
Conference Call on 1 January 2025 P&C Treaty Renewals

6 February 2025

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Important note

- Unless otherwise stated, the renewals part of the presentation is based on Underwriting-Year (U/Y) figures. This basis is only remotely comparable with Financial-Year (FY) figures, which are the basis of quarterly and annual accounts.
- The situation shown in this presentation mainly reflects the developments in Hannover Re's Property & Casualty reinsurance portfolio, which may not be indicative of the market development.
- Estimated premium income developments are measured at constant foreign exchange rates as at 31 December 2024 and include cedents' and Hannover Re's expectation. Premium will not translate one-to-one to IFRS 17 reinsurance revenue.
- Internal pricing models include changes in risk-adjusted exposure and interest rates as well as assumption changes for claims inflation.
- Reported risk-adjusted price change includes changes in risk-adjusted exposure and claims inflation. Improvements in T&C are not fully reflected, changes in interest rates are not reflected in price change.

01

Reinsurance markets

Reinsurance market terms & conditions continue to be attractive

January 2025 renewals: Market highlights

- **Increase in reinsurance supply** mainly driven by retained earnings of incumbent reinsurers, **exceeding growth in demand**
 - No significant inflow of reinsurance capacity from new markets
 - Increased demand for reinsurance driven by exposure growth – less inflationary pressure compared to previous years
 - Reinsurance capacity remains subject to adequate profitability requirements
 - Sufficient retrocession capacity available
- Overall reinsurance **prices slightly decreasing**
 - Pricing pressure most pronounced for NatCat business, moderate pressure for other property and specialty business
 - Casualty business stable or improving
 - Pricing remains rational and reacts to losses
- Reinsurance **structures, retention levels as well as terms and conditions remain broadly stable**



02

Our results

Prevailing high quality of Hannover Re's P&C business supported by January 2025 renewals

Successful expansion of strong portfolio in attractive pricing environment

Successful renewals

- Growth supported by superior financial strength, favourable market positioning and long-standing customer relationships

Growing in an attractive market environment

- Successful expansion of diversified portfolio while maintaining our disciplined underwriting
- Attractive growth opportunities in Structured Reinsurance/ILS
- Allocation of shares to Hannover Re almost always protected despite growth ambitions from other market participants

High quality of P&C portfolio supported by third consecutive January renewal in attractive pricing environment

- Moderate decrease in reinsurance pricing with broadly stable terms and conditions
- Proportional business benefitting from underlying growth, with commissions broadly stable

Retrocession in line with plan: Reduced cession rate with expanded geographical protection

- Sufficient NatCat capacity available in the retrocession market
- Risk-adjusted pricing improving



