

Hannover Re

Conference Call on Q1/2025 financial results

Hannover, 13 May 2025

somewhat different



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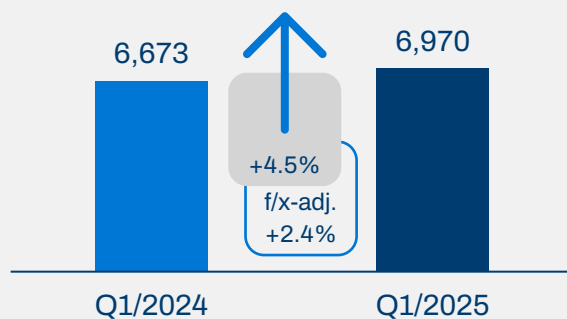


1

Group overview

Group net income target for 2025 confirmed despite impact from LA wildfires

Group Reinsurance revenue



Group net income



RoE

16.1%

Financial ambition: > 14%

RoI

3.5%

Target 2025: ≥ 3.2%

Total investments

65.6 bn.

-0.5% (vs. 31.12.2024)

CSM (net)

8.8 bn.

+8.4% (vs. 31.12.2024)

Shareholders' equity

12.1 bn.

+2.4% (vs. 31.12.2024)

Solvency ratio

273%³⁾

Financial ambition: > 200%

P&C reinsurance

Reinsurance revenue (gross)

5.1 bn.

+7.2% (f/x-adj. +5.1%)
Target 2025: +7%²⁾

New business CSM & LC (net)

1.5 bn.

+6.3% (compared to prior year)

Combined ratio

88.0%

93.9%

Q1/2024

Q1/2025

Target 2025: < 88%

L&H reinsurance

Reinsurance revenue (gross)

1.9 bn.

-2.4% (f/x-adj. -4.1%)

New business CSM & LC (net)

123.7 m.

+38.8% (+21.9% incl. extensions
on existing contracts of 91.4 m.)

Reinsurance service result

211

243

Q1/2024

Q1/2025

Target 2025: > 875 m.

Figures in EUR unless otherwise stated

1) Subject to no major distortions in capital markets and/or major losses not exceeding the large loss budget of EUR 2.1 bn. in 2025

