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Insurance. Investments.

ESGinvestors@Talanx

Talanx at a glance – strong growth, but Group earnings burdened by Corona

~23,000
employees



150
countries



Gross written premiums (EURbn)

41.1 (+4%)

Group net income (EURm)

673 (-27%)

Net return on equity

6.6% (-3.2%-pts)

Operating profit (EURbn)

1.7 (-31%)

Net return on investment

3.2% (-0.3%-pts)

Solvency II ratio

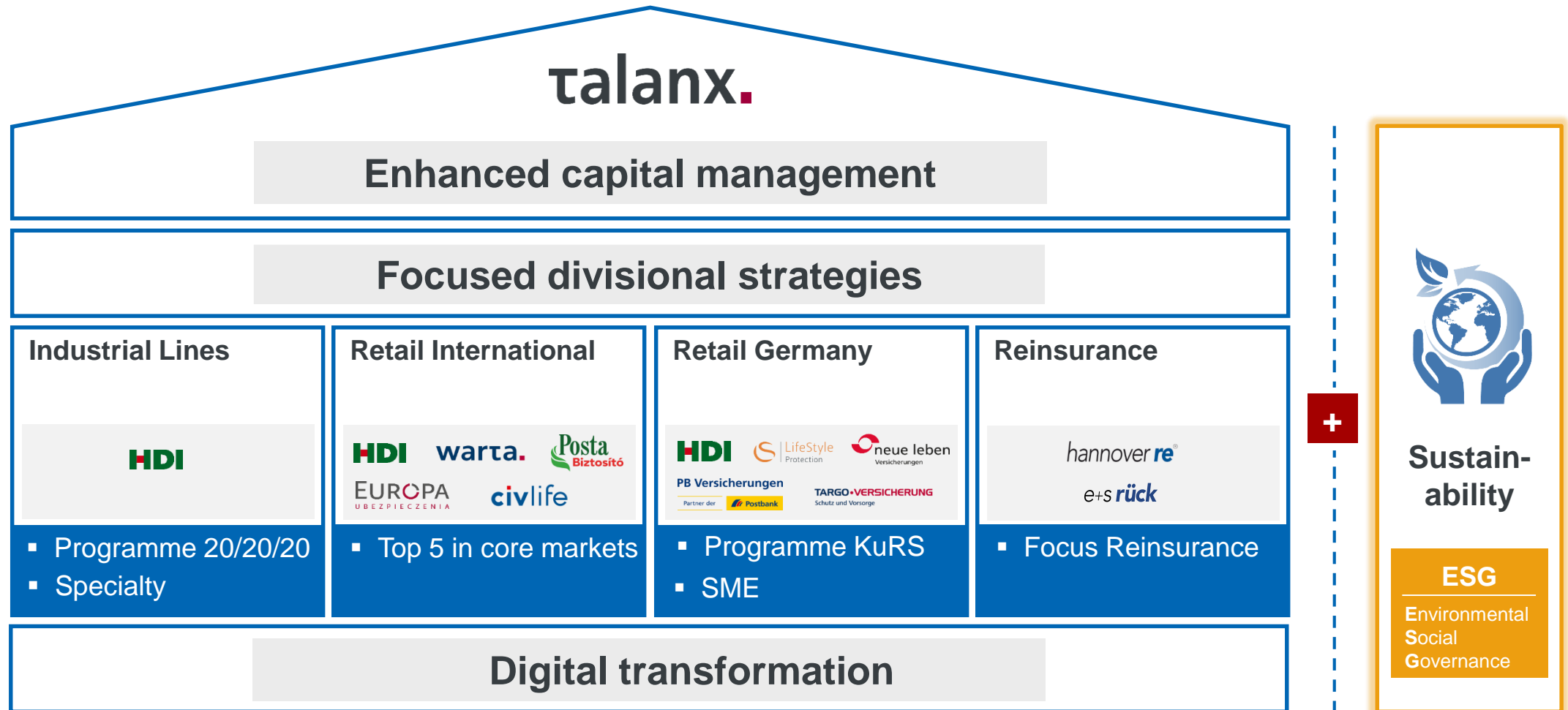
206% (-5%-pts)

As at FY 2020; for further information please see our FY 2020 analyst presentation: https://www.talanx.com/en/investor_relations/reporting/reporting

Forward-looking strategic and cultural positioning



Our Group's strategy is flanked by our sustainability activities



Sustainability Report 2020 – Highlights

Click here to
discover our
Sustainability
Report

Target 2025:

-30% **CO₂ intensity** of the
liquid investment portfolio

– compared to end of 2020.

