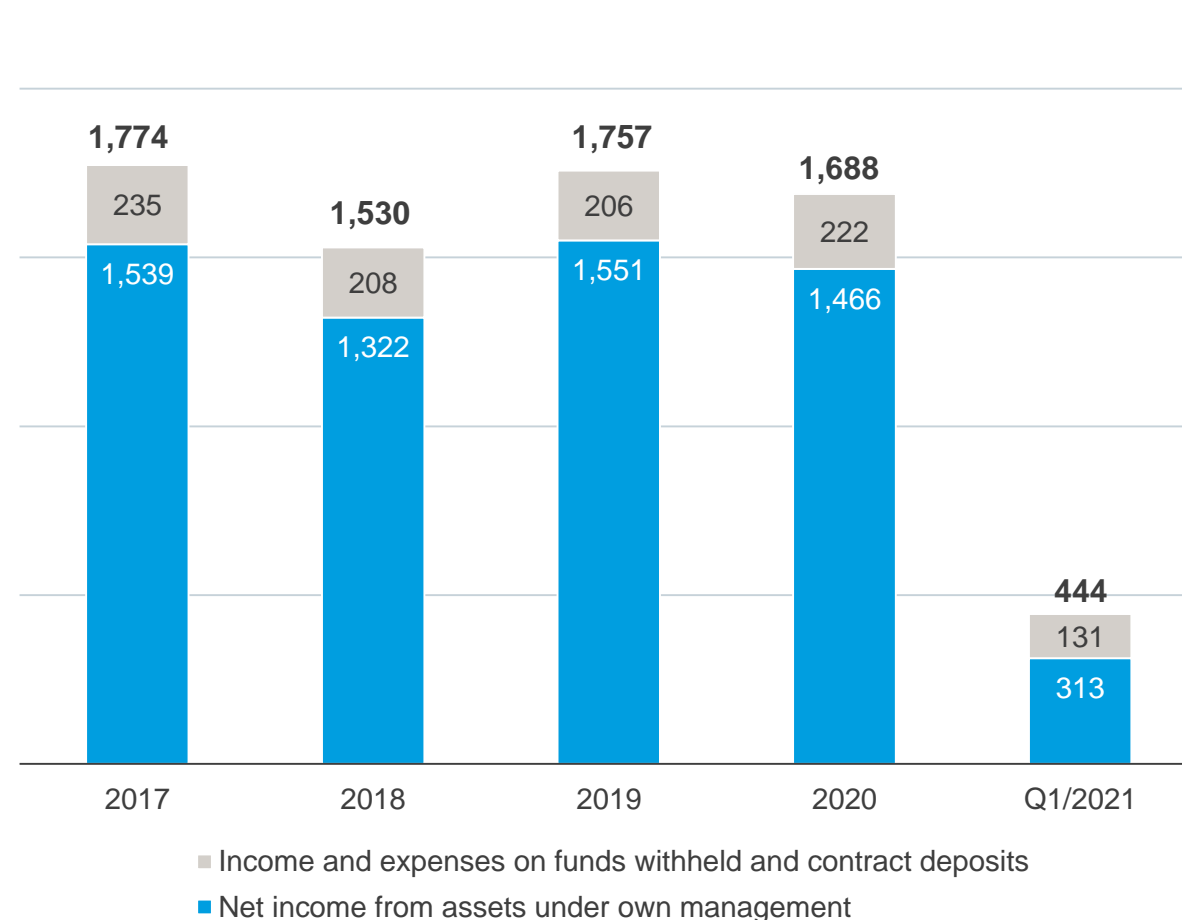
Total investments

in m. EUR



Investment income

in m. EUR



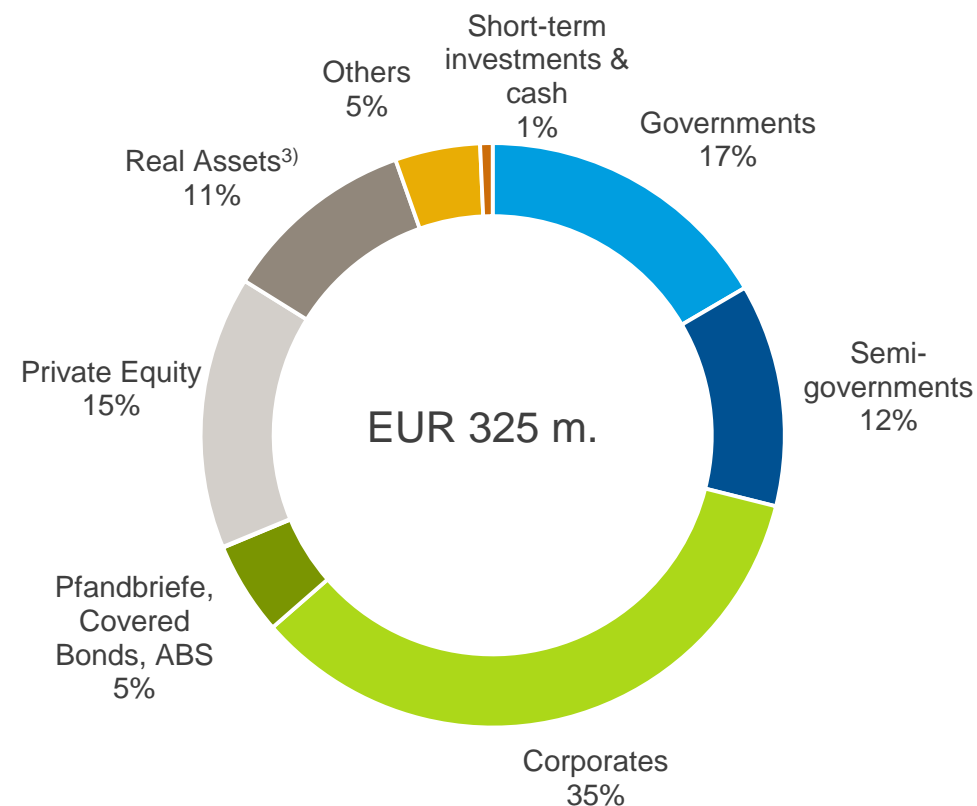
Ordinary return continuously supported by alternative assets

Slightly higher share of corporates, partial disposal of listed equities

Asset allocation¹⁾

Investment category	2017	2018	2019	2020	Q1/2021
Fixed-income securities	87%	87%	87%	85%	85%
- Governments	30%	35%	35%	34%	33%
- Semi-governments	17%	16%	15%	15%	14%
- Corporates	32%	29%	31%	30%	32%
Investment grade	27%	25%	26%	25%	27%
Non-investment grade	5%	4%	4%	5%	5%
- Pfandbriefe, Covered bonds, ABS	8%	7%	7%	6%	6% ²⁾
Equities	2%	2%	3%	3%	3%
- Listed equity	<1%	<1%	<1%	1%	1%
- Private equity	2%	2%	2%	3%	3%
Real Assets	5%	6%	5%	5%	5%
Others	1%	1%	2%	3%	3%
Short-term investments & cash	4%	4%	3%	3%	4%
Total market values in bn. EUR	40.5	42.7	48.2	49.8	53.2

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 1,343.3 m. (EUR 1,275.6 m.) as at 31 March 2021

2) Of which Pfandbriefe and Covered Bonds = 64.8%

3) Before real estate-specific costs. Economic view based on market values as at 31 March 2021

High-quality fixed-income book well balanced

Geographical allocation mainly in accordance with our broad business diversification