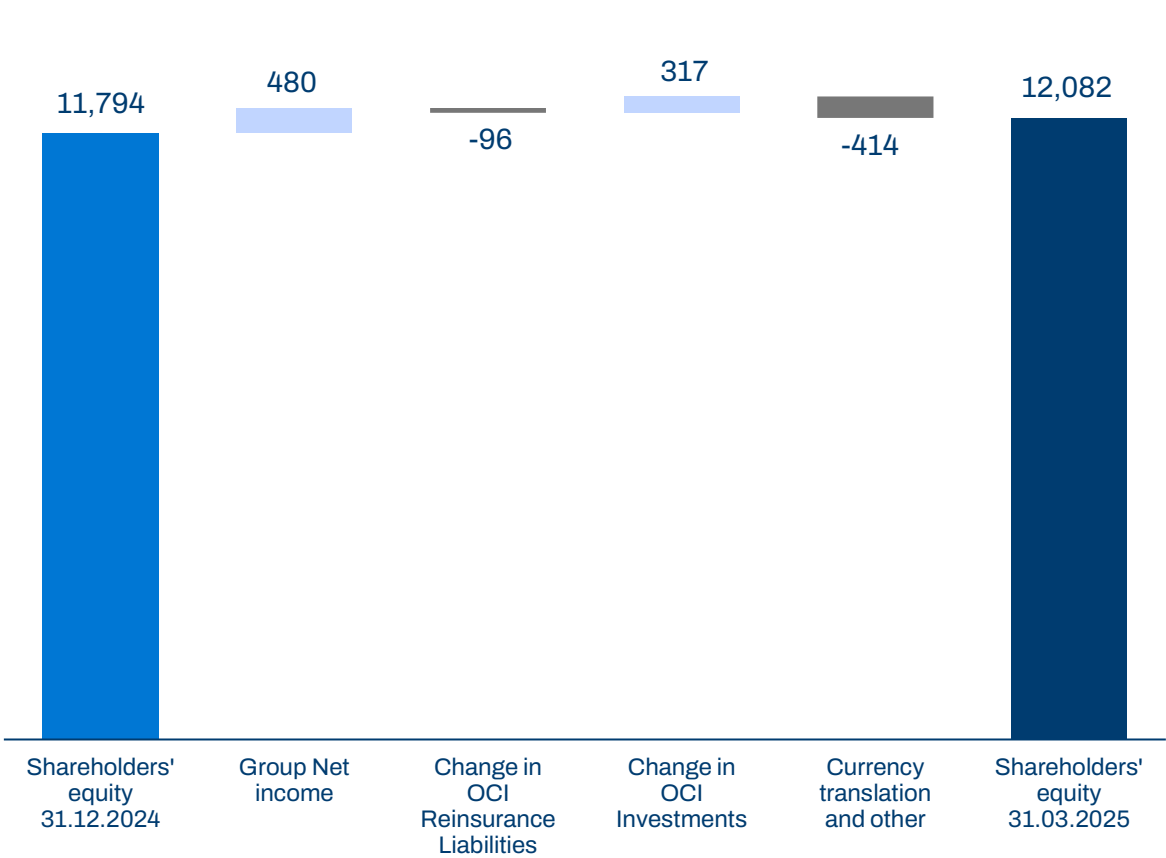
2) At unchanged f/x rates

3) Including foreseeable ordinary dividend recognized on a pro-rata basis

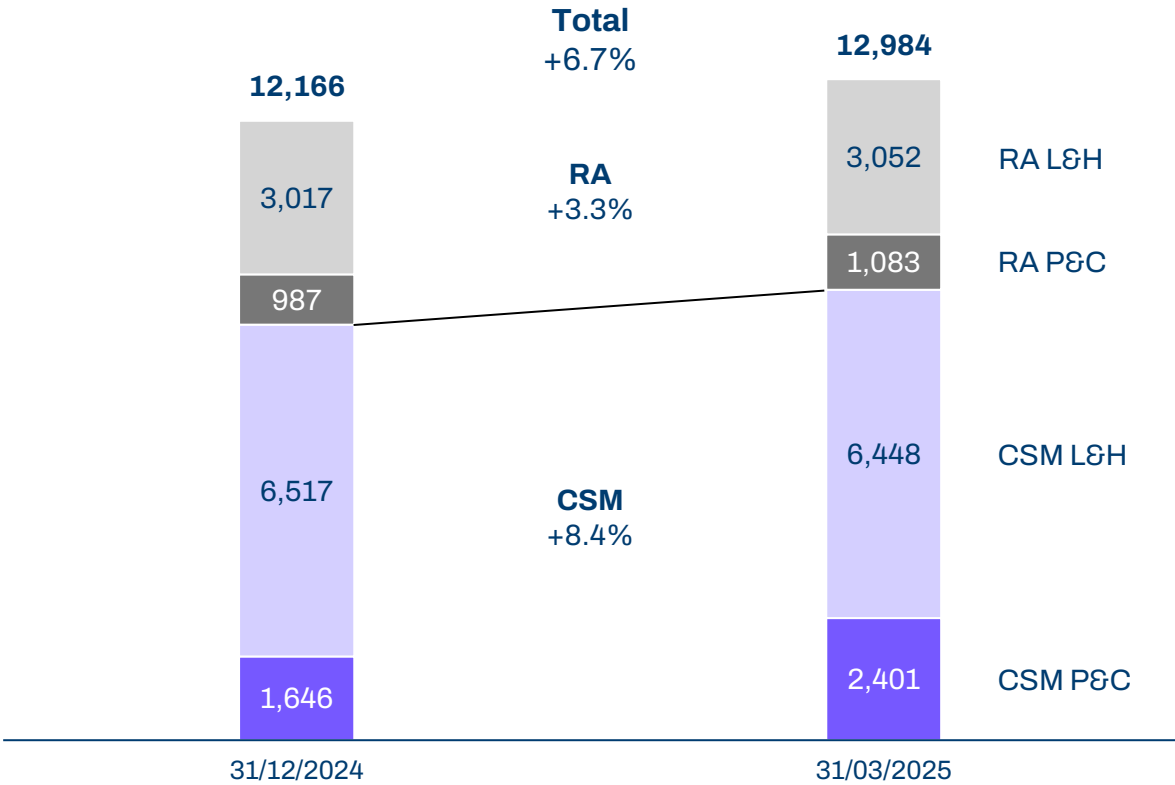
Increase in CSM and RA based on successful new business generation

Shareholders' equity increased by 2.4%

Change in shareholders' equity



Contractual Service Margin (CSM) and Risk Adjustment (RA)



Figures in EUR m. unless otherwise stated

2

Property & Casualty reinsurance

Continued strong growth in an attractive market environment

Strong underlying profitability; Q1 result impacted by LA wildfires and prudent reserving

Property & Casualty R/I	Q1/2024	Q1/2025	Δ-%
Reinsurance revenue (gross)	4,743	5,087	+7.2%
Reinsurance revenue (net)	4,240	4,478	+5.6%
Reinsurance service result	509	272	-46.6%
Reinsurance finance result	-228	-283	+23.9%
Investment income	421	469	+11.2%
Other result	-73	-14	-81.1%
Operating profit/loss (EBIT)	629	444	-29.4%
Combined ratio (net)	88.0%	93.9%	
New business CSM (net)	1,453	1,538	
New business LC (net)	-23	-18	

All figures in m. EUR unless otherwise stated
LC = loss component, NDIC = non-distinct investment component

YTD

Reinsurance revenue

- Strong and diversified underlying growth in line with expectation
- Reinsurance revenue (f/x-adjusted +5.1%) impacted by refinement in NDIC calculation with no impact on reinsurance service result, adjusted revenue growth >10%
- Reported revenue growth rate expected to increase to targeted level (>7%) over the course of the year, base effect from prior year diminishing

Reinsurance service result

- Net large losses of 765 m. vs. budget of 435 m., mainly driven by LA wildfires (631 m.)
- Result reflects strong underlying profitability and continued prudence in reserving
- C/R above target due to LA wildfires, discounting effect ~8.0 %

Reinsurance finance result

- Further increase reflects continued high interest rates

Investment result

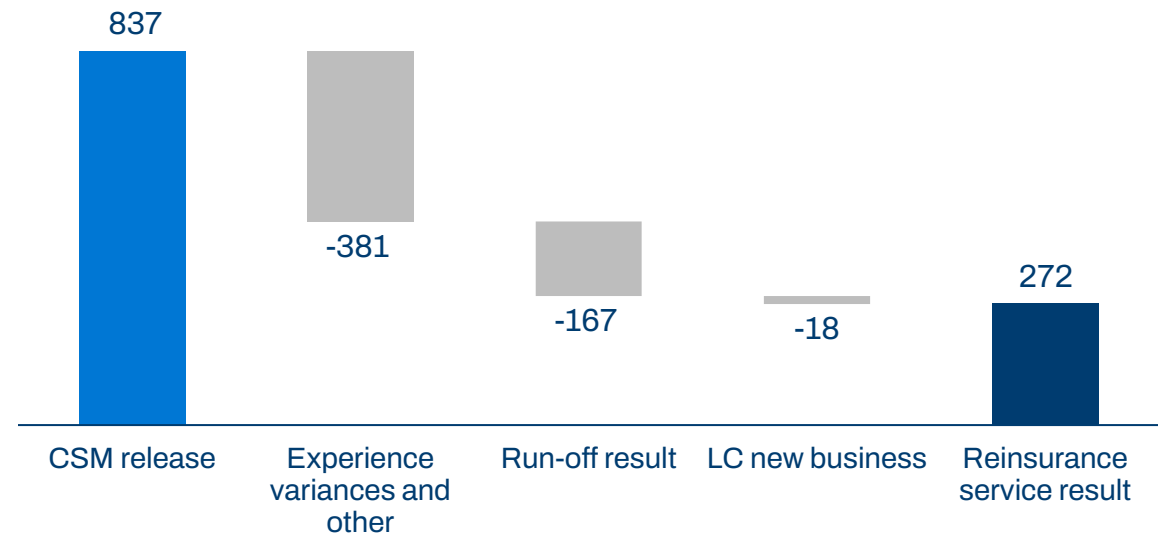
- Strong ordinary income supported by higher fixed-income yields and very solid returns from alternative investments

