Group Annual Report 2024
Munich Re

Munich RE

Key figures (IFRS® Accounting Standards)[1]

Munich Re at a glance

		2024	2023	2022	2021	2020
Insurance revenue from insurance contracts issued	€m	60,830	57,884	55,385		
Claims expenses	€m	–43,036	–41,481	–40,393		
Administration and acquisition costs	€m	–8,968	–8,617	–7,807		
Total technical result	€m	8,918	7,545	7,070		
Operating result	€m	7,969	5,702	6,812	3,517	1,986
Taxes on income	€m	–2,091	–936	–1,324	–552	–269
Net result	€m	5,671	4,597	5,309	2,932	1,211
Earnings per share[2]	€	42.78	33.88	38.12	20.93	8.63
Return on equity (RoE)[3]	%	18.2	15.8	20.2	12.6	5.3
Return on investment (RoI)	%	3.1	2.5	1.3	2.8	3.0
Dividend per share[4]	€	20.00	15.00	11.60	11.00	9.80
Dividend payout[4]	€m	2,616	2,006	1,583	1,541	1,373
Share price at 31 December	€	487.10	375.10	304.00	260.50	242.80
Munich Reinsurance Company's market capitalisation at 31 December	€bn	65.2	51.2	42.6	36.5	34.0
Carrying amount per share	€	248.40	220.29	196.83	220.06	213.38
Investments	€m	230,716	218,462	207,965	240,300	232,950
Investments for unit-linked life insurance	€m	9,186	8,280	7,470	8,582	7,544
Equity	€m	32,746	29,772	27,245	30,945	29,994
Insurance contracts issued and reinsurance contracts held (net)	€m	211,488	203,383	195,454		
Balance sheet total	€m	286,515	273,793	269,391	312,405	297,946
Staff at 31 December		43,584	42,812	41,389	39,281	39,642

Reinsurance

		2024	2023	2022	2021	2020
Insurance revenue from insurance contracts issued	€m	40,034	37,786	36,489		
Investments	€m	101,769	90,387	84,615	99,617	91,248
Insurance contracts issued and reinsurance contracts held (net)	€m	74,900	69,575	66,100		
Major losses (net)	€m	–3,885	–3,278	–3,741	–4,304	–4,689
Natural catastrophe losses	€m	–2,644	–2,335	–2,118	–3,139	–906
Combined ratio property-casualty	%	82.4	85.2	83.2	99.6	105.6
Investment result	€m	3,173	2,432	1,309	3,422	3,193
Net result	€m	4,880	3,876	4,737	2,328	694
Thereof: Reinsurance – Life and health	€m	1,681	1,428	1,314	325	123
Thereof: Reinsurance – Property-casualty	€m	3,199	2,448	3,423	2,003	571
Return on equity (RoE)[3]	%	18.5	16.2	22.2	13.4	4.1

ERGO

		2024	2023	2022	2021	2020
Insurance revenue from insurance contracts issued	€m	20,796	20,098	18,896		
Investments (including Investments for unit-linked life insurance)	€m	138,134	136,355	130,820	149,265	149,245
Insurance contracts issued and reinsurance contracts held (net)	€m	136,588	133,808	129,354		
Combined ratio property-casualty Germany	%	89.2	88.9	90.3	92.4	92.4
Combined ratio International	%	91.9	90.1	95.5	92.9	92.7
Investment result	€m	4,018	2,942	1,674	3,734	4,206
Net result	€m	791	721	572	605	517
Thereof: ERGO Life and Health Germany	€m	230	183	307	164	130
Thereof: ERGO Property-casualty Germany	€m	260	252	173	234	157
Thereof: ERGO International	€m	301	286	92	207	230
Return on equity (RoE)[3]	%	16.5	14.4	11.6	10.1	8.8

1 You can download this information as an Excel file; please refer to the Financial Supplement at www.munichre.com/results-reports. IFRS 17 for insurance contracts, and IFRS 9 for financial instruments have applied since the 2023 financial year. For the year 2022, the figures for the insurance business are shown on the basis of IFRS 17; the figures for financial instruments are predominantly still based on IAS 39. The years 2020 and 2021 have not been adjusted in accordance with IFRS 9 and IFRS 17. Prior-year comparisons are therefore only possible to a limited extent.
2 Earnings per share for 2022 before adjustment of the value due to changes in accounting standards amounted to €24.63.
3 Information on calculation of the RoE can be found in the > Notes to the consolidated financial statements > Explanatory information > Segment disclosures > (7) Alternative performance measures.
4 Subject to approval by the Annual General Meeting.

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More detailed lists of contents are provided on the pages separating the individual sections.

Due to rounding, there may be minor deviations in summations and in the calculation of percentages in this report.

This document is a translation of the original German version and is intended to be used for informational purposes only. While every effort has been made to ensure the accuracy and completeness of the translation, please note that the German original is binding.

Dr. Joachim Wenning
Chair of Munich Reinsurance
Company's Board of Management

Dear shareholders,

Munich Re continues to thrive. We generated a net result of €5.7bn in 2024, outperforming four annual targets in a row. Our profit growth has been substantial and sustained in recent years. In comparison with our peers, our achievements stand out.

And continually rising net results are not the only sign of our Group's success. Our share price likewise mirrors our strength. After topping €400 for the first time ever in 2023, Munich Re's share price surpassed the €500 mark in 2024. Since the launch of our five-year Ambition 2025 strategy programme in 2021, our share price had essentially doubled by the end of 2024.

We also continue to be at the forefront of the eight leading (re)insurers in Europe in terms of total shareholder return. This is where the greatest value for shareholders is created through rising share prices and dividends. Simply put, the trust you place in our Group pays off.

Subject to approval by the Annual General Meeting, we will increase the dividend by €5 to €20 per share. We have also approved a new share buy-back with a volume of €2bn, a rise of €500m year on year. This boosts our distributions to shareholders for yet another significant increase.

In economic terms, 2024 was another spectacular year for Munich Re, which enabled us to make further provision once again. In addition to boosting reserves, we realised tactical investment losses so as to profit from higher interest rates upon reinvestment – in turn fostering future profits. Our balance sheet and capital position continue to be exceptionally strong. This makes Munich Re resilient to crisis.

That is important, as market losses due to natural disasters have been going up, and only up. 2024 was no exception – on the contrary, this trend has even accelerated. Natural catastrophes caused US$ 320bn in worldwide losses last year, of which about US$ 140bn were insured. Only two years since 1980 were more expensive for our industry. But this claims development has not caught us off guard. Indeed, overall our risk models have proved to be very accurate one year after another. And we have in total managed to earn the requisite rates. As in years past, Munich Re's major-loss expenditure in 2024 matched our budgeted amount almost exactly.

When we look at the macroeconomic environment in which we operate, we are confronted with something no less challenging. Global economic growth in 2024 was merely moderate. And the outlook for 2025 is not much better. We predict that the world's economy will grow moderately – with solid growth in the United States, but only weak growth in Europe and China's economy slowing down further.

And then there are geopolitical uncertainties. Elections are leading to change in many countries. New motives and ambitions are emerging. New balances of power are forming. The world order has become more fragile. When turbulence reigns, strength is key. Now more than ever, Munich Re is a financial powerhouse. And that makes us resilient to external influences.

In the interest of strategic leadership in a competitive industry, we excel by anticipating change and ensuring that we are fit for the future. This applies, for example, to artificial intelligence and other technological advancements. Munich Re once again made targeted investments in AI applications last year. Throughout the Munich Re Group, we have identified, launched or already implemented over 300 AI use cases. In the medium term, deploying artificial intelligence will help to increase efficiency, enhance our competitive edge and close gaps created by demographic change.

Our financial stability can largely be traced to the diversification of our business portfolios. As all our portfolios are now profitable, we are better positioned than ever to offset fluctuations in (re)insurance profit. And now for some details on each operating segment.

In 2024, ERGO achieved its annual target by generating a net result of around €790m. ERGO earned much more insurance revenue in international business year on year, which was primarily attributable to property-casualty insurance business in Poland and Thailand. Revenue in international health business likewise rose substantially.

ERGO has successfully acquired companies outside of Germany in recent years, paving the way for further profitable growth. Since 2024, ERGO has been the sole owner of the Norwegian health insurer Storebrand Helseforsikring AS[1] after acquiring the remaining 50% of the voting shares. ERGO also concluded in 2024 an acquisition agreement for the Baltic non-life insurer ADB Gjensidige. And since obtaining control in 2023 of Nam Seng Insurance, a property-casualty insurer in Thailand, ERGO has improved its market position there and transformed the entity into one of the country's ten largest property insurers.

In the ERGO Life and Health Germany segment, insurance revenue rose thanks to long-term and short-term health business in particular. Demand for supplementary insurance continued to rise, with considerable interest in travel insurance products, too. New business grew with regard to both cover for life risks and creation of capital-efficient retirement provision.

In the Property-casualty Germany segment, insurance revenue increased – particularly in fire and property as well as motor insurance.

The reinsurance field of business continues to be very profitable. We expanded reinsurance business further in 2024, with insurance revenue rising to just over €40bn and this field's result to about €4.9bn – a billion euros more year on year.

The performance of the life and health segment in particular remained excellent. In fact, we surpassed the annual target for this segment after just the first nine months of 2024 thanks to substantial growth in new business, among other factors. The 2024 total technical result here ultimately amounted to €2.1bn, which was €650m more than initially expected. That set a new record profit level for life reinsurance. The contractual service margin (CSM)[2], which represents the value of anticipated future profits, rose during 2024 from €12.3bn to €14.5bn.

1 Now: ERGO Forsikring AS.
2 Net of reinsurance.

Munich Re also grew profitably once again in its property-casualty segment – in traditional reinsurance and specialty insurance business alike; the latter is managed by our Global Specialty Insurance (GSI) division. The combined ratios for both lines of business proved robust in the face of the above-mentioned nat cat claims trends. Although the lion's share of claims here was once again attributable to the peak risk of hurricanes in the USA, secondary perils such as flooding, severe storms and wildfires also resulted in high claims burdens. Against a backdrop of rising market losses, such perils will become increasingly significant going forward.

Buoyed by sustained, very good earnings performance in primary insurance and reinsurance, we were able to foster the rise in current return on investment through the early sale at a loss of fixed-interest securities with low interest rates – the proceeds of which we invested anew at higher interest rates. We did this to generate higher investment returns in the long term. Our reinvestment yield was 4.4% in 2024, with the running yield rising to 3.5%. Overall, the 2024 investment result represented a return of 3.1% – which outperformed our target of more than 2.8%.