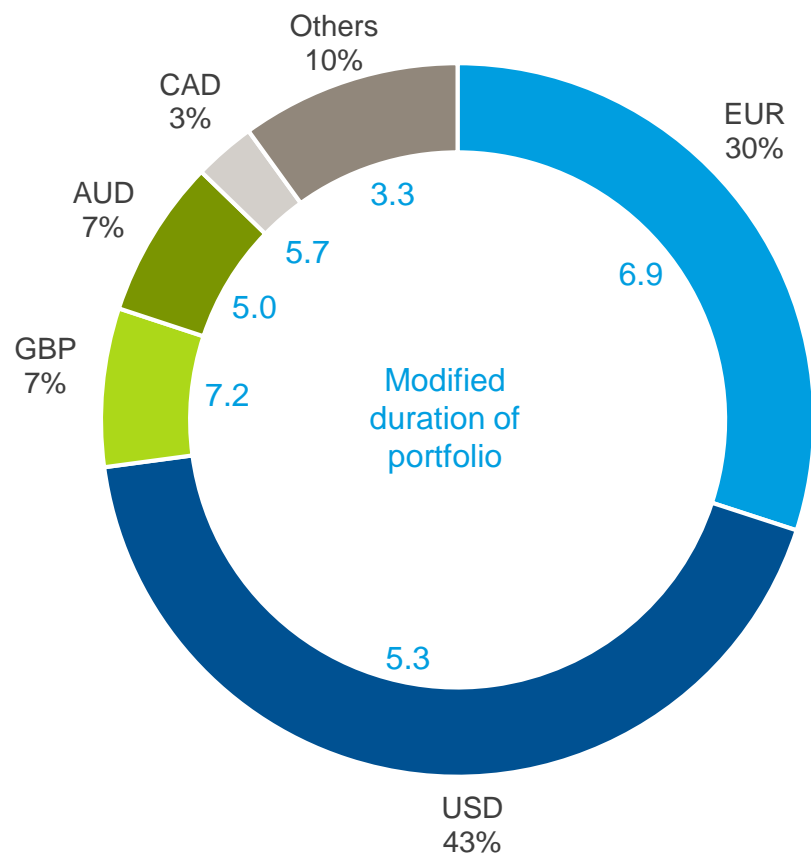
	Governments	Semi-governments	Corporates	Pfandbriefe, Covered bonds, ABS	Short-term investments, cash	Total
AAA	75%	60%	1%	59%	-	44%
AA	8%	24%	12%	17%	-	13%
A	11%	7%	33%	13%	-	19%
BBB	4%	2%	45%	8%	-	19%
<BBB	2%	8%	11%	2%	-	6%
Total	100%	100%	100%	100%	-	100%
Germany	18%	32%	4%	18%	22%	16%
UK	6%	2%	7%	8%	16%	6%
France	1%	1%	7%	7%	1%	4%
GIIPS	1%	1%	4%	5%	0%	2%
Rest of Europe	4%	18%	14%	25%	3%	11%
USA	48%	14%	32%	14%	16%	33%
Australia	5%	6%	6%	11%	10%	6%
Asia	13%	9%	10%	1%	22%	11%
Rest of World	4%	16%	15%	11%	9%	11%
Total	100%	100%	100%	100%	100%	100%
Total b/s values in m. EUR	17,284	7,605	16,318	3,182	2,045	46,433

IFRS figures as at 31 March 2021

Currency allocation matches modelled liability profile

Strict duration-neutral strategy continued

Currency split of investments



- Modified duration of fixed-income mainly congruent with liabilities and currencies
- GBP's higher modified duration predominantly due to life business; EUR driven by hybrid bond issuance

Modified duration

Q1/2021	5.7
2020	5.8
2019	5.7
2018	4.8
2017	4.8

Stress tests on assets under own management

Focus still on credit exposures with ambitious spread tightenings

Portfolio	Scenario	Change in market value in m. EUR	Change in OCI before tax in m. EUR
Equity (listed and private equity)	-10%	-170	-170
	-20%	-341	-341
Fixed-income securities	+50 bps	-1,306	-1,243
	+100 bps	-2,538	-2,417
Credit spreads	+50%	-753	-738

As at 31 March 2021

Agenda

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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

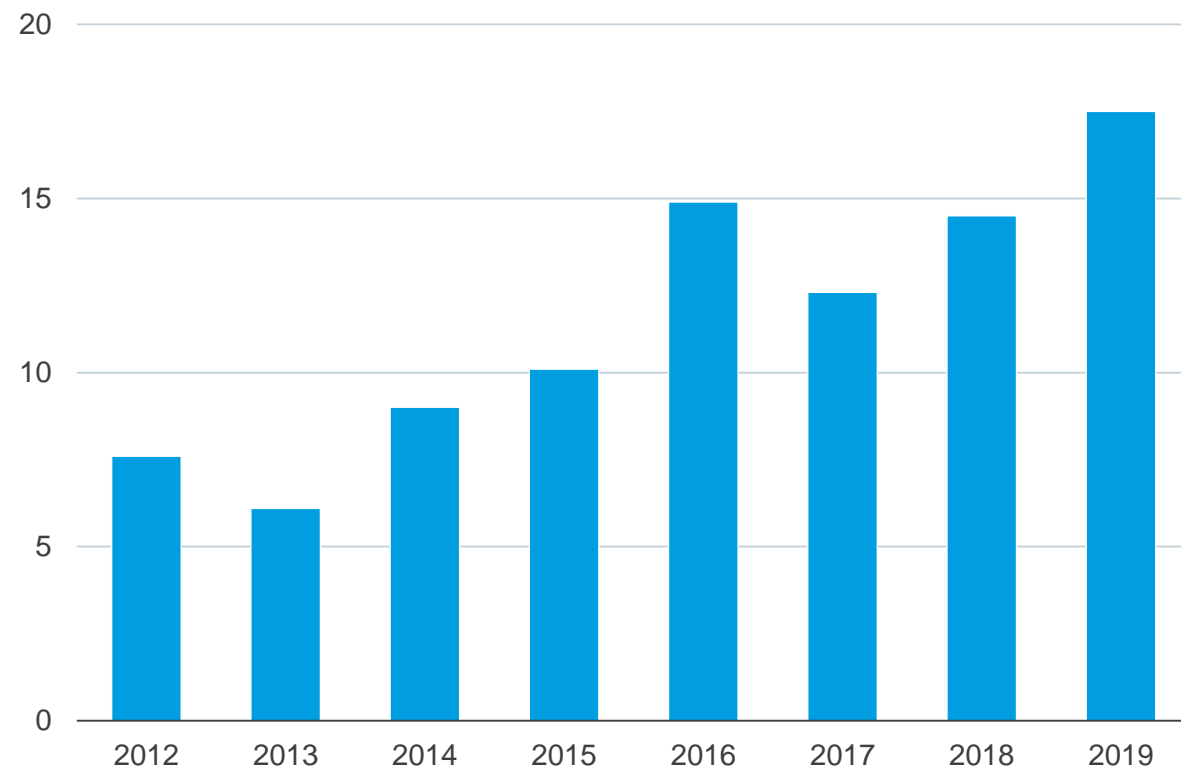
Competitive advantage through low cost of capital (WACC)