Other result

- Currency result of 66 m (-7 m.), mainly driven by weakening of USD

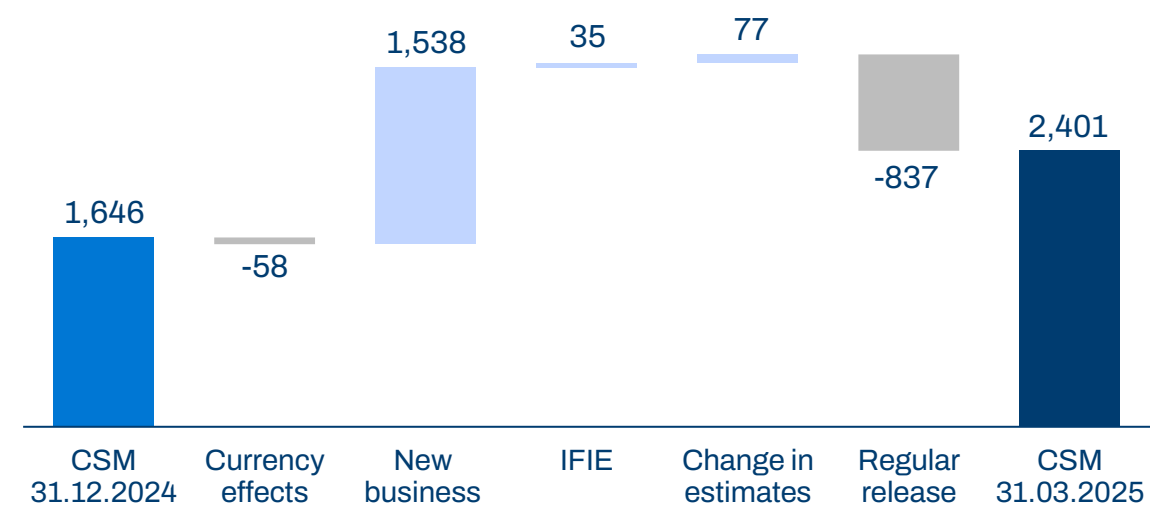
Strong increase in CSM driven by successful January renewals

Reinsurance Service Result



- CSM release resulting from successful renewals in 2024 and 2025 as well as minor catch-up effects due to prudent release in previous periods
- Negative experience variance mainly driven by LA wildfires
- Positive underlying reserve run-off offset by continued prudence in reserving
- Minor new business loss component reflects favourable market conditions

Contractual Service Margin (net)



- Diversified contribution to new business CSM, mainly driven by EMEA, Americas and Structured Reinsurance/ILS

All figures in m. EUR unless otherwise stated

3

Life & Health reinsurance

Continued strong profitability in L&H

Reinsurance service result provides good support for full-year target

Life & Health R/I	Q1/2024	Q1/2025	Δ-%
Reinsurance revenue (gross)	1,929	1,883	-2.4%
Reinsurance revenue (net)	1,762	1,740	-1.3%
Reinsurance service result	211	243	+15.3%
Reinsurance finance result	-33	-51	+52.7%
Investment income	76	108	+41.1%
Other result	-73	-47	-35.2%
Operating profit/loss (EBIT)	181	253	+39.7%
New business CSM (net)	97	132	
New business LC (net)	-8	-8	
NB CSM & LC incl. extensions on existing contracts	176	215	

All figures in m. EUR unless otherwise stated
LC = Loss component

YTD

Reinsurance revenue

- Decrease in revenue (f/x-adjusted -4.1%), mainly driven by US mortality

Reinsurance service result

- Positive experience variance mainly driven by Mortality business, including one-off effect of 20 m.

Investment result

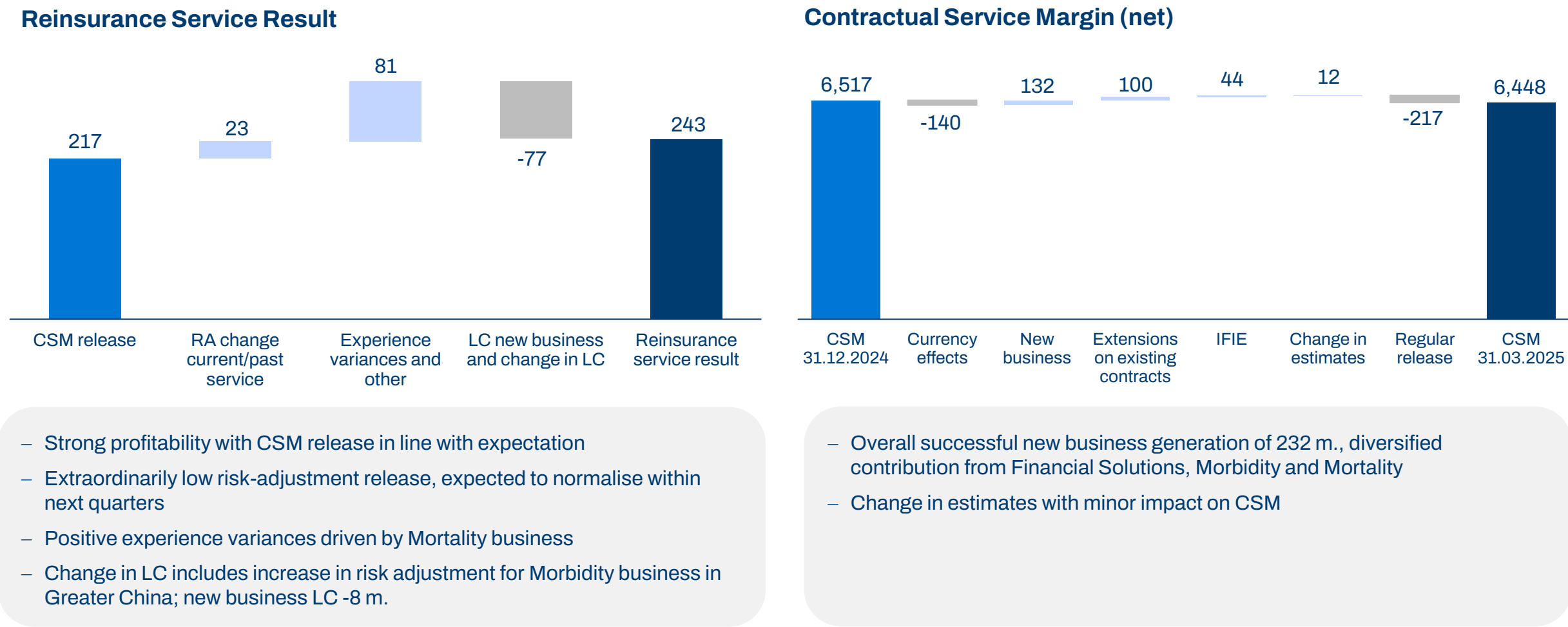
- Strong ordinary result, prior year impacted derivative valuation

