

talanx.

Insurance. Investments.

Q1 2022 Results

5 May 2022

| Jan Wicke, CFO

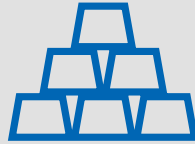


Summary Q1 2022: Solid results despite strong headwinds



Results

- Continued strong growth – GWP up 17%; 13% currency-adjusted; all segments contributing
- Combined ratio at 98.3% - normalising post Corona with large losses EUR 71m over pro-rata budget and approx. EUR 150m bulk reserves related to Ukraine situation
- EUR 256m net income
- RoE at 10.0%



Capital

- Dec 2021 Solvency 2 ratio at robust 208%, slightly above target range
- Resiliency reserves as of 31 December 2021 at EUR 3 bn, up EUR 336m versus FY 2020, up EUR 201m in Talanx Primary Group



Outlook

- Earnings guidance for FY 2022 unchanged in the range between EUR 1.05 and 1.15bn
- On track to achieve 2022 RoE target of ~10%
- Higher uncertainty due to Russian war in Ukraine

Note: Financial targets are subject to large losses not exceeding the large loss budget, no turbulences on capital markets and no material currency fluctuations. The Russian war in Ukraine is emerging as an uncertainty factor. It is currently too early to fully assess the impact on the 2022 business year



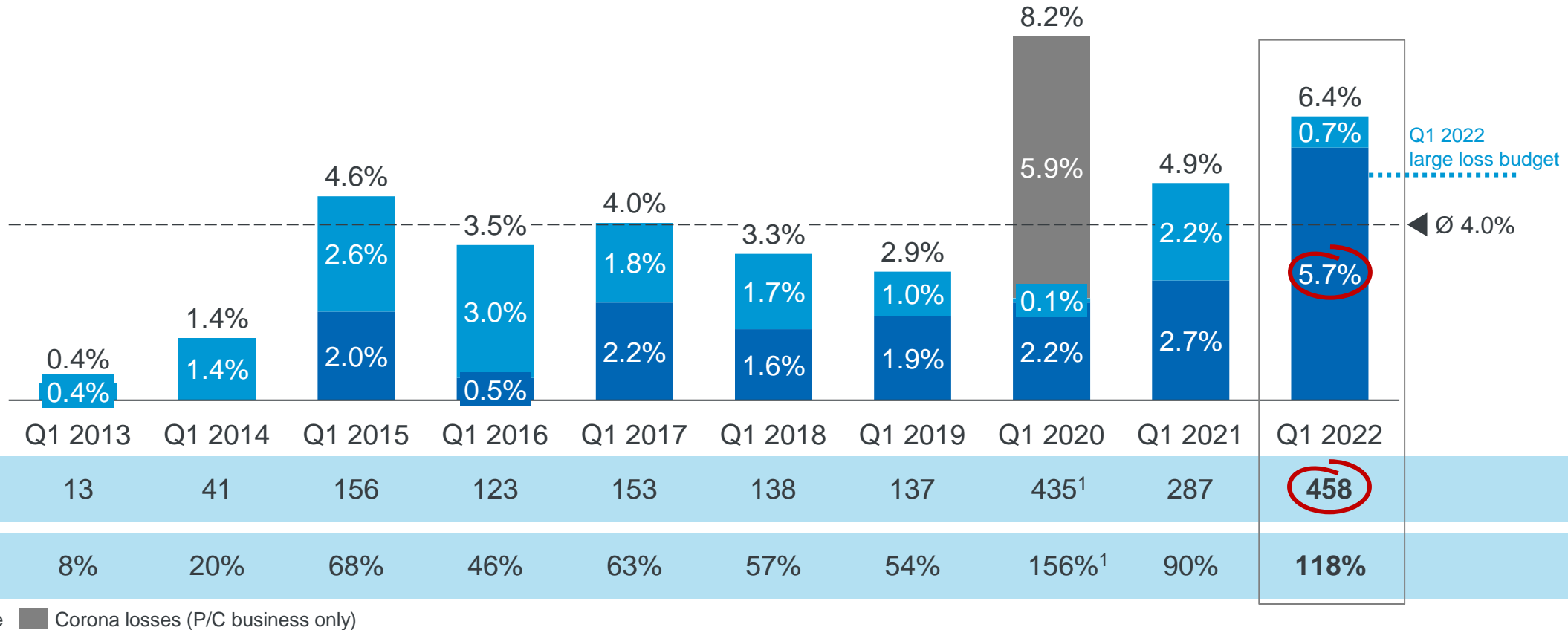
Agenda

- 1** Group financials
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Large loss development

1 NatCat events result in highest absolute net large loss in a first quarter

Net large losses, in % of net premiums earned (P/C business only)



Note: Definition "large loss": In excess of EUR 10m gross in either Primary Insurance or Reinsurance. 1 Amount of EUR 435m and ratio of 156% include NatCat, man-made and Corona (EUR 122m and 44% excluding Corona)

Combined ratios

1

Normalising post Corona but impacted by two large NatCat losses

Industrial Lines		Retail Germany P/C		Retail International		Primary Insurance		Reinsurance P/C		Talanx Group	
Q1 21	Q1 22	Q1 21	Q1 22	Q1 21	Q1 22	Q1 21	Q1 22	Q1 21	Q1 22	Q1 21	Q1 22
98.7%	97.1%	84.2%	97.8%	93.9%	94.0%	94.1%	95.9%	96.2%	99.5%	96.1%	98.3%



Retail International

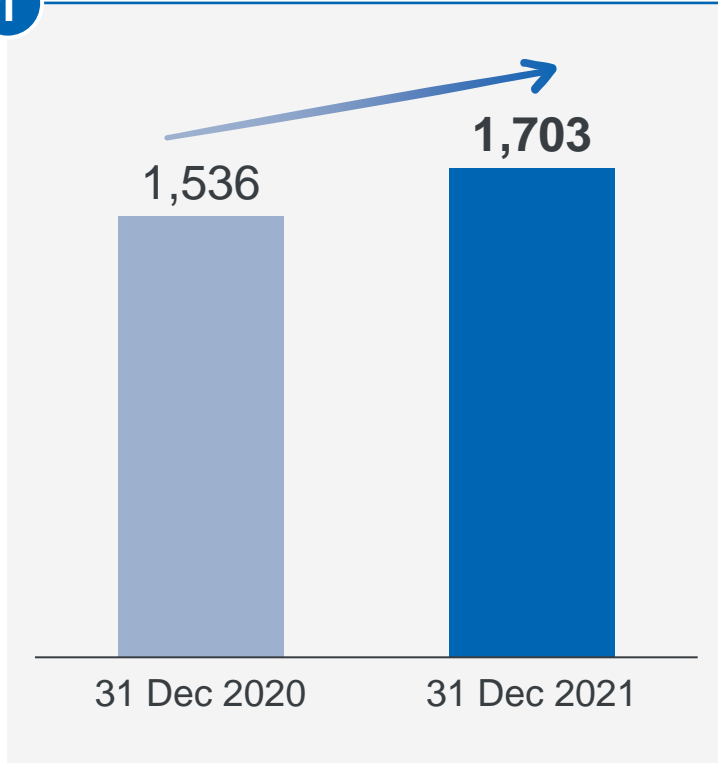
Mexico		Chile		Brazil	
Q1 21	Q1 22	Q1 21	Q1 22	Q1 21	Q1 22
97.6%	93.3%	95.1%	98.3%	99.9%	115.0%
Italy		Poland		Turkey	
Q1 21	Q1 22	Q1 21	Q1 22	Q1 21	Q1 22
76.0%	81.7%	93.2%	90.4%	109.2%	143.5%