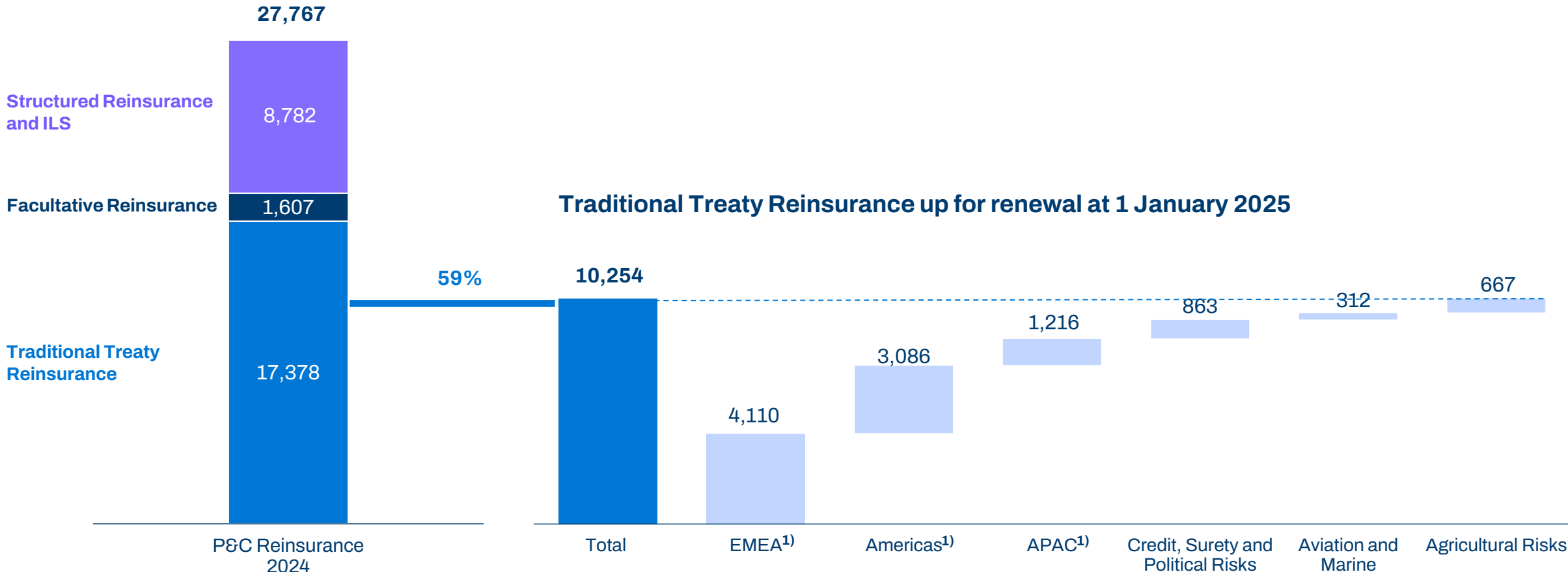
03

Our portfolio

59% of Traditional Treaty Reinsurance up for renewal at 1 January 2025

Equates to 37% of the total P&C inforce premium income

Estimated premium income U/Y by reporting lines



All figures in m. EUR
 1) All lines of business except those stated separately

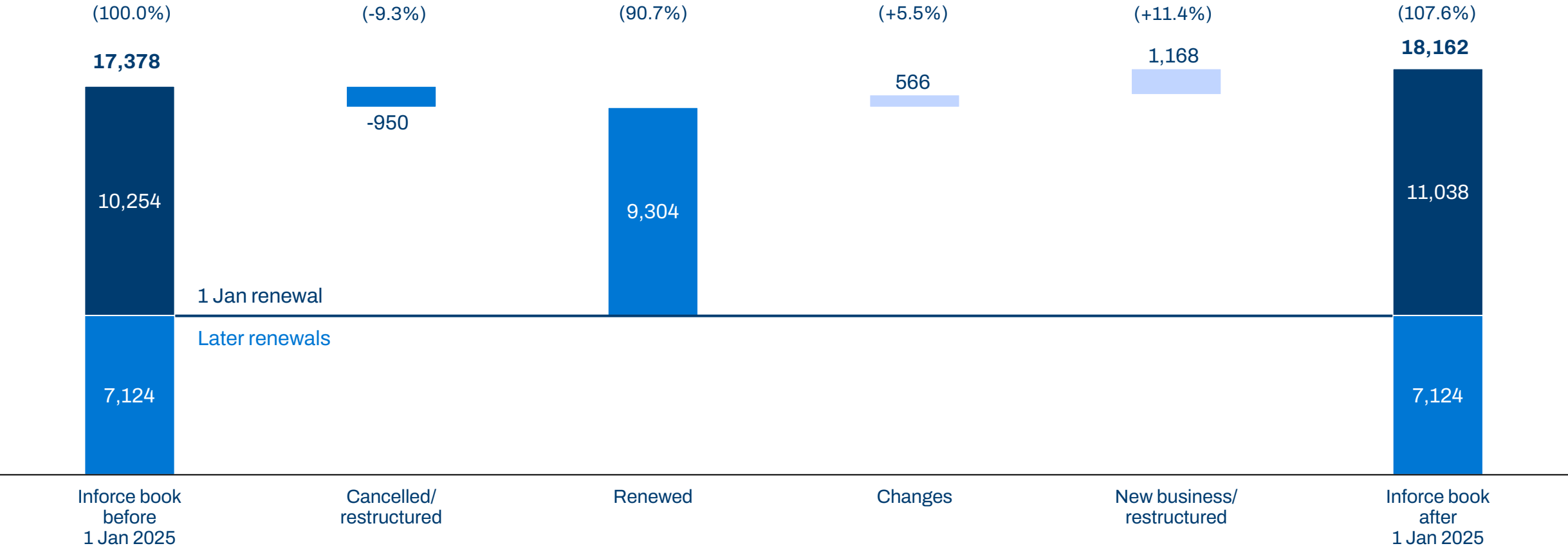
Continued growth in an attractive market environment

Premium increase of 7.6% fully supports targets for FY/2025

Total Treaty Reinsurance in m. EUR

% on renewed:

Change in shares: -2.7%
 Change in price: -2.1%
 Change in volume: +10.3%



Growth mainly driven by Americas and EMEA

Moderate risk-adjusted price decrease for our well-diversified portfolio

Traditional Treaty Reinsurance

Reporting lines	Premium 1/1/2024	Premium 1/1/2025	Premium changes	Price changes
EMEA ¹⁾	4,110	4,509	+9.7%	-2.3%
Americas ¹⁾	3,086	3,502	+13.5%	-2.0%
APAC ¹⁾	1,216	1,227	+0.8%	-2.7%
Credit, Surety and Political Risks	863	902	+4.5%	-2.0%
Aviation and Marine	312	293	-6.2%	-1.7%
Agricultural Risks	667	606	-9.2%	-0.8%
Total 1 January renewals	10,254	11,038	+7.6%	-2.1%