Other result

- Currency result improved to 1 m. (-30 m.)

Underlying growth in CSM offset by currency effects

CSM release in line with expectations



All figures in m. EUR unless otherwise stated

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Investments

Return on investment of 3.5% above target

Resilient portfolio with minor extraordinary effects

in m. EUR	Q1/2024	Q1/2025	RoI
Ordinary investment income ¹⁾	578	645	3.9%
Realised gains/losses	-5	6	0.0%
Depreciations Real Assets, Impairments	-15	-16	-0.1%
Change in ECL	3	-5	0.0%
FVTPL - valuation ²⁾	-15	-5	0.0%
Investment expenses	-47	-49	-0.3%
Investment result	498	577	3.5%

Unrealised gains/losses on investments (OCI)	31 Dec 24	31 Mar 25
Fixed Income	-3,299	-3,037
Equities (non-recycling)	-1	-1
Real Assets	529	519
Others (Participations etc.)	355	-52
Total	-2,415	-2,571

All figures in m. EUR unless otherwise stated

1) Incl. results from associated companies

2) Fair Value Through P/L of financial instruments

YTD

- Increase in ordinary income mainly driven by higher locked-in yields and strong cash flow; very solid contribution from alternative investments; contribution from inflation-linked bonds at EUR 42 m.
- Realised gains/losses reflect regular portfolio maintenance and some positive contribution from real estate sales
- Minor effect from change in ECL
- Balanced result from change in fair value of financial instruments
- Change in unrealised gains for participations reflects assets held for sale

5

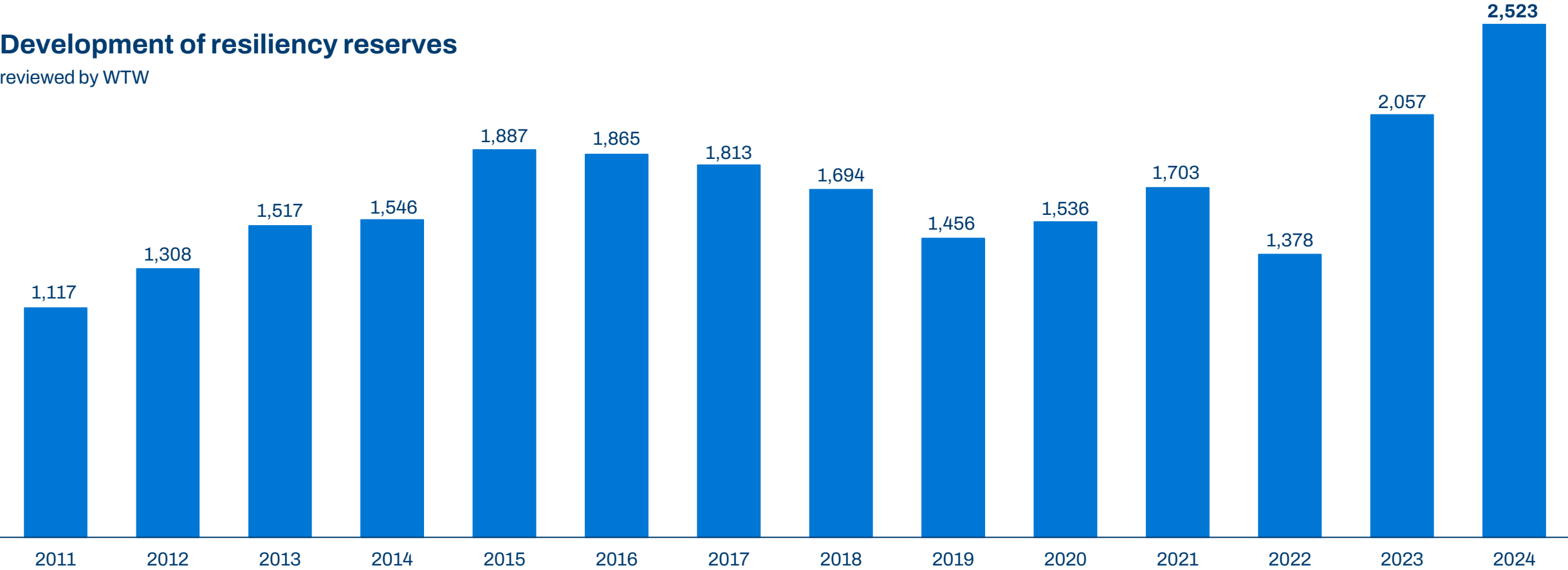
Reserving update

Undiscounted LIC resiliency reserves further increased to EUR 2,523 m.