Note: Non-life business. Primary Insurance excludes figures for Corporate Operations. For Retail International this page highlights only core markets plus Italy. Poland includes TUIR Warta only, which generates approx. 95% of P/C GWP in Poland

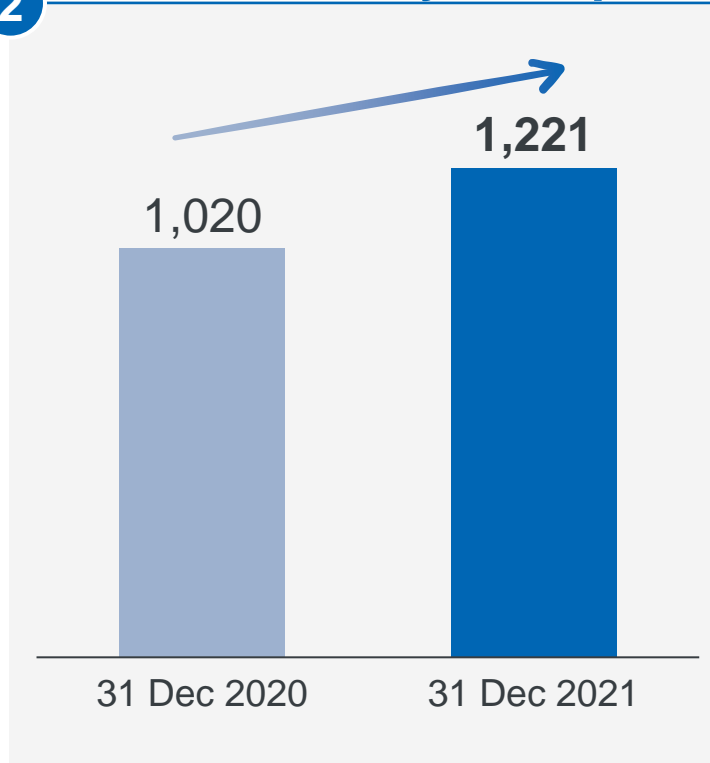
1 Strong resiliency level maintained

Net resiliency reserves¹ embedded in best estimate², in EURm

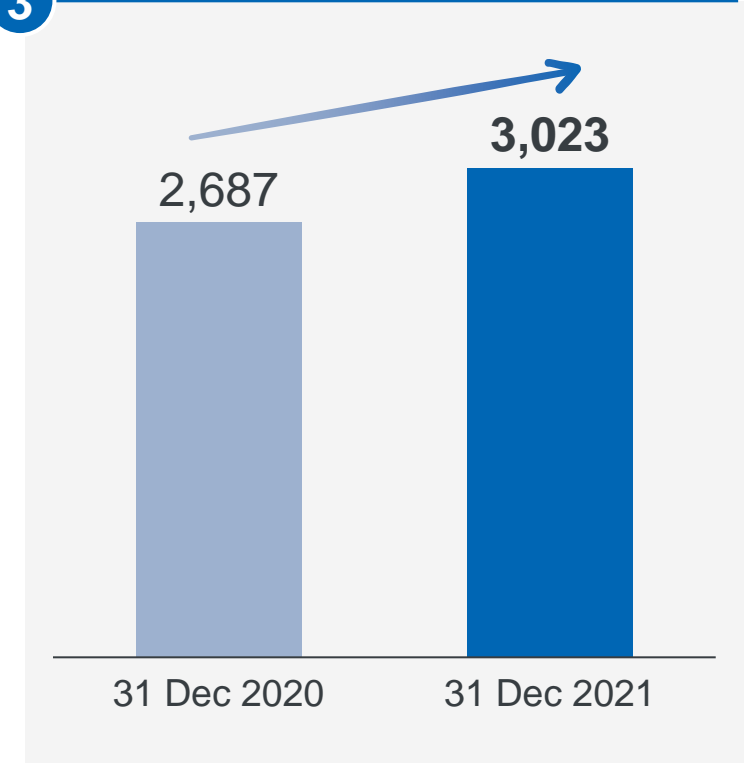
1 Reinsurance (Hannover Re)



2 Talanx Primary Group³



3 Talanx net⁴



1 Resiliency reserves are defined as the difference between booked reserves (based on Talanx' own best estimates) and WTW analysis. 2 Before taxes and minorities; source: WTW calculation based on data provided by Talanx. 3 Talanx Primary Group, excluding Talanx AG. 4 Sum of Hannover Re, Talanx Primary Group, Talanx AG (not consolidated)



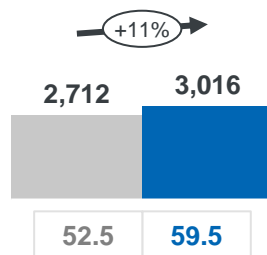
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Industrial Lines

2 Keeping growth momentum while sustaining technical improvement

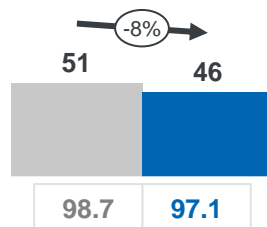
Gross written premiums (GWP)



Retention ratio in %



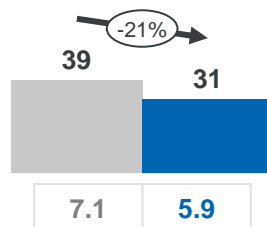
Operating result (EBIT)



Combined ratio in %



Net income



RoE in %



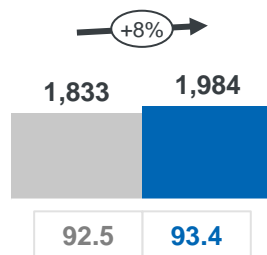
EURm, IFRS ■ Q1 21 ■ Q1 22

- Continued strong GWP growth momentum (currency-adjusted +8.6%), both in Specialty and in commercial lines
- Net premiums earned up 21.5%, stronger growth than GWP mainly due to significantly increased retention in Specialty, as a result of lower Hannover Re reinsurance share after realignment of HDI Global Specialty SE shareholder structure effective 1 January 2022
- Large losses EUR 9m above pro-rata budget of 83m, mainly affected by EUR 50m loss from Australia floods (EUR 10m budget overshooting in Q1 2021)
- Solid combined ratio of 97.1%, well on track to FY2022 target of below 98%
- Return on investment of 2.0% significantly below Q1 2021 (3.1%), which had also benefited from higher-than-normal private equity gains
- Net income development affected by tax ratio of 30% after 17% in Q1 2021, which had benefited from significant gains in low tax rate entity
- Resiliency reserve build-up has continued in Q1 2022

Retail Germany (total)

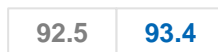
2 Normalising results affected by severe winter storm

Gross written premiums (GWP)

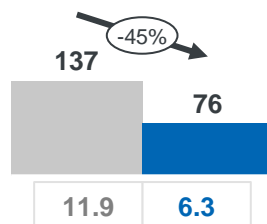


- Gross written premiums up 12% in P/C and 6% in Life, reflecting continued increase in SME business and strong new business in Life
- Net premiums earned up 4.2% in Q1

Retention ratio in %



Operating result (EBIT)

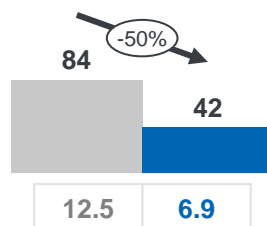


- EBIT decrease mainly due to large and frequency losses in P/C
- Significantly lower net investment income reflecting lower ZZR funding requirements

EBIT margin in %



Net income



- Net income in line with plan reflecting return to normalized levels when considering abnormally low frequency losses in motor as a result of the pandemic in prior year
- RoE including Asset Management contribution at 7.9%, on track to achieve target of ~8% RoE in 2022