Senior bond not recognised as regulatory capital

Leverage ratios support HR's excellent ratings

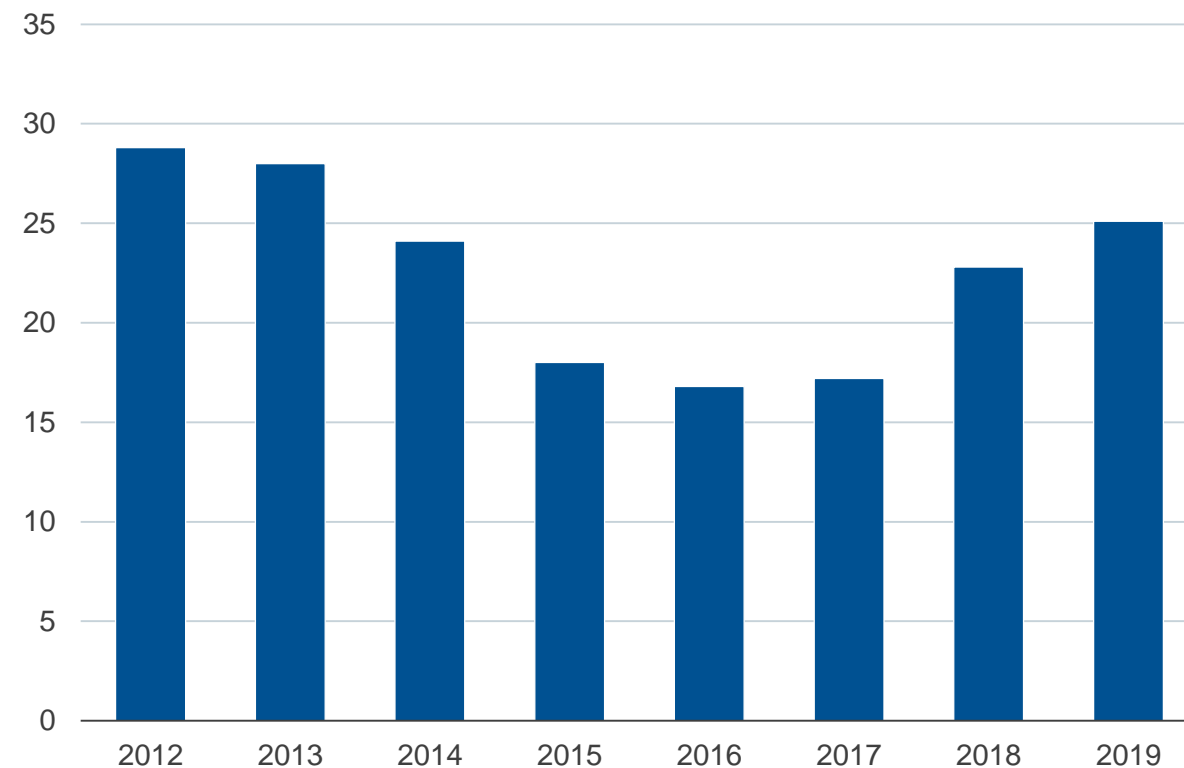
S&P's view on Hannover Re

EBITDA fixed Charge Coverage (x)¹⁾



Financial Leverage²⁾

in %

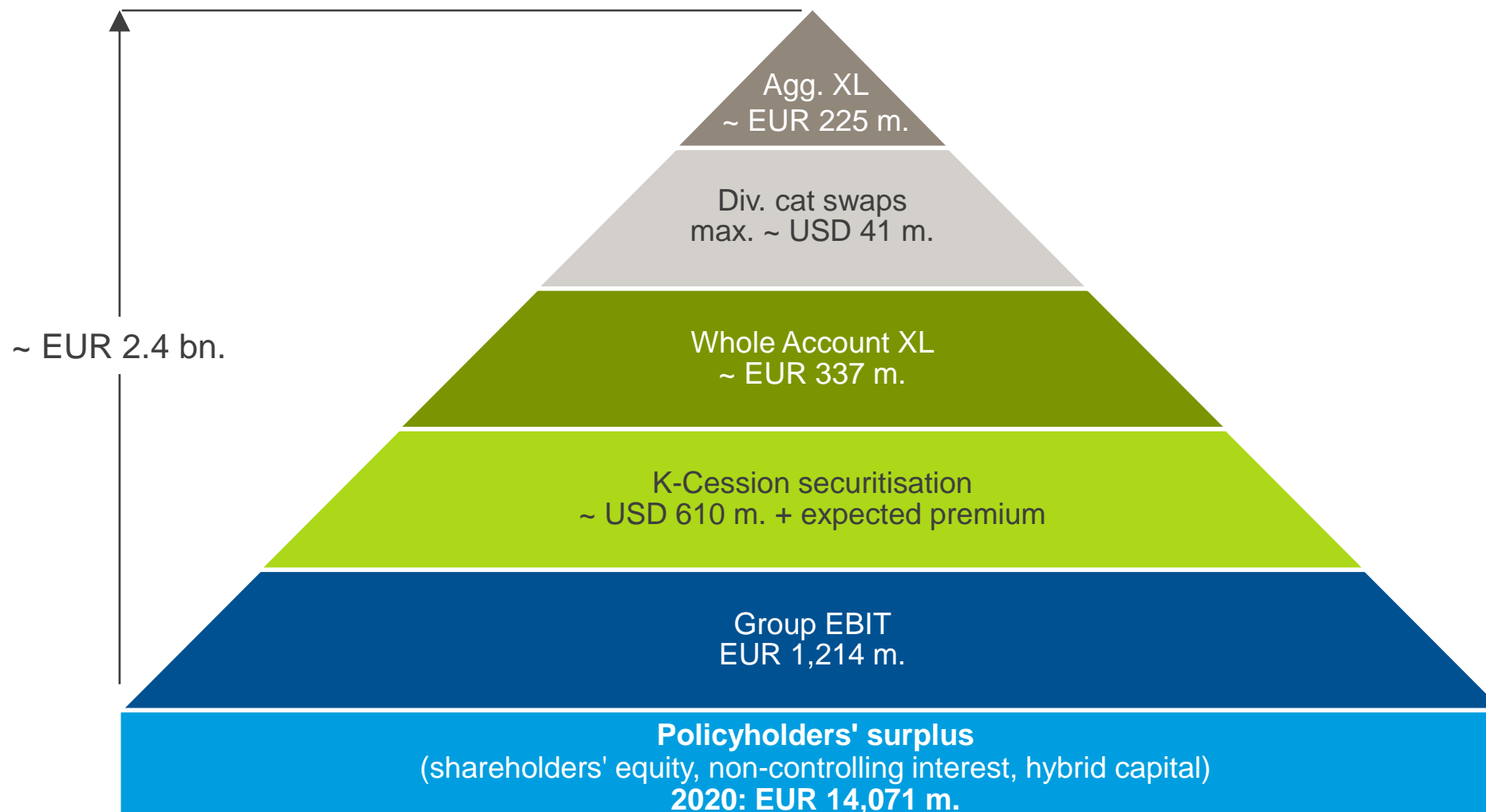


Source: Standard & Poor's rating report of Hannover Re as of 14 October 2020

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)

Several levels of protection provide more NatCat capacity and thus create additional earnings at a defined risk appetite



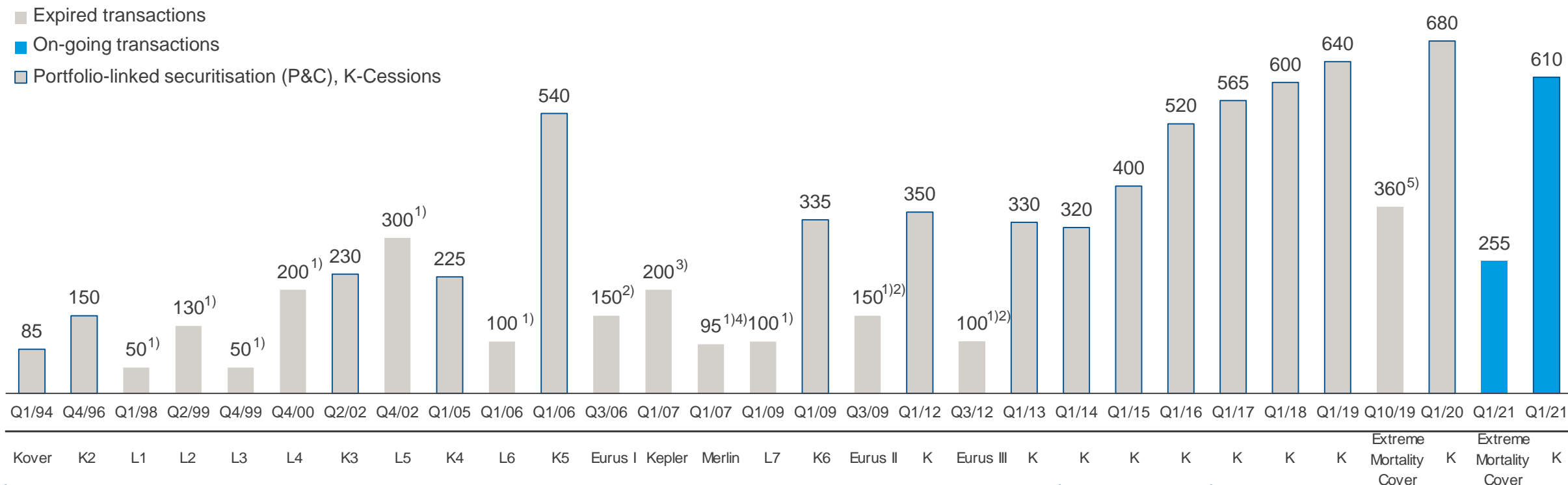
As at March 2021

We pioneered in transferring risks into capital markets via securitisations

Equity Substitutes

Transactions

in m. USD if not otherwise stated



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

Hannover Re

Munich Re

SCOR

XL Bermuda

Swiss Re

Transatlantic Re

Everest Re

PartnerRe

Lloyd's

S&P

AA+

AA-

AA-

AA-

AA-

AA¹⁾

A+

A+

A+¹⁾

A+

A.M. Best

A++

A+

A+

A+

A+

A+

A+

A+

A+

A

As at 1 July 2021
1) Negative outlook

An above-average rating has numerous benefits although we might not (yet) get paid for it



We have a better showing of business than the average player

- Access to all lines of business
 - We enjoy a highly diversified, high quality book of business
-