All in all, 2024 was the latest very good year of many for Munich Re. Profits throughout the Group have risen in significant and sustained ways in recent years. Reinsurance business truly stands out in this regard. We are fully on track to meet – and in some cases even surpass – the financial and non-financial targets of Ambition 2025.

Our profit target for 2025 is €6bn. The outlook remains good for growth and profits in property-casualty reinsurance. New business in life and health continues to grow. And ERGO is set to stay the course of stable success. Although we expect our investments to continue benefiting from respectable interest rates, confidence must always be tempered with prudence. There is no guarantee that profits will rise for evermore. The extensive wildfires in Los Angeles in January 2025 served as an alarm bell that large loss events can occur at any time. Depending on risk exposure, extreme events can even impact our financial targets. But these events also reinforce the value of the products we sell.

2025 will be a pivotal year for Munich Re. We are now in the home stretch of Ambition 2025. And in December of this year we will unveil our next strategy programme, which we are working flat out to formulate.

Our nearly 44,000 staff members worldwide are fully committed to making Ambition 2025 a complete success. When it comes to achieving goals, 2025 will be a milestone. We will do our very best to ensure it is a year that we will all recall fondly.

I wish to thank you, dear shareholders, for the trust you place in our Group.

Yours sincerely,

Joachim Wenning

Combined management report

This report combines the management reports of Munich Reinsurance Company and Munich Re.

Strategy

Munich Re operates an integrated business model that combines primary insurance and reinsurance. This model enables us to pool our industry-wide areas of expertise, share underlying know-how and data, and leverage synergies through risk diversification.

At the core of our business model, Munich Re is the risk carrier along the entire insurance value chain. We are happy to expand our primary insurance activities on the basis of their stable earnings and have a strategic interest in new business models. We prefer organic growth, but will engage in selected M&A activities in line with our strategic preferences. Our active, integrated capital management and risk management across the Group helps to create economic value for our shareholders, while safeguarding the fulfilment of our obligations towards clients and policyholders as well as protecting the reputation of Munich Re.

Our strategy follows the three guiding principles of Scale, Shape, and Succeed, which are key pillars of the Munich Re Group Ambition 2025.

Scale

Scale represents growth in the Group's core business. The opportunities for organic growth lie particularly in reinsurance and, through Global Specialty Insurance (GSI), in specialty primary insurance business. In asset management, we want to enhance performance and further optimise our risk-return profile in the current interest rate environment.

Shape

Shape stands for Munich Re's mission to develop new business models that are aligned with our core business throughout the value chain, in turn shaping markets. In this environment, innovative and digital solutions will give rise to additional business opportunities.

Succeed

Succeed symbolises the added value that Munich Re generates for all its stakeholders. For shareholders, this means the sustained financial success of their investments in Munich Re. Clients benefit from bespoke products. And for staff, Succeed implies appealing long-term employment and good career prospects. A particular priority concerns women in management: by 2025, 40% of managers below the Board of Management are to be women. Last but not least, Succeed allows communities to benefit from, in particular, the Group's climate targets in its asset management, (re)insurance business and in its own business operations.

The success of the Munich Re Group Ambition 2025 is measured using the following targets:

Our pledge to shareholders

Improved RoE, 2025	EPS growth[1]	DPS growth[1, 2]	Solvency II ratio in optimal range
14–16%	≥ 5%	≥ 5%	175–220%
Decarbonisation targets for thermal coal, oil and natural gas			

1 Average annual growth rate 2023–2025 based on the outlook for 2023.
2 In addition: dividend floor of at least previous year's DPS.

We want to generate an attractive return on equity (RoE) between 14% and 16%. The higher RoE achieved in the course of the strategy period through the end of 2025 – compared to our previous financial targets and in accordance with the provisions of IFRS 9 and IFRS 17 – will result from increased profitability, growth, and an improved return on investment.

Continued earnings growth is poised to translate into higher earnings per share, with a targeted average annual rise of 5% or more by 2025.

The implicit dividend commitment of recent decades is now an explicit target of the Munich Re Group Ambition 2025: in "normal" years, the dividend per share is to rise by 5% or more on average, similarly to the increase in earnings per share. In years with unusually high claims expenditure, it is expected that the dividend per share will at least remain the same.

We consider the optimum range for the solvency ratio to be 175% to 220%.

As an environmentally conscientious business, Munich Re has set medium- and long-term decarbonisation targets for its investments, its (re)insurance business and its own operations. We have outlined our aspirations in our Munich Re Ambition 2025.

Munich Re expressed this intention in the expectation that governments will meet their own pledges to achieve the goals of the Paris Agreement. With regard to the definition and scope of net zero, we will consider the latest insights from regulatory requirements when we define new targets.

Relevant details on our Ambition 2025 and our climate strategy can be found in the > Combined non-financial statement > Environmental information > Climate change > Climate strategy and the Munich Re Group Ambition 2025.

Reinsurance

Munich Re's strategic aim is to expand our position as a leading global reinsurer and, through GSI, to further consolidate our success in specialty primary insurance business through our special underwriting expertise.

Our reinsurance strategy likewise relies on the three pillars of Scale, Shape, Succeed – which define measures for achieving overarching objectives.

In traditional reinsurance, Munich Re is participating in the marked expansion of significant markets. Growth areas in our core business include the expansion of the market position in developed markets in North America, Europe, Asia and Australia – with a focus on risk expertise and underwriting quality. Munich Re is also growing in the emerging markets of Asia, the Middle East and Africa, and South America – in particular by offering bespoke services and products for cedants.

With regard to specialty primary insurance business within reinsurance, Munich Re focuses on North America, the United Kingdom and Europe, and has set itself the goal of being one of the world's leading specialty insurers by 2025. The bundling of activities in the GSI division aims to bring about a stringent market and broker strategy, as well as the consistent management of the following units: American Modern Insurance Group Inc. (American Modern), the Hartford Steam Boiler Inspection and Insurance Company (HSB), Munich Re Specialty – North America (MRS-NA) and Munich Re Specialty – Global Markets (MRS-GM). In this regard, Munich Re's goals are to create synergies in underwriting, sales and digitalisation, while also addressing the increased regulatory requirements for primary insurance business. At the beginning of 2025, the activities of the GSI division were transferred to a separate segment within the reinsurance field of business.

Munich Re's long-term competitiveness in traditional reinsurance and speciality primary insurance is particularly sustained by excellence in operations, the development of new product solutions, the use of new technologies, and new strategic initiatives in our business activities.

The focus of our excellence initiatives is on first-class underwriting and risk management at the highest level, practised client orientation and outstanding client management, accurate claims handling, agile and efficient processes, and the exploitation of synergies within the Group – both in partnerships in product and market development, and in the use of service functions.

Both traditional reinsurance and Global Specialty Insurance are constantly defining new topic areas and solutions to further develop the business. For example, Munich Re is driving forward product innovations for cyber, flooding, parametric covers, credit insurance and financially motivated reinsurance – for instance, by offering data-driven solutions and services under third-party brands, alongside its own reinsurance covers.

Data and AI are playing an increasingly important role in both specialty primary insurance and traditional reinsurance, principally in the form of AI-supported decision-making in reinsurance – especially in underwriting – and in terms of process automation and efficiency gains. Generative AI in particular opens up new opportunities to harness the potential of external data using pre-trained models and enables the quality of internal data to be improved through AI-supported data management. In reinsurance, our AI approach is complemented by our data strategy, which enables data-driven solutions and services to be provided in line with the needs of our business units, for example for use in risk assessment, loss projection and pricing.

Along with investing in innovation and digitalisation projects, the reinsurance field of business also operates as a venture capitalist. Beyond the objective of generating especially profitable returns on investment, the reinsurance field of business deploys venture capital to ensure the closest possible proximity to new technologies and emerging business models.

ERGO

ERGO's strategic aim is to continue growing profitably through 2025 and, as regards return on equity (RoE), to become one of the top primary insurers in Europe. To this end, ERGO's portfolio of strategic measures likewise relies on the three pillars Scale, Shape, and Succeed, which define steps for achieving overarching objectives.

One of ERGO's aims is to further improve its market position and profitability in Germany, with a focus on further developing its underwriting expertise and resolutely driving forward end-to-end process excellence, while generating strong growth with partners in multi-level sales (B2B2C) and through purely direct offers, as well as reducing IT, sales and operating costs. In international business, ERGO concentrates on Europe and Asia, where high-growth markets such as India, China and Thailand offer particularly promising opportunities.

The ever-increasing changes in markets caused by digital transformation and new patterns of customer behaviour demand flexibility in both services and products. In this context, ERGO is focusing consistently on the needs of its customers, who are increasingly using traditional and digital channels in parallel when seeking advice and purchasing insurance products.

The ongoing modernisation of IT infrastructures continues to play a key role here. In addition, ERGO is seeking a leading role in digitalisation by consistently driving forward traditional and generative AI, chatbots and virtual assistants, for example – with an eye to continually enhancing customer experience. ERGO aims at further increasing its competitive strength by transferring technology-based solutions and greater leveraging of cross-border synergies. ERGO will continue to rely on external and internal resources in generating innovative business ideas to further expand the business model along the entire insurance value chain and unlock growth potential in the digital world.

Tools of corporate management and strategic financial objectives

Munich Re's management philosophy – Based on value creation

The aim of Munich Re's management philosophy is to analyse risks from every conceivable angle and to assess and diversify them, creating lasting value for shareholders, clients, and staff in relation to the risks assumed. This is the aim of our active capital management and the consistent application of value- and risk-based management systems.

The framework for any business activity is our risk strategy, from which we derive our limit system and various reporting thresholds. Our economic capital resources, which we determine in accordance with the Solvency II supervisory regime, are a key element. We monitor a range of important additional conditions. These include national accounting regulations, tax aspects, liquidity requirements, supervisory parameters, and rating agency requirements.

Our value-based management is characterised by the following aspects:

- Risk capital, i.e. the capital required to cover the risks, is the foundation of our value- and risk-based management. The capital requirement corresponds to the solvency capital requirement under Solvency II, as determined on the basis of our certified internal risk model. Information on the internal model is provided in the > Risk report > Risk governance and risk management system > Risks depicted in the internal model.