RoE in %

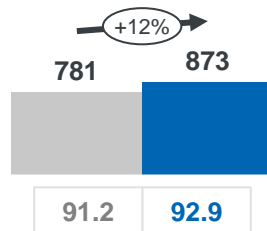


EURm, IFRS ■ Q1 21 ■ Q1 22

Retail Germany P/C

2 Normalised motor frequencies and significant NatCat loss

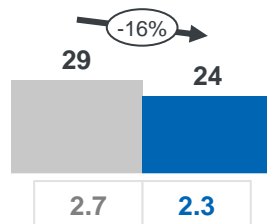
Gross written premiums (GWP)



- GWP increase due to growth in business with SMEs and in property
- 15% increase in target business with SMEs to EUR 354m (most renewals and payments in Q1)
- Strong growth in Motor during autumn 2021 renewal season starting to monetise

Retention ratio in %

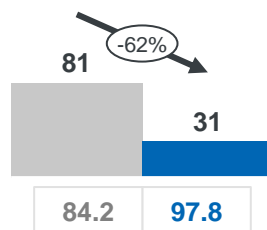
Net investment income



- 2.3% net return on investment lower than previous year (2.7%), mainly due to reduced realised gains

Return on investment in %

Operating result (EBIT)



- Q1 2022 technical result (EUR 8m vs. EUR 55m in Q1 2021) reflects post-Corona normalisation of frequency losses in Motor, higher NatCat (EUR 21.2m) and medium-sized losses
- Combined ratio at 94.2% if adjusted for excess of large loss budget resulting from February storms (Q1 2021 was 89.7% if adjusted for Corona benefits)
- Distribution cost ratio increased by 2.2%pts. due to shift to SME business (broker distribution)

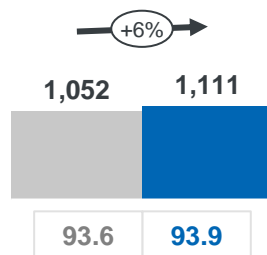
Combined ratio in %

EURm, IFRS ■ Q1 21 ■ Q1 22

Retail Germany Life

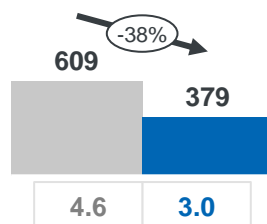
2 Strong new business, unit-linked products benefit from macro environment

Gross written premiums (GWP)



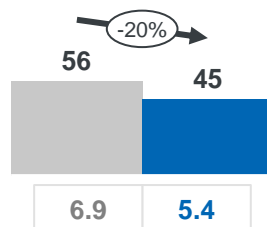
Retention ratio in %

Net investment income



Return on investment in %

Operating result (EBIT)



EBIT margin in %

EURm, IFRS ■ Q1 21 ■ Q1 22

1 Largest biometric product is payment protection insurance (PPI)

- New business increased 24% to EUR 108m (APE), 28% of which in biometric products¹ (29% in Q1 2021 as well); EUR 8m new business in fund-linked product CleverInvest
- Market share up by 0.5%pts. vs. Q1 2021 to 4.0%
- Given strategic initiative to realign product portfolio (“Bottom-line first”), we expect low single-digit percentage decline of GWP 2022 versus 2021

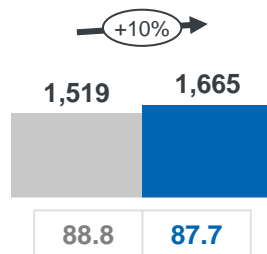
- Net investment income and RoI down significantly due to reduced net realised gains (EUR -152m to EUR 125m)
- ZZR allocation under German accounting of EUR 10m (Q1 2021: EUR 105m). Total stock of ZZR as of 31 March 2022 largely unchanged at EUR 5.0bn
- Significant interest rate increase has reduced unrealised gains in Q1 by nearly two thirds versus Dec 2021; potentially outstanding ZZR funding requirements locked in via dedicated investment vehicles

- EBIT down EUR 11m due lower net investment income
- As-if-merged Solvency 2 Capital Adequacy Ratio for the four German life entities as of 31 December 2021 (without transitional measure) at 291%

Retail International

2 Profitable growth despite sale of Russian entity, higher frequency and inflation

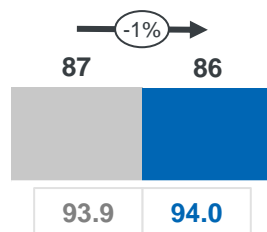
Gross written premiums (GWP)



Retention ratio in %



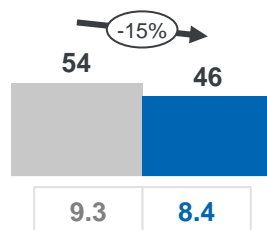
Operating result (EBIT)



Combined ratio P/C in %



Net income



RoE in %



EURm, IFRS ■ Q1 21 ■ Q1 22

- Curr.-adj. GWP increase of 13.6% in Q1 2022
- GWP in P/C up 27.8% (curr.-adj. +33.9%), especially in Turkey, Poland and LatAm. EUR 60m contribution from acquisition in Italy (not in Q1 2021). Life business down 22.2% (curr.-adj. -21.8%), driven by intended lower single premium business in Italy; EUR 20m GWP decrease resulting from de-consolidation of Russian life entity
- Europe up 3.1% to EUR 1,220m (+9.8% curr.-adj.). LatAm grew 32.3% to EUR 446 (+27.0% curr.-adj.). Strong growth in Chile, especially coming from the new partnership with BancoEstado, growth in Mexico and Brazil

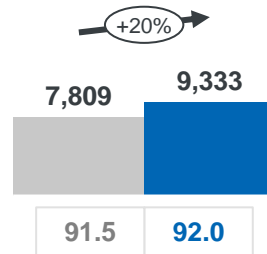
- Increasing claims inflation as well as return to historical claims frequency, especially in LatAm and Turkey, partially offset by price increases in Motor
- Combined ratio (CoR) benefited from positive run-off results; CoR in Brazil and Turkey significantly higher than in 2021 especially due to strongly increased claims inflation
- EBIT driven by European business; EUR -9m in LatAm, resulting from negative technical result in Brazil

- Return on investment of 3.1% versus 2.9% in Q1 2021 due to increased interest rates, especially in Turkey and Poland
- New distribution agreement with BancoEstado in Chile started successfully in January 2022 with GWP Q1 contribution of EUR 45m
- EUR -23m post-tax de-consolidation effect (other expenses) due to sale of Russian life entity, closed in February

Reinsurance

2 Continued strong growth, net income guidance confirmed

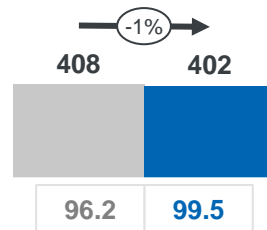
Gross written premiums (GWP)



Retention ratio in %



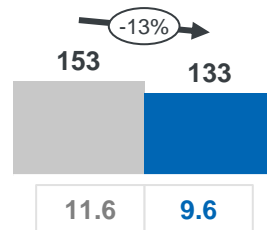
Operating result (EBIT)



Combined ratio P/C in %



Net income



RoE in %



EURm, IFRS ■ Q1 21 ■ Q1 22

Note: Q1 2021 adjusted according to IAS 8

- Strong GWP growth (currency-adj. +13.9%) driven by 25.6% increase in P/C (currency-adj. +19.5%)
- GWP in L/H up 3.2% (currency-adj. -1.2%), growth in Mortality and Longevity offset by reduced premium volume in Morbidity
- Net premiums earned up 17.9%, 12.4% on a currency-adjusted basis

- EBIT impacted by Corona-related mortality claims of EUR 123m, partly offset by EUR 46m positive valuation effect from extreme mortality cover
- Combined ratio of 99.5% affected by large losses exceeding pro-rata budget by EUR 52m (1.1% of net premiums earned) and bulk reserves related to Ukraine situation (~3% of NPE)