Additional risk adjustment of ~1 bn brings prudency level to 7.7% of nominal net reserves

Development of resiliency reserves

reviewed by WTW



All figures in m. EUR as at 31 December 2024 unless otherwise stated.
Figures unadjusted for changes in foreign exchange rate, i.e. based on actual exchange rates at respective year-end.
Resiliency reserves embedded in best estimate defined as the difference between net of reinsurance undiscounted booked reserves before tax and minority participations (based on Hannover Re's own best estimates) and WTW's analysis. Up to 2022 the booked reserves are on an IFRS4 basis and from 2023 onwards these are on an undiscounted IFRS 17 LIC basis.
The WTW review is based on data provided by Hannover Re. See appendix for more detail.

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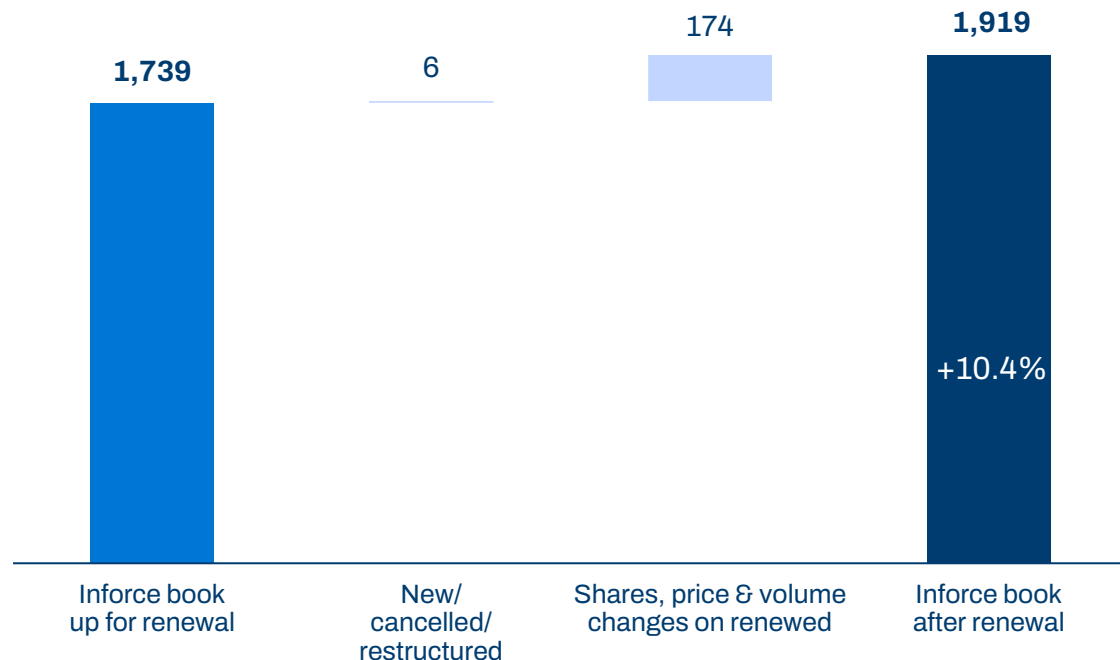
Outlook 2025

Stable to slightly softening conditions across markets: pricing level remains attractive

Overall risk-adjusted price decrease of -2.4%

2 Jan – 1 Apr 2025

Estimated premium income



Figures in EUR m. unless otherwise stated

Underwriting year figures at unchanged f/x rates

1) Excluding specialty business mentioned separately

Americas¹⁾

- Overall, pricing remains at attractive level
- US Property: general downward pressure on pricing offset by double-digit rate increases on LA wildfire-affected reinsurance programmes
- Pricing on US Casualty business remains mostly stable with few cases of single-digit rate increases
- Caribbean market renewed at a largely stable level

APAC¹⁾

- Price reductions observed in Korea and Japan, mainly driven by abundance of capacity
- Positions retained and selective growth opportunities acted on despite competitive market environment
- Significant growth focused on Motor and Engineering business in India

Marine

- Successful renewal in a challenging market environment characterised by an abundance of capacity and single-digit rate reductions
- Leading position was safeguarded across several strategic partners' reinsurance programmes
- Slightly increased market share in Japan as a good basis for future growth and closer cooperation with strategic partners

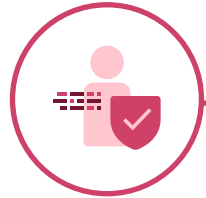
Unchanged guidance for FY 2025

Expected contribution



Property & Casualty

Revenue (gross) growth ¹⁾ > 7%
Combined ratio ²⁾ < 88%



Life & Health

CSM growth ~ 2%
Reinsurance service result > 875 m.



Investments

Return on investment ≥ 3.2%

Group financial guidance 2025

Group net income³⁾ **EUR ~ 2.4 bn.**

1) At unchanged f/x rates

2) Incl. discount effect of 6-7%, partly mitigated by prudent reserving

3) Subject to no major distortions in capital markets and/or major losses in 2025 not exceeding the large loss budget of EUR 2.1 bn.