This current target is an important step towards developing a sustainable, long-term path towards carbon neutrality by 2050



By **2030**,

Talanx operations worldwide are to be
climate-neutral

– we already achieved this goal in Germany in 2019

As a signatory to the

**UN Global
Compact**

Talanx publishes the
annual **Communication
on Progress**

WE SUPPORT



Initial reporting according to the
recommendations of the

TCFD

(Task Force on Climate-related
Financial Disclosures)

**E
S
G**

is taken into account in the
**remuneration of the
Executive Board**

– subject to approval at the Annual
General Meeting 2021

Talanx has
invested

EUR **3.7** bn

in infrastructure projects,
thereof around EUR 2bn in
renewable energies

– the latter produce **2.7m MWh** per year; enough to supply **~810,000 households** - roughly
equivalent to a city like Munich - with electricity

Our recent ESG highlights – consistent implementation of measures



Aug 2020

Talanx finances **two solar power projects in Spain** via a EUR 250m credit insured project bond. The plants in the Castilla-La Mancha region provide 52,000 households with green electricity

Talanx has made its **second investment this year in a high-speed Internet project** in France by contributing more than EUR 60m to an international debt financing deal

Aug 2020



Jan 2021

Talanx is expanding its sustainable infrastructure investments with a EUR 125m participation in the refinancing of the concessionaire of **Barcelona's subway Line 9** Tranche 4

Talanx appoints Diversity & Inclusion Manager
Raha Anssari.
By taking this step the Group is raising the profile of its sustainability strategy

Feb 2021



Mar 2021

Talanx receives **ISS Prime Status**.
Awarded to companies with ESG performance **above sector-specific prime threshold**, meeting demanding performance requirements

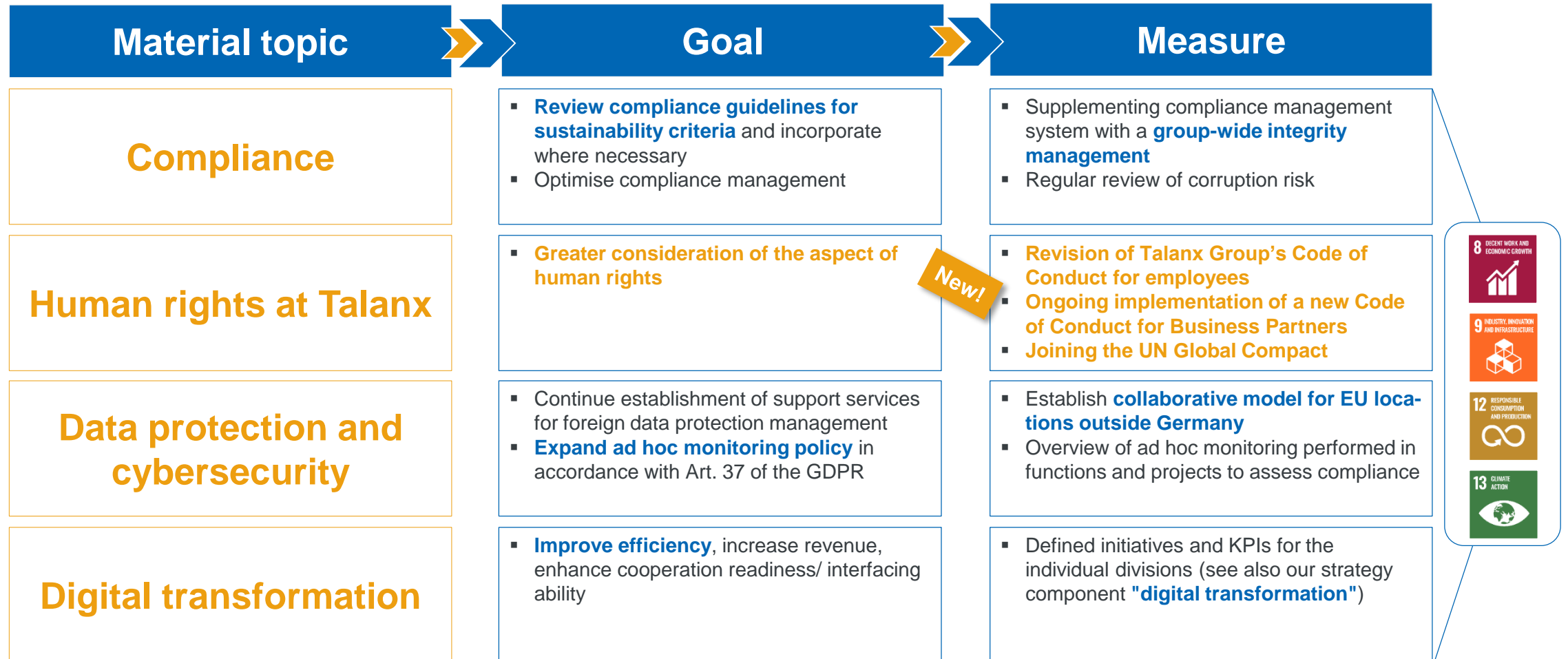
Talanx is committed to particularly contribute to 7 out of 17 of the United Nations' SDGs