- Net investment income from assets under own management (AouM) up 38%, driven by very strong ordinary investment income (+31%) supported by increased contribution from inflation-linked bonds and real estate as well as rising investment yields; return on investment 3.1% with AuoM at EUR 55.6bn, stable versus 31 Dec 2021
- 242% S2 CAR as of 31 March 2022 well above target and hence supporting growth ambitions
- FY 2022 net income guidance confirmed in the range between EUR 1.4 and 1.5bn



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3 Net investment income

EURm, IFRS

	Q1 2021	Q1 2022	Change	
Ordinary investment income	897	960	+7%	1
▪ thereof current interest income	647	701	+8%	
▪ thereof income from real estate	71	96	+34%	
Extraordinary investment income	295	123	-59%	2
▪ Realised net gains/losses on investments	395	170	-58%	
▪ Write-ups/write-downs on investments	-67	-49	-28%	
▪ Unrealised net gains/losses on investments	-33	1	n.m.	
Other investment expenses	-67	-86	+27%	
Income from assets under own management	1,125	997	-11%	
Interest income on funds withheld & contract deposits	127	52	-59%	
Income from investment contracts	1	1	+16%	
Total: Net investment income	1,253	1,050	-16%	
Assets under own management at period end	131,000	133,498	+2%	3
Average assets under own management	129,651	134,786	+4%	
Net return on investment¹	3.5%	3.0%	-0.5%pts	
Current return on investment ²	2.6%	2.6%	±0.0%pts	

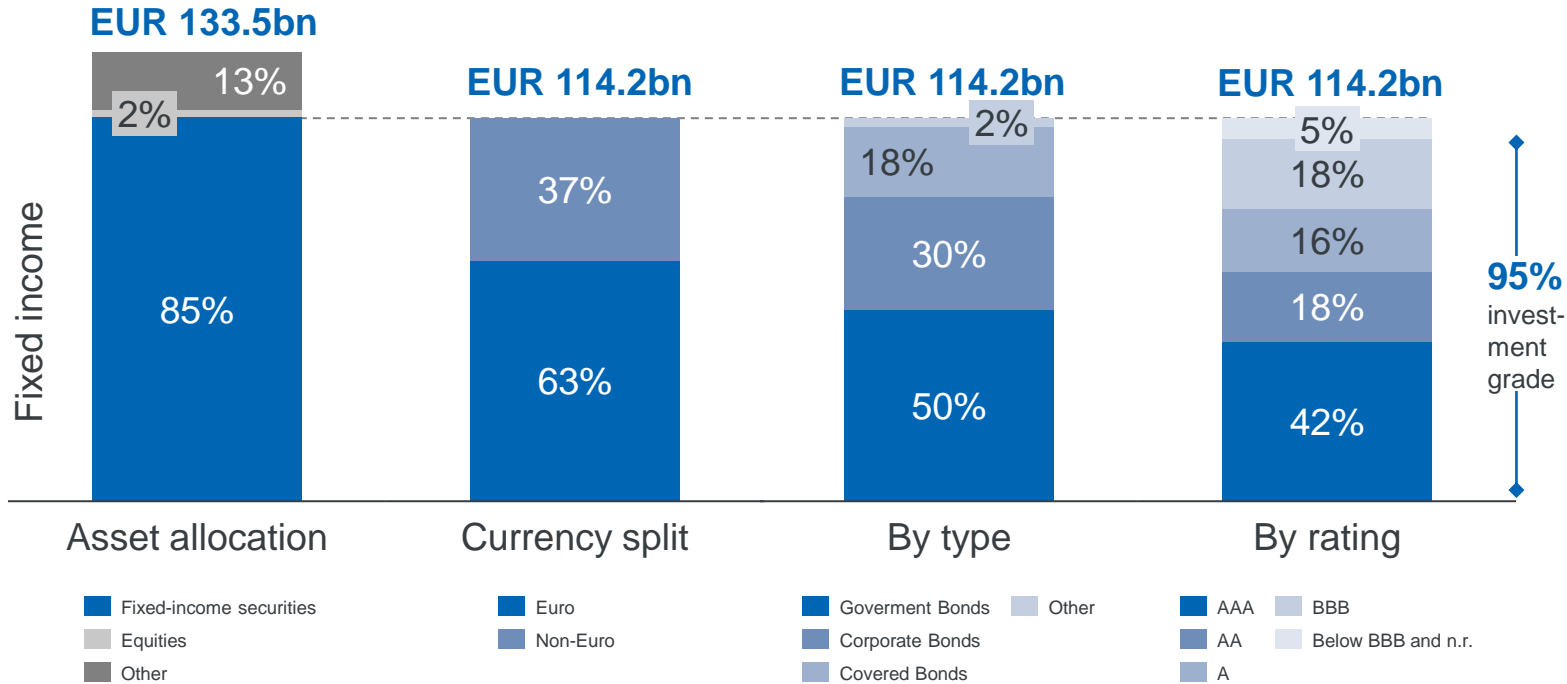
1 Net return on investment: Income from assets under own management divided by average assets under own management. 2 Current return on investment: Income from assets under own management excl. extraordinary investment income divided by average assets under own management.

Comments

- 1 Increase in ordinary investment income in Q1 driven by EUR 95m gains from inflation-linked securities (EUR 25m thereof in Primary Insurance), compensated a EUR 53m decrease in private equity returns, which had been unusually high in Q1 2021
- 2 EUR 129m increase in realised losses on fixed income securities, mainly related to interest rate increase; also includes EUR 31m realised losses on Russian and Ukraine securities. Realised gains reduced, in line with reduced requirement expected for build-up of annual *Zinszusatzreserve*
- 3 1.9% decrease in assets under own management versus 31 December 2021 (EUR 136.1bn), is due to the sharp increase in interest rates and the corresponding decline in the market value of fixed income securities