Premium estimates in m. EUR

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

Balanced growth in proportional and non-proportional business

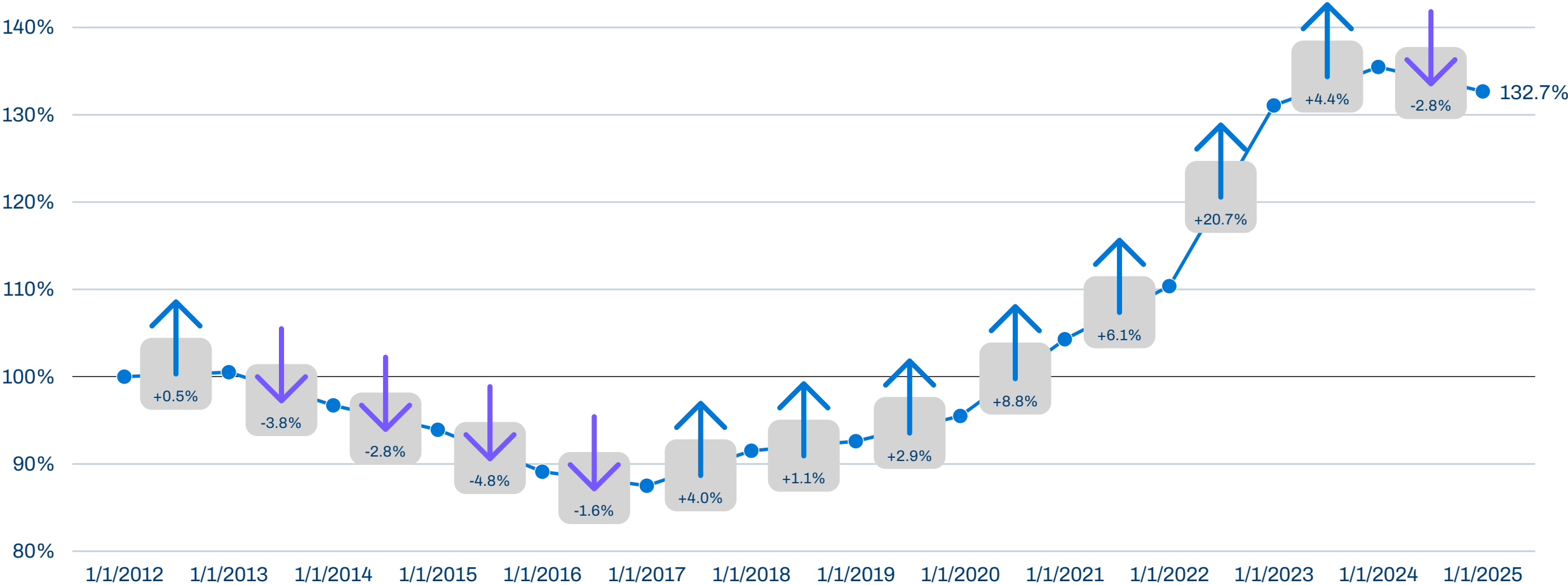
Reporting lines	Proportional			Non-proportional		
	Premium 1/1/2025	Premium changes	Price changes	Premium 1/1/2025	Premium changes	Price changes
EMEA ¹⁾	3,181	+10.3%	-1.7%	1,327	+8.2%	-3.7%
Americas ¹⁾	1,782	+19.0%	-2.8%	1,721	+8.3%	-1.2%
APAC ¹⁾	1,076	+1.6%	-2.1%	151	-4.5%	-6.5%
Credit, Surety and Political Risks	739	+5.0%	-1.0%	162	+2.2%	-6.4%
Aviation and Marine	190	-8.6%	+0.0%	103	-1.4%	-5.0%
Agricultural Risks	552	-8.6%	-0.5%	54	-14.4%	-3.4%
Total 1 January renewals	7,520	+8.1%	-1.8%	3,518	+6.6%	-2.8%

Premium estimates in m. EUR

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

Profitability of Hannover Re's XL portfolio remains at high level

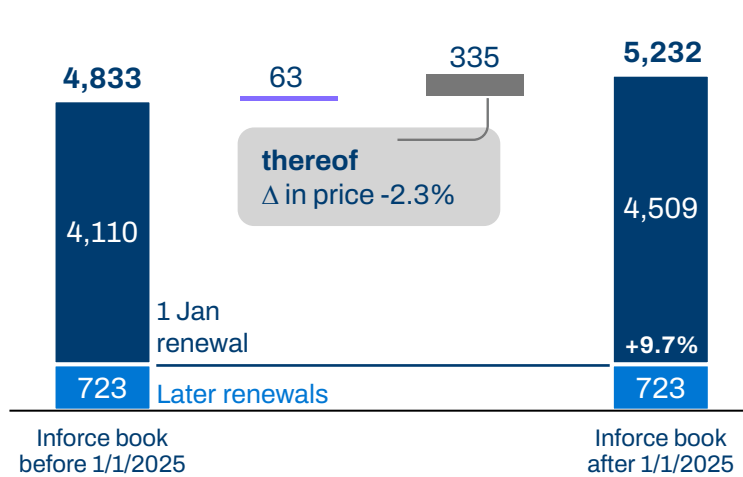
Non-proportional (XL) price changes at 1 January renewals



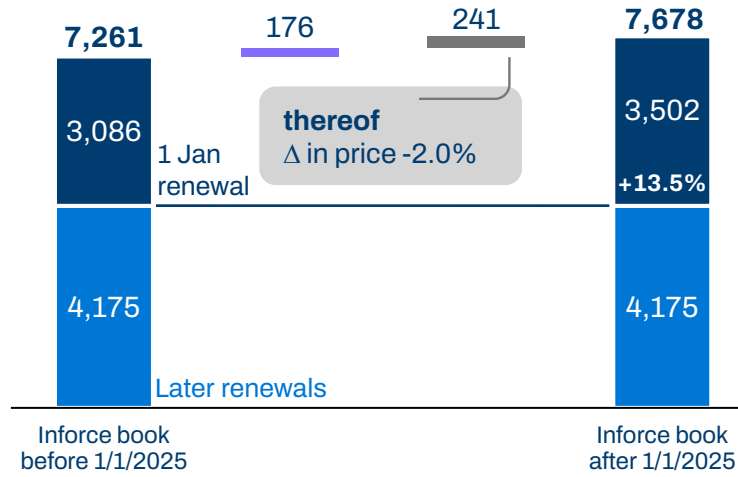
As reported in the February renewal calls