Our targets

 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none">▪ Promote initial training and career entry▪ Expansion of training measures for specialists and managers	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<ul style="list-style-type: none">▪ Continuous expansion of investments in social and innovative infrastructure
 <p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none">▪ Equal promotion and recruitment of women▪ Filling at least 25% of (vacant) management positions at all hierarchical levels in Germany with female employees	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none">▪ Continuously reduce resource consumption and waste volume
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none">▪ Continuous expansion of investments in renewable energies	 <p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none">▪ Successive CO₂ neutrality worldwide
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none">▪ Reduction of turnover rate▪ Health days	 <p>As a globally active insurance company, we actively contribute to the realization of global sustainability goals</p>	

Action areas aligned with the "Ten Principles" set out in the UN Global Compact







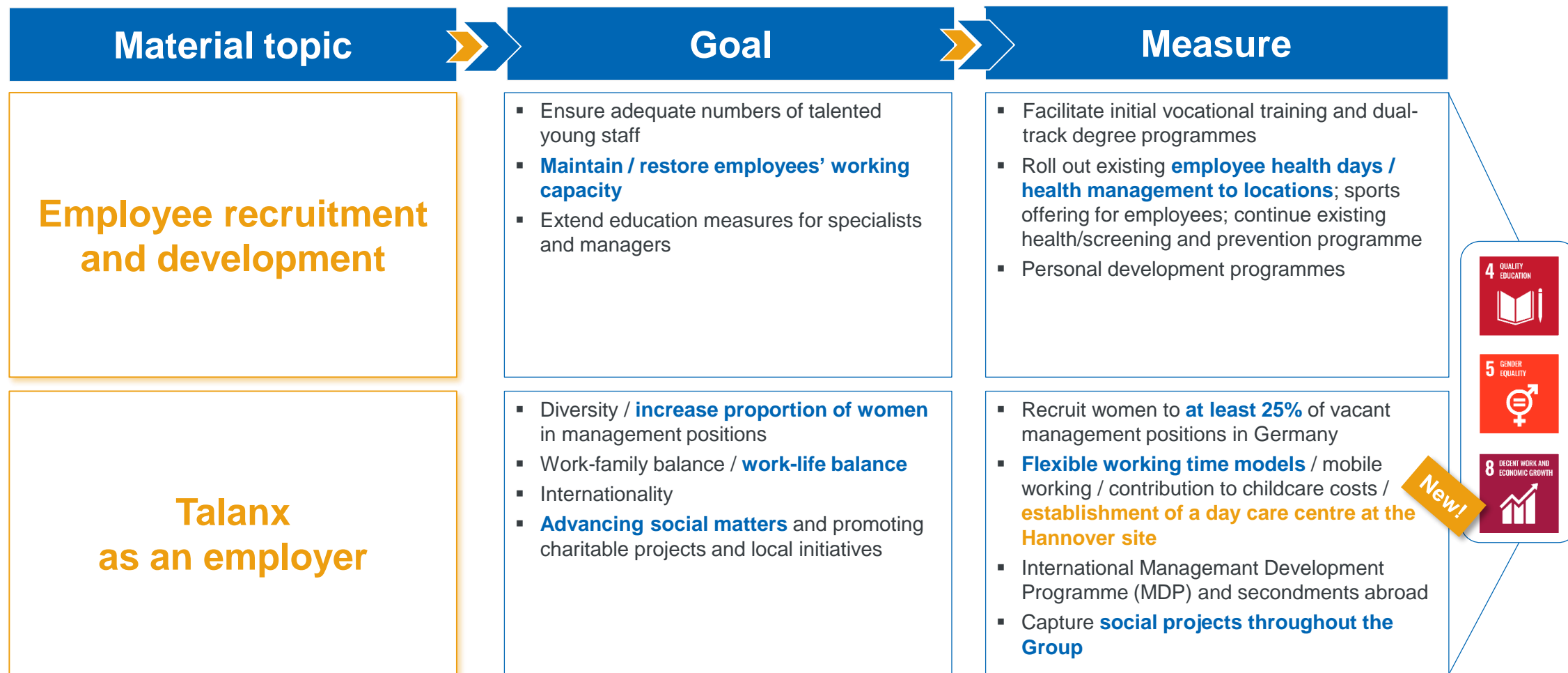
Material topic	Goal	Measure
ESG in asset management 	<ul style="list-style-type: none"> ▪ Phaseout of coal and oilsands by 2038 ▪ Reduce CO₂ intensity of internally managed bond and equity portfolios by 30% until 2025 (compared to end of 2019), This current target is an important step towards developing a sustainable, long-term path towards carbon neutrality by 2050 	<ul style="list-style-type: none"> ▪ Continuous review and, if necessary, fine-tuning of the sustainability approach in asset management through RIC (Responsible Investment Committee) ▪ Development of a portfolio climate strategy
ESG in insurance solutions 	<ul style="list-style-type: none"> ▪ Increase investments in infrastructure and renewable energy sources to up to EUR 5bn ▪ Easy-to-understand information about insurance solutions ▪ Support, develop and expand sustainable insurance solutions 	<ul style="list-style-type: none"> ▪ Continue sectoral diversification of infrastructure portfolio (current investment volume: EUR ~3.7bn) ▪ The relevant companies in the Retail Germany Division have signed up to the Code of Conduct issued by the German Insurance Association (GDV) ▪ Establishment of Responsible Underwriting Committee (RUC)² ▪ Support of various sustainable initiatives and frameworks (PSI, UNGC) ▪ Phaseout coal and oil sands until 2038