3 Our low beta investment portfolio

Assets under own management, as of 31 March 2022



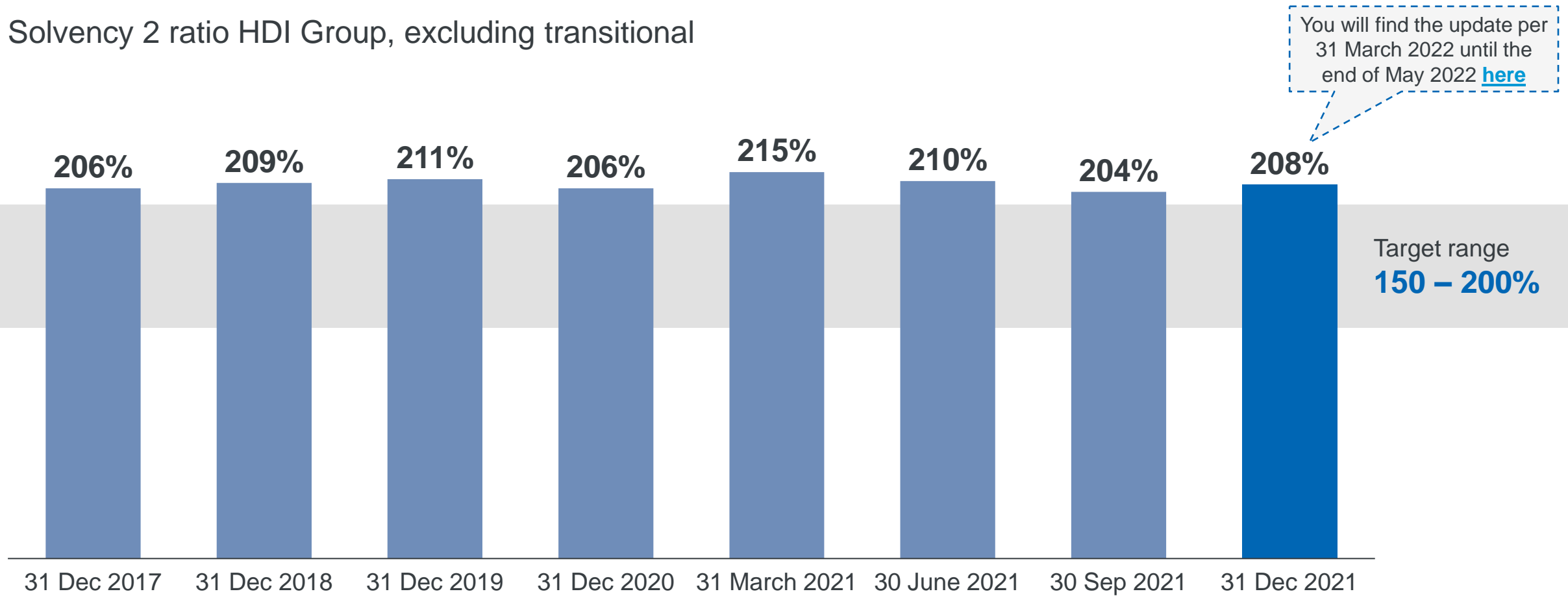
Comments

- Investment portfolio remains dominated by fixed-income securities: 85% portfolio share slightly down vs. 31 Dec 2021 (87%)
- 20% of fixed-income portfolio is held in USD (31 Dec 2021: 20%)
- Portion of fixed-income portfolio invested in “A” or higher-rated bonds (76%) stable vs. 31 Dec 2021. 95% of bonds are investment grade

Note: “Below BBB and n.r.” includes non-rated bonds

3 Strong capital position

Solvency 2 ratio HDI Group, excluding transitional

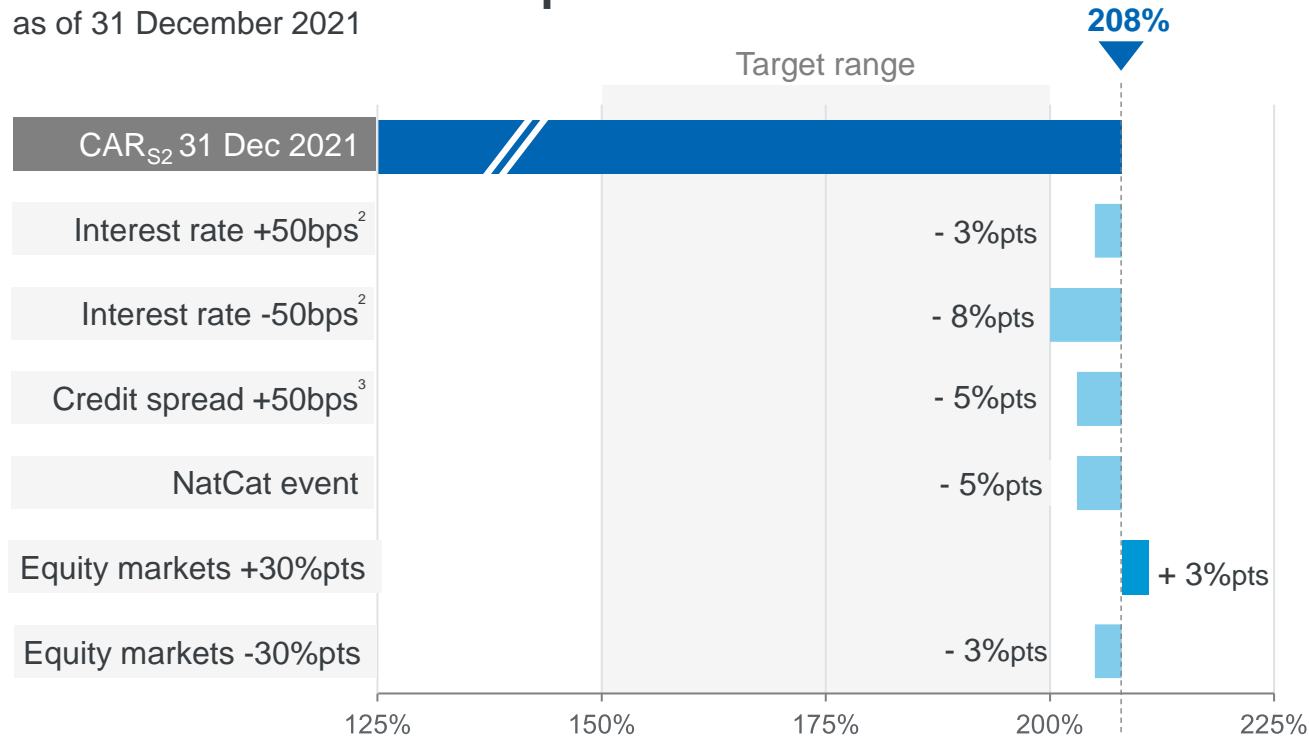


Note: Solvency 2 ratio including transitional measure as of 31 December 2021: 248%

3 Sensitivities of Solvency 2 ratio

Estimation of stress impact¹

as of 31 December 2021



¹ Estimated solvency ratio changes in case of stress scenarios (stress applied on both Eligible Own Funds and capital requirement, approximation for loss absorbing capacity of deferred taxes). ² Interest rate stresses based on non-parallel shifts of the interest rate curve based on EIOPA approach. ³ The credit spreads are calculated as spreads over the swap curve (credit spread stresses include simultaneous stress on government bonds)

Interest rate sensitivities:

At group level, the +50bps scenario also has a negative sensitivity, ie impact on Basic Own Funds (BOF) per 31 Dec 2021, for two main reasons:

1. Hannover Re typically does not benefit from increasing interest rates, as the impact of interest rate changes on assets is stronger than on liabilities. This effect is more pronounced relative to 31 Dec 2020
2. German life business: As interest rates are higher, stresses are relatively less severe. This higher risk bearing capacity results in smaller interest rate sensitivities

Credit spread sensitivity:

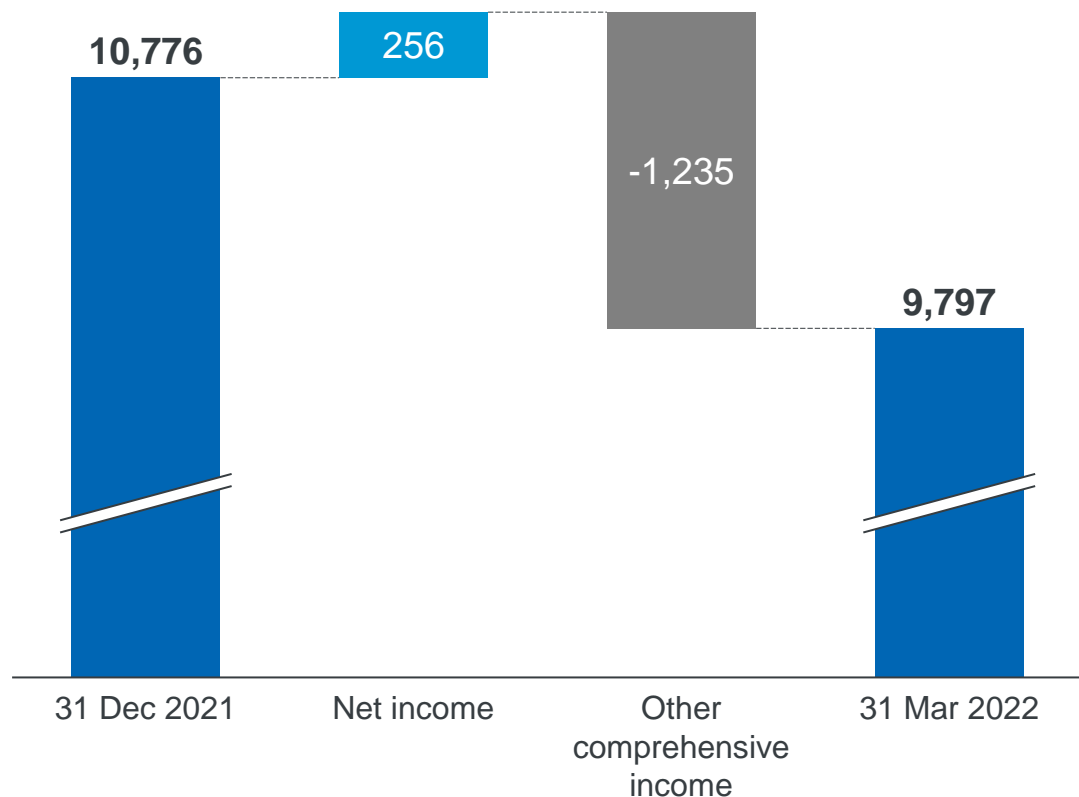
- Main driver in the credit spread widening scenario is the reduction of BOF at Hannover Re
- The effect on BOF at the German life entities is weaker than per 31 Dec 2020 due to higher risk-bearing capacity and portfolio reallocations. This results in a somewhat reduced relative impact of higher spreads at group level (-8%pts per 31 Dec 2020)