Appendix

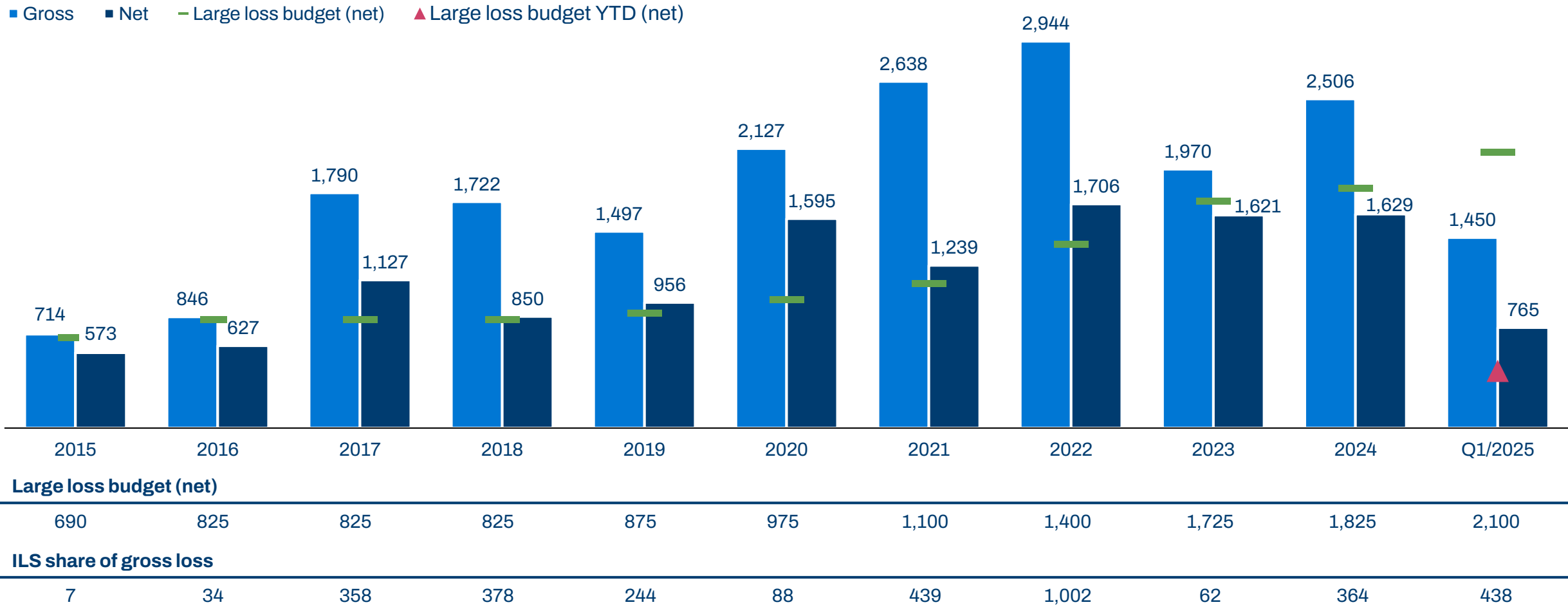
Our business groups at a glance

Q1/2024 vs. Q1/2025

	Property & Casualty R/I			Life & Health R/I			Total		
Stand alone in m. EUR	Q1/2024	Q1/2025	Δ-%	Q1/2024	Q1/2025	Δ-%	Q1/2024	Q1/2025	Δ-%
Reinsurance revenue (gross)	4,743	5,087	7.2%	1,929	1,883	-2.4%	6,673	6,970	4.5%
Reinsurance service expenses	-3,825	-4,869	27.3%	-1,699	-1,627	-4.2%	-5,524	-6,495	17.6%
Reinsurance service result (gross)	918	218	-76.2%	231	256	11.1%	1,149	474	-58.7%
Reinsurance result (ceded)	-409	53	-113.1%	-20	-13	-34.1%	-429	41	-109.5%
Reinsurance service result	509	272	-46.6%	211	243	15.3%	720	515	-28.5%
Reinsurance finance result	-228	-283	23.9%	-33	-51	52.7%	-261	-333	27.6%
Investment result	421	469	11.2%	76	108	41.1%	498	577	15.8%
Currency result	-7	66	-	-30	1	-102.9%	-37	66	-279.1%
Other result	-66	-79	20.4%	-44	-48	10.8%	-109	-128	17.4%
Operating profit/loss (EBIT)	629	444	-29.4%	181	253	39.7%	811	696	-14.1%
Net income before taxes							785	671	-14.5%
Taxes							-213	-178	-16.3%
Net income							571	492	-13.8%
Non-controlling interest							13	12	-11.0%
Group net income							558	480	-13.9%

Large losses in Q1/2025 above budget of EUR 435 m.

Natural and man-made catastrophe losses in excess of EUR 10 m. gross in m. EUR



High NatCat losses driven by LA wildfires

Man-made losses below budget of EUR 100 m.

Catastrophe losses ¹⁾ in m. EUR	Date	Gross	Net
California Wildfires, US	7 - 31 Jan	1,306.3	631.4
Flood, Australia	1 - 3 Feb	12.0	10.9
Cyclone Alfred, Australia	7 - 10 Mar	17.3	17.3
Storms, US	14 - 19 Mar	14.5	14.5
Earthquake, Myanmar	28 Mar	25.0	25.0
5 Natural catastrophes		1,375.1	699.1
1 Aviation		38.4	28.8
2 Property		36.8	36.8
3 Man-made losses		75.2	65.6
8 Major losses		1,450.3	764.7

1) Major losses in excess of EUR 10 m. gross
Large loss budget 2025: EUR 2,100 m., thereof EUR 400 m. man-made and EUR 1,700 m. NatCat