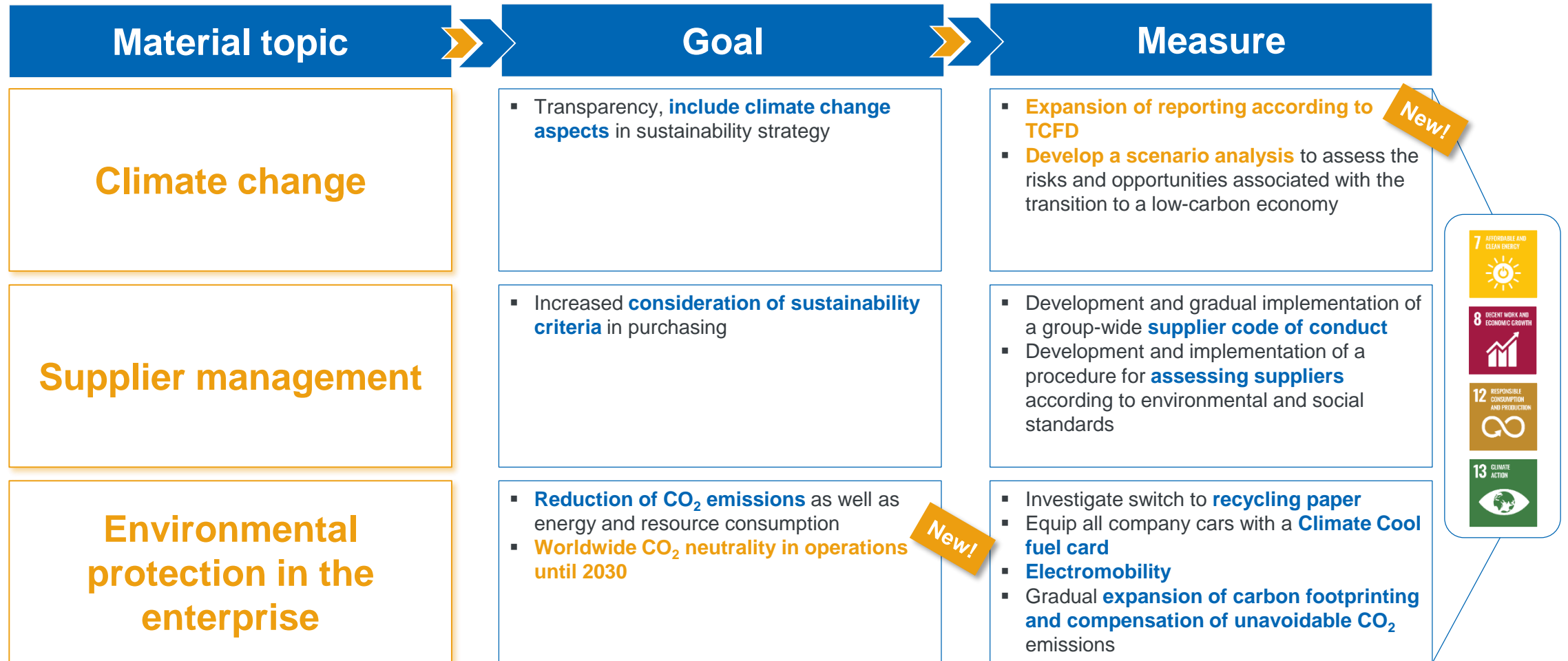


¹ The committee is chaired by Talanx AG's Chief Financial Officer (CFO), CFOs of the segments and investment managers, the head of Group Communications, the head of Investor Relations and Ampega Asset Management's senior management; ² Consisting of Talanx AG's Board of Management



Action area **3** Work and employees