Book value per share

3 Down 9.1% in Q1 2022

Shareholders' equity

in EURm



Comments

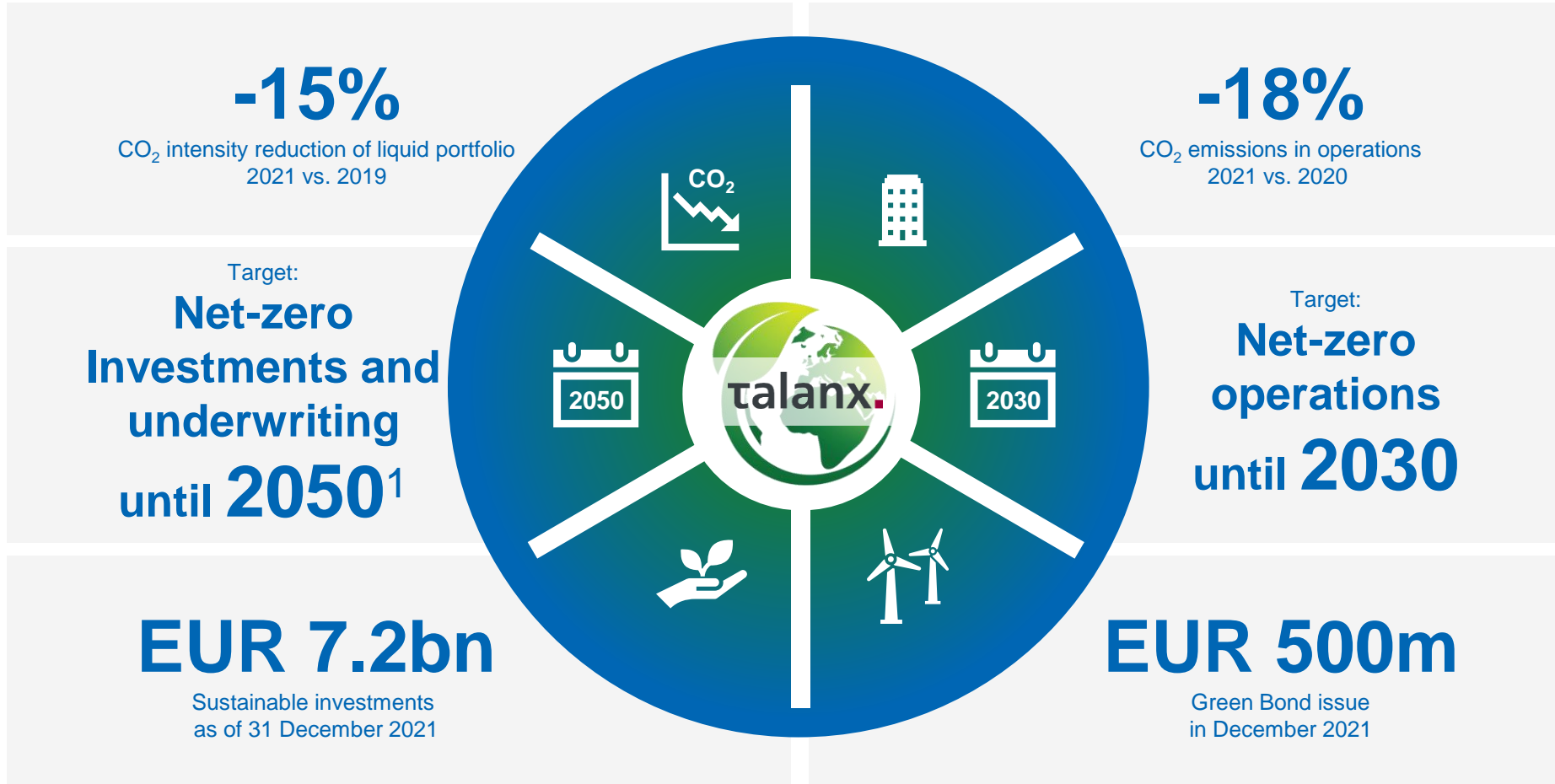
- Shareholders' equity at EUR 9,797m, down 9.1% versus the level of Dec 2021
- Significant decline in other comprehensive income (OCI) is due to sharp increase in interest rates and corresponding decline in market value of fixed income securities, whilst before introduction of IFRS 17 liabilities are accounted for at nominal value

Book value per share

EUR	31 Dec	31 Mar	31 Dec	31 Mar	Change in Q1	
	2020	2021	2021	2022	Abs.	%
Including goodwill	41.01	41.13	42.58	38.71	-3.87	-9.1
Excluding goodwill	37.00	37.17	38.51	34.62	-3.89	-10.1

3 Highlights of Sustainability Report 2021

Click here to discover our Sustainability Report



¹ Underwriting: Full withdrawal from thermal coal infrastructure and oilsands until 2038

3 EUR 7.2bn sustainable investments

Sustainable investments

As of 31 Dec 2021, in EURbn

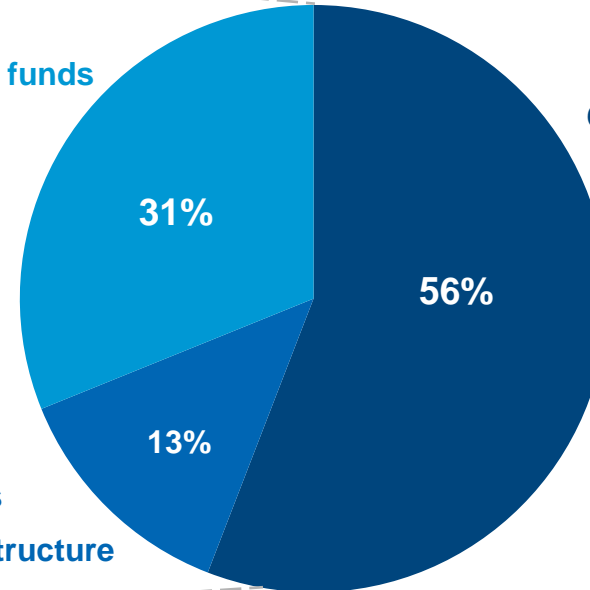
7.2



Investment categories

In %

Renewable energy and alternative investments funds
Sustainable real estate
Sustainable bonds



Renewable energy
Clean transportation
Natural resources
Green bonds
Electrical grid

Social bonds
Social infrastructure



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Outlook 2022 for Talanx Group



Currency-adjusted
GWP growth



Net return on
investment



Group
net income



Return
on equity



Dividend
payout



Dividend policy subject to
review as part of general
strategy update 2023-2025

Outlook
2022

Mid single-digit
% growth

~2.4%

EUR 1,050 - 1,150m

~10%

35 – 45% of IFRS earnings
DPS at least stable y/y

Note: All targets are subject to large losses not exceeding the large loss budget, no turbulences on capital markets and no material currency fluctuations. The Outlook 2022 is based on a large loss budget of EUR 1,810m for Talanx Group, thereof EUR 410m in Primary Insurance, of which EUR 330m in Industrial Lines. The large loss budget in Reinsurance 2022 is EUR 1,400m. The Russian war in Ukraine has emerged as an uncertainty factor. It is currently too early to fully assess the impact on the 2022 business year.