- Consequently, business activities are assessed not only according to their earnings potential, but also relative to the extent of the risks assumed. Only the risk-return relationship reveals how beneficial an activity is from the point of view of our shareholders.

- With value-based corporate management tools, we ensure an economic valuation and the comparability of alternative initiatives.

Contrasting aspects have to be evaluated when selecting suitable target figures. On the one hand, the often-complex economic environment should be reflected as realistically as possible in order to emphasise added value as the Group's overriding guiding principle. On the other hand, targets should be straightforward and understandable for investors, staff, and the public.

The Group's corporate management tools

Our key corporate management tools at Group level are the IFRS net result and economic earnings. Together with the other performance indicators, they constitute the most important financial indicators of relevance for us. Since the introduction of IFRS 9 and IFRS 17, the Group's accounting in accordance with the IFRS Accounting Standards has provided a more accurate reflection of economic earnings, and therefore, greater transparency for our stakeholders.

The Group's corporate management tools

IFRS net result

Economic earnings

Other performance indicators

- Insurance revenue
- Combined ratio
- Total technical result for life and health reinsurance
- Return on investment (RoI)

IFRS net result

We use the IFRS net result as a standardised, accounting-based benchmark for the Group and its fields of business. The standardised approach of the IFRS net result makes it easier to understand the information in it; as such, it is a pivotal part of our financial reporting in capital markets.

Economic earnings

The starting point for value-based management is the economic value added, which we determine based on economic earnings. These earnings correspond with the change in eligible own funds under Solvency II, adjusted for items that do not represent economic value added – such as capital measures and changes in regulatory restrictions.

In particular, economic earnings comprise the contribution to profits from our new business, and changes in the value of in-force business against the previous year's assessment on account of technical factors. The development of eligible own funds is also considered because of the effect of capital market parameters on the asset and liability sides of the solvency balance sheet.

With respect to the management of economic value added, we use conceptually consistent value-based and risk-capital-based measurement approaches that are individually geared to the characteristics of each field of business. Our approach for property-casualty reinsurance – and for the new Global Specialty Insurance (GSI) segment that was created with effect from 1 January 2025 – is based on the adjusted result, which comprises the anticipated discounted cash flows of underwriting and an adjustment for major claims. In life and health reinsurance, we apply value added by new business and the change in value of in-force business, which are based on the solvency balance sheet. As part of our asset-liability management, we consider the excess return from our investment operations in reinsurance. The management tool of economic earnings is used directly for ERGO.

Other performance indicators

Insurance revenue from insurance contracts issued (insurance revenue)

Insurance revenue is a key indicator for corporate growth, both at Group level and for the individual fields of business. However, increases in this performance metric are not an inherently meaningful target for our Group, as we must always consider revenue growth as it relates to the profitability of the business we write.

Combined ratio

The combined ratio is a regularly used metric for property-casualty business. It is calculated as the percentage ratio of the insurance service expenses and insurance revenue, both of which on a net basis, i.e. after reinsurance cessions. The combined ratio is the sum of the loss ratio and the expense ratio. A combined ratio of 100% means that insurance revenue was sufficient to cover claims and costs.[1] Given that the combined ratio takes into account the time value of money and the uncertainty of future cash flows, it can also be used to assess economic profitability. It is only of limited suitability for comparing the financial performance of competitors owing to differing calculation methods and portfolio mixes. Generally, we aim to keep the combined ratio as low as possible by means of good underwriting and claims management.

Total technical result – Life and health reinsurance

Owing to the long-term nature of business in life and health reinsurance, the combined ratio used in property-casualty insurance is only of limited use in this segment. We therefore track and post the technical result for life and health reinsurance. It consistently combines underwriting business with insurance-related financial instruments.

Return on investment (RoI)

This is a key indicator of investment performance for Munich Re, on the basis of external reporting. It is derived from the investment result and the average market value of our investment portfolio.[2]

Strategic financial objectives as part of the Munich Re Group Ambition 2025

Munich Re publishes further performance indicators within the framework of its multi-year result ambition. Given the longer time horizon of several years and the correspondingly greater uncertainties, the result targets published for these performance indicators take the form of anticipated corridors or minimum targets only. You can find details of the objectives for the key indicators given here for the Munich Re Group Ambition 2025 under > Strategy.[3]

1 Details on determining the combined ratio can be found in the > Notes to the consolidated financial statements > Explanatory information > Segment disclosures > (7) Alternative performance measures.

2 The calculation of the RoI is described under > Business performance > Investment performance in the table "Investment result".

3 Information on the non-financial targets of the Munich Re Group Ambition 2025 can also be found in the > Combined management report > Strategy.

Return on equity (RoE)

The RoE is an important profitability KPI, which is of particular relevance in the medium term. It is calculated on the basis of the IFRS result in relation to the average IFRS equity at the beginning and end of the year. IFRS equity is adjusted in particular for changes outside profit or loss, for example the fair value reserve. Further adjustments are made to eliminate distortions attributable to intra-Group transactions.

The RoE is significantly influenced by the IFRS result. IFRS equity is affected by profits as well as by capital measures such as dividend payments and share buy-backs, in particular. The RoE is disclosed for the Group and for the reinsurance and ERGO fields of business.

Earnings per share

The earnings per share figure reflects the IFRS net result for a year in relation to the average number of outstanding shares at the beginning and end of the year. It is primarily influenced by the IFRS net result. The number of outstanding shares can change as a result of share buy-backs or other capital measures. Further information on the earnings per share is available in the > Notes to the consolidated financial statements > Explanatory information > Other information > (66) Earnings per share.

Dividend per share

The dividend per share reflects the dividends paid for one year in relation to the number of dividend-bearing shares. The number of shares can change as a result of share buy-backs or other capital measures.

Solvency ratio under Solvency II

The solvency ratio under Solvency II is the ratio of the eligible own funds to the solvency capital requirement. Information on solvency capital requirements and eligible own funds is available in the > Risk report.

Macroeconomic and industry environment

The global economy continued on its moderate growth trajectory in 2024. While what had previously been very strong growth in the United States tapered off slightly, the economy in the eurozone gradually recovered from stagnation, although Germany's economy contracted slightly. The rate of growth in China fell, prompting extensive fiscal support measures. Although rates of inflation in the United States and the eurozone alike were down year on year, price pressures in services remained high.

Capital markets

Major central banks started loosening the monetary policy reins in 2024 on the back of falling inflation. The European Central Bank started its cycle of rate cuts in June and had lowered the rate for its deposit facility from 4% to 3% by the end of the year. From September, the Federal Reserve in the United States took several steps to reduce the target corridor for its key rate from 5.25–5.5% to 4.25–4.5%. Yields on ten-year government bonds in the US and Germany moved within a slightly narrower range in 2024 than in 2023 and, over the year as a whole, remained more or less on par with the previous year on average, despite the key rate cuts. In the US, mounting inflation expectations associated with Donald Trump's election drove bond yields up. At the end of December, US yields were significantly higher, and German yields slightly higher, than at the start of the year.

Yields on ten-year government bonds

%	31.12.2024	Prev. year
USA	4.6	3.9
Germany	2.4	2.0

Important equity indices rose significantly in 2024, including the US Dow Jones Industrial Average and the EURO STOXX 50. Volatility on the international financial markets was low in the first half of the year. Prices slumped in August triggered by concerns surrounding the US economy, but volatility levels soon fell again.

Equity markets

	31.12.2024	Prev. year
EURO STOXX 50	4,896	4,522
Dow Jones Industrial Average	42,544	37,690

Exchange rate volatility was not particularly pronounced, as in the previous year. The US dollar gained ground against a large number of currencies in the fourth quarter as investors anticipated higher inflation and a delay in the cycle of interest rate cuts. At the end of December, the US dollar and the pound sterling were much higher – and the Polish zloty somewhat higher – against the euro compared with the start of the year. Looking at the year on average, however, the value of the US dollar remained unchanged against the prior-year period at €0.92. On average, the value of the pound sterling was somewhat higher against the euro in 2024; the value of the Polish zloty was much higher than the annual average in 2023. The value of the Canadian dollar against the euro was lower both on average year on year and when comparing the year's end with the start of the year.

Insurance industry

According to current extrapolations, premium income in the German insurance sector grew at a much faster rate in 2024 than in 2023. After several years of declining premium income, life insurance premiums rose slightly in 2024. Premium growth in private health insurance and, in particular, in property-casualty insurance was above the long-term average.

On a global level, a number of major property-casualty primary insurance markets in industrialised countries experienced strong growth in 2024 – resulting in a substantial increase in global premium income, even when adjusted for high inflation. Overall, the trend toward higher prices diminished in the renewal rounds for property-casualty reinsurance contracts. However, this trend varied significantly among regions and classes of business – depending on claims experience, loss expectations and the individual market situation.

Munich Re Group

Munich Re is one of the world's leading risk carriers and provides both insurance and reinsurance under one roof. This enables the Group to cover large stretches of the value chain in the risk market. Almost all reinsurance units operate under the uniform brand of Munich Re. ERGO is active in nearly all lines of life, health and property-casualty insurance. The majority of Munich Re's investments are managed by MEAG, which also offers its expertise to private and institutional investors outside the Group. For up-to-date information about Munich Re, visit www.munichre.com.