We are on virtually all broker lists, with cedents often demanding specific R/Is



We get very high allocations when we quote for business

- >90% vs. some 50% for a Bermuda start-up
-



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
-



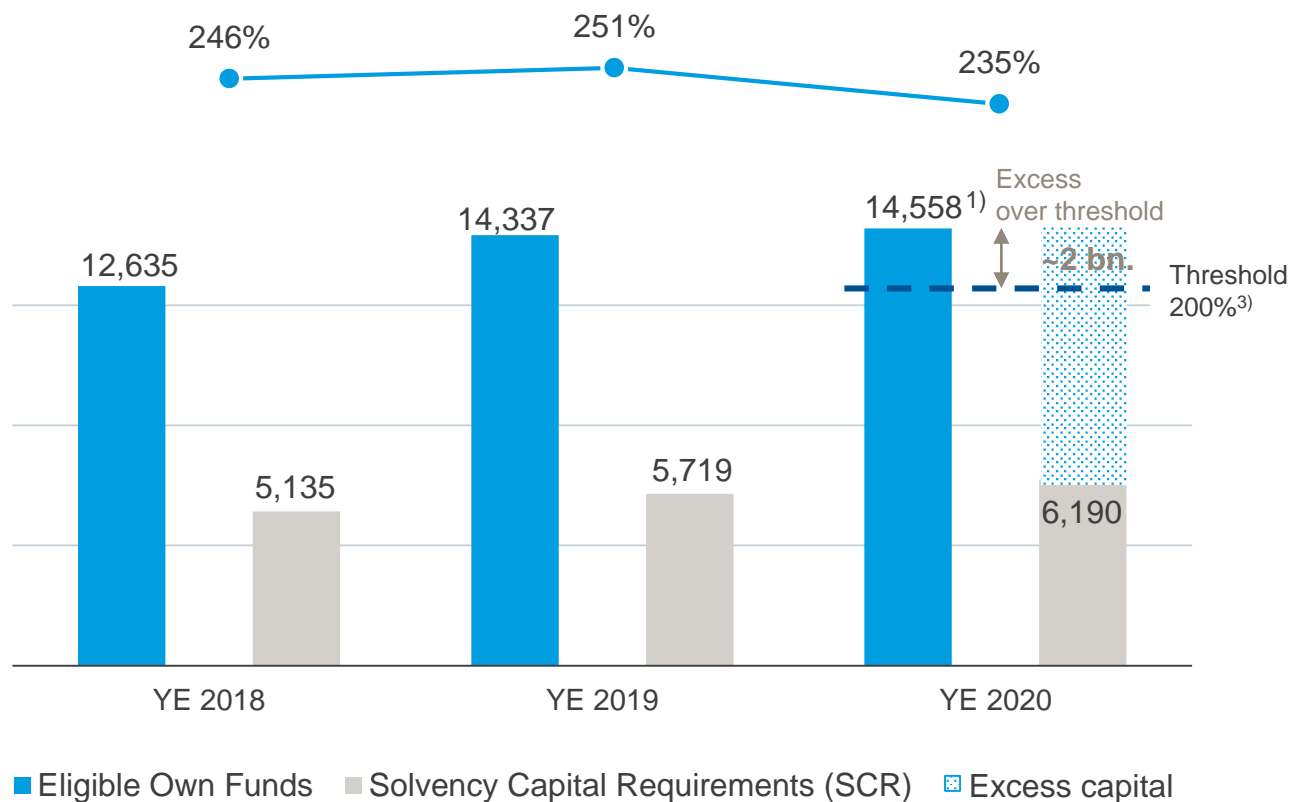
Our cost of financing in the capital markets is lower

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

Capital adequacy ratio remains well above targets

Increase in SCR driven by strong business growth in 2020

Development of the Solvency II ratio



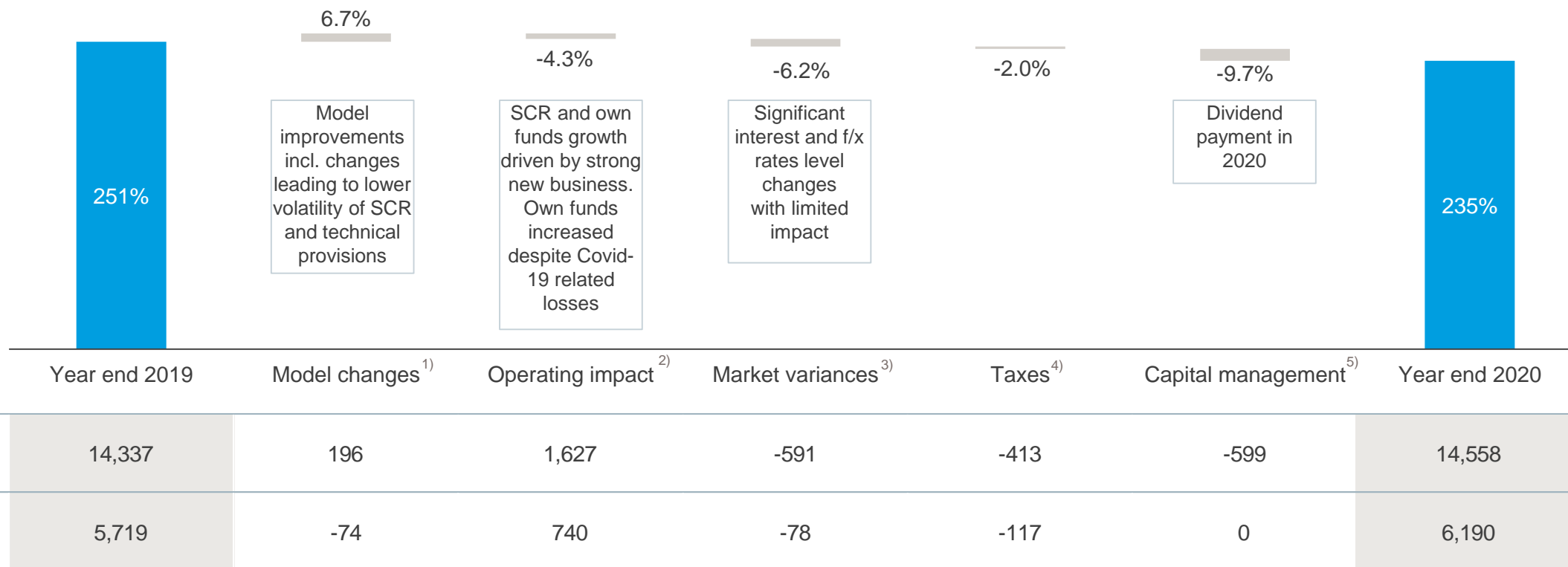
- Increase in eligible own funds despite Covid-19 losses due to positive earnings incl. new business value
- SCR grows at slightly higher rate, mainly due to business growth but also due to lower interest rate level and higher market volatilities
- Solvency II ratio above threshold throughout 2020 proves effectiveness of volatility management²⁾

1) Includes deduction for minority shareholdings of EUR 653 m.
 2) Includes the use of the volatility adjustments
 3) Minimum Target Ratio Limit 180%

Strong capital generation despite Covid-19 impacts

Solvency II ratio declines but remains at high level

Solvency II movement analysis



Figures in m. EUR. SCR – Solvency Capital Requirements according to Solvency II internal model

1) Model changes (pre-tax) in terms of own funds relate to the calculation of technical provisions. A number of minor model changes, with each of them having a rather small impact, affect the SCR.

2) Operating earnings and assumption changes (pre-tax). The own funds increase includes the L&H new business value of EUR 778 m. The SCR increases due to strong business growth.

3) Changes due to movements in foreign exchange rates, in particular the depreciation of the US Dollar, lower interest rates, increased credit spreads and changes in other financial market indicators (pre-tax).

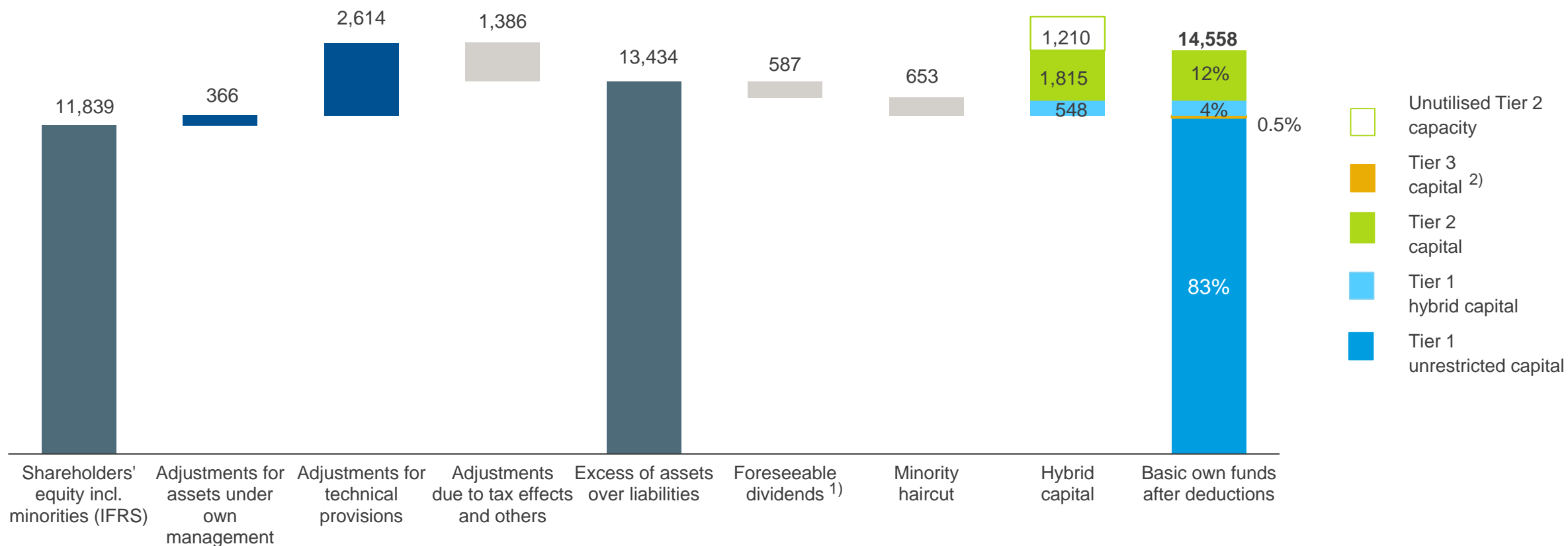
4) Incl. tax payments and changes in deferred taxes

5) Incl. dividend payments and changes in foreseeable dividends. The hybrid bond with call date in 2020 has been replaced.