4 Outlook 2022 for primary insurance segments



Currency-adjusted
GWP growth



Combined
ratio



Return
on equity



Industrial Lines

>7%

<98%

~8%

Retail Germany

Retail Germany P/C

High single-digit % growth

~96%

Retail Germany Life

Low single-digit % decline

Retail International

High single-digit % growth in P/C
business

<95%

~8%

¹ -6.5% excluding Asset Management contribution



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5 Q1 2022 results overview

EURm	Q1 2021	Q1 2022	Delta	
Gross written premiums (GWP)	13,649	15,905	+17%	1
Net premiums earned	9,015	10,332	+15%	
Net technical result	-600	-423	-29%	
▪ thereof P/C	229	116	-50%	2
▪ thereof Life	-829	-539	-35%	
Net investment income	1,253	1,050	-16%	3
Other income/expenses	-28	3	n.m.	
Operating result (EBIT)	625	630	+1%	
Financing costs	-42	-45	+5%	
Taxes on income	-128	-163	+27%	
Net income before minorities	455	422	-7%	
Non-controlling interests	-177	-166	-6%	
Net income after minorities	277	256	-8%	
Earnings per share (EPS)	1.10	1.01		
Combined ratio (CR) in P/C	96.1%	98.3%	+2.2%pts	4
Tax ratio	22.0%	27.8%	+5.8%pts	5
Return on equity	10.7%	10.0%	-0.7%pts	
Return on investment	3.5%	3.0%	-0.5%pts	3

Note: Q1 2021 adjusted according to IAS 8

Comments

- 1 GWP growth in all segments, largest contributions from P/C Reinsurance (+EUR 1,456m) and Industrial Lines (+EUR 305m). More than 3%pts. negative FX impact
- 2 Technical result in P/C affected by Australian floods (EUR 235m) and Central European Storms (EUR 164m), representing 87% of total large losses; includes EUR ~150m IBNR bulk reserves booked related to Ukraine situation
- 3 EUR 152m decrease in net realized gains in German Retail (related to lower ZZR funding requirements)
- 4 Overshooting large loss budget by EUR 71m (approx. 1% combined ratio); post-Corona normalisation of frequency losses
- 5 Lower income share from low tax countries

Large loss detail

5 Budget exceeded due to significant NatCat events

Net losses in EURm, Q1 2022 (Q1 2021)	Industrial Lines	Retail Germany	Retail International	∑ Primary Insurance	Reinsurance	Corporate Operations	Talanx Group
Flood Sydney, Australia (February/March)	49.5			49.5	185.6		235.1
Storms Central Europe (February)	10.1	21.2	8.6	39.9	124.2		164.2
Earthquake, Japan (March)	7.2			7.2		0.3	7.5
Sum NatCat	66.9 (51.5)	21.2 (0.0)	8.6 (0.0)	96.7 (51.5)	309.8 (105.0)	0.3 (0.0)	406.8 (156.5)
Fire/Property	11.8			11.8	12.1		23.9
Marine	10.0			10.0	13.9	0.6	24.6
Casualty							
Credit							
Aviation	2.9			2.9			2.9
Cyber							
Sum other large losses	24.7 (41.1)	0.0 (0.0)	0.0 (0.0)	24.7 (41.1)	26.0 (88.2)	0.6 (0.8)	51.3 (130.1)
Total large losses	91.5 (92.5)	21.2 (0.0)	8.6 (0.0)	121.3 (92.5)	335.8 (193.2)	0.9 (0.8)	458.1 (286.6)
Pro-rata large loss budget	82.5	7.5	2.5	92.5	284.3	10.0	386.8

Note: Definition "large loss": in excess of EUR 10m gross in either Primary Insurance or Reinsurance.

5 Talanx Primary Insurance and Reinsurance Contributions to net income

Net income attributable to Talanx AG shareholders, in EURm

	1	2	3	4	5	6	7	8
	Industrial Lines	Retail Germany	Retail International	Σ Primary Insurance	Reinsurance	Corporate Operations	Consolidation	Talanx Group
2015	127	-76	148	199 25%	606 75%	-51	-20	734
2016	241	68	124	433 42%	595 58%	-135	+10	903
2017	91	102	138	331 41%	479 59%	-141	2	671
2018	-16	102	161	247 31%	540 69%	-80	-4	703
2019	103	133	164	400 39%	619 61%	-97	+1	923
2020	47	119	160	326 42%	442 58%	-117	-3	648
2021	143	161	189	493 45%	609 55%	-105	+14	1,011
Q1 2022	31	42	46	119 47%	133 53%	-6	+11	256

Note: Primary Insurance is the sum of Industrial Lines, Retail Germany and Retail International. Percentages are calculated in percent of Group net income adjusted for Corporate Operations and Consolidation (e.g. adding back EUR +6m to, and subtracting EUR 11m from, EUR 256m in Q1 2022)

5 Details on selected fixed-income country exposure

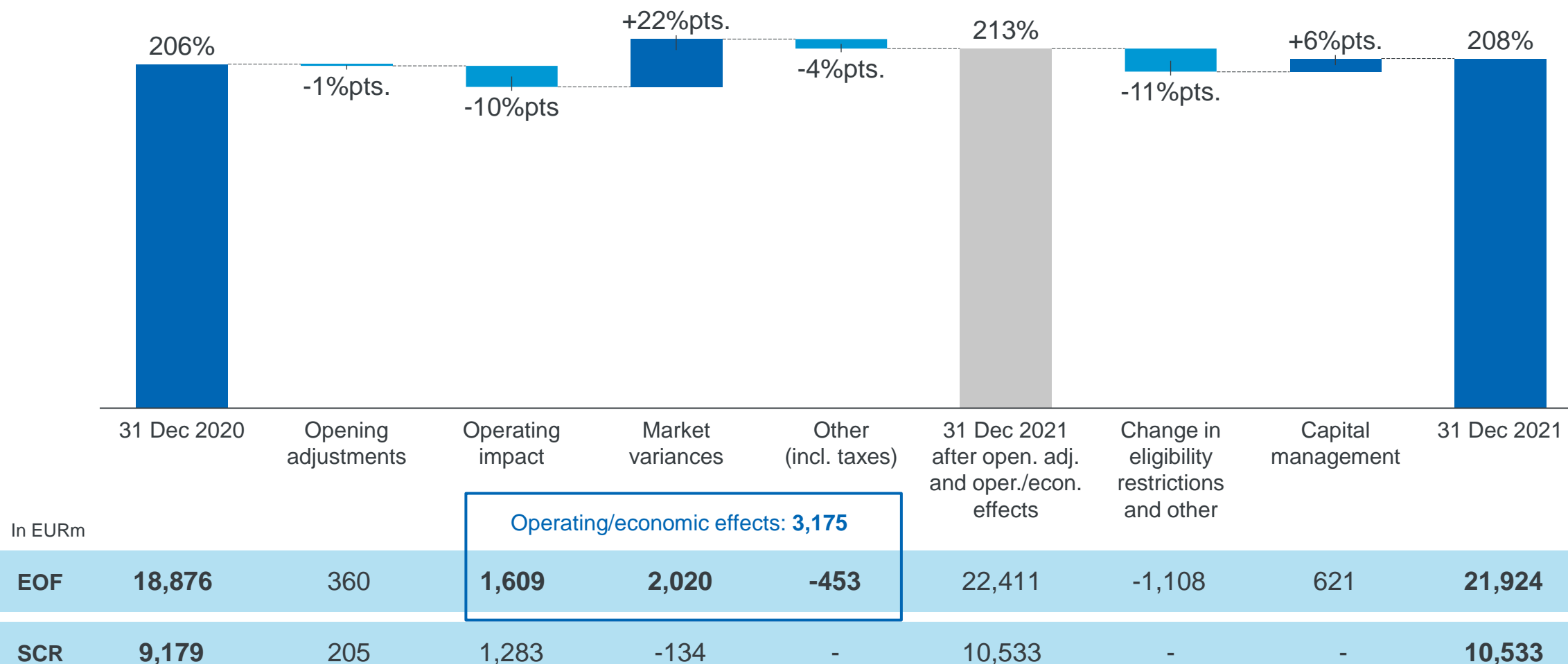
Investments into issuers from countries with a rating below A- (in EURm), as of 31 March 2022