Growth opportunities in Americas and EMEA reflecting attractive market environment

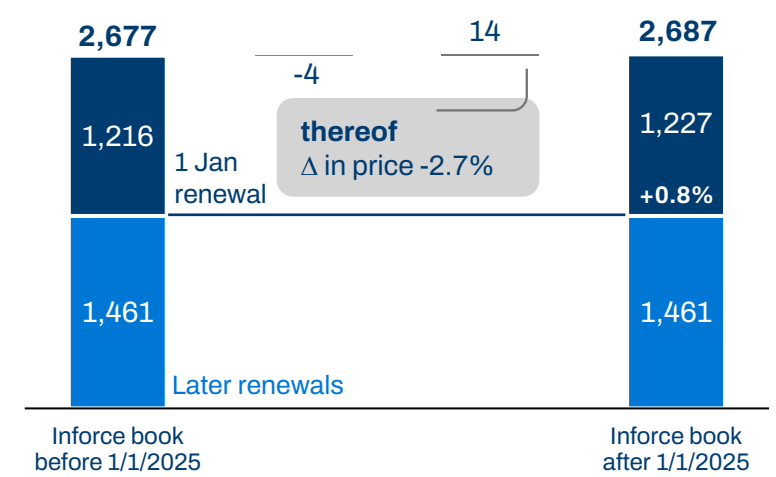
EMEA



Americas



APAC



- Increasing reinsurance capacity results in some price competition, but structures and T&C remain stable
- Diversified growth in European markets
- Strong position in German market supported by selective growth and improved underlying business
- Significant improvements for loss-affected business in Middle East and Türkiye

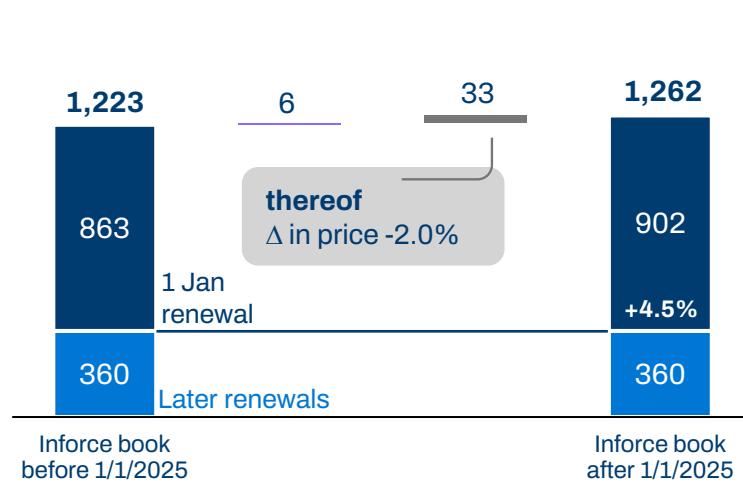
- US: Organic growth in property, selective new opportunities in casualty and multi-line segments, attractive growth with partners in insurtech space
- US: Low single-digit risk-adjusted price increase in Casualty; property remains attractive despite pressure on pricing
- Strong rate increases in Canadian market, reacting to loss events in 2024
- Conditions in LatAm mostly stable on high level

- Continued competition observed across the region, especially in Southeast Asia and China
- Growth opportunities still present with attractive growth seen in Indonesia, Singapore & Vietnam
- Selective growth in China and Australia