Group structure

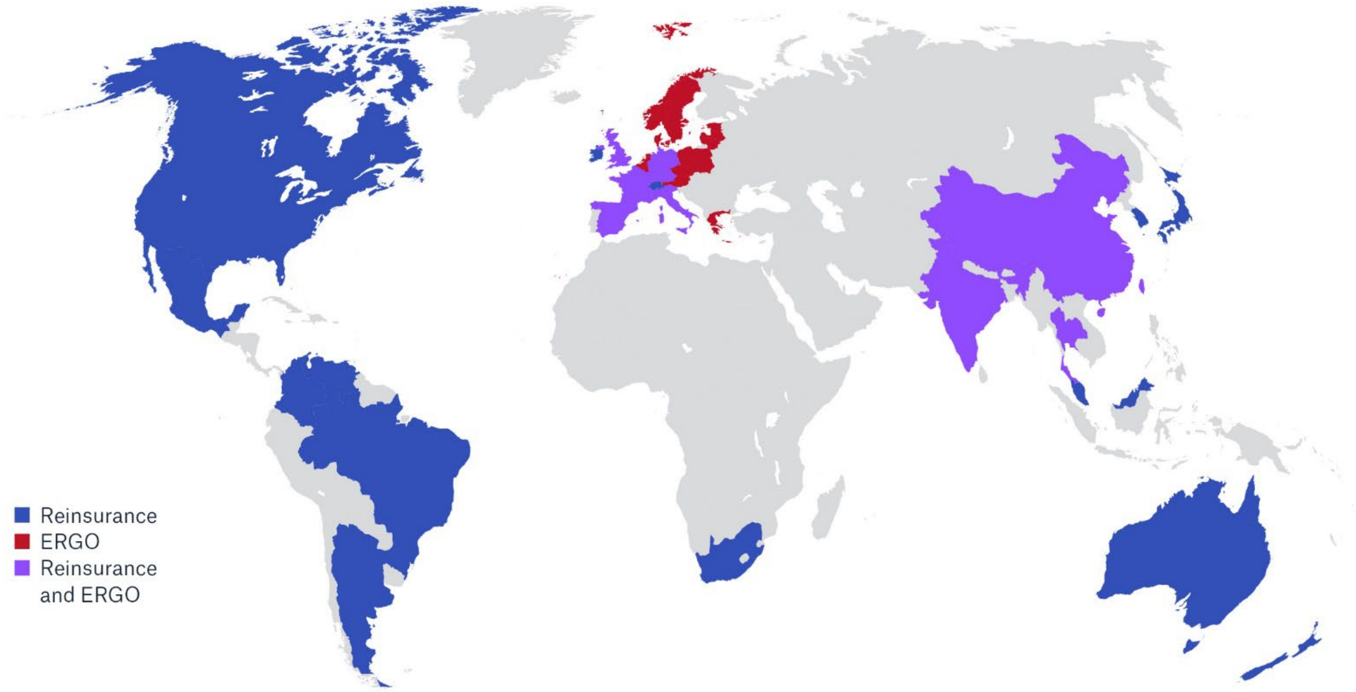
The reinsurance companies of the Group operate globally and in virtually all classes of business. Munich Re offers a full range of products, from traditional reinsurance to innovative solutions for risk assumption. Our companies conduct their business from their respective headquarters and via a large number of branches, subsidiaries and affiliated companies. Additionally, the reinsurance group includes specialty primary insurers, whose business requires special competence in finding appropriate solutions.

In ERGO, we combine our primary insurance activities. Some 65% of ERGO's insurance revenue derives from Germany, and 35% from international business – mainly from central and eastern European countries. ERGO also operates in Asian markets, particularly in India, China, and Thailand.

MEAG comprises MEAG MUNICH ERGO Asset-Management GmbH – which manages securities and property portfolios and provides investment consultancy exclusively for Munich Re Group companies – and MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, which manages segregated and retail funds with varying investment focuses and renders bespoke investment management services for non-Group institutional investors outside the USA.

Overview

	Munich Re Group				
Fields of business	Reinsurance		ERGO		
Segments	Life and health	Property-casualty	Life and Health Germany	Property-casualty Germany	International
Divisional units, markets and divisions	– Asia Pacific, Middle East, Africa – North America – Europe and Latin America – Markets	– Global Clients and North America – Europe and Latin America – Asia Pacific and Africa – Global Specialty Insurance	– Life Germany – Health Germany	– ERGO Versicherung Aktiengesellschaft, Düsseldorf, offering property-casualty insurance for retail, commercial and industrial customers	– Life insurance – Property-casualty insurance – Health insurance



Locations in which Munich Re conducts (re)insurance business via business units[1] (as at 31 December 2024):

Africa
South Africa

Asia
Bahrain
Greater China
India
Japan
Malaysia
Singapore
South Korea
Thailand

Australia and New Zealand

Europe
Austria
Belgium
Czech Republic
Denmark
Estonia
France
Germany
Greece
Ireland
Italy
Latvia
Lithuania
Luxembourg
Malta
Netherlands
Norway
Poland
Spain
Sweden
Switzerland
United Kingdom

Latin America
Argentina
Brazil
Colombia
Mexico
Venezuela

North America
Canada
USA

1 Including affiliated companies, associates, joint ventures and branches of (re)insurance companies of Munich Re.

Munich Reinsurance Company and ERGO Group AG are under unified control within the meaning of the German Stock Corporation Act (AktG). The relevant statutory regulations, control agreements and Group directives govern the distribution of responsibilities and competences for key decisions between Group management and ERGO. Control and profit-transfer agreements are in place with many Group companies, especially between ERGO Group AG and its subsidiaries.

Reinsurance

Our reinsurance group transacts life, health and property-casualty reinsurance business. Moreover, it includes primary specialty insurance activities that are handled by the reinsurance organisation, and business from managing general agents.

As reinsurers, we write our business in direct collaboration with primary insurers, via brokers and within the framework of strategic partnerships. In addition to traditional reinsurance business, we further operate as a primary insurer, participating in insurance pools, public-private partnerships and business in specialist niche segments. We furthermore offer our clients a wide range of special products as well as customised insurance solutions and services, which we manage from within our reinsurance organisation. Our clients thus have direct access to the expertise, innovative strength and capacity of a leading global risk carrier. Thanks to our capital management know-how, we are in demand as a partner for products geared to our clients' balance-sheet, solvency and rating-capital requirements, as well as their risk models.

Reinsurance – Life and health

We bundle our life and health reinsurance business worldwide in the life and health reinsurance segment. This is split into three divisions organised by geographical area, as well as an additional global division (Markets) that offers specialised solutions for hedging capital market risks.

This segment focuses on traditional reinsurance solutions primarily geared to the transfer of insurance risks, mortality risk accounting for the largest share of this. Moreover, we are active in the market for living benefits products. These include insurance products for occupational disability, long-term care, and critical illness. We also provide capacity for longevity risks.

In addition, we support our customers with a wide range of services along large stretches of the value chain. These include the development of new insurance products as well as digital and automated solutions for risk assessment and claims handling.

Alongside conventional solutions for the coverage of insurance risks, we also offer tailor-made structured strategies to optimise capitalisation, liquidity, or other key metrics.

Our Markets division pairs our global expertise with a range of services for capital market risks, which are often a component of savings, investment and pension products. We provide our clients with comprehensive advice on product design while offering hedging for embedded options and guarantees linked to capital markets. Our own exposure is transferred back to the capital markets.

In order to ensure proximity to our clients, we are represented in many markets with local subsidiaries and branches. We service the extremely important North American market via our Canadian branch and our subsidiary in the US. In Europe, we have operations in Germany, the United Kingdom, Switzerland, Spain, Italy and Malta. We also operate subsidiaries in Australia, Brazil and South Africa (the latter's business was transferred to a newly founded South African branch of Munich Reinsurance Company as of 1 January 2025), and have branches in various Asian and South American markets.

Reinsurance – Property-casualty

The Global Clients and North America division handles our accounts with major international insurance groups, globally operating Lloyd's syndicates and Bermuda companies. It also pools our reinsurance know-how in the North American market for property-casualty business – in particular that of our Munich Reinsurance America Inc. subsidiary domiciled there – and for global large-risk business, which is pooled in our Facultative & Corporate unit.

Our Europe and Latin America division is responsible for property-casualty business with our clients from Europe, Latin America and the Caribbean. Business units – for example, in London, Madrid, Paris and Milan – afford us market proximity and regional competence. In the Latin American markets, our Brazilian subsidiary Munich Re do Brasil Resseguradora S.A. (which is headquartered in São Paulo) and our representative offices in Bogotá and Mexico City help to ensure client proximity. Our Europe and Latin America division also includes the credit business – where Munich Re operates as a reinsurer and primary insurer – and New Reinsurance Company Ltd., which is domiciled in Zurich.

The Asia Pacific and Africa division conducts property-casualty reinsurance business with our clients in Africa, Asia, Australia, New Zealand and the Pacific Islands. Branches in Mumbai, Beijing, Hong Kong, Seoul, Singapore, Sydney and Tokyo, along with representative offices in Bangkok, Taipei and Dubai, allow us to take full advantage of opportunities in the rapidly growing Asia-Pacific insurance market. In the African market, we were represented prior to 2025 by a subsidiary in Johannesburg; effective 1 January 2025, its business was transferred to a newly founded South African branch of Munich Reinsurance Company. These units and other representative offices guarantee our competitiveness in these key markets.

The Global Specialty Insurance (GSI) division comprises worldwide specialty property-casualty business along with special-lines business, such as professional liability, marine, cyber, aviation and space. HSB and American Modern – two large subsidiaries domiciled in the USA and operating in the field of specialised insurance activities – are allocated to this division, as are Munich Re Specialty – North America (MRS-NA), and Munich Re Specialty – Global Markets (MRS-GM). The GSI units specialise in products for which – like in reinsurance – expert risk understanding as well as insightful claims handling are paramount. American Modern offers specialty personal lines products in the USA. MRS-NA offers various specialty commercial insurance products in the North American market. HSB is a leading global provider of products that depend on expertise in engineering, loss control and risk management. MRS-GM, in turn, through use of the Munich Re Syndicate and other subsidiaries, is a leading global provider of marine insurance and insurance solutions for the aviation industry. Effective 1 January 2025, the activities of the GSI division were transferred to a separate segment within the reinsurance field of business.

ERGO

Munich Re's second pillar is primary insurance business.

ERGO Deutschland AG manages German business under the ERGO Group AG umbrella, with ERGO International AG responsible for international business. ERGO Technology & Services Management AG has a transnational mandate as a global technology and service provider for ERGO as a whole. It is also responsible for digitalisation activities, Group marketing, and global sales partnerships within ERGO Group AG.

ERGO offers products in all the main classes of insurance: life insurance, health insurance, and in nearly all lines of property-casualty insurance, as well as travel insurance and legal protection insurance. With these products – in combination with the provision of assistance, other services and individual consultancy – ERGO covers the needs of retail and corporate clients. ERGO serves some 31 million mostly retail customers in over 20 countries, with the focus on Europe and Asia. The latest information on ERGO can be found at www.ergo.com.

In Germany, the focus is on sustainable and profitable growth. ERGO Versicherung AG is one of the largest providers of property-casualty insurance across nearly all classes of business, offering a wide range of products for retail, commercial and industrial clients. ERGO Vorsorge Lebensversicherung AG is ERGO's life insurer for capital-market-linked and biometric products. It offers solutions for all three types of old-age provision, mainly based on innovative and flexible unit-linked insurance products. ERGO Lebensversicherung AG and Victoria Lebensversicherung AG are concentrating on running off their traditional life insurance portfolios. DKV Deutsche Krankenversicherung AG offers a comprehensive portfolio in the healthcare sector: comprehensive private health insurance, products designed to supplement statutory health cover, and company health insurance. ERGO Krankenversicherung AG focuses on products that supplement statutory health insurance, especially supplementary dental plans. ERGO Reiseversicherung AG is one of the leading travel insurers in Germany and Europe as a whole.

