

talanx.

Insurance. Investments.

Talanx: Sustainable profitability

19 Sep 2022

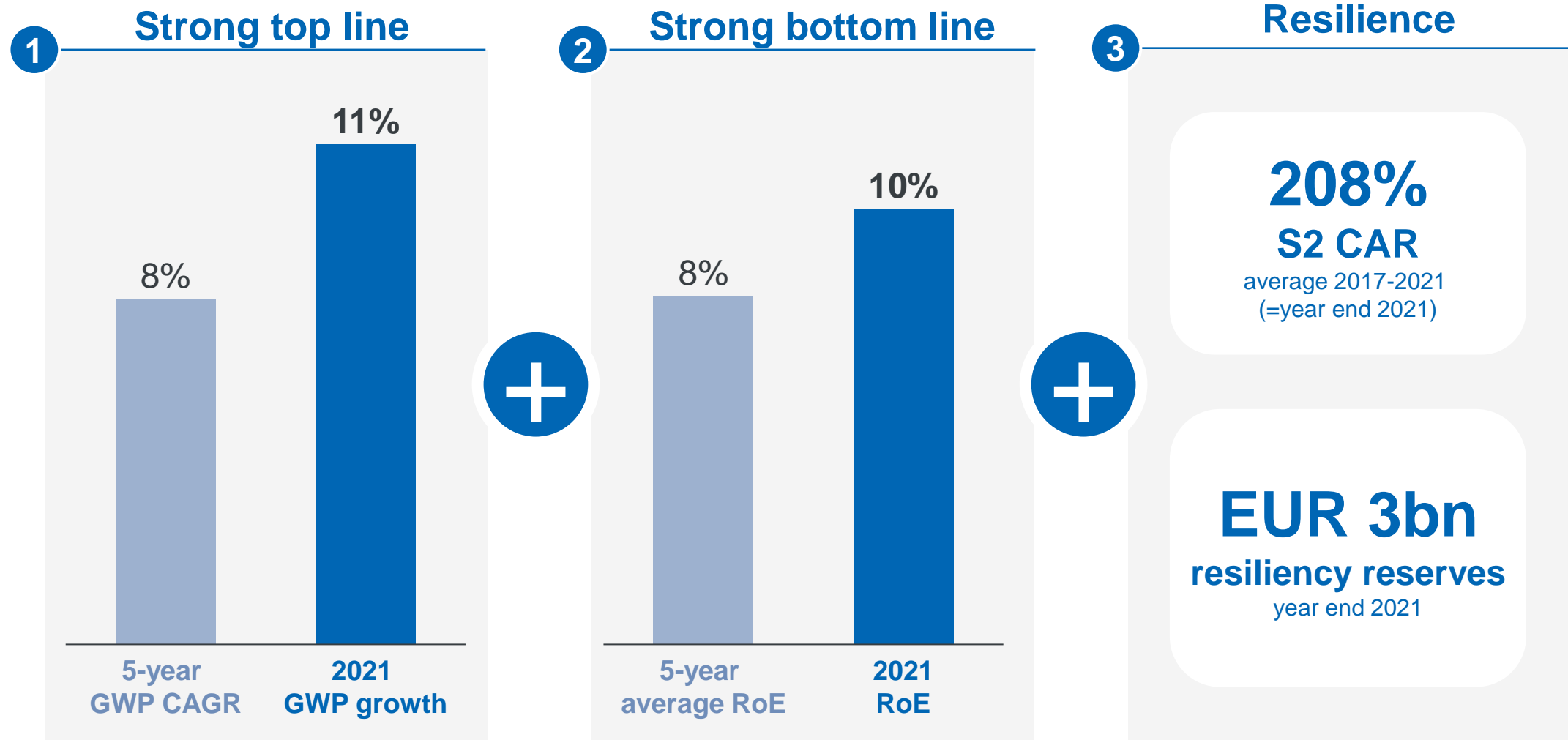
Munich

Jan Wicke, CFO

Berenberg and Goldman Sachs
German Corporate Conference



Summary: Profitable growth has generated a resilient franchise

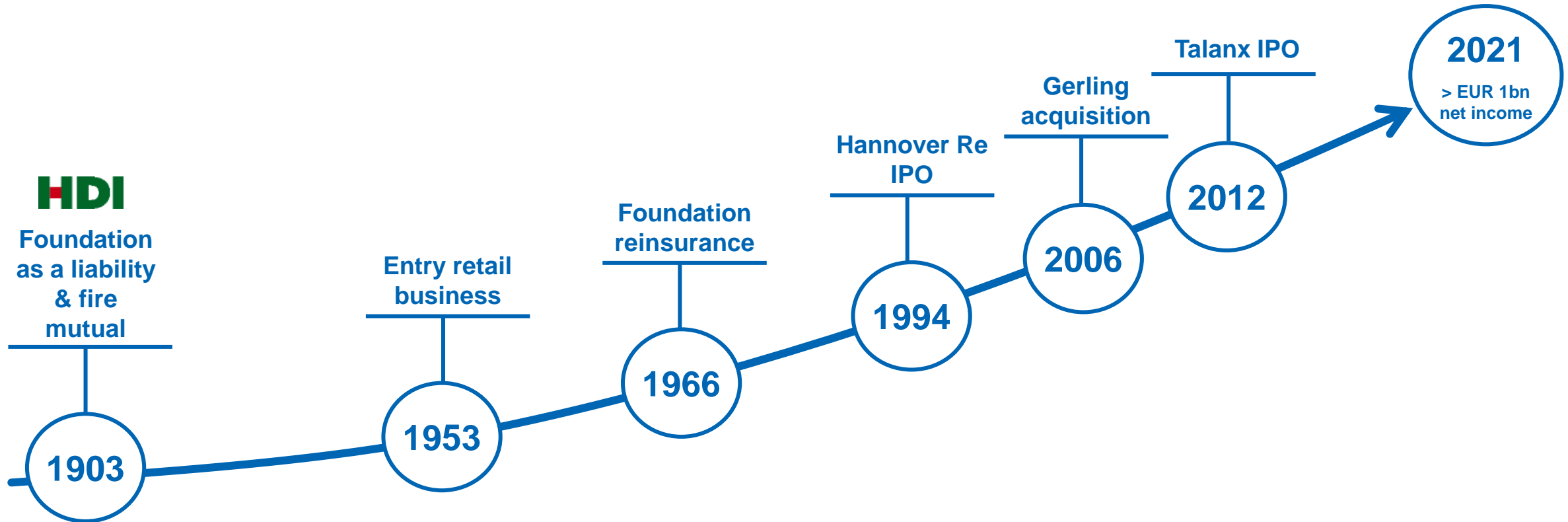




Agenda

- 1 Talanx at a glance**
- 2 Recent results and outlook
- 3 Segment update
- 4 Investments and Capital
- 5 Appendix

1 Talanx has a history of more than 100 years



Talanx operates a well-balanced business with a low risk profile

Underwriting



~ 50%
outside Europe

Strong diversification

Investments

Investment portfolio as of 31 Dec 2021



87%
Bonds

2%
Equities

Low investment risk

Solvency

Solvency 2 CAR for HDI Group
as of 31 Dec 2021



208%

Solid capitalisation

Ratings

Insurer financial strength rating
(Talanx Primary Group)

A+

(outlook: stable)

STANDARD
& POOR'S

A

(outlook: positive)



Talanx is an integrated primary and reinsurance player

Key facts

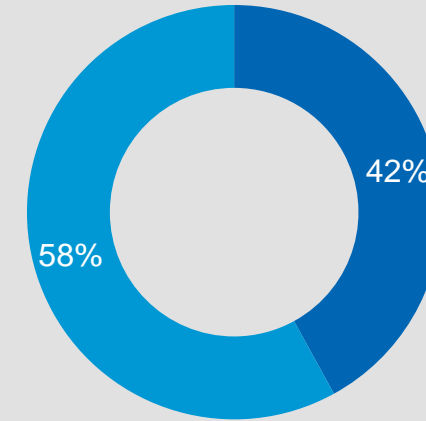
2021 / 31 Dec 2021, in EURbn

GWP	45.5
Net income	1.01
AuM	136.0
Shareholders equity	10.8
Market Cap	10.8

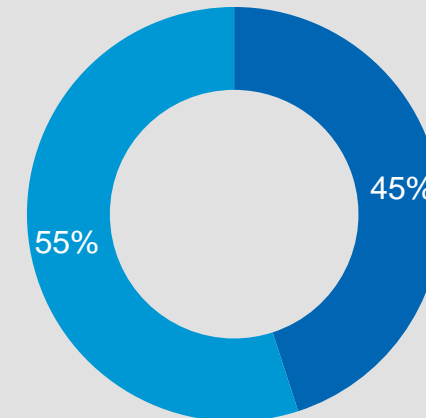
¹ Primary Insurance is the sum of Industrial Lines, Retail Germany and Retail International. Percentages are calculated excluding Corporate Operations and Consolidation

Business mix¹

GWP 2021 in % of total



Net income 2021 in % of total



■ Primary
■ Reinsurance

1 Talanx operates a multi-brand business with 4 segments

Industrial Lines



- Lines of business include coverage of standard industrial risks (e.g. liability, motor, fire & property)
- Segment also includes specialty lines business (e.g. financial lines, aviation etc.)

2021, in EURm

GWP

7,560

Net
income

143

Retail Germany



- Standard Retail Property & Casualty and Life products operated under HDI brand
- Bancassurance business with various German banks (e.g. Deutsche Bank, Sparkassen and Targobank)

6,170

161

Retail International



- Standard retail Property & Casualty and Life products
- Regional focus on CEE (Poland, Turkey, Hungary, Austria), Italy and LatAm (Brazil, Mexico, Chile, Colombia, Argentina)

6,127

189

Reinsurance

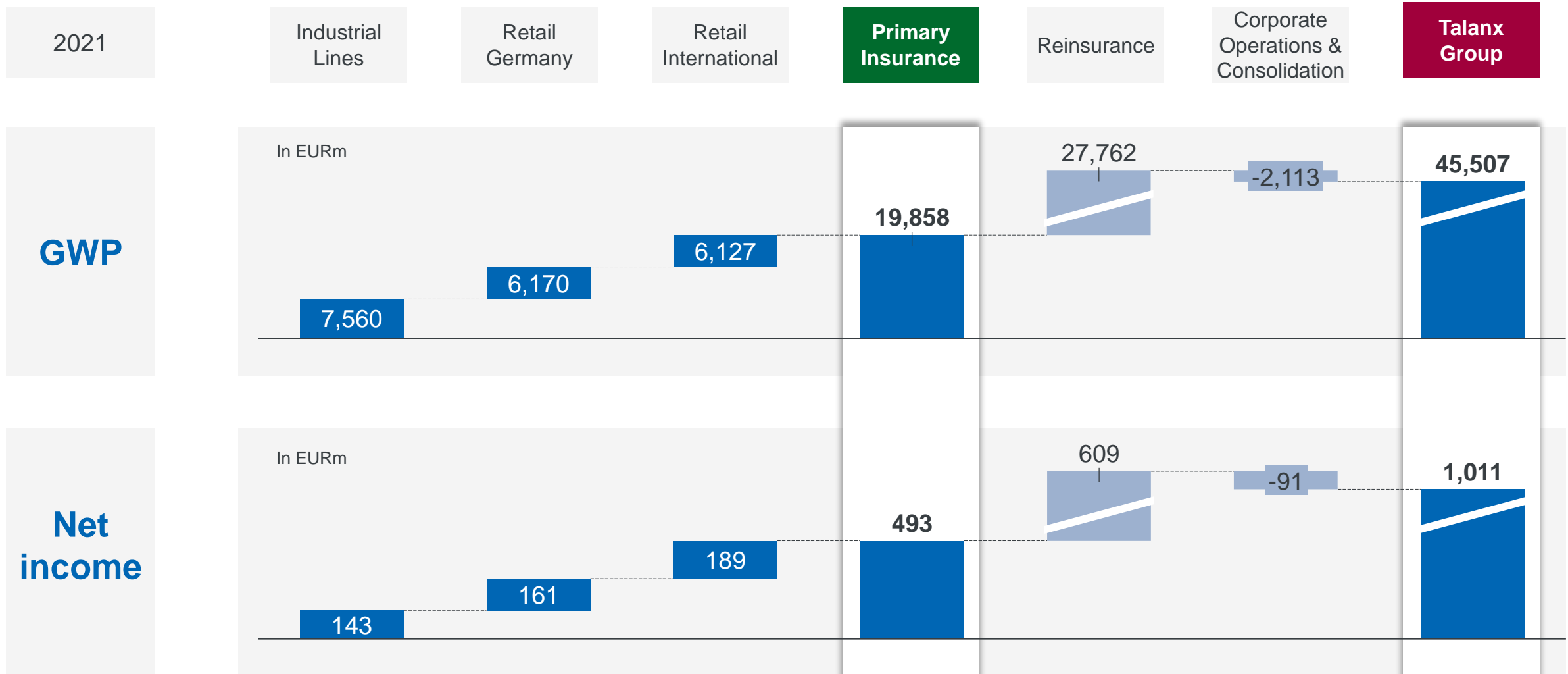


- 3rd largest reinsurer worldwide offering full range of life and non-life reinsurance products
- Listed since 1994
- 50.2% owned by Talanx