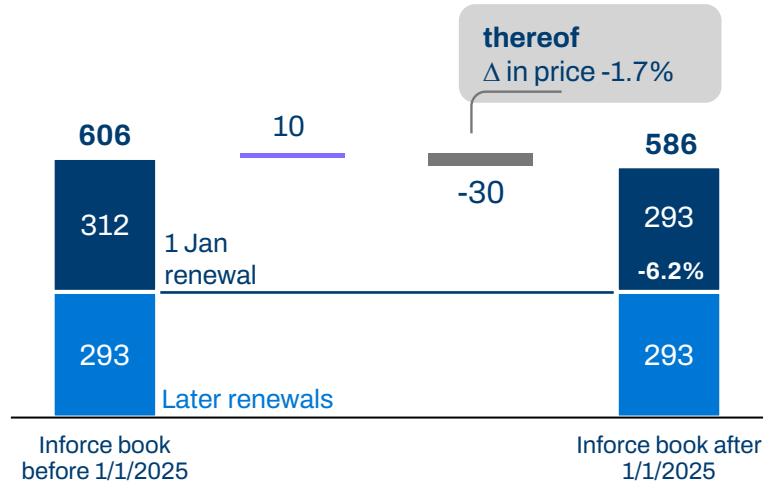
■ New/cancelled/restructured ■ Changes

Selective growth approach to specialty lines reflects underlying profitability

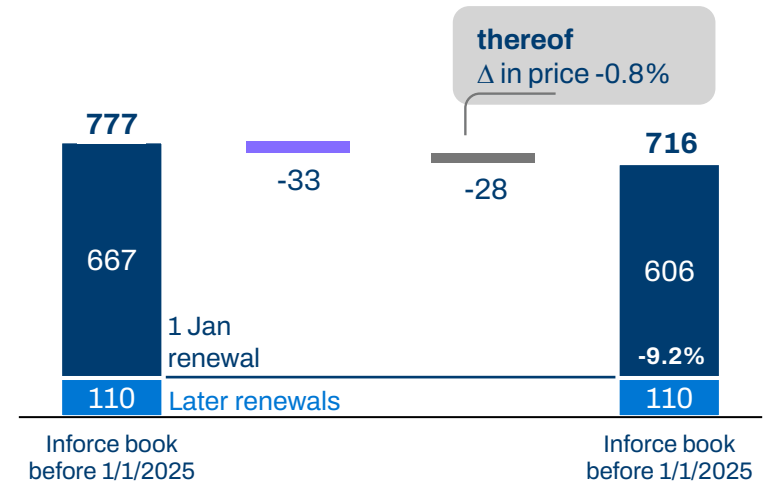
Credit, Surety and Political Risks



Aviation and Marine



Agricultural Risks



- Portfolio growing at continued high level of profitability
- Shares largely stable with some modest erosion due to increased retentions

- Continued expansion of footprint in Aviation market
- Overcapacity in Marine and Energy market, moderate rate decrease despite significant large-loss event in 2024
- Premium volume impacted by reduced cession rate of large client

- Mostly flat renewal with improvements on loss-affected programmes
- Brazilian market remains attractive following cat losses in 2021
- Decreasing volume driven by portfolio pruning in China

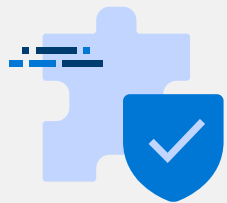
■ New/cancelled/restructured ■ Changes

Building on partnerships

Reporting on Structured R/I, Facultative R/I and NatCat business

Structured R/I¹⁾

- Continued strong demand for non-traditional solutions
- Further increase in number of contracts with worldwide exposure
- Portfolio continued to shift towards non-proportional covers in 2024
- Double-digit growth in Structured Reinsurance will further support P&C growth target in 2025



Facultative R/I¹⁾

- Stable market position supported by strong client relationships
- Market conditions remain at healthy level, despite mid-single rate decrease on average
- In line with our strategic goals, growth of engineering portfolio through substantial contribution to projects related to the energy transition



NatCat business²⁾

- NatCat business remains adequately priced. Unchanged retention levels and broadly stable terms and conditions
- Orderly renewal with average risk-adjusted rate decreases of 5.4%. Increase in reinsurance capacity exceeds growth in demand. Price pressure most pronounced for upper layers and US business
- Strong market position allowed for high single-digit premium growth whilst maintaining underwriting discipline