In Germany, ERGO's tied agents (agency sales), ERGO Pro (structured sales force) and the Bancassurance channel are bundled under one roof in the sales company ERGO Beratung und Vertrieb AG. The latter is managed by ERGO Deutschland AG together with direct sales. ERGO Deutschland AG manages its broker and partner sales in its Property-casualty, Health Germany and Life Germany divisions, depending on class of business.

We developed all of our German sales organisations further in 2024 – in particular with regard to digitalisation and the ongoing implementation of the "hybrid customer" business model, which offers customers an essentially identical range of products via all online and offline channels. ERGO is thus making integrated use of various channels – such as face-to-face consultation, internet, online chat, email, telephone and video consultation – to leverage new potential.

ERGO International AG coordinates and manages ERGO's international operations. The focus is on sustainable profitable and organic growth in European core markets and on expanding market positions in selected Asian countries. In the reporting year, this strategy allowed ERGO International AG to maintain its good positions on the individual markets. ERGO International AG also signed an agreement with Gjensidige Forsikring ASA at the end of July to acquire the latter's Lithuanian subsidiary ADB Gjensidige – including the branches in Estonia and Latvia. ERGO can thus enhance its market position in all three Baltic states. In April 2024, ERGO International AG acquired Storebrand ASA's shares in the Norwegian health insurance joint venture Storebrand Helseforsikring AS, making ERGO International AG the company's sole owner. Storebrand Helseforsikring AS was renamed ERGO Forsikring AS in October.

The Indian joint venture HDFC ERGO General Insurance Company Ltd. focused on optimising its underwriting and restructuring its portfolio in 2024. In China, ERGO holds a 65% majority stake in the Chinese life insurance joint venture ERGO China Life Insurance Co., Ltd. As for the Chinese property insurance market, ERGO holds an interest in Taishan Property & Casualty Insurance Co., Ltd. In Thailand, ERGO concentrated in 2024 once again on the property insurance market, which is not only the largest in Southeast Asia but also shows significant growth potential. In this market, ERGO Insurance Thailand Public Co. Ltd. achieved good premium growth last year and managed to improve its market position; it is now one of the country's ten largest property insurers.

ERGO Technology & Services Management AG is a dedicated arm of ERGO Group AG in charge of providing digital platforms, solutions and services. It has a global remit and supports ERGO in designing optimum insurance products and fostering the most effective customer channels. It consists of ITERGO GmbH in Germany, ERGO Technology & Services S.A. in Poland, and ERGO Technology & Services Private Limited in India.

Since early 2024, a newly created Board member division within ERGO Group AG has been responsible for ERGO's digital transformation, which includes the coordination of technologies – such as bots, artificial intelligence, voicebots, process mining and virtual reality. The new division also oversees the Embedded Insurance business. Since the beginning of 2024, ERGO Deutschland AG has been responsible for controlling the operative business of the digital insurer nexible Versicherung AG, ERGO Reiseversicherung AG and the ERGO Mobility Solutions division, for which ERGO Digital Ventures AG was previously responsible.

We made changes to the segmentation within the ERGO field of business at the start of 2025. In future, we will be reporting largely at the level of ERGO Germany and ERGO International, and will continue to publish selected metrics for ERGO Life and Health Germany and ERGO Property-casualty Germany.

Our brands

Munich Re Group

- Munich Re
- Munich Re Specialty
- American Modern
- Hartford Steam Boiler
- NewRe
- Med Net
- Parachute Digital Solutions

- ERGO
- ERGO Travel Insurance
- DKV
- nexible

- MEAG

The names of the individual entities and information on the shares held can be found in the > Notes to the consolidated financial statements > List of shareholdings as at 31 December 2024 pursuant to Section 313(2) of the German Commercial Code (HGB).

Business performance

Overall assessment by the Board of Management on the business performance and situation of the Group

Key figures

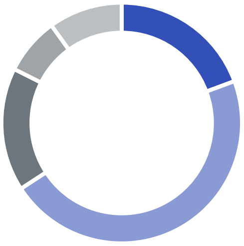
		2024	Prev. year	Change
				%
Insurance revenue from insurance contracts issued	€m	60,830	57,884	5.1
Combined ratio				
Reinsurance – Property-casualty	%	82.4	85.2	
ERGO Property-casualty Germany	%	89.2	88.9	
ERGO International	%	91.9	90.1	
Total technical result	€m	8,918	7,545	18.2
Investment result	€m	7,191	5,374	33.8
Currency result	€m	175	–292	–
Investment result for unit-linked life insurance	€m	941	816	15.4
Net financial result	€m	1,198	507	136.3
Taxes on income	€m	–2,091	–936	–123.3
Net result	€m	5,671	4,597	23.4
Investments	€bn	230.7	218.5	5.6
Insurance contracts issued and reinsurance contracts held (net)	€bn	211.5	203.4	4.0
Contractual service margin (CSM)[1]	€bn	27.6	25.1	9.6
Equity	€bn	32.7	29.8	10.0
Return on equity (RoE)[2]				
Group	%	18.2	15.8	
Reinsurance	%	18.5	16.2	
ERGO	%	16.5	14.4	
Earnings per share	€	42.78	33.88	26.3
Dividend per share	€	20.00	15.00	33.3
Economic earnings	€bn	9.3	5.6	66.4
Solvency II ratio[3]	%	287	267	

1 Including net cost/gain resulting from reinsurance contracts held.
2 Further information about this indicator can be found in the > Combined management report > Strategy and > Tools of corporate management and strategic financial objectives. Information on calculation of the RoE can be found in the > Notes to the consolidated financial statements > Explanatory information > Segment disclosures > (7) Alternative performance measures.
3 Does not include transitional measures.

Munich Re generated a net result of €5.7bn in 2024, thus exceeding our profit guidance from the beginning of the financial year thanks to sustained good operational performance in all business segments. Despite an active hurricane season in the North Atlantic, exceptionally high natural catastrophe losses in Canada, and wildfires and severe flooding in various parts of the world, we managed to achieve an improved total technical result in property-casualty reinsurance compared with the previous year. The life and health reinsurance segment and an overall high investment result also contributed to the higher net result.

Due to favourable performance in all segments, the Group's insurance revenue from insurance contracts issued (insurance revenue) rose by 5.1% to €60,830m (57,884m). The reinsurance field of business generated insurance revenue of €40,034m (37,786m), equating to growth of 5.9%. This development was boosted by organic growth in both reinsurance segments. Insurance revenue rose by 3.5% to €20,796m (20,098m) in the ERGO field of business.

Insurance revenue from insurance contracts issued



	Reinsurance – Life and health	19%	(19%)
	Reinsurance – Property-casualty	46%	(47%)
	ERGO Life and Health Germany	17%	(17%)
	ERGO Property-casualty Germany	8%	(8%)
	ERGO International	10%	(10%)

The life and health reinsurance segment contributed €1,681m (1,428m) to the net result, which was higher year on year. At €2,104m (1,433m), the total technical result outperformed the target for the year under review. This increase was driven by both robust growth in new large-volume transactions in North America and the very pleasing rise in the result from insurance-related financial instruments.

The property-casualty reinsurance segment contributed €3,199m (2,448m) to the net result, with the increase owing in particular to the substantial rises in both insurance revenue and the net financial result. The combined ratio was 82.4% (85.2%) of net insurance revenue. Overall major-loss expenditure totalled €3,885m (3,278m) and corresponded to 14.3% (12.6%) of net insurance revenue, which was roughly in line with our major-loss expectation of 14%. Major losses from natural catastrophes rose to €2,644m (2,335m). The largest natural catastrophes in the year under review occurred in the United States. The largest individual losses were Hurricane Helene (anticipated claims costs of about €0.5bn) and Hurricane Milton (approximately €0.4bn). Man-made major losses amounted to €1,241m (943m). This year-on-year rise in expenditure was in part due to the collapse of the Francis Scott Key Bridge in Baltimore after a ship hit the bridge.

With its contribution of €791m (721m) to the net result, the ERGO field of business surpassed the previous year's result and met its target for the financial year of approx. €0.8bn. The ERGO Life and Health Germany segment's result amounted to €230m (183m), attributable to a release of the contractual service margin in line with expectations, higher claims in short-term health business, and offsetting, positive one-off effects. The ERGO Property-casualty Germany segment's contribution to the net result increased to €260m (252m). It was possible to offset higher major-loss expenditure thanks to favourable operational development and a considerably higher net financial result. The ERGO International segment improved its contribution to the net result to €301m (286m), underpinned by strong operational performance – particularly regarding both property-casualty business in Poland and Greece and health business in Belgium.

Munich Re's investment result increased substantially to €7,191m (5,374m) in 2024. Overall, this represents a return on investment of 3.1% (2.5%) on the average market value of our portfolio. Our investment result benefited in the reporting year from higher regular income, which was particularly attributable to sustained high interest rates and a consequently stable reinvestment yield; upward trends in equity markets and the resultant fair-value changes likewise boosted the investment result. We also achieved increases in the value of alternative investments, especially private equity. However, these gains were offset by losses from the disposal of fixed-interest bonds, which we realised deliberately in order to benefit from higher reinvestment yields.

The currency result increased to €175m (–292m), mainly on account of currency gains against the US dollar. The effective tax rate was 26.9% (16.9%), in line with expectations. In 2023, the effective tax rate had been much lower on account of positive one-off effects.

In the 2024 financial year, economic earnings of €9,337m were mainly attributable to factors from new and in-force business deriving from underwriting, and to the impact of capital market parameters on assets and liabilities. Successful operational value creation in reinsurance and primary insurance, with major-loss expenditure in line with expectations, had a positive influence on economic earnings. Developments in the capital markets also boosted economic earnings in the financial year, attributable in particular to the appreciation of important foreign currencies against the euro as well as trends in the equity markets and gains from credit risk premiums – all of which offset negative effects pertaining to fixed-interest investments.

Munich Re issued a subordinated bond with a volume of €1.5bn in May 2024. This bond will mature on 26 May 2044 and is callable for the first time in 2033. The bond pays a fixed rate of 4.25% p.a. until 26 May 2034, and a variable rate thereafter. In addition, the bond meets the criteria for classification as regulatory Tier 2 capital under Solvency II, as well as the current requirements for full recognition as rating capital.