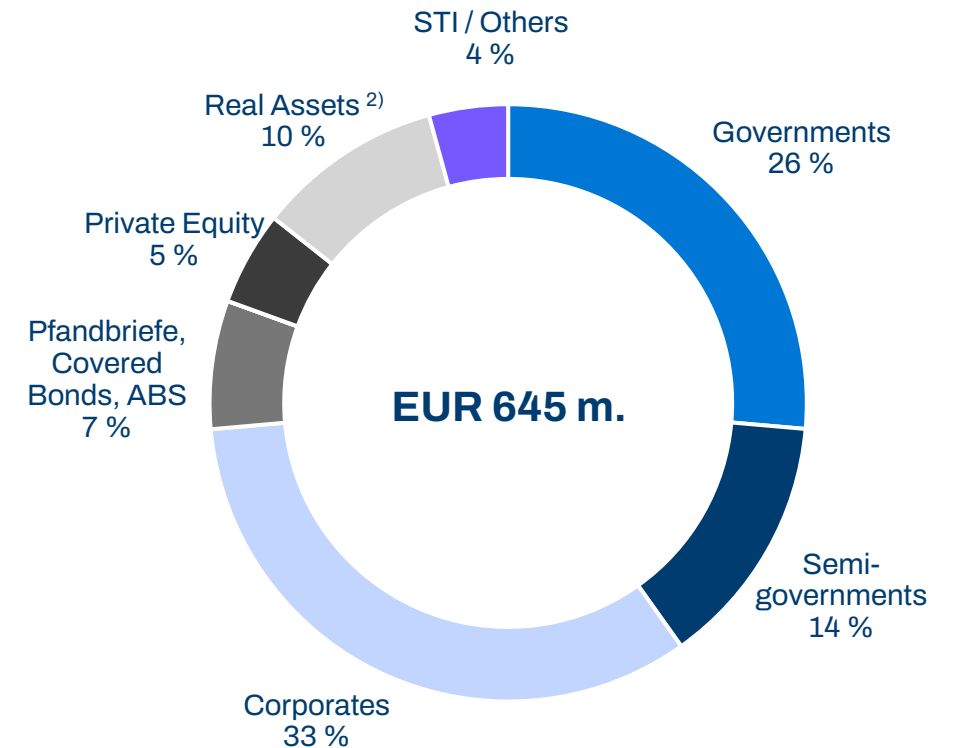


Ordinary income almost back to normal levels in areas of Fixed Income and Alternatives

Higher locked-in interest rates stabilising; return of Alternatives still with some room to increase

Asset class	2023	2024	Q1 2025
Fixed Income	85%	86%	87%
Governments	41%	38%	37%
Semi-governments	9%	10%	11%
Corporates	29%	32%	32%
Investment grade	25%	24%	28%
Non-Investment grade	4%	4%	4%
Covered Bonds ¹⁾	4%	4%	4%
ABS/MBS/CDO	3%	3%	3%
Equities	3%	3%	3%
Listed	0%	0%	0%
Private Equities	3%	3%	3%
Real Assets (without Infra-Debt)	7%	7%	6%
Others	3%	2%	1%
STI	2%	2%	2%
MV AuM in EUR bn.	60.6	66.4	66.1

Ordinary income split



Economic view based on market values without outstanding commitments for Private Equity and Alternative Real Estate as well as fixed-income investments of EUR 1,824.6 m. (EUR 1,909.0 m.) as at 31 March 2025

¹⁾ Of which Pfandbriefe and Covered Bonds = 56.6%

²⁾ Before real estate-specific costs. Economic view based on market values as at 31 March 2025

High-quality fixed-income book well-balanced

Geographical allocation mainly in accordance with our broad business diversification

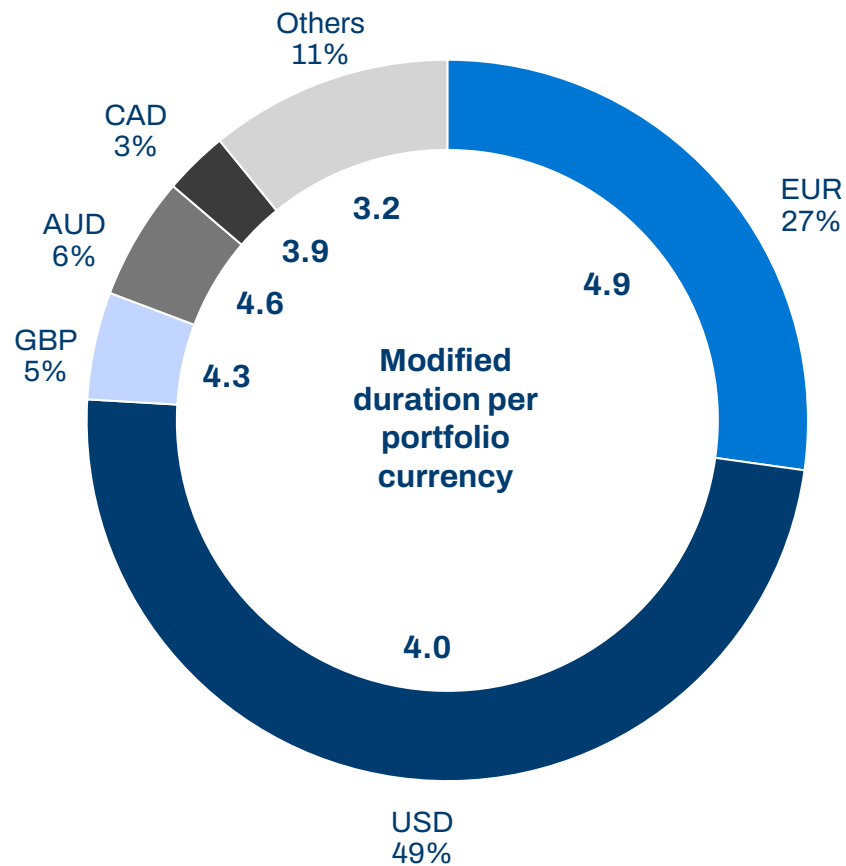
	Governments	Semi-governments	Corporates	Pfandbriefe, Covered bonds, ABS	Short-term investments, cash	Total
AAA	24%	59%	1%	71%	-	26%
AA	57%	22%	9%	6%	-	29%
A	11%	7%	38%	8%	-	20%
BBB	5%	1%	42%	12%	-	18%
<BBB	3%	11%	10%	3%	-	7%
Total	100%	100%	100%	100%	-	100%
Germany	18%	28%	9%	16%	11%	17%
UK	5%	4%	8%	5%	5%	6%
France	3%	1%	6%	9%	1%	4%
GIIPS	0%	2%	6%	7%	1%	3%
Rest of Europe	5%	13%	13%	17%	21%	11%
USA	47%	15%	30%	22%	21%	33%
Australia	2%	16%	8%	16%	3%	8%
Asia	17%	19%	16%	9%	30%	17%
Rest of World	2%	0%	4%	0%	8%	2%
Total	100%	100%	100%	100%	100%	100%
Total b/s values in m. EUR	20,752	11,122	20,447	4,171	1,369	57,861