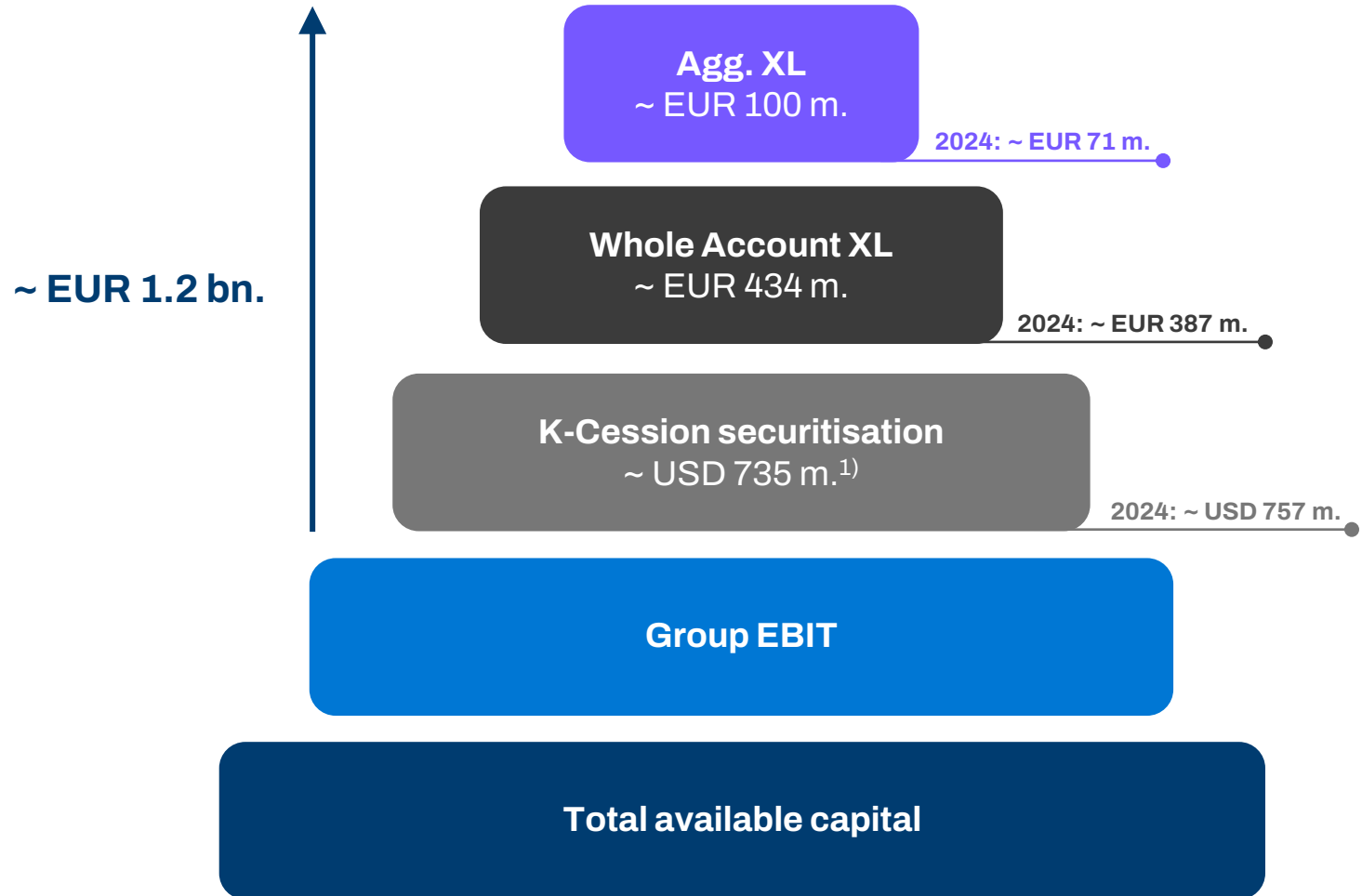


1) Renewal activity in Structured R/I and Facultative R/I is not characterised by peak renewal dates such as 1/1 or 1/7 but rather year-round renewal activity

2) Additional reporting on NatCat-exposed business is included in regional and worldwide markets

Retrocession in line with plan: Reduced cession rate with expanded geographical protection

Total placed Nat Cat capacity of EUR 1.2 bn. in 2025



Support of our retrocession programme:

- No change to the overall structure
- Reduction in proportional cession to 33%, increase in non-proportional protection