27,762

609

1 Well diversified portfolio with three strong primary insurance divisions





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Summary FY 2021

2 Exceeding one billion EUR net income for the first time



Premiums



Earnings



Return on Equity



Achievements

GWP,
in EURbn

+11%

41.1

45.5

2020

2021

Group net
income,
in EURm

+56%

648¹

1,011

2020

2021

Return on
equity

+3.3%
pts.

6.3%¹

9.6%

2020

2021

High single-digit percentage growth



Upper end of EUR 900 - EUR 950m²



~9.0% return on equity



2021
Outlook

Note: Talanx's mid-term ambition comprises a minimum target for return on equity of at least 800 bps over the risk-free rate, defined as the 5-year average of 10-year Bunds. Thus, for 2021, the minimum RoE target corresponds to 8.0%. 1 Adjusted in accordance with IAS 8. 2 Initial earnings guidance for 2021 was EUR 800 – 900m

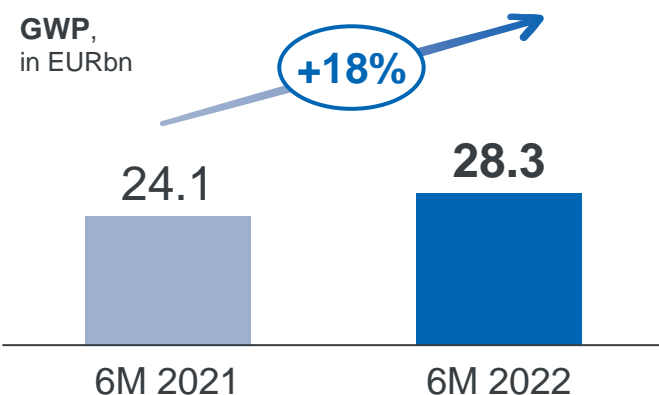
Summary 6M 2022

2

Double digit growth and strong result despite additional Ukraine reserves



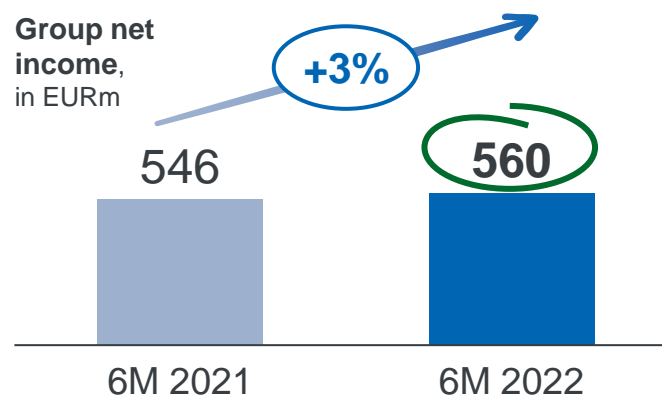
Top line



- Growth momentum continues – GWP currency adjusted up 14%
- All segments contributed with Industrial Lines outpacing other segments in Q2, driven by both Specialty and traditional business
- Updated growth outlook for FY 2022: Now expecting high-single digit GWP increase (currency-adjusted)



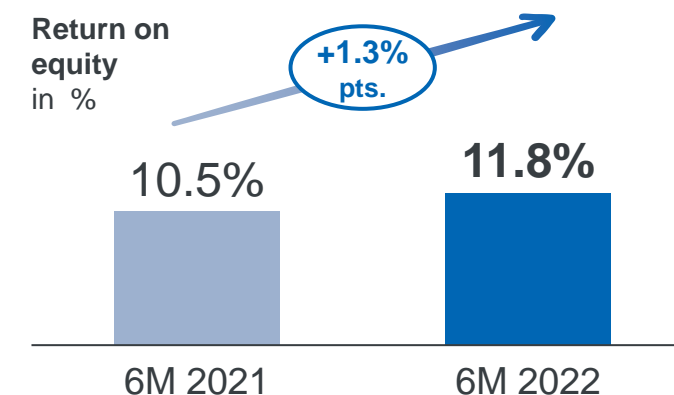
Bottom line



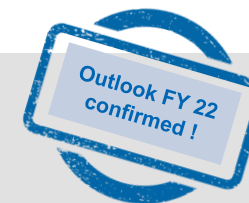
- Combined ratio 98.4% incl. EUR 346m reserves for the Russian war in Ukraine which resulted in exceeding the pro-rata large loss budget by EUR 267m
- Net investment income significantly below previous year as currently no more ZZR funding for German Life business necessary
- Earnings outlook FY 2022 confirmed in the range between EUR 1.05 and 1.15bn



Profitability



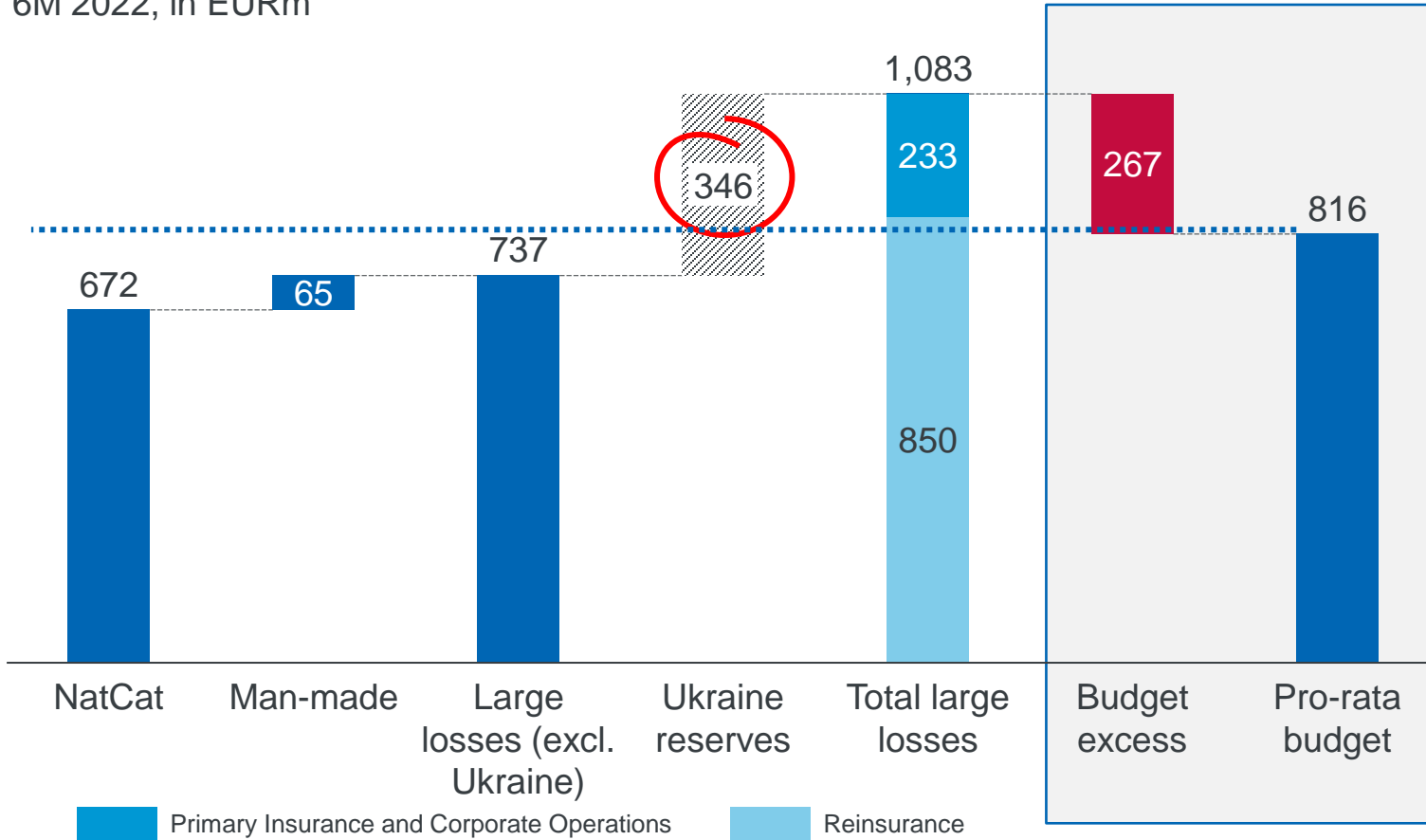
- RoE improvement largely driven by reduced shareholders' equity as a result of increasing interest rates
- On track to deliver RoE of 10% for FY 2022



Large loss budget exceeded by EUR 267m due to Ukraine reserves

Large losses

6M 2022, in EURm



Comments

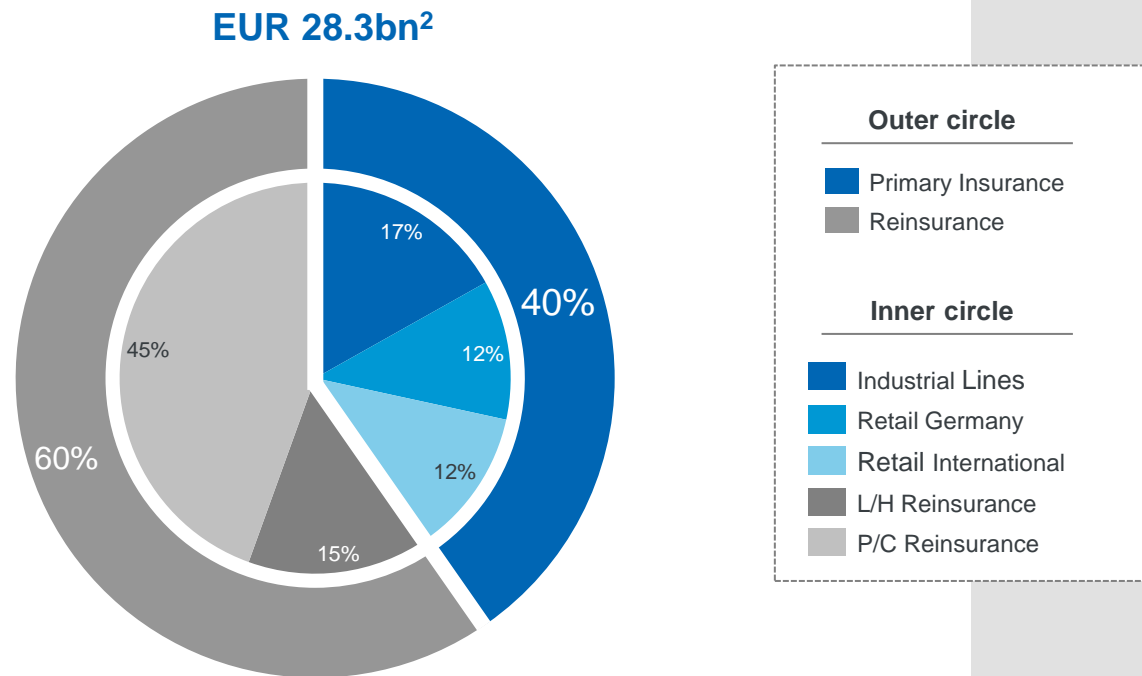
- Large losses still largely driven by NatCat events
- Top 5 large loss events
 1. Russian war in the Ukraine (EUR 346m)
 2. Floods in Australia (EUR 259m)
 3. February storms in Europe (EUR 179m)
 4. Floods in South Africa (EUR 84m)
 5. Hail in France (EUR 65m)
- Conservative reserving for Ukraine situation with high IBNR portion