Country	Rating	Sovereign	Semi-Sovereign	Financial	Corporate	Covered	Other	Total
Italy	BBB	3,909	-	721	535	249	5	5,420
Mexico	BBB	374	-	163	333	-	-	870
Brazil	BB-	283	-	101	206	-	18	609
Hungary	BBB	528	-	12	18	5	-	562
South Africa	BB-	138	-	5	133	-	3	279
Portugal	BBB	108	-	10	28	11	-	157
Turkey	B+	59	-	14	12	-	-	85
Russia		57	-	5	14	-	-	76
Other BBB+		70	-	14	39	-	-	123
Other BBB		229	90	110	215	-	-	644
Below BBB or non-rated		331	71	123	223	-	-	748
Total		6,087	161	1,279	1,757	265	26	9,574
In % of total investments under own management¹		4.6%	0.1%	1.0%	1.3%	0.2%	~0.0%	7.2%
In % of total Group assets²		3.0%	0.1%	0.6%	0.9%	0.1%	~0.0%	4.8%

Note: Percentages may not add up due to rounding. 1 EUR 133,498m. 2 EUR 200,434m.

Capital

5 Development of Solvency 2 ratio (excl. transitionals)



Note: "Opening adjustments" reflects model changes. "Change in eligibility restrictions" comprises e.g. haircut effects. "Capital management" includes dividend payments and bond issuance.

Capital

Operating and economic effects

EURm

Operating impact	1,609	1
▪ New business contribution	654	
▪ Expected in-force contribution	1,843	
▪ Operating variances in-force business	-651	
▪ Debt costs	-176	
▪ Other, including holding costs	-61	
Market variances	2,020	2
Other (including taxes)	-453	3
▪ Other	-56	
▪ Taxes	-397	
Operating and economic effects	3,175	

Comments

1 Positive new business contribution from all segments despite exceeding large loss budget

Expected in-force contribution includes mainly return on investments (real-world assumption) and unwinding of risk margin

Operating variances within in-force business affected by COVID-19

2 Realised vs. expected: Positive market effects due to appreciation of FX (especially USD, GBP), equity and real estate investments and spreads partly offset by rising interest rates

3 “Other” considers revaluation of other assets and liabilities and consolidation

Note: Structure according to CFO Forum working group recommendation. Allocation of management expenses to in-force and new business. Stated amount of taxes without Primary Life (taxes of Primary Life already included in operating impact)

Qualifications and caveats

This presentation contains forward-looking statements which are based on certain assumptions, expectations and opinions of the management of Talanx AG (the “Company”) or cited from third-party sources. These statements are, therefore, subject to certain known or unknown risks and uncertainties. A variety of factors, many of which are beyond the Company’s control, affect the Company’s business activities, business strategy, results, performance and achievements. Should one or more of these factors or risks or uncertainties materialise, actual results, performance or achievements of the Company may vary materially from those expressed or implied as being expected, anticipated, intended, planned, believed, sought, estimated or projected in the relevant forward-looking statement. The Company does not guarantee that the assumptions underlying such forward-looking statements are free from errors nor does the Company accept any responsibility for the actual occurrence of the forecasted developments. The Company neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by the Company as being accurate.

Presentations of the company usually contain supplemental financial measures (e.g., return on investment, return on equity, gross/net combined ratios, solvency ratios) which the Company believes to be useful performance measures but which are not recognised as measures under International Financial Reporting Standards, as adopted by the European Union (“IFRS”). Therefore, such measures should be viewed as supplemental to, but not as substitute for, balance sheet, statement of income or cash flow statement data determined in accordance with IFRS. Since not all companies define such measures in the same way, the respective measures may not be comparable to similarly-titled measures used by other companies.

This presentation is dated as of 5 May 2022. Neither the delivery of this presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. This material is being delivered in conjunction with an oral presentation by the Company and should not be taken out of context.

Numbers and percentages may not add up due to rounding. For the same reason, percentage changes may not be consistent with the absolute numbers they relate to.

Details on reserve review by WTW (as per page 6 of this presentation)

- WTW was separately engaged by Talanx AG and Hannover Rück SE to review certain parts of the held loss and loss adjustment expense reserve, net of outwards reinsurance, from the consolidated financial statements in accordance with IFRS as at each 31 December 2020 and 2021, and the implicit resiliency margin (excess over expected loss estimate), for the non-life business of Talanx Primary Group and Hannover Rück SE. WTW concludes that the reviewed loss and loss adjustment expense reserve, net of reinsurance, less the resiliency margin is reasonable in that it falls within WTW's range of reasonable estimates.
 - Life and health insurance and reinsurance business are excluded from the scope of this review.
 - WTW's review of non-life reserves as at 31 December 2021 covered 94.5% / 96.2% of the gross and net held non-life reserves before consolidation of EUR 60.2bn and EUR 48.6bn respectively.
 - The WTW results referenced 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 WTW results referenced are not intended to represent an opinion of market value and should not be interpreted in that manner. The WTW analysis does not purport to encompass all of the many factors that may bear upon a market value.
 - WTW's analysis was carried out based on data as at evaluation dates for 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.
 - As is typical for insurance and reinsurance companies, claims reporting can be delayed due to late notifications by some claimants and cedents. This increases the uncertainty in the WTW results.
 - The reviewed reserves of Hannover Rück SE and Talanx AG include 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 the reviewed reserves of Hannover Rück SE's show some resiliency compared to WTW's 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, 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.
 - After the completion of the analysis, it has become evident that the Russian war in Ukraine that began in February 2022 could have significant effects on global economic activity and create inflationary pressures in addition to those caused by disruption of supply chains by Covid-19. Longer term implications for inflation from increased energy prices, potential reductions in food supplies, disruption in global trading and their impacts on insurance exposures remain highly uncertain. The WTW analysis makes no explicit allowance for effects of the war on the projection results.
 - In accordance with its scope WTW's estimates are on the basis that all of Talanx AG's and 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 Talanx AG and 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.
 - WTW has not attempted to determine the quality of Talanx AG's and Hannover Rück SE'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 Talanx AG, Hannover Rück SE and their respective 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 Talanx AG or Hannover Rück SE, WTW do not assume any responsibility and will not accept any liability to any third party for any damages suffered by such third party arising out of this commentary or references to WTW in this document.

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