High-quality capital base with 87% 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 2020

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

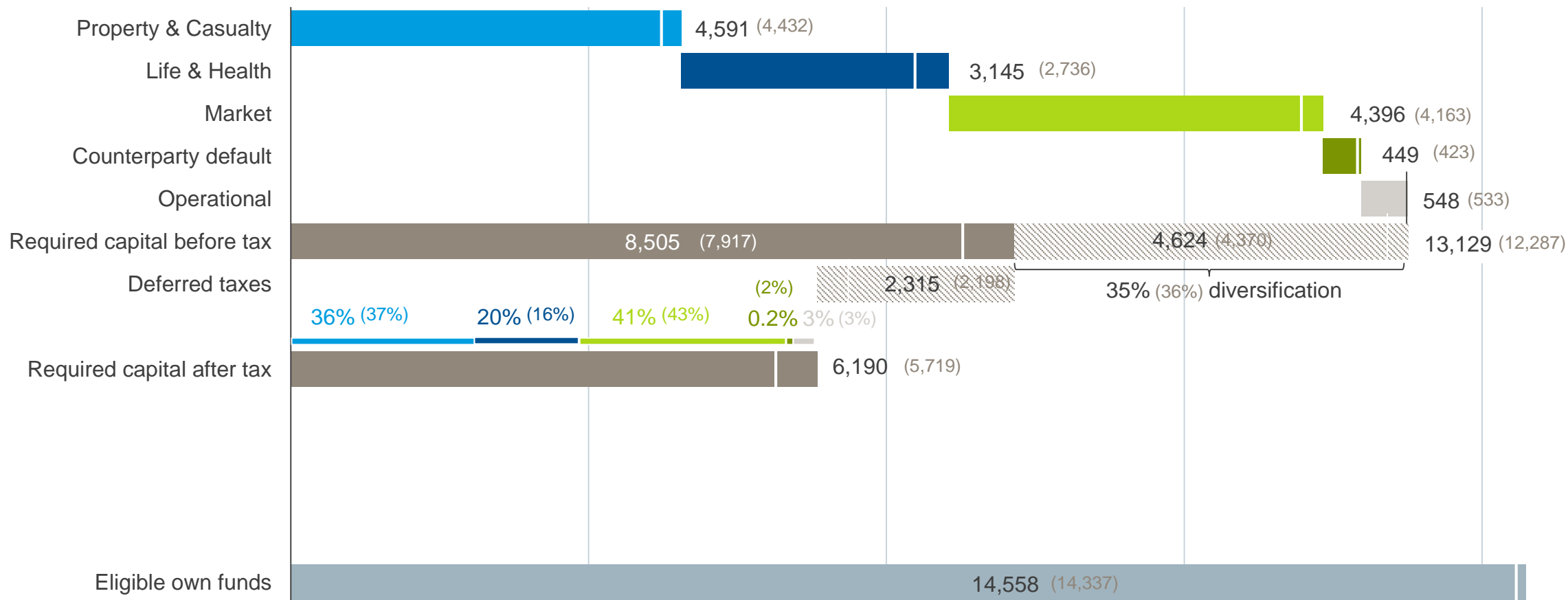
2) Net deferred tax assets

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 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