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

Diversification pays off

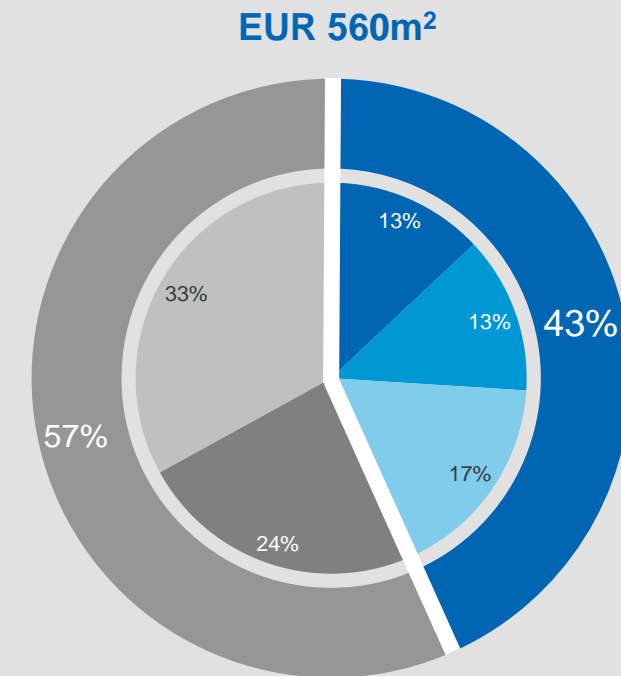
Premiums mix

6M 2022, GWP



Earnings mix

6M 2022, net income attributable to Talanx shareholders¹



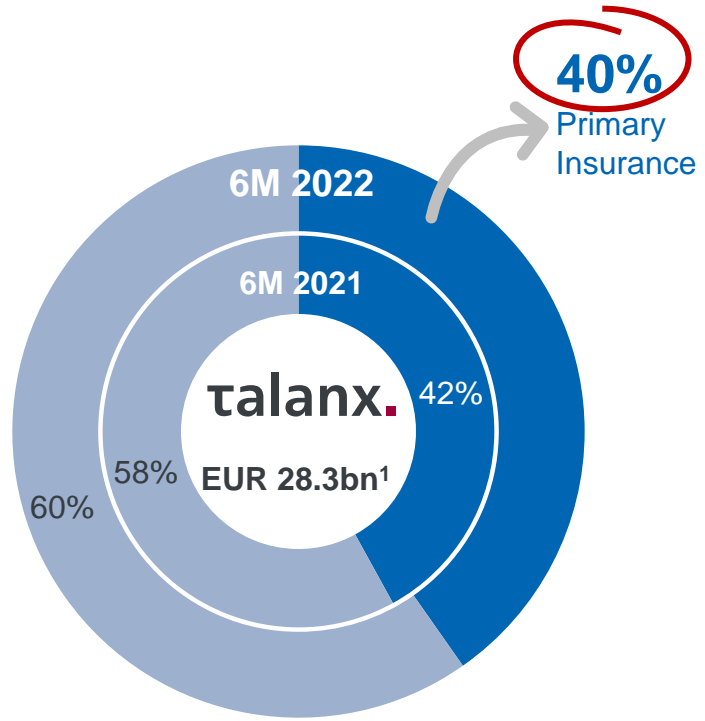
Note: Primary Insurance is the sum of Industrial Lines, Retail Germany and Retail International

¹ Net income split L/H Reinsurance vs. P/C Reinsurance based on pro-forma tax calculations using internal assumptions on segmental tax allocation ² Percentages are calculated in percent of Group GWP / net income adjusted for Corporate Operations and Consolidation, i.e. in percent of EUR 29.0bn GWP and EUR 567m net income attributable to Talanx shareholders

Primary Insurance generated 40% of GWP but 43% of net income

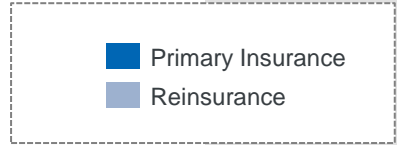
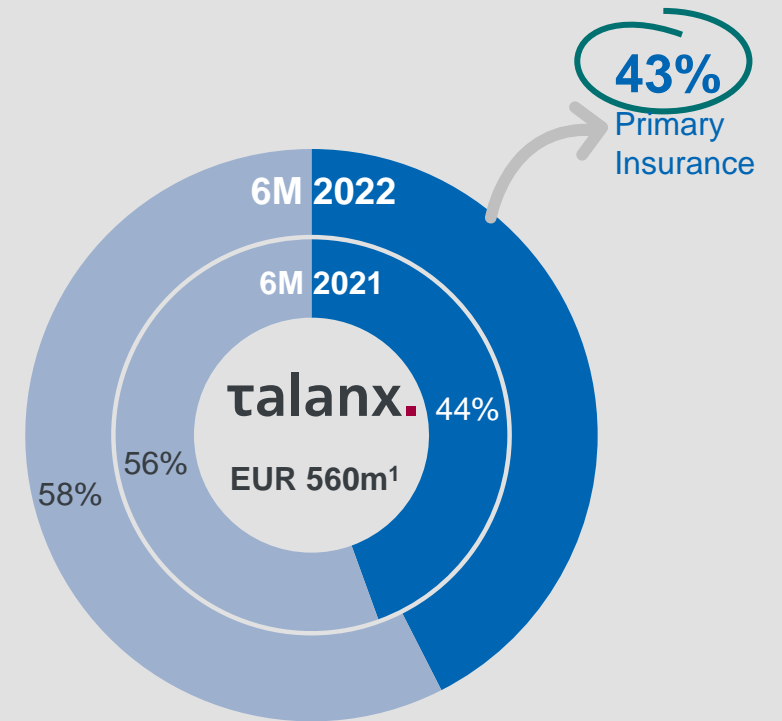
GWP (% share Primary Insurance vs Reinsurance)

in % of total GWP



Net income (% share Primary Insurance vs Reinsurance)

in % of total net income



Note: Primary Insurance is the sum of Industrial Lines, Retail Germany and Retail International

1 Percentages are calculated in percent of Group GWP / net income adjusted for Corporate Operations and Consolidation, i.e. for 6M 2022 in percent of EUR 29.0bn GWP and EUR 567m net income attributable to Talanx shareholders

2 Outlook 2022 for Talanx Group



Currency-adjusted
GWP growth



Net return on
investment



Group
net income



Return
on equity



Dividend
payout



Outlook
2022

High single-digit
% growth¹

~2.4%

EUR 1,050 - 1,150m

~10%

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

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

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 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.

¹ Previous expectation was mid single-digit % growth

2 Prudent reserving will help manage current inflation

Net resiliency reserves¹ embedded in best estimate², as of 31 Dec 2021, in EURm

1 Reinsurance (Hannover Re)

1,703



2 Talanx Primary Group³

1,221



3 Talanx net⁴

3,023



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 Includes Industrial Lines, Retail Germany and Retail International. Excludes Talanx AG, which had EUR 98m of resiliency reserves per 31 Dec 2021. 4 Sum of Hannover Re, Talanx Primary Group, Talanx AG (not consolidated)



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3 Combined ratios affected by Ukraine reserves

Impact of Ukraine reserves in 6M 2022:

- 1.5%points in Industrial Lines,
- 0.6%points in Primary Insurance,
- 3.2%points in Reinsurance
- 2.4%points in Talanx Group

	Talanx Group		Industrial Lines		Retail Germany P/C		Retail International		Primary Insurance		Reinsurance P/C	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
6M	95.9%	98.4%	98.4%	96.5%	91.7%	99.5%	92.8%	96.6%	94.9%	97.0%	96.0%	99.1%
Q2	95.7%	98.4%	98.1%	95.9%	99.7%	101.0%	91.8%	98.9%	95.7%	98.0%	95.8%	98.7%
6M ex Ukraine ¹		96.0%										

		Mexico		Chile		Brazil ²	
		2021	2022	2021	2022	2021	2022
6M		96.5%	94.1%	94.5%	97.1%	99.8%	113.8%
Q2		95.4%	94.8%	93.9%	96.0%	99.7%	112.7%

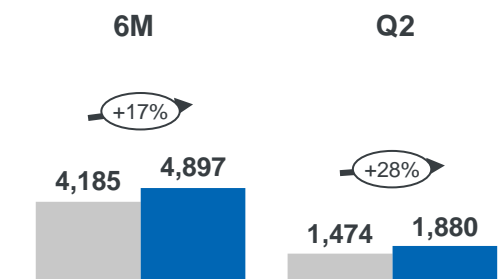
		Italy		Poland		Turkey ³	
		2021	2022	2021	2022	2021	2022
6M		71.8%	81.0%	92.7%	90.8%	108.4%	148.7%
Q2		67.7%	85.1%	92.2%	91.2%	107.6%	153.1%

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 Combined ratio excluding the reserves related to the Russian war in Ukraine 2 SELIC benchmark interest rate in Brazil was 13.15% in 6M 2022, after 4.15% in 6M 2021. 3 Two-year government bond yield in Turkey was 14% in 6M 2022 after 19% in 6M 2021

6M 2022: Double digit growth with Industrial Lines outpacing the other segments

Industrial Lines

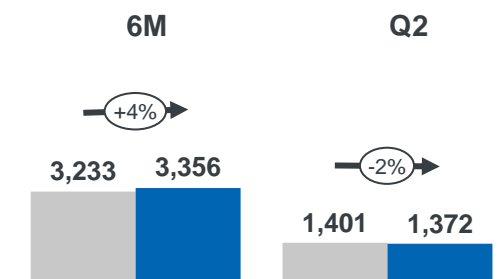
GWP in EURm



- Specialty's GWP contribution of ~ EUR 1.5bn in 6M represents an increase of 29%; other lines recorded 12% growth
- Higher retention due to reduced Reinsurance quota share in connection with realignment of shareholding structure of HDI Global Specialty SE effective 1 January 2022

Retail Germany

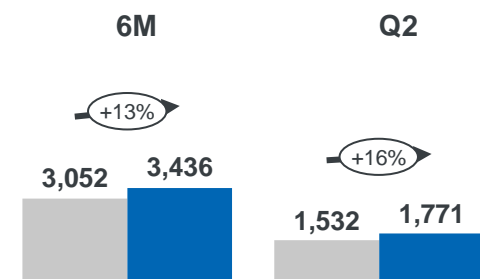
GWP in EURm



- 6M gross written premiums up 10.6% in P/C and 0.6% in Life, reflecting growth strategies in SME for P/C and focus on capital light products in Life
- Q2 GWP up 6.9% in P/C, down 4.0% in Life primarily driven by decline in single premium business (excl. biometric products) in line with industry as traditional banking products regain attractiveness vs life products in current market environment