IFRS figures as at 31 March 2025

Currency allocation strategy to neutralise effects from SII liability profile

Duration-neutral strategy; modified duration changes rather result of yield curve deviations

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

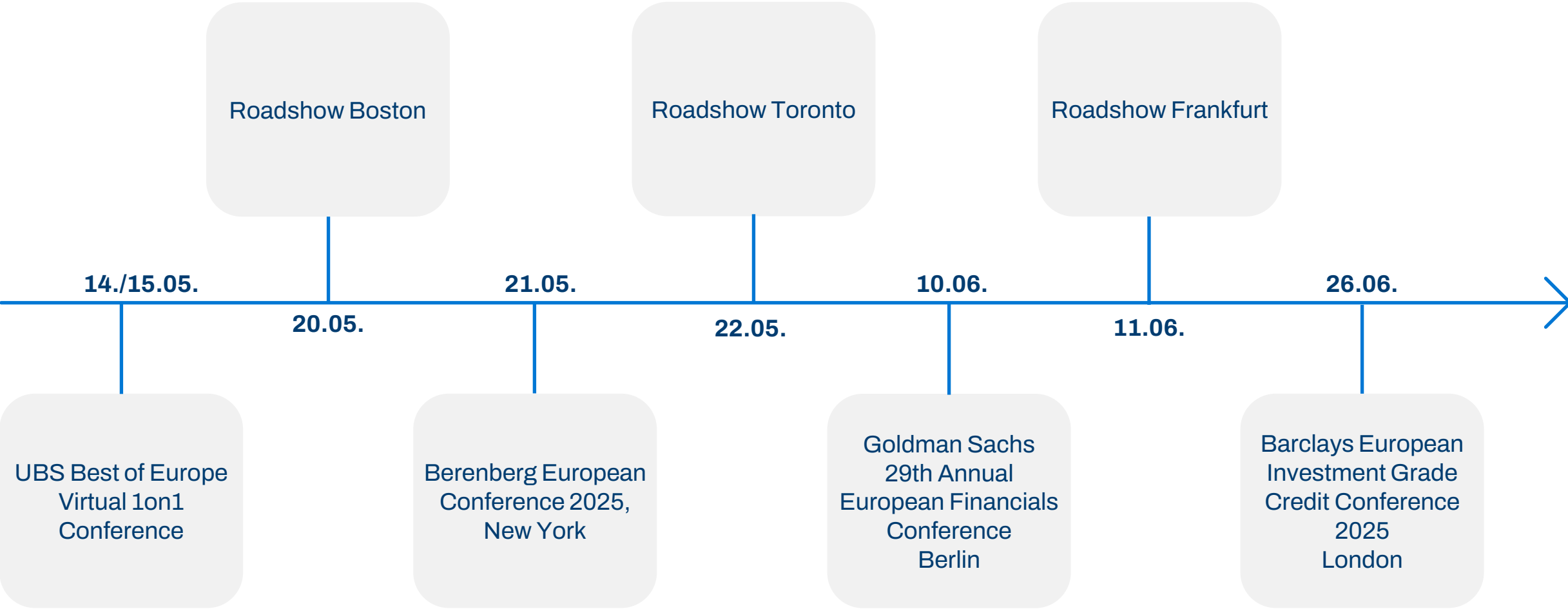
Q1 2025	2024	2023	2022	2021
4.2	4.4	4.5	4.9	5.8

Scenario analysis

Credit and Alternatives risks in focus

Portfolio	Scenario	Change in market value	Change in market value through P&L
		in m. EUR	in m. EUR
Fixed-income securities	+50 bps	-1,268	-29
	+100 bps	-2,506	-58
Credit spreads	+50%	-871	-68
Equity (listed and private equity)	-10%	-228	-228

IR calendar



Details on reserve review by WTW

- WTW's review of the LIC claim reserves as at 31 December 2024 covered 97.4% of the gross and 99.2% of the net undiscounted Liability for Incurred Claims ("LIC"). Life reinsurance and health reinsurance business are excluded from the scope of this review
- The scope of WTW's work was to review the nominal and discounted claims cash flows for the non-life LIC under IFRS17, gross and net of outwards reinsurance, from Hannover Rück SE's consolidated IFRS17 financial statements and the implicit resiliency reserve margin as at 31 December 2024. WTW concludes that the reviewed LIC claims reserves, net of reinsurance, less the resiliency margin is reasonable in that it falls within WTW's range of reasonable estimates. The scope of WTW's reviews is aligned with IFRS 17 from 31 December 2023 onwards with the prior reviews being aligned with IFRS 4.
- WTW's analysis relies on data provided by Hannover Rück SE as of each 31 December. WTW's analysis may not reflect claim development or all 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.
- 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.
- 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.
- 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.
- WTW's analysis includes 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 scope for wide variation in actual experience relative to these benchmarks. The actual fully developed losses for these claim exposures could prove to be significantly different to both the held and indicated amounts.
- Sharp increases in inflation in many economies worldwide have resulted from rises in energy, food, component, and raw material prices since 2021, driven by wider economic effects of the Russia-Ukraine conflict combined with factors such as supply chain disruptions caused by the Covid-19 pandemic, labour shortages and geopolitical tensions. Generally, inflation has remained elevated since 2021 despite mitigating policy responses by central banks and governments. However, inflation rates appear to have peaked and have declined with an expectation of normalising in 2025. Prospective inflationary risks remain high due to the current heightened geopolitical tensions with increased possibilities of hitherto unexpected conflict escalation. Uncertainty around possible changes to tariffs applied by the US on other countries, and any reciprocal actions that they take, could result in economic shocks that cause increases in inflation which have not been anticipated in the WTW analysis. WTW's analysis makes no explicit allowance for extraordinary future effects that may result from the above factors or other emerging shocks on the projection results.
- In accordance with its scope WTW'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.
- WTW's estimates are in Euros based on the exchange rates provided by Hannover Rück SE as at 31 December 2024. 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 Rück SE's current asset portfolio, nor has WTW reviewed the adequacy of the balance sheet position 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.
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