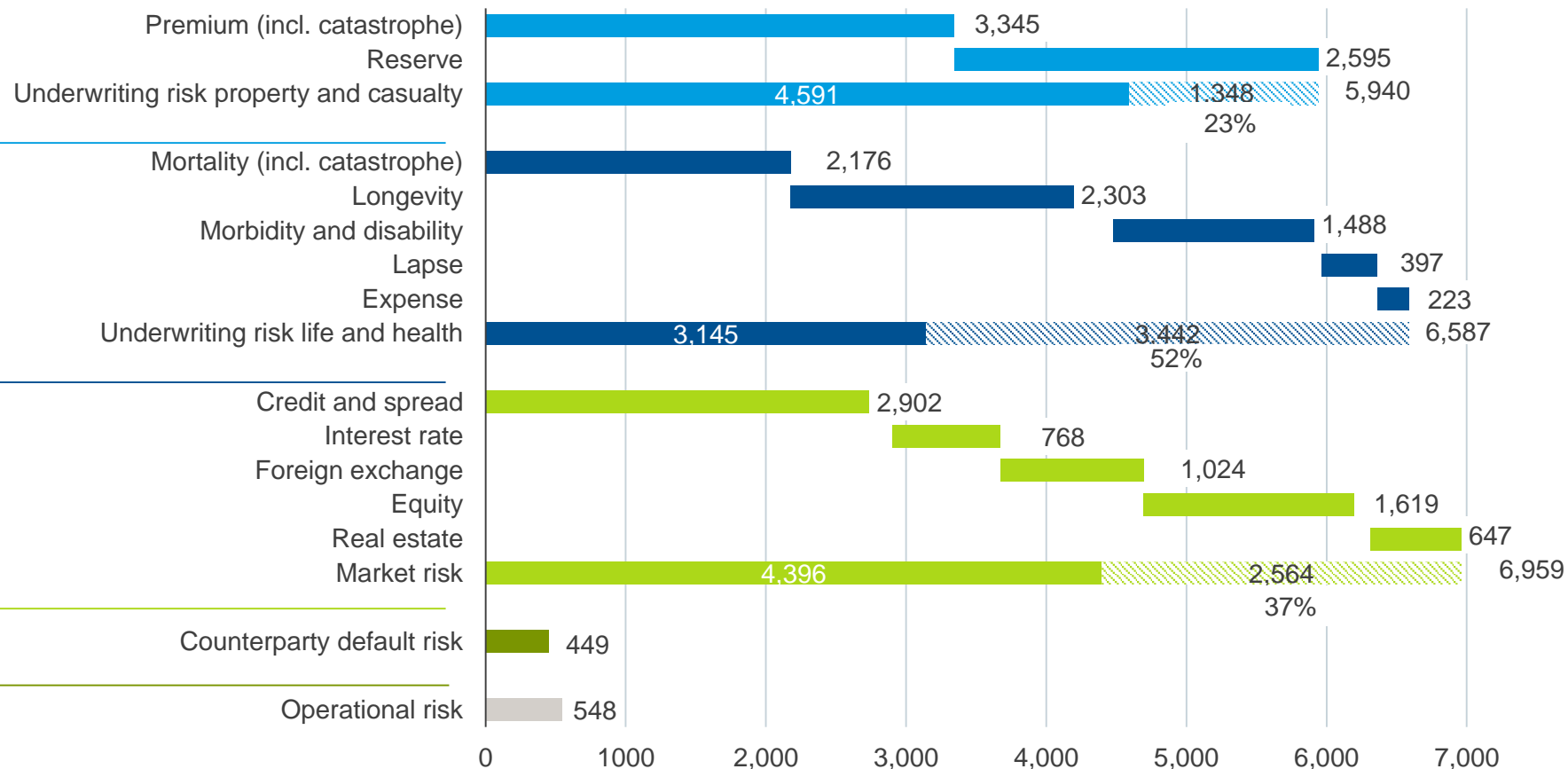
Underwriting risk property and casualty

Underwriting risk life and health

Market risk

Counterparty default risk

Operational risk



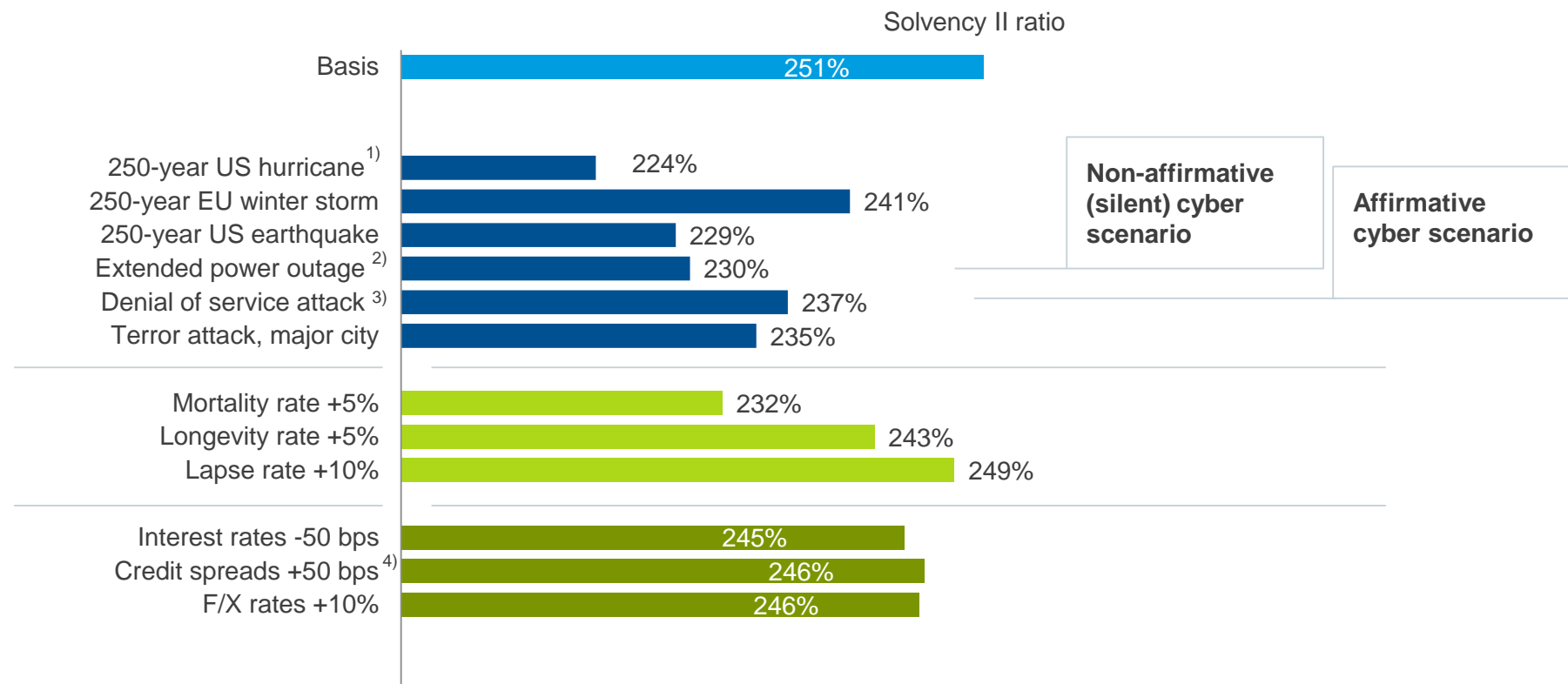
■ ■ ■ ■ ■ Capital requirement ▨ ▨ ▨ ▨ ▨ Diversification

As at 31 December 2020

Individual risks with limited impact on Solvency ratio

Solvency ratio remains above targets in all relevant stress events

Sensitivities and stress tests



As at 31 December 2019, in m. EUR; post-tax

1) A return period of 250 years is equivalent to an occurrence probability of 0.4%; based on the aggregate annual loss

2) Approx. 3 weeks of power outage in a larger area of a developed country

3) Distributed denial-of-service-attack on main DNS provider

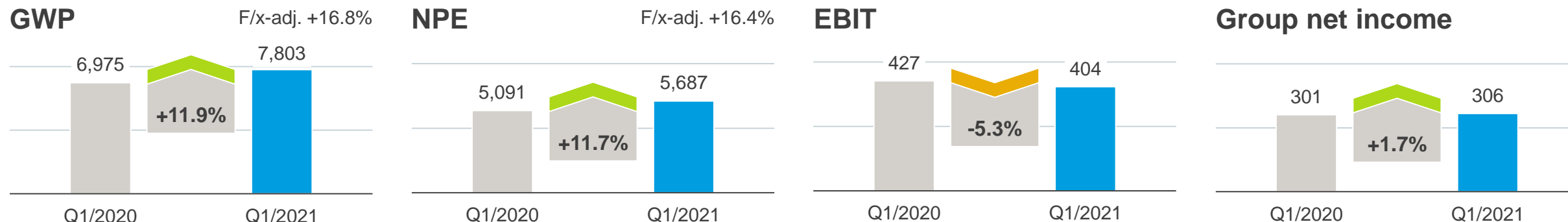
4) +50bps for Hannover Re average portfolio bucket. Point-in-time stress level differs by rating. Includes impact of changes in dynamic volatility adjustment

Agenda

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7	Outlook	89
8	Appendix	93

Group net income in line with full-year guidance

Strong premium growth of 12%; RoE well above target



11.1%
Return on Equity

EUR 91.57
Book value per share
+0.4%

252%
Solvency II ratio
31.03.2021

P&C R/I

EBIT: 324 m.

- Diversified premium growth +14.2% (f/x adjusted +20.1%)
- Combined ratio 96.2%, in line with target
- Large losses of EUR 193 m. within budget for Q1/2021 (EUR 214 m.)
- Covid-19 net loss estimate unchanged vs. year-end 2020

L&H R/I

EBIT: 80 m.

- Diversified premium growth +6.1% (f/x adjusted +8.6%)
- EBIT includes Covid-19 losses of EUR 151 m., partly offset by positive one-off effect from restructuring within US mortality portfolio (EUR 129 m.)

Investments

NII: 444 m.

- AuM increased by +6.7% to EUR 52.5 bn. due to very strong operating cash flow
- RoI from AuM 2.5%, exceeding target of ~2.4%
- Decrease in net investment income mainly driven by lower realised gains and negative impact from fair value of life insurance derivatives

Figures in m. EUR, unless otherwise stated

Continued strong growth in an improving market environment

Underwriting result in line with expectation, Covid-19 net loss estimate unchanged

Property & Casualty R/I in m. EUR	Q1/2020	Q1/2021	Δ
Gross written premium	4,986	5,693	+14.2%
Net premium earned	3,338	3,863	+15.7%
Net underwriting result incl. funds withheld	7	147	-
Combined ratio incl. interest on funds withheld	99.8%	96.2%	-
Net investment income from assets under own management	286	268	-6.3%
Other income and expenses	11	(91)	-
Operating profit/loss (EBIT)	305	324	+6.3%
Tax ratio	29.4%	12.9%	-
Group net income	207	269	+29.9%
Earnings per share (in EUR)	1.72	2.23	+29.9%

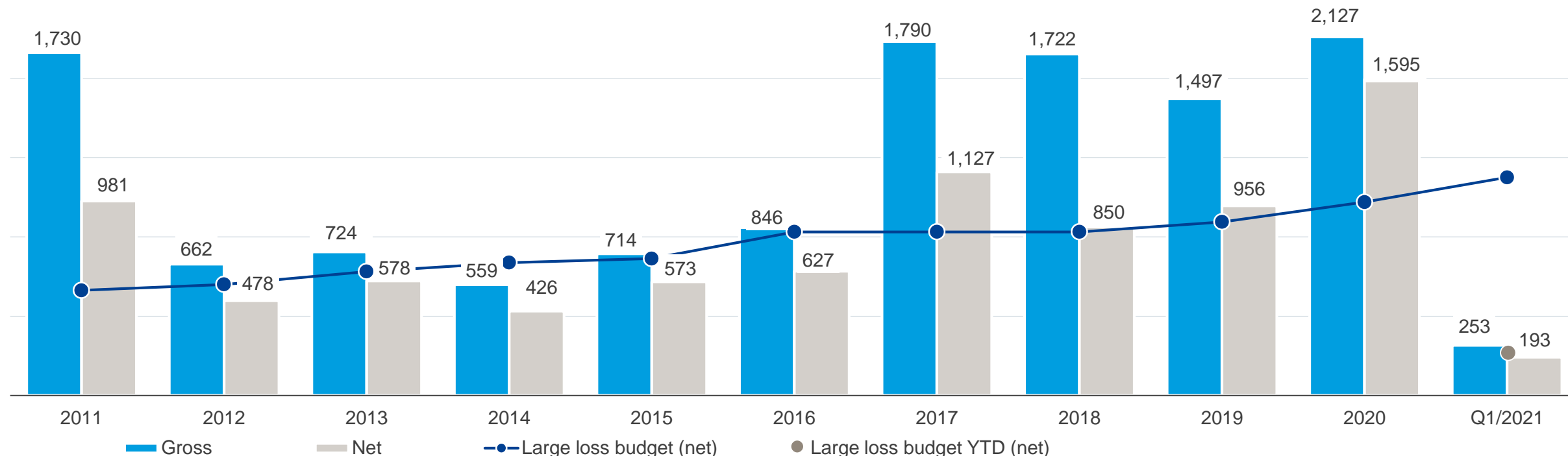
YTD

- GWP f/x-adjusted +20.1%, diversified growth from traditional and Structured Reinsurance business; growth supported by strong premium run-off from U/Y 2020
- NPE f/x-adjusted +21.5%
- Major losses of EUR 193 m. (5.0% of NPE) below budget of EUR 214 m. for Q1/2021; Covid-19 net loss estimates unchanged vs. year-end 2020
- Unchanged conservative reserving approach
- Net investment income decreased primarily due to lower realised gains
- Other income and expenses mainly impacted by negative currency effects (Q1/2021: EUR -82 m.)
- Lower tax ratio predominantly due to favourable earnings contribution from lower-tax subsidiaries