Retail International

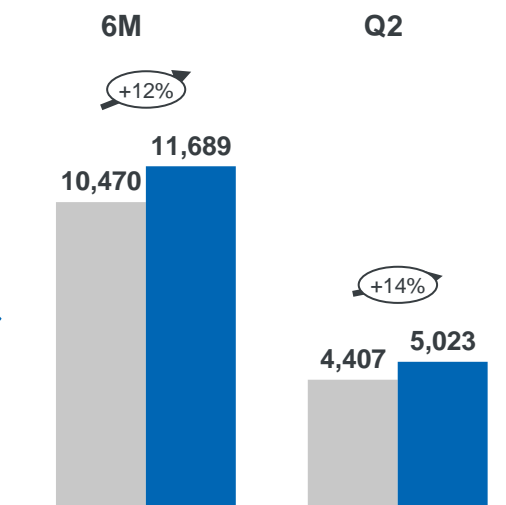
GWP in EURm



- Curr.-adj. GWP increase of 16.9%
- GWP in P/C up 25.5% (curr.-adj. +31.2%), especially in Turkey, Chile and Poland. Life business down -12.2% (curr.-adj. -10.6%), driven by intended lower single premium business in Italy and sale of Russian life entity in Q1
- Europe up 6.2% to EUR 2,503m (+14.0% curr.-adj.). LatAm grew by 34.2% to EUR 934m (+26.4% curr.-adj.) with Chile also benefiting from the cooperation with Banco Estado starting 1 Jan 2022 (EUR 62m)

Primary Insurance

GWP in EURm



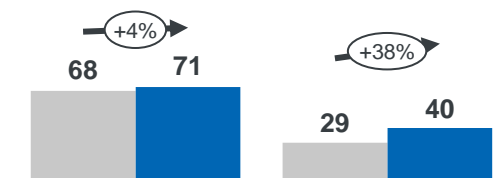
6M 2022: Robust profitability in Primary Insurance despite challenging environment

Industrial Lines

Net income in EURm

6M

Q2



CoR in %	6M	Q2
CoR in %	98.4	95.9

RoE in %	6M	Q2
RoE in %	6.2	8.4

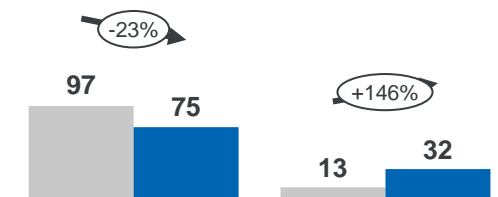
- Further improvement of combined ratio despite Ukraine IBNR reserving and floods in Australia
- 6M RoI down to 2.1% vs. 2.7% in previous period due to normalisation of private equity distributions, which were exceptionally high in FY 2021

Retail Germany

Net income in EURm

6M

Q2



CoR in %	6M	Q2
CoR in %	91.7	101.0

RoE in %	6M	Q2
RoE in %	7.2	5.9

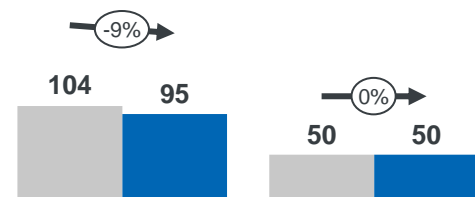
- Net income driven by significantly lower net investment income due to absence of further ZZR funding requirements in German Life
- CoR in German P/C affected by NatCat events, inflation and normalising claims frequency in motor

Retail International

Net income in EURm

6M

Q2



CoR in %	6M	Q2
CoR in %	92.8	98.9

RoE in %	6M	Q2
RoE in %	8.9	9.9

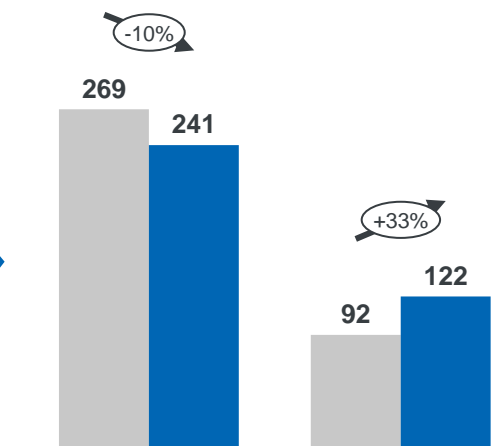
- Despite significant pressure in some high inflation countries, overall strong resilience
- RoI slightly up from to 3.0% (from 2.8% in 6M 2021) offsetting currency effects and lower volumes

Primary Insurance

Net income in EURm

6M

Q2



CoR in %	6M	Q2
CoR in %	92.8	98.9

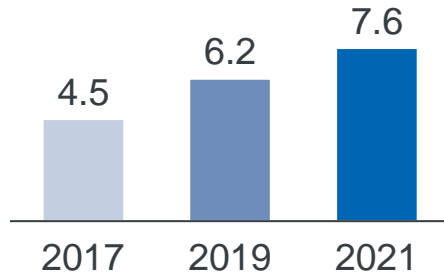
RoE in %	6M	Q2
RoE in %	8.9	9.9

Industrial Lines

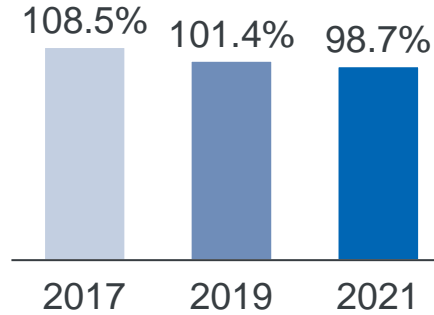
3 Keeping growth momentum on path to double-digit RoE

GWP

EURbn



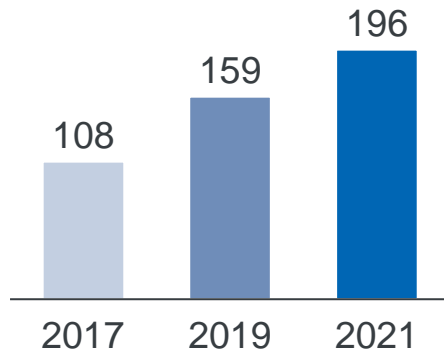
Combined ratio



- Double-digit RoE
- Global specialty player
- Leading innovation partner

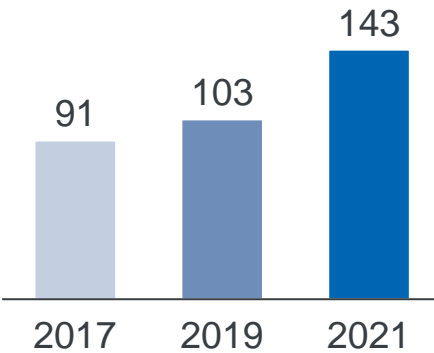
EBIT

EURm

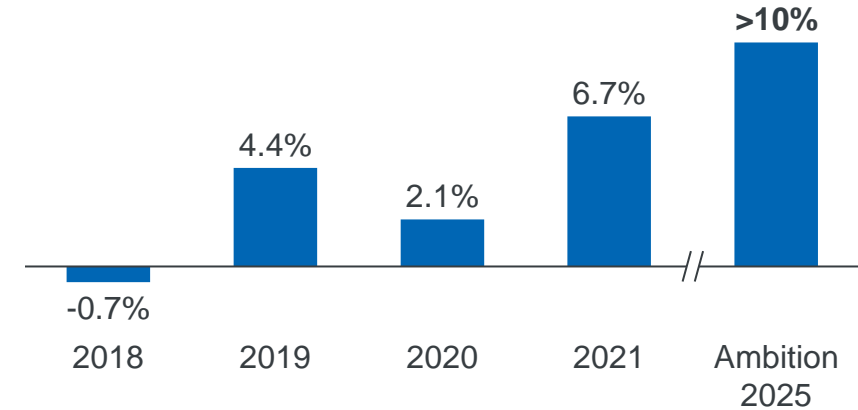


Net income

EURm



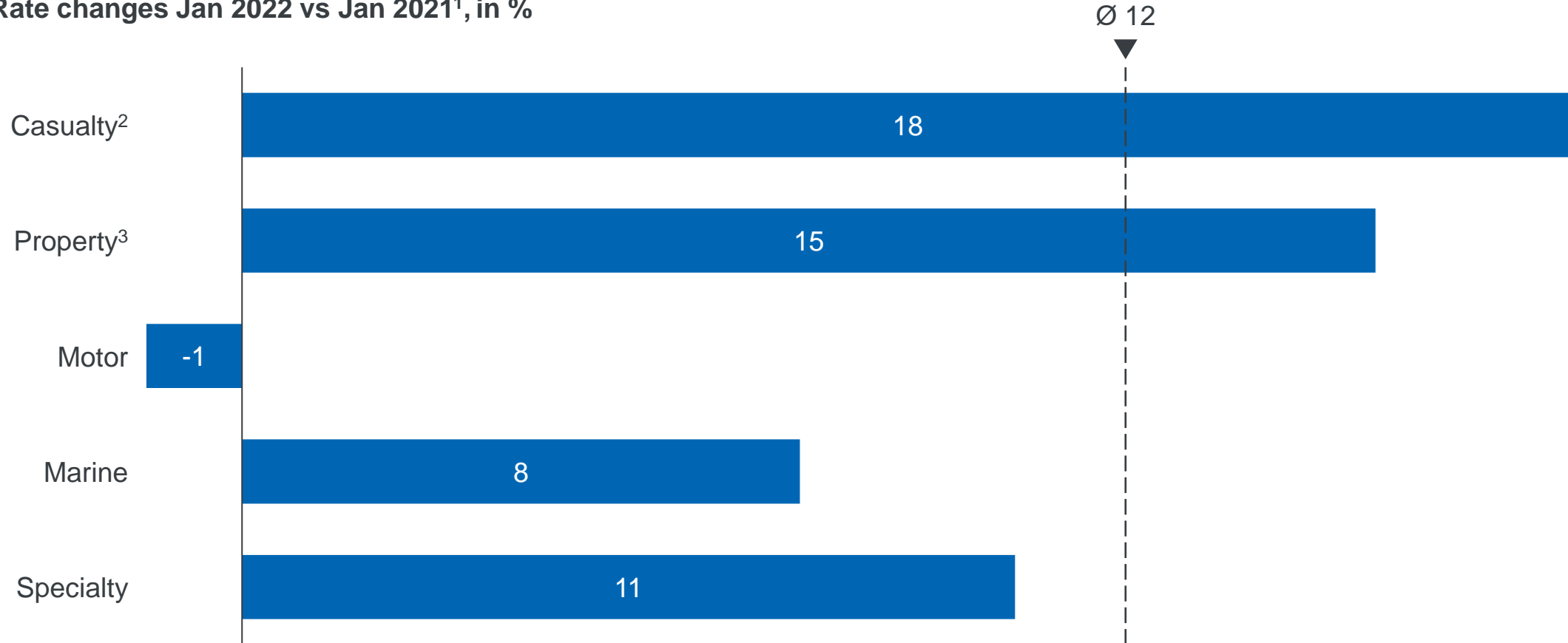
Return on Equity (RoE)



Industrial Lines

3 Rate changes comfortably above expected inflation

Rate changes Jan 2022 vs Jan 2021¹, in %

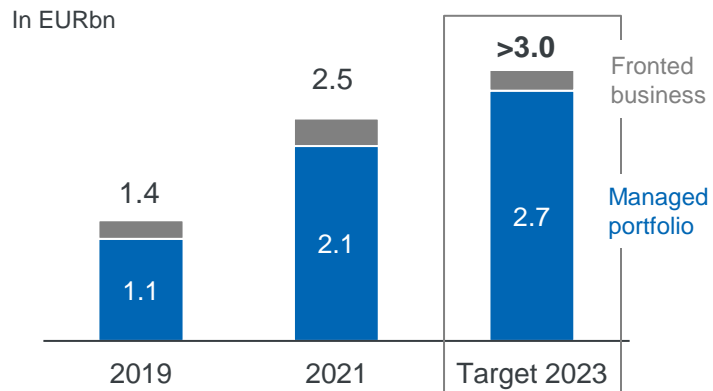


¹ Based on renewed premium (prior to central reinsurance after cancellations and change of share) and considering effects of premium, fees and equivalents. ² Including Liability and Cyber. ³ Including Fire and Engineering