Information on events after the balance sheet date can be found in the > Notes to the consolidated financial statements > Explanatory information > Other disclosures > (65) Events after the balance sheet date.

Comparison of the prospects for 2024 with the result achieved

Munich Re

Comparison of prospects for Munich Re in the 2023 annual report with results achieved

		Outlook 2024	Adjustment 2024	Result 2024
Insurance revenue from insurance contracts issued	€bn	59	61	60.8
Total technical result – Life and health reinsurance	€bn	1.5	2.0	2.1
Combined ratio – Property-casualty reinsurance	%	82	83	82.4
Combined ratio – ERGO Property-casualty Germany	%	87	89	89.2
Combined ratio – ERGO International	%	90	92	91.9
Return on investment	%	more than 2.8	more than 2.8	3.1
Net result	€bn	5.0	more than 5.0	5.7
Economic earnings	€bn	more than 5.0	more than 5.0	9.3

The economic environment in the reporting year was marked by sustained volatility in capital markets. Geopolitical tensions were further exacerbated in 2024 and continued to pose challenges for the entire insurance industry.

Despite the challenging environment, Munich Re's performance was very encouraging. After Q3, we were able to raise the result targets initially announced. In addition to announcing that we were expecting to outperform the annual target for our net result, we increased our profit guidance for the reinsurance field of business and the target for total technical result in the life and health reinsurance segment. As a result of high major-loss expenditure in Q3 2024, we slightly raised our forecast for the combined ratio with regard to the segments property-casualty reinsurance, ERGO Property-casualty Germany and ERGO International.

At the beginning of 2024, we had projected Munich Re insurance revenue for the financial year as a whole of around €59bn. Following good business performance, we increased our target during the year to €61bn. By generating insurance revenue of €60.8bn, we reached our target.

At the beginning of the year, we had anticipated a net result of around €5.0bn for the 2024 financial year, which was raised to more than €5.0bn following Q3 due to positive business performance in the reinsurance field of business. We achieved our target by posting a result of €5.7bn, which was mainly attributable to pleasing operational performance in reinsurance.

At the beginning of the year, we had forecast a return on investment of above 2.8%. Due to the rise in interest rates, regular income from interest-bearing securities increased more than expected. This effect was compounded by generally favourable conditions on the stock markets and positive currency translation effects. For the Group, this amounted to a return of 3.1% on the average market value of our portfolio. Accordingly, we surpassed our target.

For the 2024 financial year, we had expected economic earnings of over €5.0bn and exceeded this target by a wide margin with a figure of €9.3bn. Both our fields of business reported positive value added by new business, with the reinsurance field of business also reporting distinctly positive experience adjustments regarding in-force business. Major-loss expenditure was in line with expectations. The development of important capital market parameters also had a positive effect on the result. The appreciation of important foreign currencies against the euro and gains from credit risk premiums offset losses from fixed-interest investments – in turn leading to a better-than-expected contribution to the result, also in the capital market.

Reinsurance

At the beginning of the financial year, we had aimed for insurance revenue of around €39bn for the reinsurance field of business. We raised this forecast to €40bn after Q3. At €40.0bn, we reached the adjusted target.

The substantial increase in insurance revenue was due to an expansion of business across almost all lines and regions. If exchange rates had remained unchanged, insurance revenue would have risen somewhat more year on year. The main driver in life and health reinsurance was large-volume treaties (especially in North America), while property-casualty reinsurance was chiefly driven by the expansion of existing and acquisition of new business with selected clients – particularly in our specialty primary insurance units in North America. We realised growth in reinsurance business with natural hazard exposure in Europe, South America and Asia in particular.

At the beginning of the year, we had projected a total technical result of around €1.45bn in life and health reinsurance. Owing to the gratifying business performance in Q3 in particular, we significantly raised our expectation for the full-year total technical result to about €2.0bn. We surpassed this target by posting €2.1bn, with positive currency effects also supporting performance.

At the beginning of the financial year, our declared goal was to achieve a combined ratio of 82% of net insurance revenue in property-casualty reinsurance. Upon communicating the Q3 results, we adjusted this target to around 83% owing to higher expenditure for major losses. At the end of the reporting year, the ratio – at 82.4% – was better than the revised target. Amounting to 14.3% of net insurance revenue, major-loss expenditure was close to our expectation of 14%.

At €4.9bn, the net result for reinsurance as a whole in 2024 was above the forecast, which we had raised after Q3 from approximately €4.2bn to more than €4.2bn.

ERGO

For the ERGO field of business, we had projected insurance revenue of around €20bn at the beginning of the year. Following good business performance in the first nine months of the year, we increased our target for the full year to €21bn. With €20.8bn, we also achieved this target.

At the beginning of the year, we had forecast a combined ratio of around 87% in the ERGO Property-casualty Germany segment – assuming that major losses remained within normal bounds. Upon communicating the Q3 results, we adjusted this target to around 89% on account of higher, inflation-induced motor claims and higher expenditure for major losses. We reached this target with 89.2%.

In the segment ERGO International, we had aimed for a combined ratio of around 90% at the beginning of the year, provided major losses remained within normal bounds. Upon communicating the Q3 results, we adjusted this target to 92% owing to high major-loss expenditure from natural catastrophes, in particular in Poland and Austria. With a combined ratio of 91.9%, we met this adjusted target.

At the beginning of the year, we had anticipated that the ERGO field of business would contribute around €0.8bn to the net result. With its result of €791m, ERGO matched our expectations.

Business performance of the segments

Reinsurance – Life and health

Key figures

		2024	Prev. year	Change
				%
Insurance revenue from insurance contracts issued	€m	11,767	10,725	9.7
Share of insurance revenue in reinsurance	%	29.4	28.4	
Total technical result	€m	2,104	1,433	46.8
Net financial result	€m	274	424	–35.4
Thereof: Investment result	€m	475	608	–21.8
Operating result	€m	2,228	1,686	32.1
Net result	€m	1,681	1,428	17.7

Insurance revenue

We write the majority of our business in non-euro currencies (around 95%). Exchange-rate fluctuations can therefore have a significant impact on the development of insurance revenue. In the reporting year, exchange rates had a negligible impact on revenue development.

After adjustments to reflect exchange rates, our insurance revenue increased by 9.6% year on year. The increase is mainly attributable to our business in North America and the United Kingdom, and was driven by the execution of large-volume transactions and the ongoing expansion of our longevity business.

The growth in our financially motivated reinsurance, on the other hand, is not reflected in the insurance revenue, as the majority of contracts are presented under insurance-related financial instruments.

Result

The total technical result improved significantly year on year, slightly exceeding our guidance for the reporting year, which we revised upward after Q3.

It comprises the insurance service result and the result from insurance-related financial instruments.

The insurance service result is substantially driven by the release of the contractual service margin and the risk adjustment for non-financial risk.

New business developed very favourably and made a positive contribution to the result. This included, in particular, large-volume transactions in North America concluded before the turn of 2023/2024 and in the first quarter of this year. Overall, claims development in the portfolio was better than expected, which also benefited the result. This included mortality business in the US. Improved terms and conditions for a number of existing contracts also had a positive impact. By contrast, the annual review of our underwriting assumptions and subsequent adjustment of our reserves had a modest negative effect on the insurance service result overall.

Financially motivated reinsurance that does not transfer significant insurance risk is the main contributor to the result from insurance-related financial instruments. The result from this portfolio developed very favourably, with contracts largely performing as expected. The result presented here is influenced by changing economic parameters, in particular exchange rates. These had a positive effect in the reporting year.

The investment result fell significantly by €133m compared to the previous year. Sustained high interest rates facilitated an ongoing profitable reinvestment yield, making it possible to replace fixed-interest securities that were maturing or had been disposed of with new investments at higher interest rates – in turn strengthening regular income for some time to come. Increases in the value of equities and derivatives, in particular, also contributed to the generally positive result. Nevertheless, the overall result declined year on year due to losses on the disposal of fixed-interest securities that were realised in order to benefit from higher reinvestment yields.

Our individual core markets

Based on insurance revenue, around 55% of our reinsurance business was written in North America, with the US accounting for approximately 40% and thus ranking before Canada. Some further 25% of our insurance revenue stemmed from Europe, with approximately 20% generated in the United Kingdom and Ireland. Another significant share of around 15% came from Asia and the MENA (Middle East, North Africa) region. Australia and New Zealand contributed around 5% to our insurance revenue. We are also well positioned in Africa and Latin America, but due to the small size of the markets their share of our global business is small.

In the US, insurance revenue increased to about €4.9bn (4.0bn), with the writing of several large treaties supporting this significant growth. The insurance service result showed encouraging development as well, with claims expenditure in the portfolio proving to be lower than we expected overall. We also achieved a further increase in the result from insurance-related financial instruments.

In Canada, our insurance revenue was largely unchanged at €1.3bn (1.3bn). We remain very satisfied with our portfolio development and the profitability of the business. The total technical result was within the expected range.

Insurance revenue was up in Europe, rising to €2.9bn (2.6bn), with €2.6bn (2.2bn) stemming from the United Kingdom and Ireland. Our longevity business continued to expand very pleasingly, boosting insurance revenue. The total technical result was within the expected range.

In Asia/MENA, our insurance revenue decreased to €1.8bn (2.0bn). By contrast, the total technical result outstripped our expectations, boosted in particular by the result from insurance-related financial instruments.

The insurance revenue generated by our business activities in Australia and New Zealand fell to €507m (578m), as we continued to take a very selective approach to writing new business. The total technical result was positive, reflecting the benefits of the rehabilitation measures we have taken in recent years.

Reinsurance – Property-casualty

Key figures

		2024	Prev. year	Change
				%
Insurance revenue from insurance contracts issued	€m	28,267	27,061	4.5
Share of insurance revenue in reinsurance	%	70.6	71.6	
Loss ratio	%	66.5	69.8	
Thereof: Major losses	Percentage points	14.3	12.6	
Expense ratio	%	15.9	15.4	
Combined ratio	%	82.4	85.2	
Total technical result	€m	4,830	3,968	21.7
Net financial result	€m	739	88	737.2
Thereof: Investment result	€m	2,698	1,824	47.9
Operating result	€m	4,727	3,052	54.9
Net result	€m	3,199	2,448	30.7

Insurance revenue

Our insurance revenue from insurance contracts issued (insurance revenue) in property-casualty reinsurance was up 4.5% on the previous year, although changes in exchange rates had a negative impact on revenue development. 15% of the portfolio was written in euros and 85% in foreign currencies, of which about 57 percentage points was in US dollars and around 8 percentage points in pounds sterling. If exchange rates had remained unchanged, insurance revenue would have risen by 4.8% year on year.