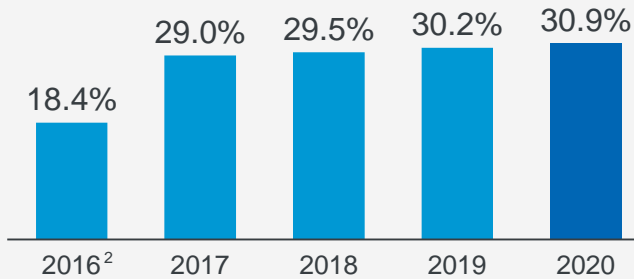


Selected ESG figures

For more figures, please see our key data sheet

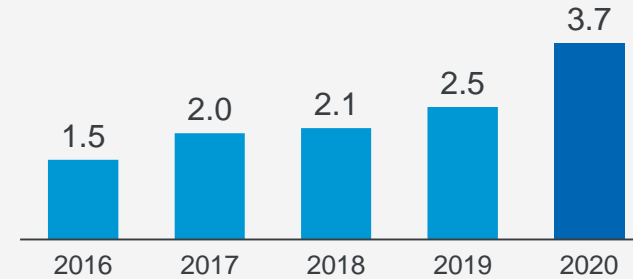
1 Compliance and transparency

Women in management positions¹



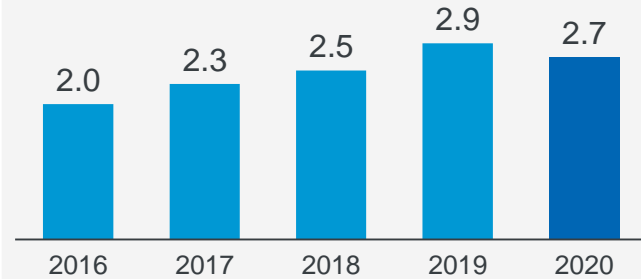
2 Investments & insurance products

Investments in infrastructure (EURbn)