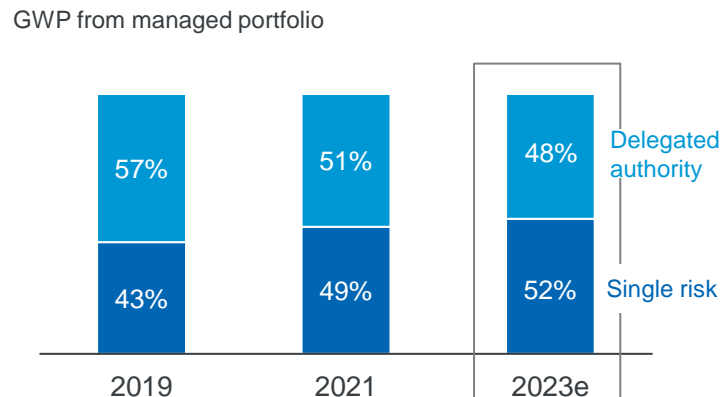
HDI Global Specialty

3 Growing profitably even faster than planned

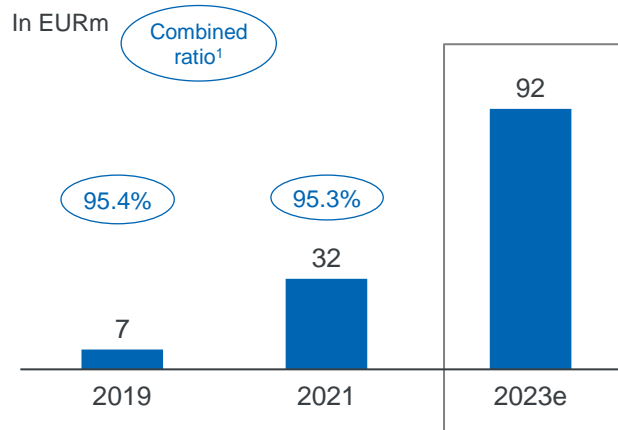
Gross written premiums



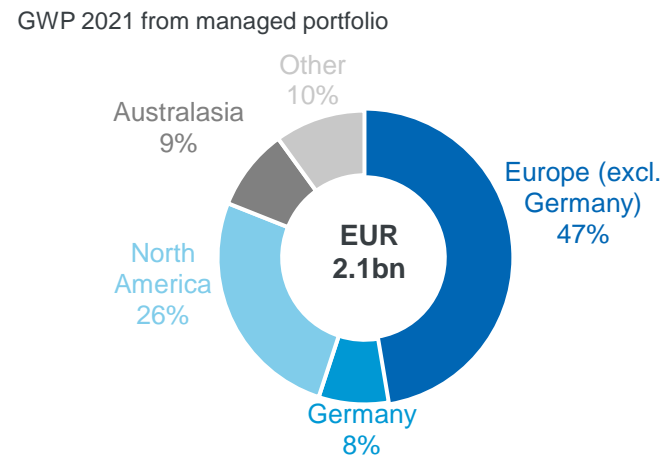
Portfolio structure



EBIT



Regional split



Comments

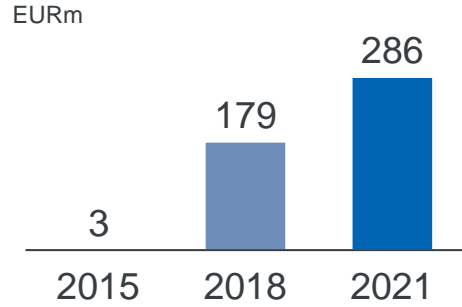
- The 2022 target of EUR 2.1bn GWP was already exceeded in 2021, raising the bar for 2022 and 2023
- EUR 27m total Corona-related claims in 2020 and 2021 absorbed
- Increasing share of single risk mandates with higher margins also enhances portfolio diversification
- Good regional balance with slight increase of European portion versus 2019
- In 2025 we expect Specialty to contribute roughly one third of Industrial Lines' operating profit (EBIT)

¹ Relates to managed portfolio before internal reinsurance and minorities; including cost reimbursement for fronted business

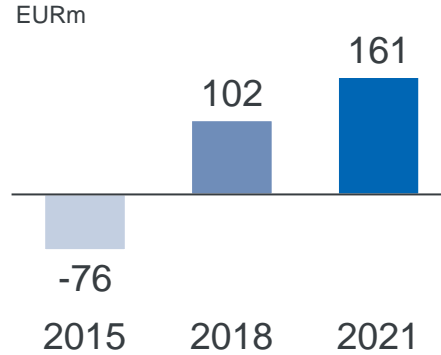
Retail Germany

3 Now solid profit contributor to the group

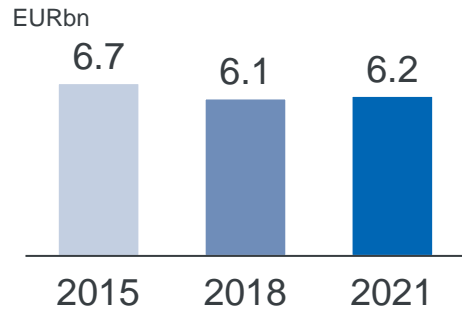
EBIT



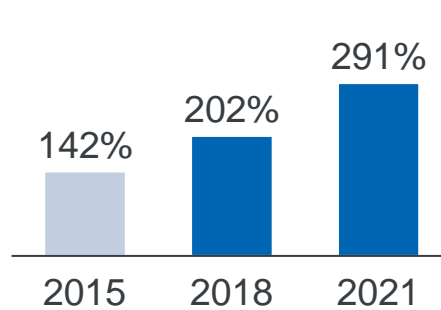
Net income



GWP



S2 ratio Life¹

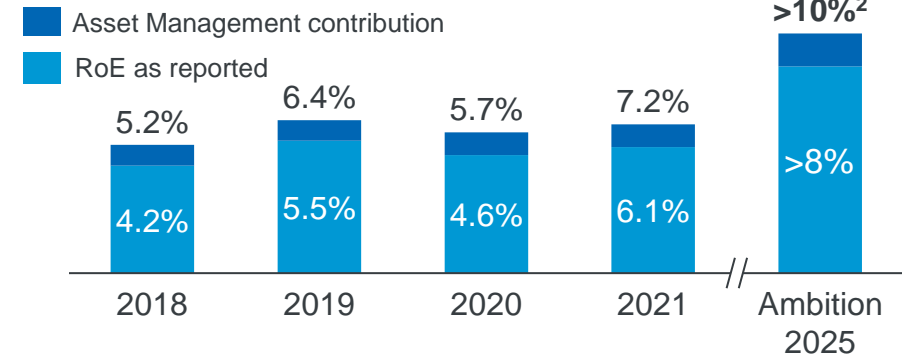


1 As-if-merged Solvency Capital Adequacy Ratio for the four German life entities, excluding transitional measure, as of period end. 2 RoE including Asset Management contribution



- Double-digit RoE
- Leading player for SME and bancassurance
- Focused life business and de-risking

Return on Equity (RoE)



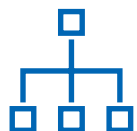
Retail Germany Life

3 Focus new business and further de-risk

1 Improve inforce business



Finance / ALM
optimisation



IT consolidation
and simplification



Cost
reduction

2 Focus new business on products with >10% RoE¹



Unit-linked pensions



Occupational retire-
ment pensions (bAV)

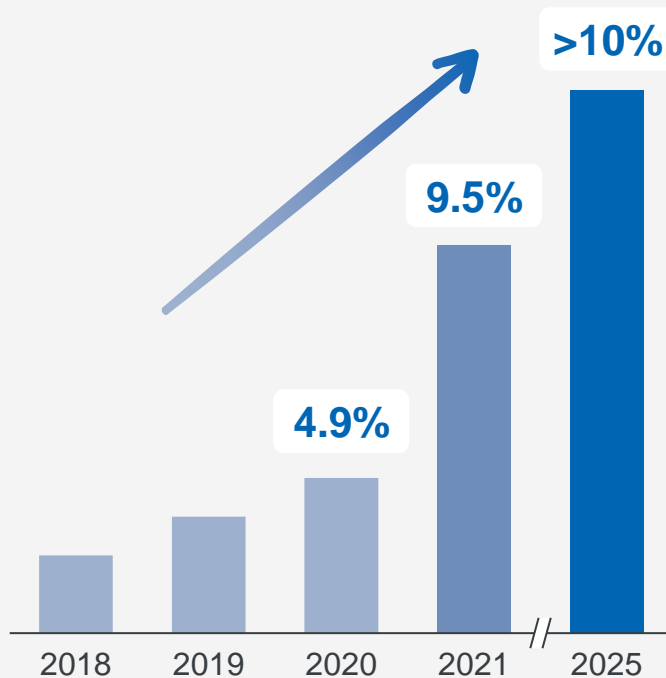


Biometrics

Product
reduction

From 30
to <10

3 RoE Life (incl. AM contribution)

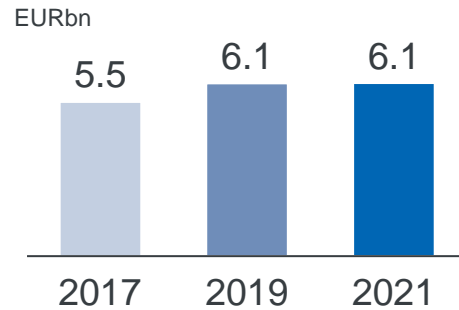


¹ Return on equity per annum

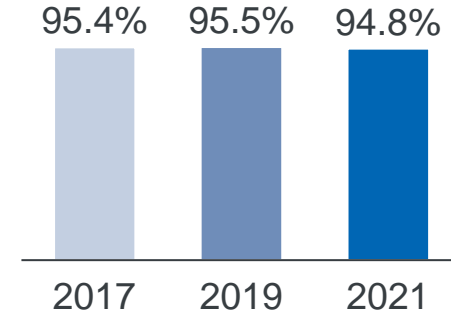
Retail International

Strong track record

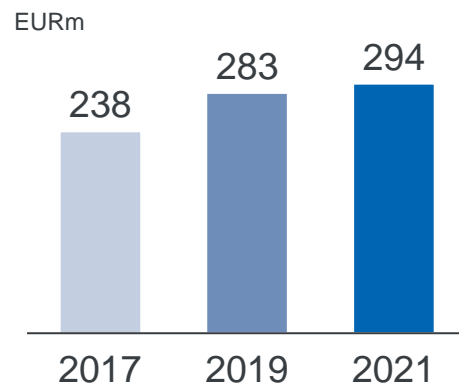
GWP



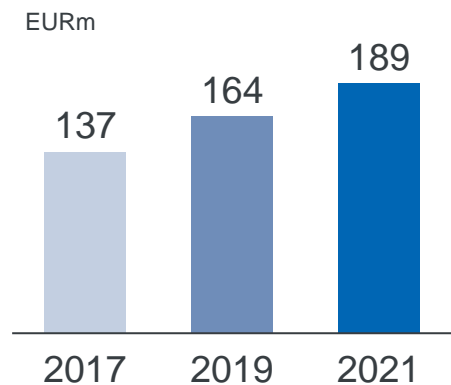
Combined ratio



EBIT



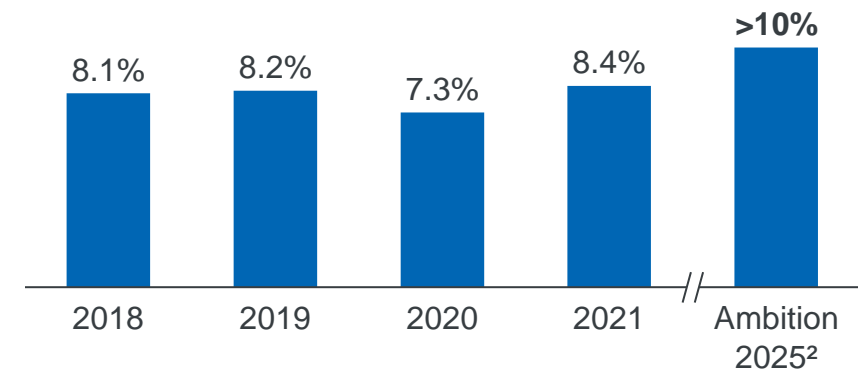
Net income



**HINexT
2025**

- TOP 5 in core P&C markets
- Outperform peers (CoR <95%)
- Higher diversification:
+EUR 900m GWP non-motor¹

Return on Equity (RoE)



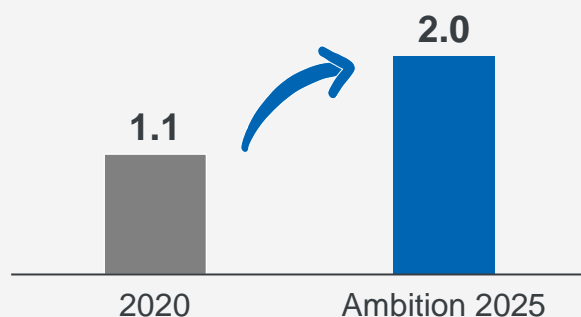
1 Versus 2020 starting point of EUR 1.1bn. 2 Mid-term ambition without M&A.