The substantial increase in insurance revenue was due to an expansion of business across almost all lines and regions. The main drivers were the expansion of existing and acquisition of new business with selected clients – particularly in our specialty primary insurance units in North America. We realised growth in reinsurance business with natural hazard exposure in Europe, South America and Asia in particular.

Prices at the reinsurance contract renewals in 2024 developed positively overall, and for the most part more than compensated for the significantly higher loss estimates in some areas – owing especially to inflation and other loss trends. Risk-adjusted prices rose slightly, especially in regions affected by natural catastrophes. Primary insurance prices also climbed in many markets. Overall, price gains were evident around the world to varying degrees. For Munich Re, risk-adjusted prices for the 2024 renewals increased by approximately 0.2%.

Quality continues to play an important role in the selection of reinsurers. This makes it possible for financially solid reinsurers to position themselves as reliable long-term partners. Overall, we are adhering to our clearly profit-oriented underwriting policy.

Result[1]

The net result and the total technical result in property-casualty reinsurance improved year on year. The better net result was due in particular to the substantial rises in both insurance revenue and the net financial result, the latter being attributable to a higher current return on investment and a greater currency result. Adjusted for commissions, Munich Re's customary review of its provisions resulted in a reduction in the basic claims provisions for prior years of €1,351m for the full year, which is equivalent to 5.0 percentage points of the combined ratio. This positive development extended to almost all lines in our portfolio. The safety margin in the provisions remained stable year on year.

Major losses – in excess of €30m each – totalled €3,885m (3,278m) after retrocession and before tax. This amount includes run-off profits and losses for major claims from previous years, and is equivalent to 14.3% (12.6%) of net insurance revenue. Expenditure was slightly higher than in the previous year and roughly in line with our major-loss expectation of 14% of net insurance revenue.

Man-made major losses totalling €1,241m (943m) were up from the previous year, with increased expenditure here attributable in part to the collapse of the Francis Scott Key Bridge in Baltimore after a ship hit the bridge. Expenditure for man-made major losses was equivalent to 4.6% (3.6%) of net insurance revenue. The number of losses above our major-loss threshold was comparable to the previous year.

Major losses from natural catastrophes totalled €2,644m (2,335m), equivalent to 9.8% (9.0%) of net insurance revenue. The largest natural catastrophe losses of the year happened in North America – with Hurricane Helene in the southeastern United States leading to Munich Re's largest single claims event in 2024, at a nominal amount of approximately €0.5bn. In addition, there were numerous flood, thunderstorm and storm events, particularly in North America, the Caribbean and Europe.

The combined ratio decreased to 82.4% (85.2%) on account of higher insurance revenue and in spite of higher major-loss expenditure. Net insurance service expenses totalled €22,317m (22,187m) and net insurance revenue amounted to €27,092m (26,036m).

The investment result increased significantly by €874m compared to the previous year. Sustained high interest rates facilitated an ongoing profitable reinvestment yield, as it was possible to replace fixed-interest securities that were maturing or had been disposed of with new investments at higher interest rates – in turn strengthening regular income for some time to come. Equities and derivatives boosted the investment result in line with the market trends. Losses were once again incurred on the disposal of fixed-interest securities in the reporting year in order to benefit from higher reinvestment yields.

Our individual core markets and selected special lines

In terms of insurance revenue, around 45% of our global property-casualty reinsurance business was written in North America. We generated about 35% of our revenue in Europe, of which approximately 15% was in the United Kingdom. Further substantial contributions were made by Asia and Australia/New Zealand (about 15%), as well as Africa and Latin America (approximately 5%).

Prices in the US reinsurance market remained stable, at a good level. Major losses from natural catastrophes were within our anticipated range, despite storm events such as Hurricanes Beryl, Debby, Helene and Milton; experts had indeed predicted an especially active 2024 hurricane season.

In the year under review, insurance revenue for US reinsurance business increased thanks to the positive market environment. In addition, we carried out portfolio optimisation measures including selective portfolio restructuring and quota share reductions, particularly in third-party liability and cyber business.

In Canada, we are represented by the Munich Reinsurance Company of Canada and Temple Insurance Company. By virtue of the positive market environment, insurance revenue rose further to €567m (551m). Lower year on year, the result was substantially impacted by expenditure for natural catastrophes – including a hailstorm in Calgary, Hurricane Debby, and wildfires in the Canadian province of Alberta.

Insurance revenue in the United Kingdom and in continental Europe dropped year on year to €9,787m (10,277m) on account of portfolio optimisations. We managed to generate growth through the acquisition of profitable new business and the targeted development of business with existing clients – particularly in France, Italy and Spain. Thanks to a favourable environment, it was possible to post high growth rates – especially through business involving natural hazards – in nearly all markets.

At our Swiss subsidiary, New Re, property-casualty reinsurance revenue amounted to €1,319m (1,316m).

Insurance revenue in Australia and New Zealand was down slightly to €1,412m (1,431m) due to currency translation effects. Adjusted for exchange rates, revenue remained largely unchanged.

1 The data above on major losses was calculated to include the effects of discounting and risk adjustments, unless the explanatory notes indicate that this is a nominal amount.

Business in Japan, which is strongly focused on natural hazard risks, was on a par with the previous year, with insurance revenue amounting to €516m (519m); when adjusted for exchange rates, revenue was higher.

As in previous years, insurance revenue in China grew particularly in core proportional business – amounting to €712m (676m) overall.

We discontinued business in India's agricultural sector that did not meet our profitability requirements. As a result, insurance revenue declined slightly to €588m (626m).

In the Caribbean, Central America and South America, we still provide high capacity for the coverage of risks from natural hazards, in particular windstorms and earthquakes. The elevated demand due to major losses from natural catastrophes (hurricanes, floods, earthquakes and wildfires) in recent years remained at a high level in the year under review. We took advantage of this situation to further optimise our portfolio. More specifically, we grew the already high insurance revenue volume attained in recent years to €1,268m (1,153m) and achieved a further margin improvement through targeted rate increases.

The result in agricultural insurance showed encouraging development; we discontinued some business in South America, India and other markets by means of more restrictive underwriting.

Buoyed by a market that remained positive, insurance revenue in marine reinsurance grew by around 7% to €575m (539m)[1]. The fundamentally positive result was impacted by claims expenditure attributable to the collapse of the Francis Scott Key Bridge in Baltimore.

At €847m (801m)[1], revenue from credit and bond reinsurance saw significant year-on-year growth. Whilst traditional credit business generated a slight rise, this growth was once again largely attributable to profitable new business in specialty and niche segments.

Insurance revenue in aviation and space reinsurance showed a slightly positive development at €222m (218m)[1]. The profitability of the business improved on the previous year, as indicated by the higher result.

The market environment in direct industrial insurance continued to be attractive in the year under review. Renewals in the market were characterised by selective expansion and targeted reductions alike, resulting in lower revenue of €1,674m (1,721m). While the result was down on the previous year, it remained positive.

Our Capital Partners division offers clients a broad range of structured individual reinsurance and capital market products, as well as parametric and derivative solutions to hedge against weather and other risks. These solutions also cover the agricultural sector. We also use this division's services for our own purposes in order to buy retrocession cover on the basis of our defined risk strategy.

Insurance revenue generated by the Global Specialty Insurance (GSI) division increased to €8,781m (7,961m). In terms of business development, GSI benefited from its successful business expansion and higher rates. Expenditure for major losses adversely impacted the results – primarily attributable to Hurricanes Helene and Milton, but also to yet another year of high losses caused by other storms in the United States. Both aviation and space as well as marine were impacted by man-made major losses. New business and higher rates helped to boost insurance revenue at American Modern to €2,199m (1,817m). However, the result fell short of expectations on account of Hurricane Helene and wildfires in New Mexico. Insurance revenue at Hartford Steam Boiler (HSB) was up slightly to €1,367m (1,336m), despite somewhat reducing its exposure to cyber risks. The HSB result waxed once again, far exceeding expectations. The subsidiaries under the Munich Re Speciality – North America (MRS-NA) umbrella grew their insurance revenue to €2,904m (2,664m) thanks to growth in several products and generally good market conditions. MRS-NA's result was negatively affected by high major claims attributable to the active hurricane season and other storm losses, and by a prudent reaction to the latest developments in the US third-party liability market. Munich Re Specialty – Global Markets (MRS-GM) similarly profited from the ongoing favourable market situation, increasing its insurance revenue to €2,310m (2,143m). MRS-GM's result was lower year on year due to major claims expenditure in aviation and space, and owing to major claims in marine from the collapse of the Francis Scott Key Bridge.

1 In the previous year, figures for specialty lines included contributions made by GSI, which are no longer included in this reporting year. The previous year's figures have been adjusted accordingly.

ERGO Life and Health Germany

Key figures

		2024	Prev. year	Change
				%
Insurance revenue from insurance contracts issued	€m	10,090	9,942	1.5
Share of insurance revenue at ERGO	%	48.5	49.5	
Total technical result	€m	898	1,024	–12.2
Net financial result	€m	–83	–167	50.3
Thereof: Investment result	€m	3,207	2,323	38.0
Operating result	€m	217	197	10.5
Net result	€m	230	183	25.9

Insurance revenue

The Digital Ventures unit was transferred to the Health Germany division within the ERGO Life and Health Germany segment at the beginning of 2024. We will therefore report from this year only on the Life Germany and Health Germany divisions within this segment.

With regard to insurance revenue, the Life Germany division accounted for approximately 28% and the Health Germany division for about 72%.

This segment's insurance revenue in the 2024 financial year rose compared to the previous year due to positive development in the Health Germany division, primarily thanks to short-term and long-term health business. Conversely, insurance revenue in the Life Germany division was lower – particularly due to a lower release of the contractual service margin in line with expectations.

Result

The total technical result was down on the previous year for the ERGO Life and Health Germany segment, primarily on account of the lower release of the contractual service margin and the lower result from both short-term health business and travel insurance. Our total technical result also includes the result from intra-Group interest-rate reinsurance, which is offset in the net financial result. This interest-rate reinsurance negatively impacted the total technical result year on year.