Large losses of EUR 193 m. within budget of EUR 214 m. for Q1/2021

Natural and man-made catastrophe losses¹⁾

in m. EUR



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

25%	16%	9%	7%	9%	8%	7%	6%	8%	7%	9%	8%	17%	12%	14%	8%	10%	7%	13%	11%	4%	5%
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Large loss budget (net) in m. EUR

530	560	625	670	690	825	825	825	875	975	1,100
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1) Up to 2011 claims over EUR 5 m. gross, from 2012 onwards claims over EUR 10 m. gross

Q1/2021 mainly impacted by Texas winter storm and man-made losses

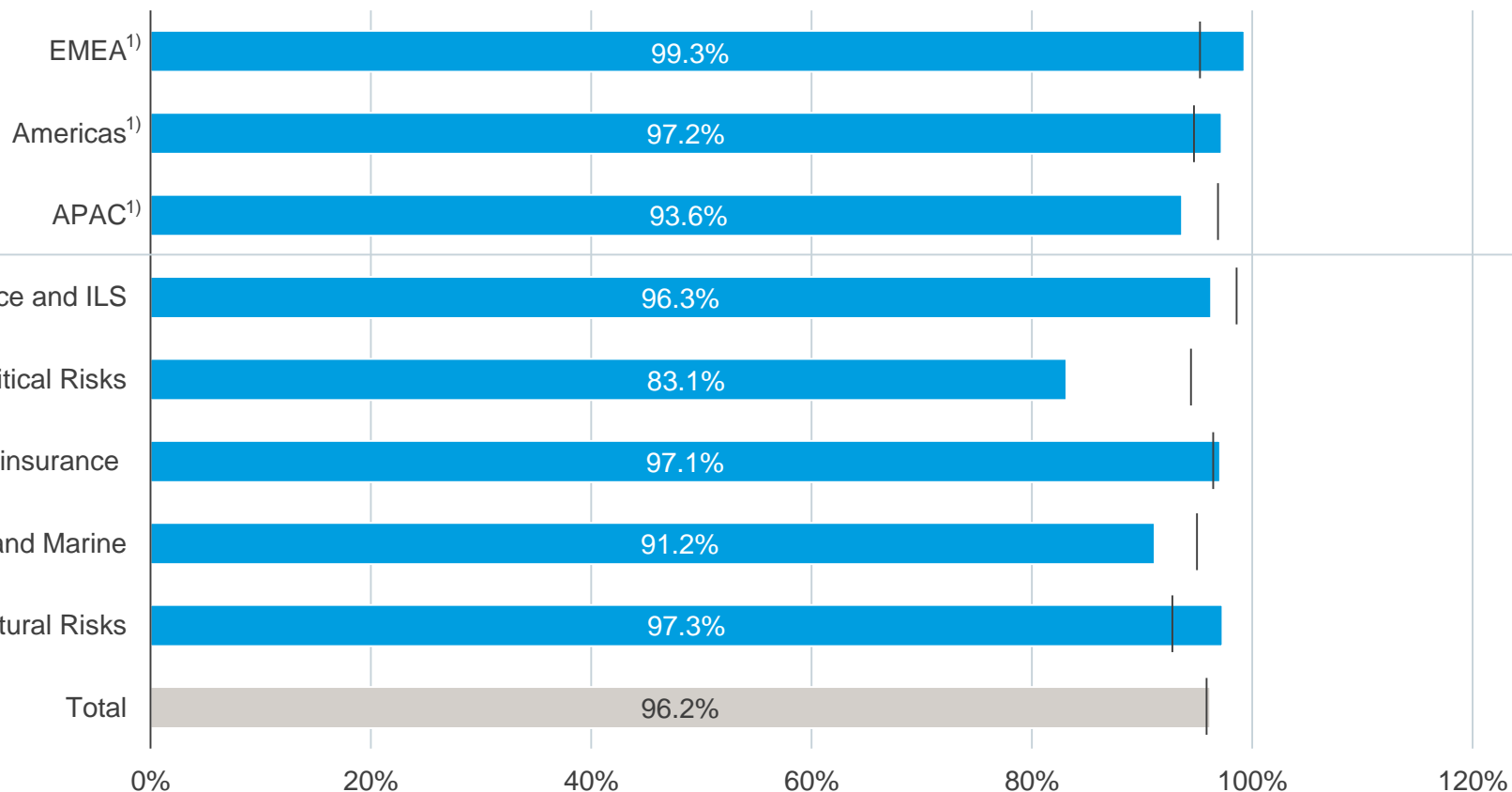
Catastrophe losses ¹⁾ in m. EUR	Date	Gross	Net
Storm "Filomena", Spain	7 - 8 Jan	10.1	10.1
Texas winter storm/freeze, USA	11 - 21 Feb	135.4	75.4
Floods, Australia	18 - 23 Mar	19.5	19.5
3 Natural catastrophes		164.9	105.0
1 Aviation loss		13.5	13.5
4 Property losses		74.6	74.6
5 Man-made losses		88.2	88.2
8 Major losses		253.1	193.2

1) Natural catastrophes and other major losses in excess of EUR 10 m. gross
 Large loss budget 2021: EUR 1,100 m. thereof EUR 225 m. man-made and EUR 875 m. NatCat

Combined ratios in line with expectations

Q1/2021: Combined Ratio vs. target combined ratios

Regional markets



Worldwide markets

■ Combined ratio

| Target combined ratio

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

Favourable premium growth

Results impacted by Covid-19 pandemic; partly offset by one-off effect of EUR 129 m.

Life & Health R/I in m. EUR	Q1/2020	Q1/2021	Δ
Gross written premium	1,989	2,110	+6.1%
Net premium earned	1,753	1,824	+4.0%
Net underwriting result incl. funds withheld	(52)	(125)	+140.2%
Net investment income from assets under own management	99	45	-54.7%
Other income and expenses	77	160	+108.2%
Operating profit/loss (EBIT)	124	80	-35.6%
EBIT margin	7.1%	4.4%	-
Tax ratio	10.5%	37.9%	-
Group net income	110	49	-55.7%
Earnings per share (in EUR)	0.91	0.40	-55.7%

YTD

- GWP f/x-adjusted +8.6%, mainly from APAC and Longevity
- NPE f/x-adjusted growth +6.7%
- Technical result impacted by Covid-19 losses of EUR 151 m. (thereof US: EUR 105 m.), positive one-off from restructuring within US mortality portfolio (EUR 86 m.)
- Net investment income decreased primarily due to negative impact from fair value of derivatives and negative one-off effect from restructuring within US mortality portfolio (EUR -14 m.)
- Other income and expenses increased due to positive one-off effect from restructuring within US mortality portfolio (EUR 58 m.) and strong contribution from deposit accounted treaties of EUR 90 m. (Q1/2020: EUR 85 m.)
- High tax ratio driven by extraordinary effect and relatively low relief from subsidiaries in countries with lower tax ratios

Return on Investment slightly above expectations

NII mainly decreased due to lower realised gains and negative derivative valuation

in m. EUR	Q1/2020	Q1/2021	RoI
Ordinary investment income ¹⁾	333	325	2.6%
Realised gains/losses	102	90	0.7%
Impairments/appreciation & depreciation	(29)	(21)	-0.2%
Change in fair value of financial instruments (through P&L)	12	(50)	-0.4%
Investment expenses	(32)	(31)	-0.2%
NII from assets under own management	386	313	2.5%
NII from funds withheld	86	131	
Total net investment income	472	444	

YTD

- Returns from alternative investments almost compensate for lower ordinary income from fixed-income securities (partially from inflation-linked bonds due to lower inflation)
- Realised gains include disposal of parts of listed-equity portfolio as well as some reallocations due to regular portfolio adjustments
- Stable depreciation of direct real estate investments; impairments of private equity and high yield funds as well as real estate funds slightly higher, but on very moderate level
- Decrease in valuation reserves due to significantly higher minimal-risk yield curves, credit spreads on corporates rather stable; higher valuations in alternative investments

Unrealised gains/losses on investments	31 Dec 20	31 Mar 21
On-balance sheet	3,019	2,154
thereof Fixed income AFS	2,347	1,364
Off-balance sheet	557	645
thereof Fixed income HTM, L&R	217	163
Total	3,576	2,799