Retail International

Supporting profitable growth by portfolio diversification

Non-motor

- Grow non-motor share profitably by EUR 900m
- Focus on SME / Mid Markets

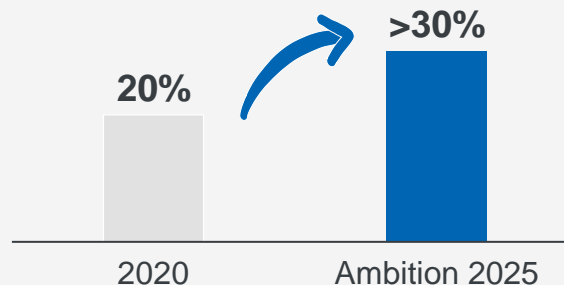


Non-motor GWP in EUR bn

Reducing dependence
on motor business
(**<65% of non-life GWP**)¹

Life Protection

- Scale up Life Protection, which offers growth opportunities with attractive margins
- De-risk Life savings and reduce Life share significantly²

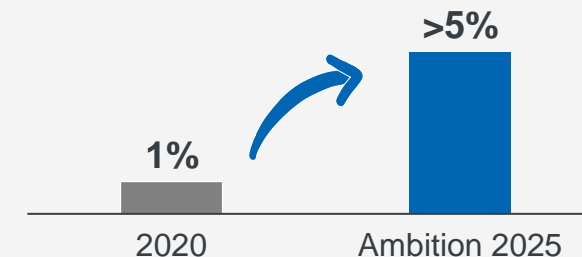


Life protection share of life segment, GWP

Strong growth of Risk Life business expected with
EUR ~130m GWP

Health

- Enter “non-life“ Health with specialized partners like Bupa
- Sizable and growing LoB with attractive margins in most countries



Health share of total non-life, GWP

Targeted in Turkey,
positioning in Mexico and Poland
with **EUR ~250m GWP potential**

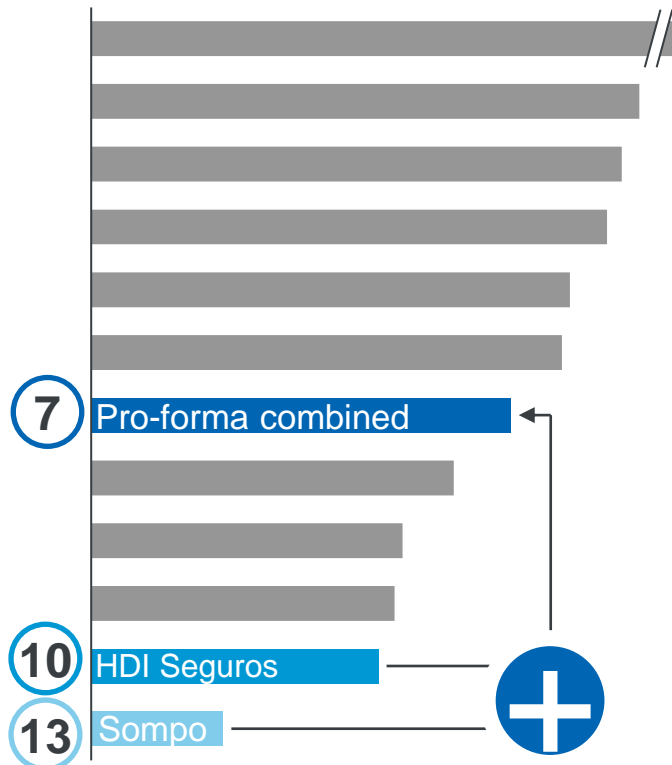
¹ Approx. 70% in 2020. ² Target is to reduce Life share of Retail International GWP from 32% in 2020 to ~20% in 2025

Retail International

3 Delivery towards strategic goals via recent acquisition in Brazil

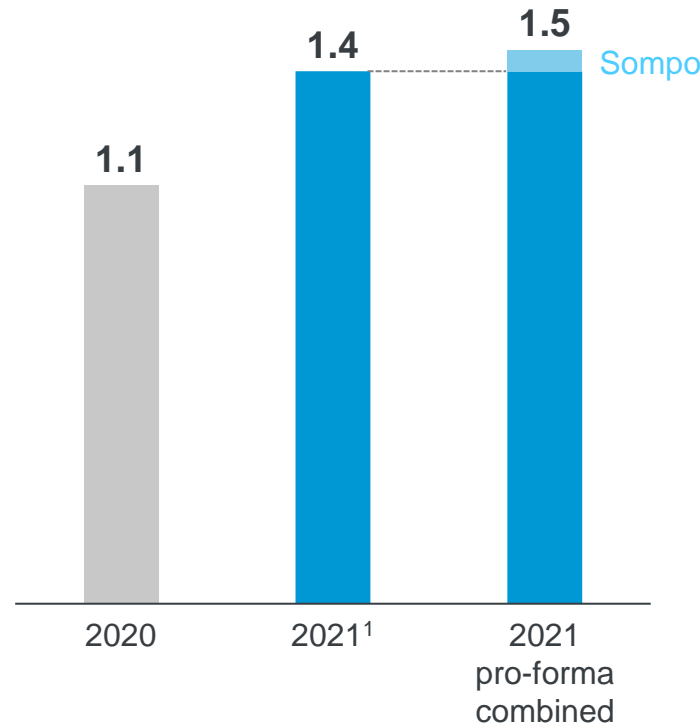
1 Become TOP 5 in P/C core markets

P/C retail GWP in Brazil FY2021 in EURm



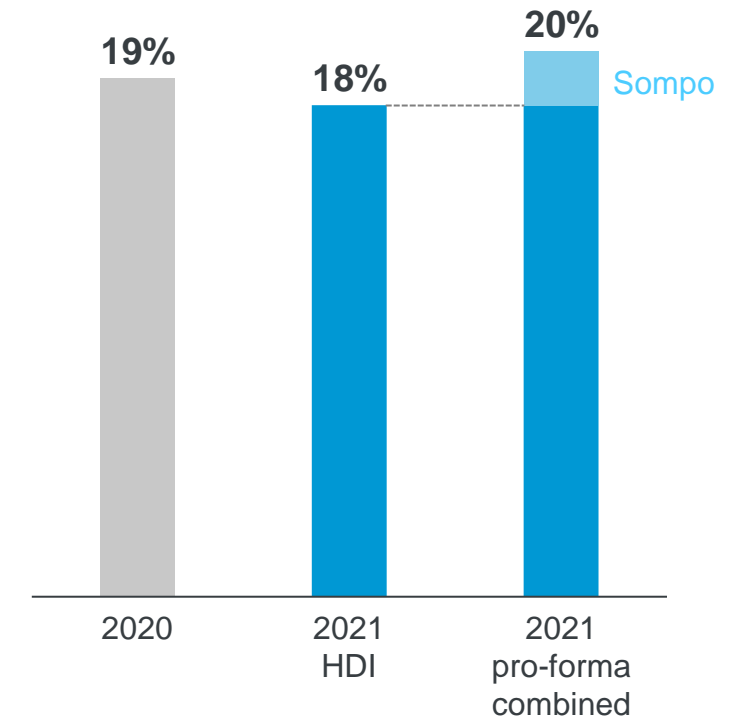
2 Grow non-motor P/C by EUR 900m

Retail International non-motor P/C GWP, in EURbn



3 Grow life protection share to >30%

Retail International life protection share of life business²



1 Thereof EUR 91m from Amissima acquisition in Italy, which was closed as of 1 April 2021. 2 Excluding Russian life entity which was sold in December 2021.

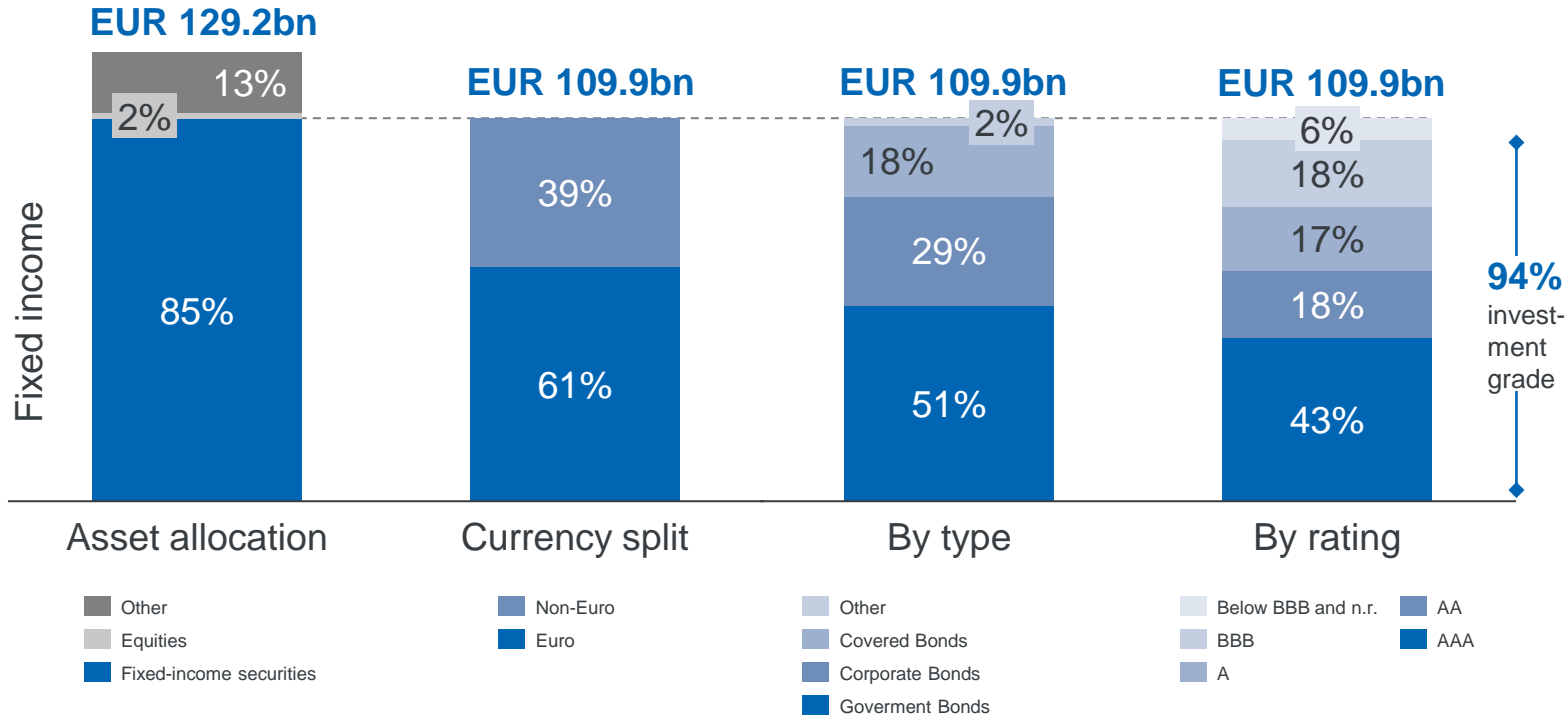


Agenda

- 1 Talanx at a glance
- 2 Recent results and outlook
- 3 Segment update
- 4 Investments and Capital**
- 5 Appendix