- Sufficient Nat Cat capacity available in the retrocession market
- Risk-adjusted pricing slightly down

1) Plus expected premium
As at January 2025

04

Guidance 2025

Guidance for FY 2025



Property & Casualty

Expected contribution

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

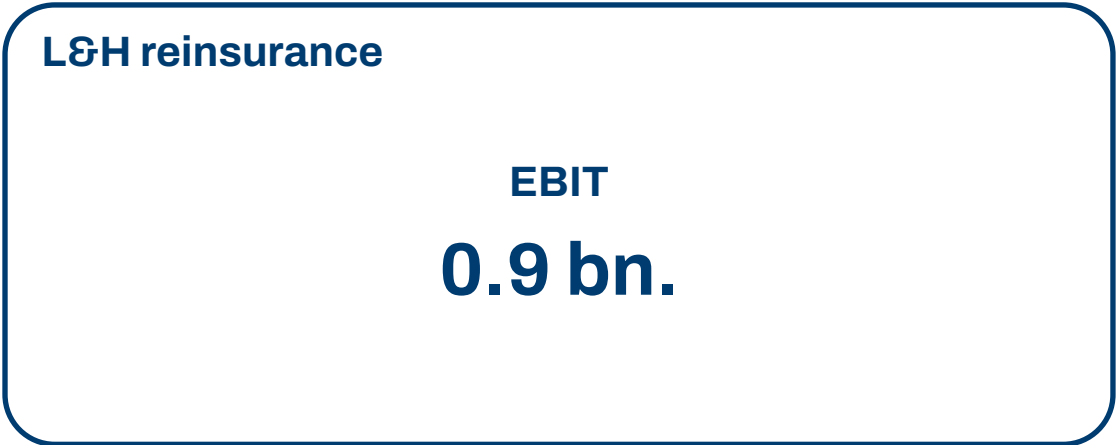
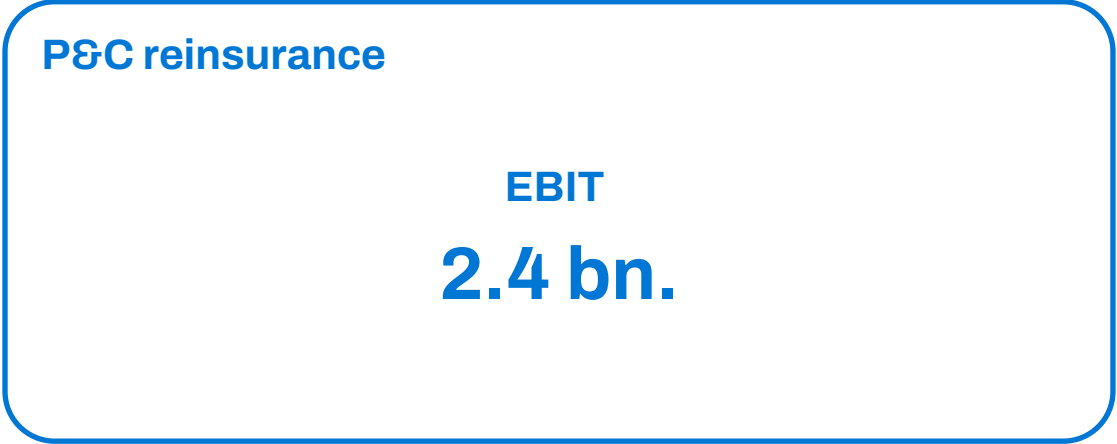
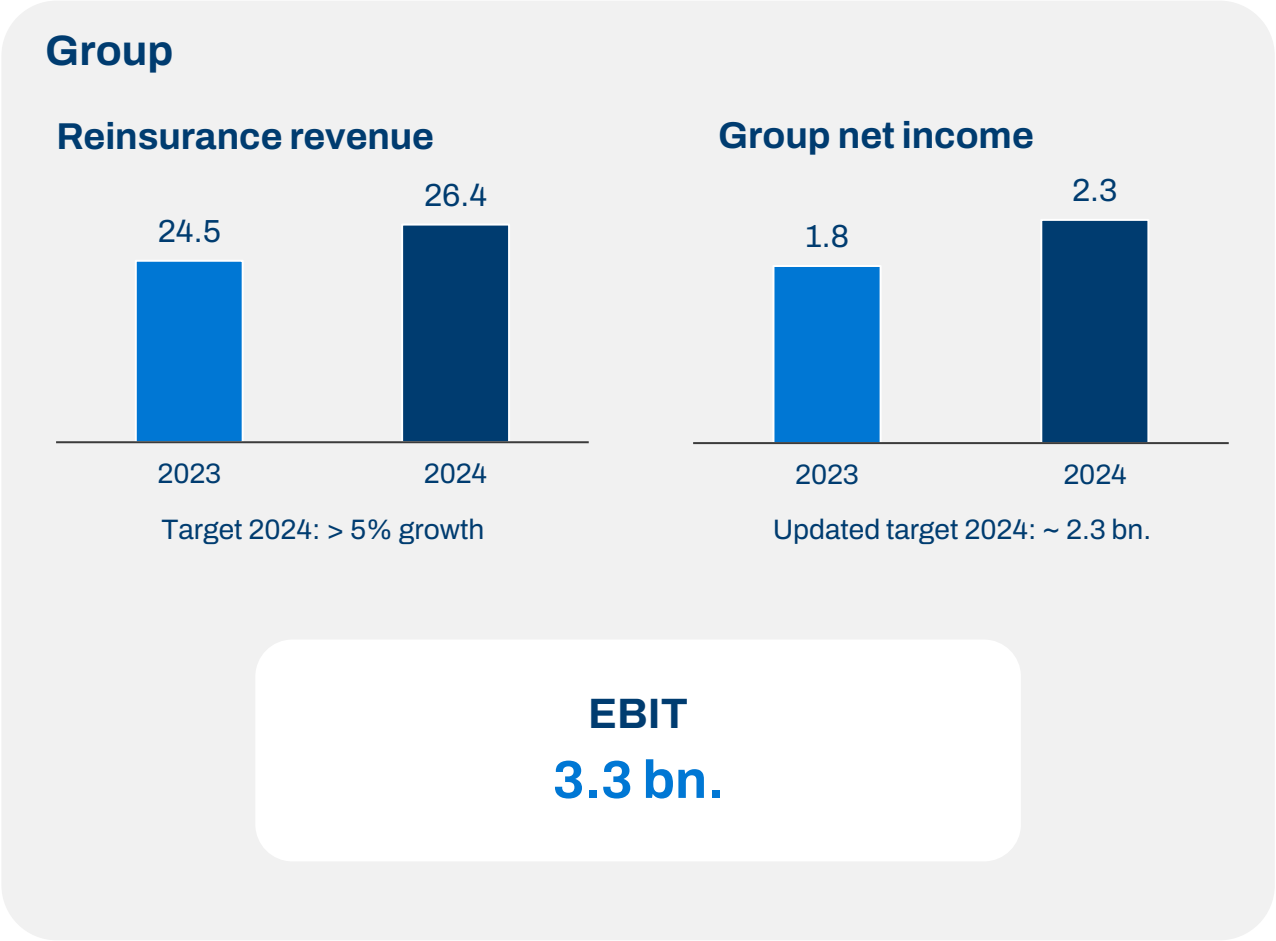
3) Subject to no major distortions in capital markets and/or major losses in 2025 not exceeding the large loss budget of EUR 2.1 bn.