3 Work & employees

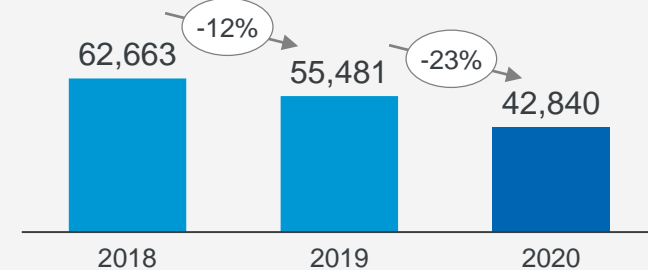
Training days per employee (p.a.)



4 Day-to-day operations and procurement

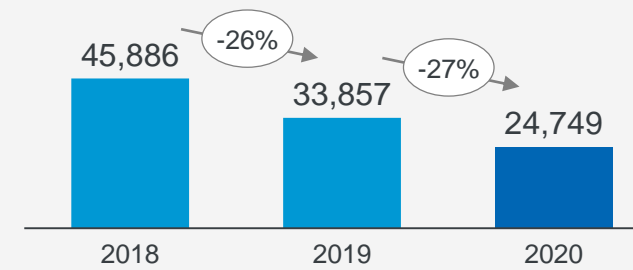
Energy consumption in Germany

In MWh

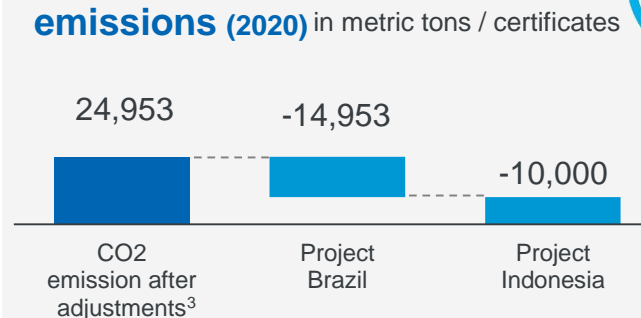


Total CO₂ emissions in Germany

(Scope 1 + 2 + 3) in metric tons



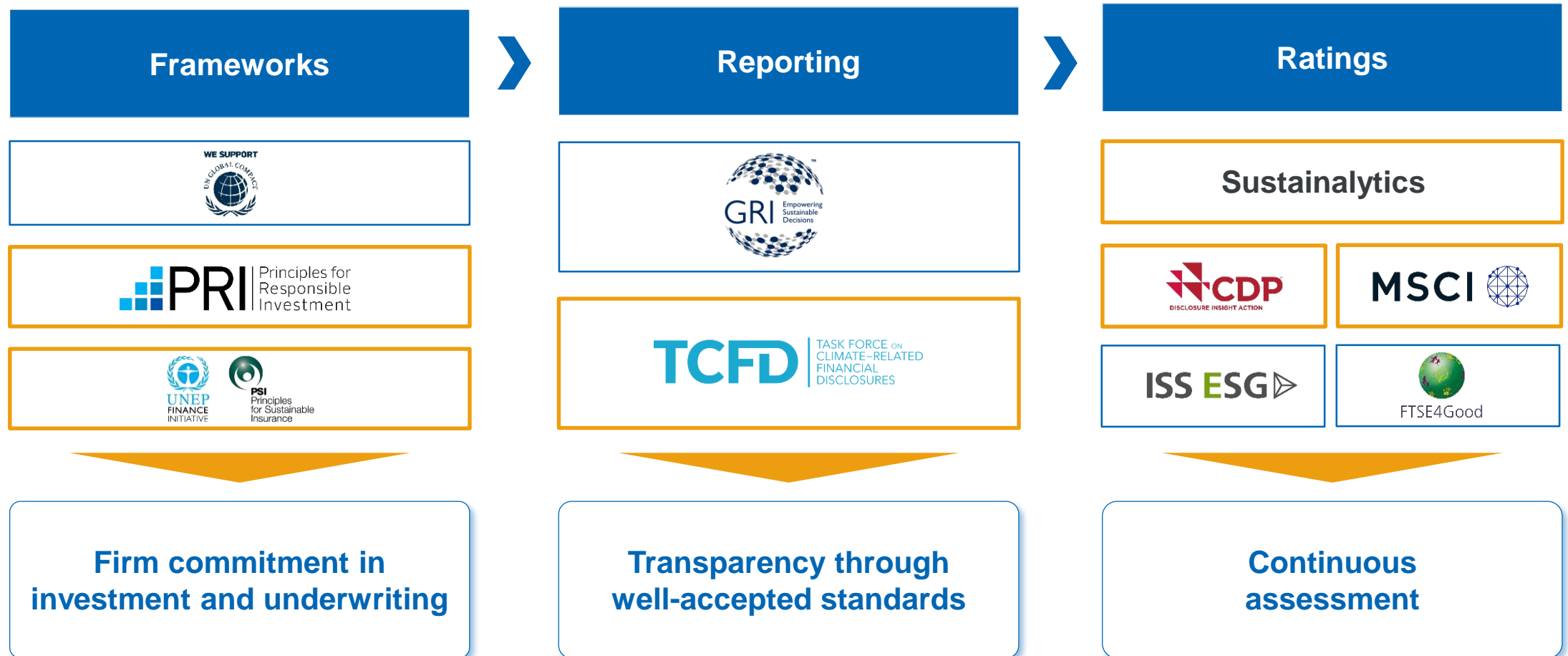
Compensation of German CO₂ emissions (2020) in metric tons / certificates



¹ Comprises the entire Talanx Group (including Hannover Re); ² Only Germany (excluding Hannover Re); ³ Adding 10% security buffer, minus services already compensated by a third party (e. g. DB, Lufthansa)

Note: Deviations between the current data and the figures for previous years cannot be ruled out due to the continuous expansion of the report boundaries. As a result, the change in the data capture processes and calculation methodology means that the direct comparability of the annual data cannot be fully guaranteed

We strive for a transparent reporting to achieve competitive ratings



Note: Since 2020 Talanx has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption

= in focus with active management

Continuous rating improvements reflect our success in driving change

Sustainalytics

→ **19.3**
(19.2)
100 (worst) – 0 (best)



↗ **B**
(B-)