4 Structure of our low-beta investment portfolio

Assets under own management, as of 30 Jun 2022



Comments

- Total volume of investment portfolio down by EUR 4.3 bn (3.3%) vs. 31 Mar 2022 due to significant interest rate increases
- Portfolio remains dominated by fixed-income securities: 85% portfolio share stable vs. 31 Mar 2022
- 21% of fixed-income portfolio is held in USD (31 Mar 2022: 20%)
- Portion of fixed-income portfolio invested in “A” or higher-rated bonds (77%) slightly up vs. 31 Mar 2022 (76%)
- 94% of bonds are investment grade

Note: Percentages may not add up due to rounding. “Below BBB and n.r.” includes non-rated bonds

4 EUR 7.2bn sustainable investments

Sustainable investments

As of 31 Dec 2021, in EURbn

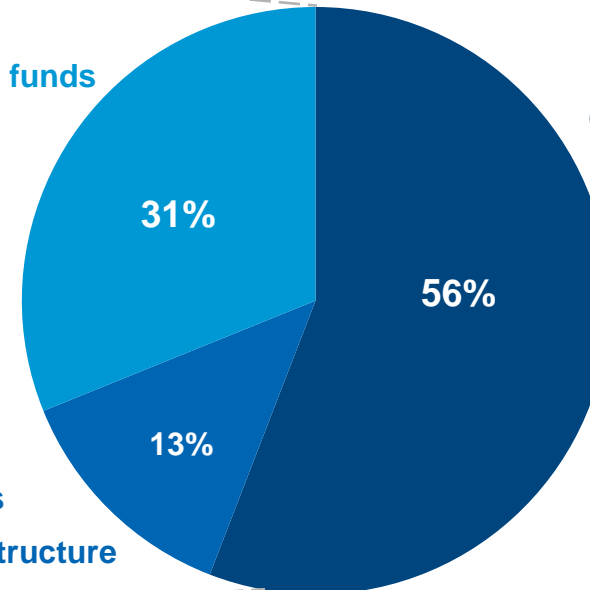


Investment categories

In %

Renewable energy and
alternative investments funds
Sustainable real estate
Sustainable bonds

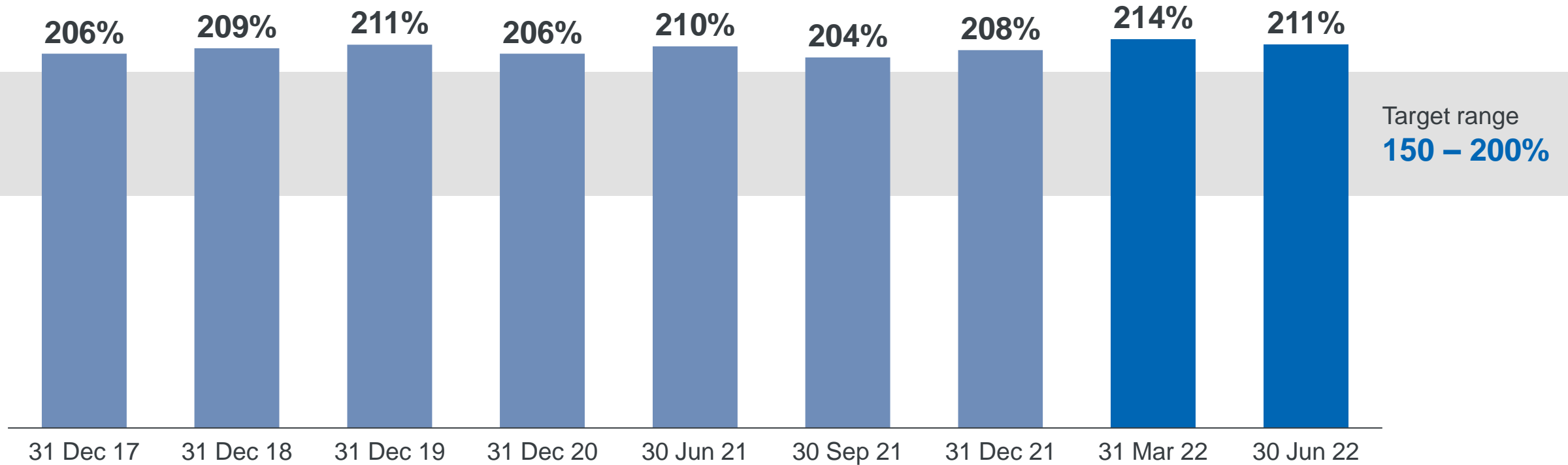
Social bonds
Social infrastructure



Renewable energy
Clean transportation
Natural resources
Green bonds
Electrical grid

4 Ongoing strong capital position

Solvency 2 ratio HDI Group, excluding transitional

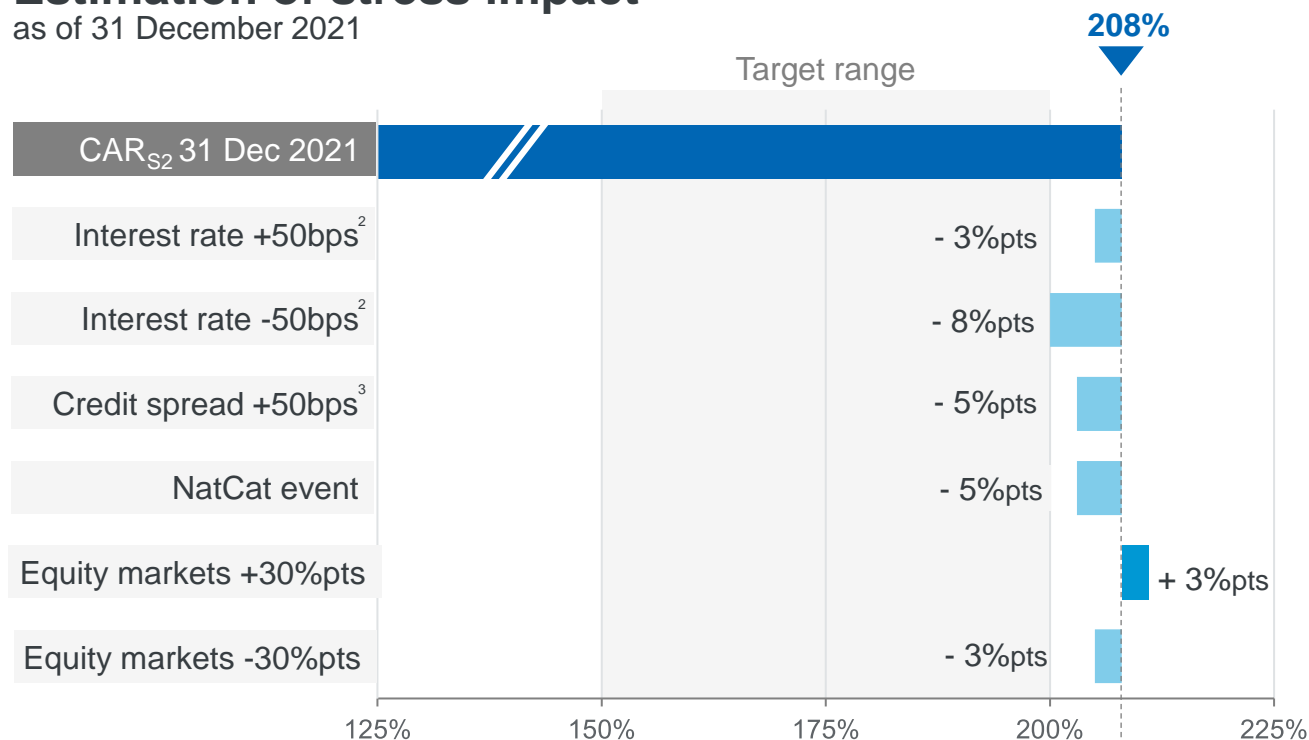


Note: Solvency 2 ratio including transitional measure as of 30 June 2022: 249%

4 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)



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5 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

~100%²

Retail Germany Life

Low single-digit % decline

Retail International

High single-digit % growth in P/C
business

~96%³

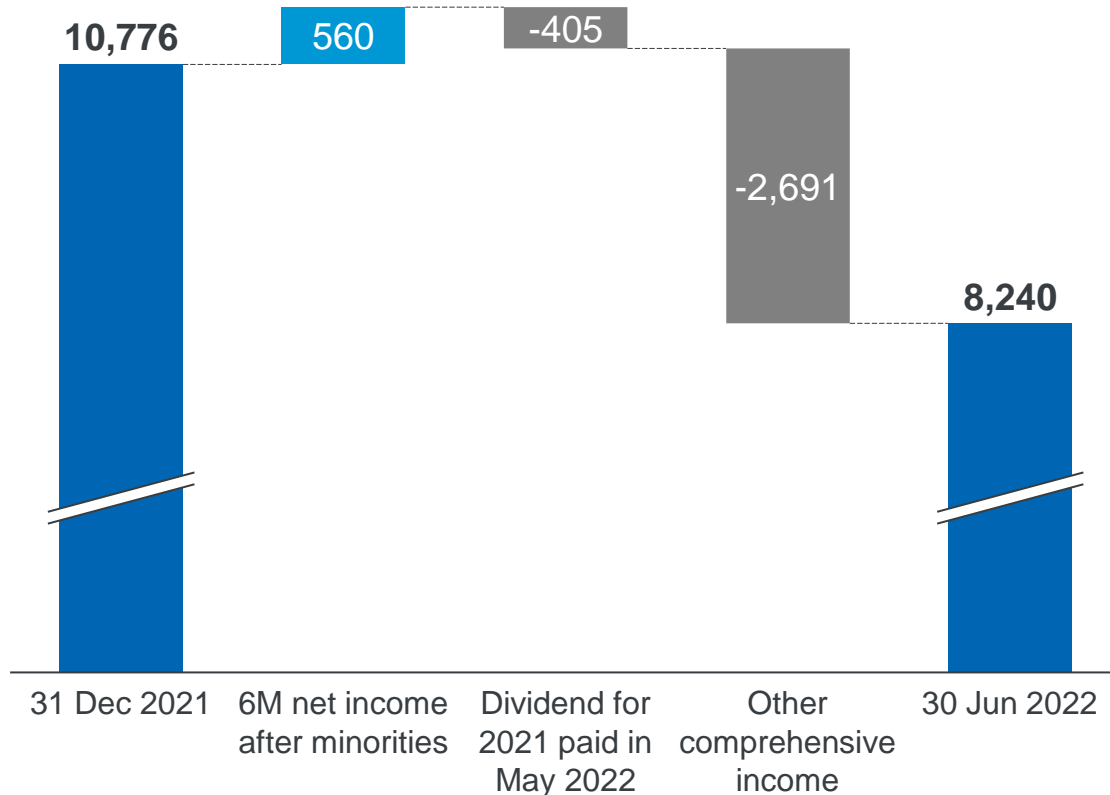
~8%

1 -6.5% excluding Asset Management contribution. 2 Previous expectation was ~96%, which has been changed on the basis of loss experience in 6M 2022, in particular due to natural catastrophes (mainly winter storms) and increased frequency losses in Motor as a result of rising mobility after the Covid 19 pandemic. 3 Previous expectation was <95%, which has been changed due to increasing claims inflation