05

Preliminary figures

Full-year profit target achieved

Preliminary key figures for 2024



Figures in EUR unless otherwise stated

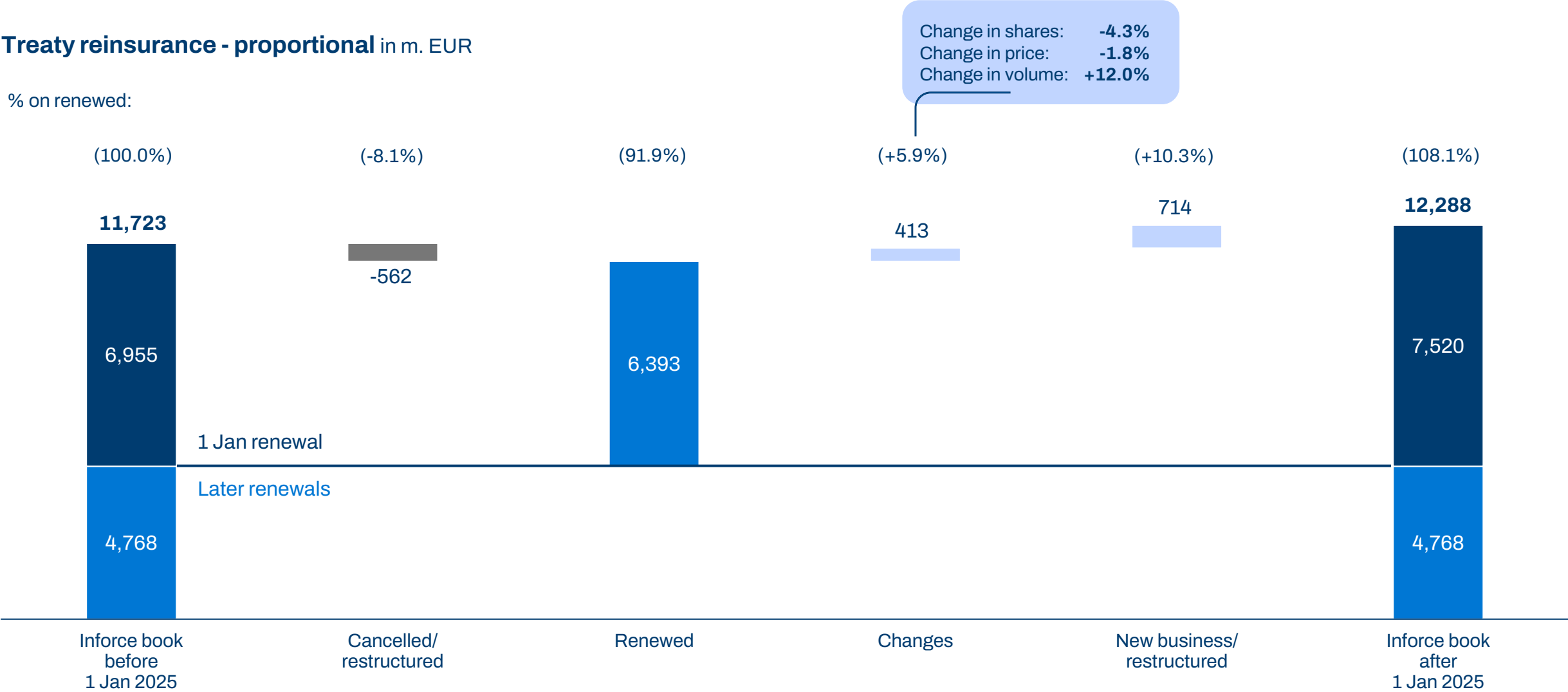
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Appendix

Increased volume of proportional business with similar quality

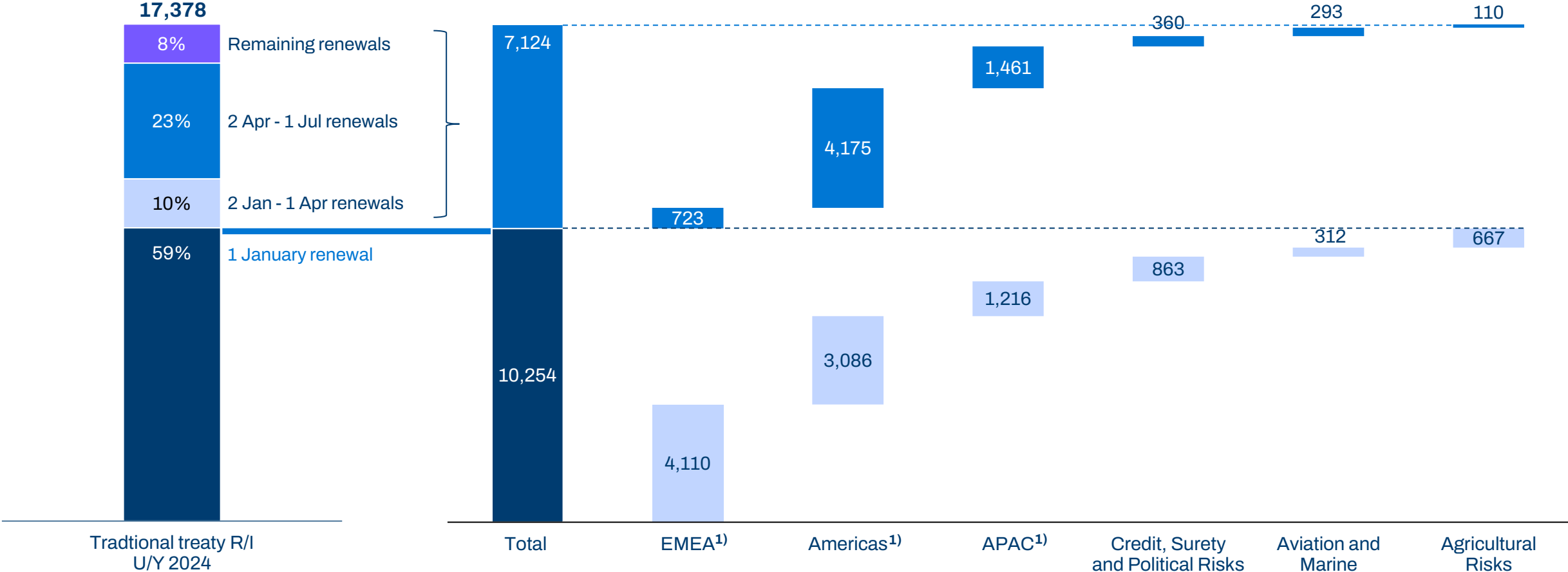
Treaty reinsurance - proportional in m. EUR

% on renewed:



41% of traditional treaty reinsurance comes up for renewal later

Estimated premium income U/Y by regions



All figures in m. EUR
 1) All lines of business except those stated separately

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Financial calendar and our Investor Relations contacts

- 6 February 2025**
1 January P&C Treaty Renewals
- 13 March 2025**
Annual Press Conference and Analysts' Conference
- 7 May 2025**
Annual General Meeting
- 13 May 2025**
Quarterly statement as at 31 March 2025
- 12 August 2025**
Quarterly statement as at 30 June 2025



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