D- (worst) – A (best)



↗ **A**
(BBB)
CCC (worst) – AAA (best)



↗ **C**
(C-)
D- (worst) – A+ (best)



FTSE4Good

↗ **3.6**
(3.3)
1 (worst) – 5 (best)

Note: Brackets contain previous figures; n.s.: not scored; for further information see https://www.talanx.com/en/talanx-group/sustainability/esg_ratings



together.

Together we take care of the unexpected
and foster entrepreneurship

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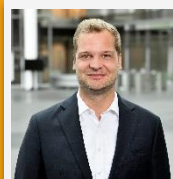
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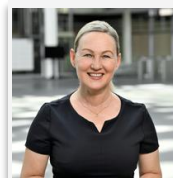
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6 May 2021

Annual General Meeting
and Q1 2021 results

11 May 2021

Stifel German SMID Cap One-on-One Forum

11 August 2021

6M 2021 results

15 November 2021

9M 2021 results

17 November 2021

Capital Markets Day




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Guideline on Alternative Performance Measures - For further information on the calculation and definition of specific Alternative Performance Measures please refer to the Annual Report 2020 chapter "Enterprise management", p. 24 and onwards, the "Glossary and definition of key figures" on p. 256 as well as to our homepage https://www.talanx.com/en/investor_relations/reporting/key_figures/alternative_performance_measures_apm