Equity down in H1 due to interest rate shift and accounting mismatch

Shareholders' equity

in EURm



Comments

- Shareholders' equity at EUR 8,240m, down 24% versus the level of 31 Dec 2021
- In other comprehensive income, significant impact from interest rate increase on assets under own management, which is not offset by corresponding positive effects on liabilities due to accounting mismatch under current IFRS regime
- As a result, book value excl. goodwill per share down EUR 10 versus 31 December 2021

Book value per share

EUR	31 Dec	30 Jun	31 Dec	31 Mar	30 Jun	Change in H1	
	2020	2021	2021	2022	2022	Abs.	%
Including goodwill	41.01	41.21	42.58	38.71	32.56	-10.02	-23.5
Excluding goodwill	37.00	37.13	38.51	34.62	28.52	-9.99	-25.9

5 Talanx Primary Insurance and Reinsurance Contributions to net income

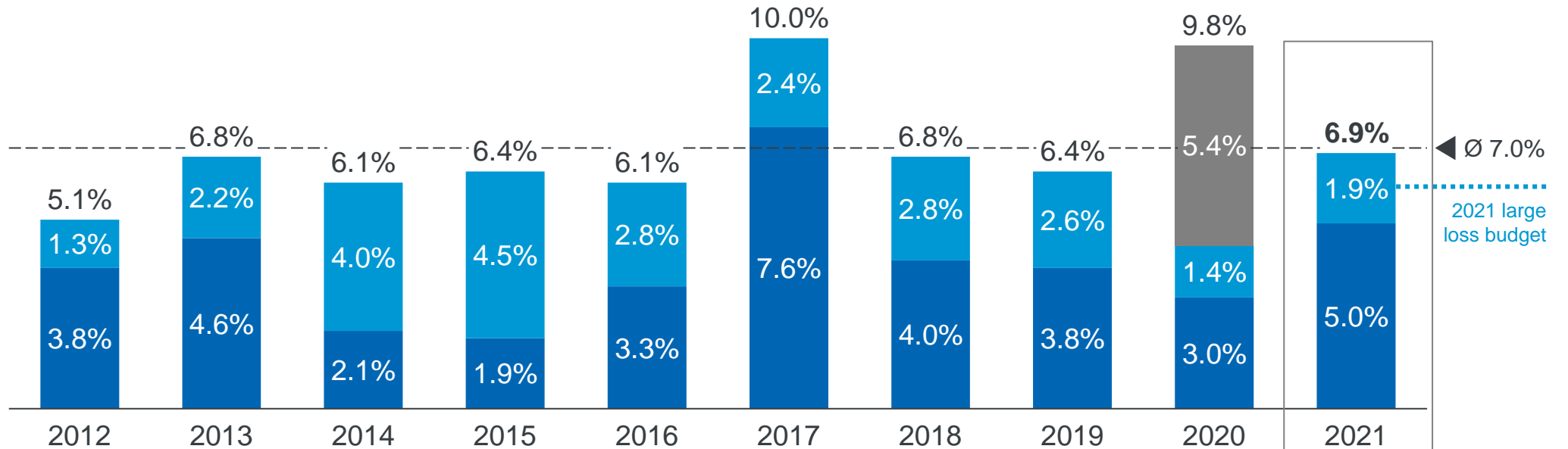
Net income attributable to Talanx AG shareholders, in EURm

	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
6M 2022	71	75	95	241 43%	326 57%	-23	+16	560

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 23m to, and subtracting EUR 16m from, EUR 560m in 6M 2022)

5 10-year large loss development

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



In EURm	600	838	782	992	883	1,620	1,244	1,319	2,148	1,745
Usage of budget for NatCat and man-made	94%	119%	91%	94%	78%	145%	111%	111%	161% ¹	116%

■ NatCat ■ Man-made ■ Corona losses (P/C business only)

Note: Definition "large loss": In excess of EUR 10m gross in either Primary Insurance or Reinsurance | 1 Ratio of 161% includes NatCat, man-made and Corona

Large losses in 6M 2022

5 Budget exceeded due to Ukraine-related reserves

Net losses in EURm, 6M 2022 (6M 2021)	Industrial Lines	Retail Germany	Retail International	∑ Primary Insurance	Reinsurance	Corporate Operations	Talanx Group
Sum NatCat	119.5 (56.8)	35.3 (7.5)	8.6 (9.4)	163.5 (73.7)	507.2 (182.6)	1.3 (5.1)	671.9 (261.4)
Fire/Property	14.7		4.3	19.0	12.4	8.5	39.9
Marine	10.0			10.0	14.6	0.6	25.3
Casualty				0.0			0.0
Credit				0.0			0.0
Aviation				0.0			0.0
Cyber				0.0			0.0
Sum other large losses	24.7 (119.4)	0.0 (0.0)	4.3 (0.0)	29.0 (119.4)	27.0 (143.3)	9.1 (1.4)	65.2 (264.1)
Russian war in Ukraine	30.0			30.0	316.2		346.2
Total large losses	174.3 (176.2)	35.3 (7.5)	12.9 (9.4)	222.5 (193.2)	850.4 (325.9)	10.4 (6.5)	1,083.3 (525.6)
Pro-rata large loss budget	165.0	15.0	5.0	185.0	611.0	20.0	816.0

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

5 NatCat large loss detail for 6M 2022

Net losses in EURm, 6M 2022 (6M 2021)	Industrial Lines	Retail Germany	Retail International	∑ Primary Insurance	Reinsurance	Corporate Operations	Talanx Group
Flood Sydney, Australia (February/March)	72.7			72.7	186.1		258.8
Storms Central Europe (February)	16.8	26.2	8.6	51.6	126.1	1.3	178.9
Flood South Africa (April)	1.7			1.7	82.1		83.7
Hail storm France (Jun.)					65.0		65.0
Storm <i>Emmelinde</i> Germany (May)	15.2	9.1		24.3			24.3
Earthquake Japan (March)	13.3			13.3	10.5		23.8
Tornados USA (May)					19.8		19.8
Windstorm Canada (May)					13.8		13.8
Hail storm USA (April)					3.8		3.8
Sum NatCat	119.5 (56.8)	35.3 (7.5)	8.6 (9.4)	163.5 (73.7)	507.2 (182.6)	1.3 (5.1)	671.9 (261.4)

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

5 Details on lower-rated fixed-income country exposure

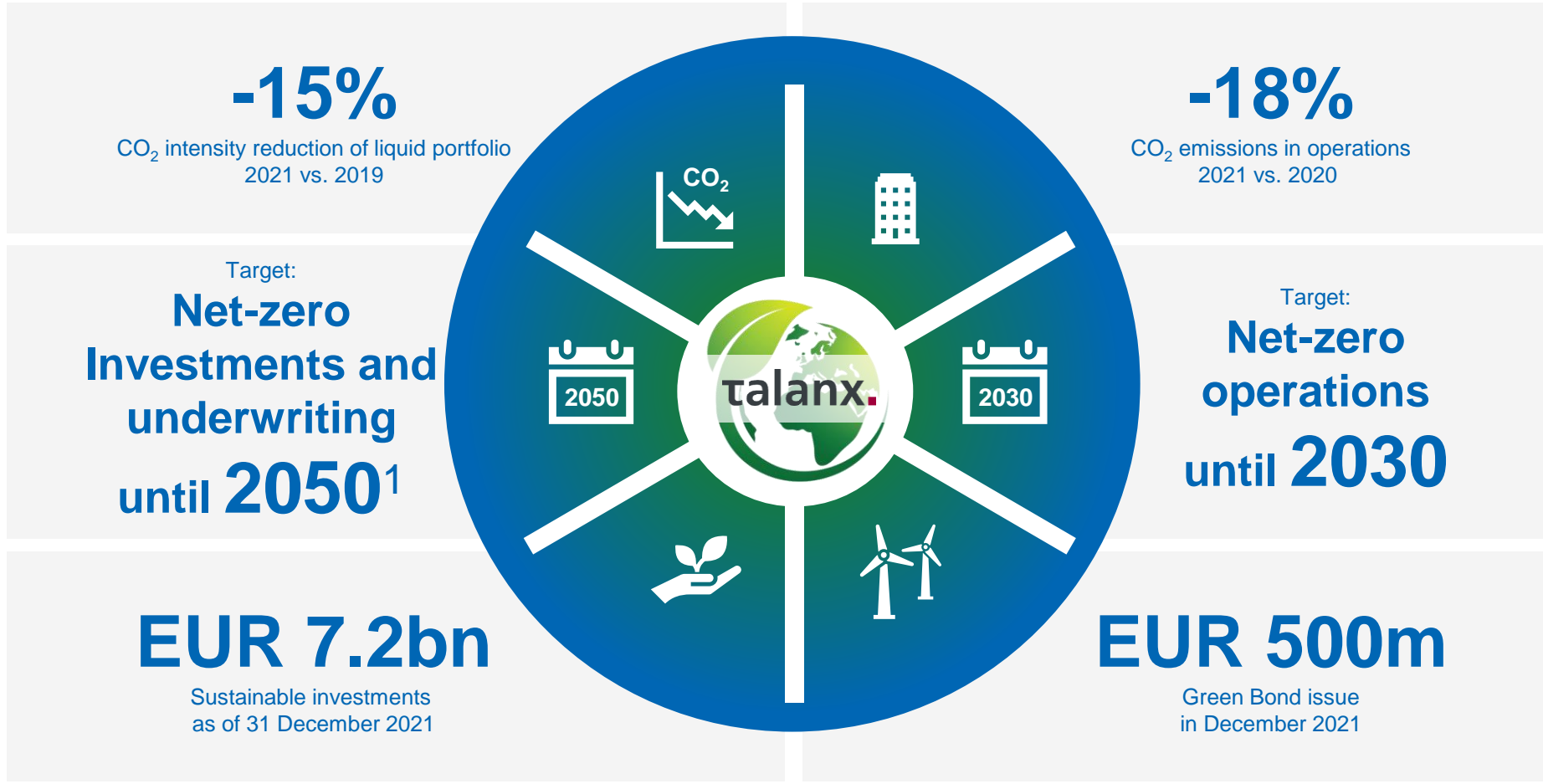
Investments into issuers from countries with a rating below A- (in EURm), as of 30 June 2022

Country	Rating	1	2	3	4	5	6	7
		Sovereign	Semi-Sovereign	Financial	Corporate	Covered	Other	Total
Italy	BBB	3,769	-	642	481	257	3	5,152
Mexico	BBB	368	-	167	306	-	-	841
Brazil	BB-	268	-	104	197	-	21	590
Hungary	BBB	437	-	11	14	5	-	468
South Africa	BB-	123	-	5	131	-	2	261
Portugal	BBB	102	-	10	27	11	-	150
Russia		107	-	6	14	-	-	127
Turkey	B+	93	-	14	10	-	-	117
Other BBB+		69	-	15	42	-	-	126
Other BBB		231	91	102	222	-	-	646
Other BBB-		293	80	126	196	-	2	698
Total		5,861	171	1,201	1,641	273	28	9,176
In % of total investments under own management¹		4.5%	0.1%	0.9%	1.3%	0.2%	0.0%	7.1%
In % of total Group assets²		3.0%	0.1%	0.6%	0.8%	0.1%	0.0%	4.7%

Note: Percentages may not add up due to rounding. 1 EUR 129,170m. 2 EUR 195,954m

5 Highlights of Sustainability Report 2021

Click here to discover our Sustainability Report



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

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9M 2022 results

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Selected preliminary FY 2022 results

15 March 2023

FY 2022 results



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Details on reserve review by WTW (as per page 16 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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