1) Incl. results from associated companies

Our business groups at a glance

Q1/2021 vs. Q1/2020

in m. EUR	Property & Casualty R/I			Life & Health R/I			Total		
	Q1/2020	Q1/2021	Δ	Q1/2020	Q1/2021	Δ	Q1/2020	Q1/2021	Δ
Gross written premium	4,986	5,693	+14.2%	1,989	2,110	+6.1%	6,975	7,803	+11.9%
Net premium earned	3,338	3,863	+15.7%	1,753	1,824	+4.0%	5,091	5,687	+11.7%
Net underwriting result	(3)	144	-	(127)	(252)	+97.9%	(130)	(108)	-
Net underwriting result incl. funds withheld	7	147	-	(52)	(125)	+140.2%	(45)	22	-
Net investment income	296	271	-8.4%	175	172	-1.5%	472	444	-5.9%
From assets under own management	286	268	-6.3%	99	45	-54.7%	386	313	-18.8%
From funds withheld	10	4	-65.8%	75	127	+68.8%	86	131	+52.5%
Other income and expenses	11	-91	-	77	160	+108.2%	85	68	-20.5%
Operating profit/loss (EBIT)	305	324	+6.3%	124	80	-35.6%	427	404	-5.3%
Financing costs	(1)	(1)	-3.9%	0	0	+4.2%	(23)	(19)	-20.2%
Net income before taxes	304	323	+6.3%	124	80	-35.7%	403	385	-4.5%
Taxes	(89)	(42)	-53.4%	(13)	(30)	+131.6%	(94)	(66)	-30.1%
Net income	215	282	+31.2%	111	49	-55.4%	309	319	-3.3%
Non-controlling interest	8	13	+67.5%	1	1	+17.1%	8	13	+64.0%
Group net income	207	269	+29.9%	110	49	-55.7%	301	306	+1.7%
Retention	91.7%	92.6%		89.4%	88.6%		91.1%	91.5%	
Combined ratio (incl. interest on funds withheld)	99.8%	96.2%		-	-		-	-	
EBIT margin (EBIT / Net premium earned)	9.1%	8.4%		7.1%	4.4%		8.4%	7.1%	
Tax ratio	29.4%	12.9%		10.5%	37.9%		23.4%	17.1%	
Earnings per share (in EUR)	1.72	2.23		0.91	0.40		2.49	2.54	

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Growing Property & Casualty portfolio at attractive profitability

Financial year 2021

	Reporting categories	Volume ¹⁾	Profitability ²⁾
Regional markets	EMEA ³⁾		+
	Americas ³⁾		+
	APAC ³⁾		+/-
Worldwide markets	Structured Reinsurance and ILS		++
	Credit, Surety and Political Risks		+/-
	Facultative Reinsurance		+
	Aviation and Marine		+
	Agricultural Risks		+

1) In EUR, development in original currencies can be different





2) ++ = well above CoC; + = above CoC; +/- = CoC earned; - = below Cost of Capital (CoC)

3) All lines of business except those stated separately; EMEA incl. CIS

Profitability in Life & Health still impacted by Covid-19

Financial year 2021

Reporting categories

Reporting categories	Volume ¹⁾	Profitability ²⁾
Financial solutions	 ³⁾	++
Longevity		+
Mortality		-
Morbidity		+/-

1) In EUR, development in original currencies can be different

2) ++ = well above CoC; + = above CoC; +/- = CoC earned; - = below Cost of Capital (CoC)

3) Business volume including contracts not reflected in premium income

Guidance for 2021

Hannover Re Group

- Gross written premium¹⁾ _____ high single-digit growth
- Return on investment^{2) 3)} _____ ~ 2.4%
- Group net income²⁾ _____ EUR 1.15 - 1.25 bn.
- Ordinary dividend pay-out ratio⁴⁾ _____ 35% - 45%
- Special dividend _____ additional pay-out if profit target is reached and capitalisation is comfortable

1) At unchanged f/x rates

2) Subject to no major distortions in capital markets and/or major losses in 2021 not exceeding the large loss budget of EUR 1.1 bn.

3) Excluding effects from ModCo derivatives

4) Relative to Group net income according to IFRS

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8	Appendix	93

Financial calendar and our Investor Relations contacts

- 5 August 2021**
Half-yearly report as at 30 June 2021
- 14 October 2021**
Investors' Day 2021
- 4 November 2021**
Quarterly Statement as at 30 September 2021
- 3 February 2022**
1 January P&C Treaty Renewals
- 4 May 2022**
Annual General Meeting
Quarterly Statement as at 31 March 2022



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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	MDAX
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

List of abbreviations

A	
ABS	Asset-Backed Securities
ADR	American Depositary Receipts
AFS	Available-For-Sale
AG	Aktiengesellschaft (public company)
AuM	Assets under Management
B	
BAT	Block Assumption Transactions
biz	business
bn.	billion
bps	basis points
b/s	balance sheet
C	
CAGR	Compound Annual Growth Rate
Cat	catastrophe
C/R	Combined Ratio
D	
E	
EBIT	Earnings Before Interest and Taxes
ECM	Economic Capital Model
EPS	Earnings per share
ESG	Environmental, Social, Governance
F	
G	
GIIPS	Greece, Ireland, Italy, Portugal, Spain
GWP	Gross Written Premium
H	
HR	Hannover Re
HTM	Held-To-Maturity
I	
IFRS	International Financial Reporting Standards
ILS	Insurance-Linked Securities
IPO	Initial Public Offering
ISIN	International Securities Identification Number
IVC	Intrinsic Value Creation
J, K	
L	
L&R	Loans & Receivables
LoC	Letter of Credit
LPT	Loss Portfolio Transfer
M	
m.	Million
MCEV	Market Consistent Embedded Value

MCR	Minimum Capital Requirements
mgmt.	management
ModCo	Modified Coinsurance
MtCR	Maximum tolerable Combined Ratio
N	
n. a.	not available
NC	non-callable
NII	Net Investment Income
NPE	Net Premium Earned
O	
OCI	Other Comprehensive Income
P	
P&L	profit and loss
p. a.	per annum
Perp	perpetual
prop.	proportional
Q	
R	
R/I	Reinsurance
RoE	Return on Equity
Rol	Return on Investment
S	
S&P	Standard & Poor's
SCR	Solvency Capital Requirements
SE	Societas Europaea (European Company)
T	
U	
U/Y	underwriting year
U/W	Underwriting
V	
V. a. G.	Versicherungsverein auf Gegenseitigkeit (mutual insurance company)
VaR	Value at Risk
VNB	Value of New Business
W	
WACC	Weighted Average Cost of Capital
X	
XL	eXcess of Loss
xRoCA	eXcess Return on Capital Allocated
Y	
YTD	Year To Date
y-o-y	year-on-year
Z	

Details on reserve review by Willis Towers Watson

- The scope of Willis Towers Watson's work was to review certain parts of the held loss and loss adjustment expense reserve, net of outwards reinsurance, from Hannover Rück SE's consolidated financial statements in accordance with IFRS as at each 31 December from 2009 to 2015, and the implicit redundancy margin, for the non-life business of Hannover Rück SE. Willis Towers Watson concludes that the reviewed loss and loss adjustment expense reserve, net of reinsurance, less the redundancy margin is reasonable in that it falls within Willis Towers Watson's range of reasonable estimates.
 - Life reinsurance and health reinsurance business are excluded from the scope of this review.
 - Willis Towers Watson's review of non-life reserves as at 31 December 2015 covered 98.2%/98.1% of the gross and net held non-life reserves of €22.8 billion and € 21.8 billion respectively. Together with life reserves of gross €3.7 billion and net €3.4 billion, the total balance sheet reserves amount to €26.6 billion gross and €25.2 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 Willis Towers Watson'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 Willis Towers Watson'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.
 - Willis Towers Watson's analysis was carried out based on data as at evaluation dates for each 31 December from 2009 to 2015. Willis Towers Watson's analysis may not reflect development or information that became available after the valuation dates and Willis Towers Watson's results, opinions and conclusions presented herein may be rendered inaccurate by developments after the valuation dates.
 - As is typical for reinsurance companies, the claims reporting can be delayed due to late notifications by some cedants. 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. Willis Towers Watson'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 Rück SE'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.
 - Willis Towers Watson 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, Willis Towers Watson'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 Willis Towers Watson's estimates are on the basis that all of Hannover Rück SE's reinsurance protection will be valid and collectable. Further liability may exist for any reinsurance that proves to be irrecoverable.
 - Willis Towers Watson's estimates are in Euros based on the exchange rates provided by Hannover Rück SE 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.
 - Willis Towers Watson has not attempted to determine the quality of Hannover Rück SE's current asset portfolio, nor has Willis Towers Watson reviewed the adequacy of the balance sheet provisions except as otherwise disclosed herein.
- In its review, Willis Towers Watson has relied on audited and unaudited data and financial information supplied by Hannover Rück SE and its subsidiaries, including information provided orally. Willis Towers Watson relied on the accuracy and completeness of this information without independent verification.
- Except for any agreed responsibilities Willis Towers Watson may have to Hannover Rück SE, Willis Towers Watson 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 Willis Towers Watson in this document.

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