The net financial result was higher year on year. This was attributable to, among other factors, the above-mentioned effect from interest-rate reinsurance and a positive one-off effect from the initial consolidation of ERGO Forsikring AS (formerly Storebrand Helseforsikring AS). The investment result rose substantially, largely on account of the better result from derivatives and positive effects from changes in the fair values of private equity investments. Higher regular interest income likewise boosted the investment result. The investment result, the investment result for unit-linked life insurance, and the currency result are for the most part offset by net insurance finance income/expenses within the net financial result.

The higher net result in the ERGO Life and Health Germany segment was chiefly driven by improvements in the net financial result and the other operating result.

Development of revenue and results by division

Life Germany
Insurance revenue in the past financial year was down slightly, at €2,873m (2,898m) – largely on account of a lower release of the contractual service margin in line with expectations.

The total technical result in the past financial year amounted to €425m (505m), lower than in the previous year. This year-on-year decrease was mainly driven by lower income from the release of the contractual service margin and the negative impact of the above-mentioned interest-rate reinsurance – although the latter did boost the net financial result. Overall, the operating result was down.

Health Germany
In the Health Germany division, which includes travel insurance business, insurance revenue rose substantially year on year by 18.0% to €7,216m (6,118m), with increases in both long-term and short-term health business. Moreover, the transfer of the Digital Ventures unit to the Health Germany division helped to increase insurance revenue.

The total technical result amounted to €474m (448m), with the rise resulting from the incorporation of Digital Ventures in this division. When adjusted for this transfer of unit, the total technical result was down year on year due primarily to higher-than-expected claims expenditure in short-term travel and health business. The rise in the net financial result was attributable in part to the initial consolidation of ERGO Forsikring AS. Overall, this division's operating result improved compared with the previous year.

ERGO Property-casualty Germany

Key figures

		2024	Prev. year	Change
				%
Insurance revenue from insurance contracts issued	€m	4,661	4,539	2.7
Share of insurance revenue at ERGO	%	22.4	22.6	
Loss ratio	%	60.3	59.1	
Expense ratio	%	29.0	29.9	
Combined ratio	%	89.2	88.9	
Total technical result	€m	491	495	–0.9
Net financial result	€m	172	134	28.6
Thereof: Investment result	€m	327	209	56.7
Operating result	€m	428	397	7.9
Net result	€m	260	252	3.0

Insurance revenue

In terms of insurance revenue, the ERGO Property-casualty Germany segment's main lines of business are fire and property insurance, accounting for approximately 28%; motor insurance (around 19%); and third-party liability insurance (about 19%).

Insurance revenue rose year on year due to growth in fire and property insurance (17.6%), in motor insurance (10.6%) and in other classes of business (2.6%). We experienced a decline in insurance revenue of 2.6% in legal protection insurance; revenue fell by 6.5% in third-party liability, by 10.1% in personal accident and by 10.3% in marine.

Result

The total technical result was similar to the previous year's high level. Good operational performance in the reporting year nearly offset the increase in expenditure for man-made major losses. Although the total technical result in the year under review was impacted by claims inflation in motor insurance, the profitability of this line of business did improve year on year. The combined ratio remained at the previous year's very good level. Although the loss ratio rose by 1.2 percentage points – due to the above-mentioned higher expenditure for man-made major losses, among other factors – the expense ratio fell by 0.9 percentage points. Insurance service expenses (net) totalled €4,070m (3,976m); insurance revenue (net) amounted to €4,561m (4,471m).

The net financial result rose considerably year on year on account of the substantially higher investment result, mostly owing to higher regular income and positive changes in the fair values of private equity investments in particular.

Overall, this segment's net result was slightly higher year on year, with the improved net financial result being the most significant factor.

ERGO International

Key figures

		2024	Prev. year	Change
				%
Insurance revenue from insurance contracts issued	€m	6,045	5,618	7.6
Share of insurance revenue at ERGO	%	29.1	28.0	
Loss ratio	%	62.9	59.3	
Expense ratio	%	29.0	30.8	
Combined ratio	%	91.9	90.1	
Total technical result	€m	596	625	–4.6
Net financial result	€m	96	28	244.4
Thereof: Investment result	€m	485	410	18.1
Operating result	€m	369	370	–0.3
Net result	€m	301	286	5.4

Insurance revenue

With regard to the segment's insurance revenue, property-casualty accounted for approximately 63%, health for about 30% and life for around 7%. The largest markets are Poland (accounting for approximately 38% of insurance revenue), Spain (approx. 17%) and Belgium (approx. 17%).

The increase in insurance revenue was primarily attributable to strong growth in Poland and Thailand, improvements in health business in Spain and the allocation of Europaeiske Rejseforsikring A/S to the ERGO International segment. Adjusted for the addition and disposal of companies outside Germany and for positive currency translation effects, insurance revenue in the segment rose by 8.3% compared with 2023.

In international property-casualty business, insurance revenue rose by 8.8% to €3,795m (3,487m). We generated significantly higher revenue in Poland and Thailand in particular.

Compared with the previous year, insurance revenue in international health business increased by 8.1% to €1,824m (1,687m); this was primarily attributable to the growth of our Spanish health insurer and the allocation of Europaeiske Rejseforsikring A/S to this segment.

Insurance revenue in international life insurance amounted to €426m (444m) for a year-on-year decrease of 4.1%. While revenue was higher in Poland and Austria, it was lower in Belgium and the Baltic states.

Result

The total technical result was good on the whole, though slightly down on the previous year. There were positive developments in Thailand, Greece and in Belgian health business – but also lower contributions to the result from, for example, Spanish health business and property-casualty business in Austria. The latter was attributable to higher expenditure for natural catastrophes, which impacted the insurance service result in both Austrian and Polish property-casualty business. Income from the release of the contractual service margin was higher year on year in life and health business. These positive developments resulted primarily from health business in Spain and Belgium.

The combined ratio in international property-casualty business, including short-term health and travel insurance, rose by 1.7 percentage points compared to the previous year, with the lower expense ratio partially offsetting the higher loss ratio. The higher combined ratio was particularly attributable to the above-mentioned higher losses from natural catastrophes in Poland and Austria, and to higher claims expenses in Spanish health business. This expenditure was partially offset by positive development in Greece and improved performance in Thailand. Insurance service expenses (net) totalled €4,250m (3,813m) and insurance revenue (net) amounted to €4,626m (4,231m).

The net financial result rose impressively, buoyed in particular by a higher investment result than in 2023 – chiefly attributable to higher regular interest income year on year and a positive one-off effect from the initial consolidation of ERGO Forsikring AS (formerly Storebrand Helseforsikring AS).

Higher claims expenditure for natural catastrophes and other reasons notwithstanding, the net result for the ERGO International segment was higher overall on the previous year – with the higher net financial result playing a pivotal role.

Investment performance

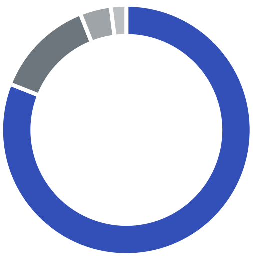
Investment mix

	Carrying amounts		Unrealised gains/losses[1]		Fair values	
€m	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
Non-financial investments						
Investment property	10,189	9,384	3,357	3,379	13,546	12,763
Property, plant and equipment	405	511	143	122	548	633
Intangible assets	74	128	17	0	91	128
Biological assets	1,202	828	0	0	1,203	828
Inventories	12	0	0	0	12	0
Investments in affiliated companies, associates and joint ventures	5,266	6,895	2,916	2,724	8,141	9,621
	17,147	**17,747**	**6,433**	**6,226**	**23,541**	**23,974**
Financial investments						
Instruments subject to equity risk	9,307	10,820	0	0	9,307	10,820
Instruments subject to interest-rate and credit risk	185,284	174,496	–11,595	–12,313	185,284	174,496
Alternative investments	18,979	15,400	–508	–562	18,979	15,400
	213,569	**200,715**	**–12,103**	**–12,876**	**213,569**	**200,715**
Total	**230,716**	**218,462**	**–5,670**	**–6,650**	**237,110**	**224,689**

1 Including on- and off-balance-sheet unrealised gains and losses.

Investment portfolio by economic category[1]

Total: €246bn (234bn)



	Portfolio of interest-bearing securities	81%	(80%)
	Non-fixed-income alternative investments	13%	(12%)
	Equities	4%	(5%)
	Business-related participations	2%	(3%)

1 Measured at fair value.

	Government bonds[1]	32%	(33%)
	Pfandbriefs (covered bonds)/Mortgage loans	13%	(15%)
	Corporate bonds	16%	(14%)
	Emerging-market government bonds	5%	(5%)
	ABSs/MBSs[2]	3%	(3%)
	Fixed-income alternative investments	3%	(4%)
	Cash	8%	(7%)

1 Includes exclusively government bonds of industrialised countries and comprises other public-sector issuers and government-guaranteed bank bonds.
2 Asset-backed securities/mortgage-backed securities.

The fair value of our investment portfolio increased in the year under review, largely due to cash inflows and currency developments. Our investment portfolio continues to be dominated by fixed-interest securities and is composed as follows:

Our portfolio of interest-bearing securities breaks down into the following economic categories:

At the reporting date, 32% (33%) of our investment portfolio was invested in government bonds from developed markets. Our German and US government bond holdings at fair value constituted 20% (20%) and 24% (25%), respectively, of all government bonds from developed markets. Our new investments in the reporting year were mostly in British and French government bonds. Conversely, we particularly reduced our portfolio of securities from US issuers in the reporting year. The vast majority of our government bonds continue to come from countries with a high credit rating. Government bonds from emerging markets constituted 5% (5%) of the investment portfolio.

At around 49% (48%), our investment in covered bonds and mortgage loans remained focused on German securities. Our portfolio also included bonds from France and the United Kingdom, with 15% (14%) and 7% (7%), respectively.

Munich Re's investment in corporate bonds at the reporting date amounted to 16% (14%) of our investment portfolio. Broken down and expressed as a share of the overall portfolio, the investments in corporate bonds comprised 5% (5%) in securities from financial undertakings, 8% (8%) in corporate bonds from other sectors, and 2% (2%) in high-yield bonds. The regional weighting of corporate bonds in our portfolio was 35% (35%) for the US and 47% (47%) for Europe.

Our portfolio of government bonds from developed markets, covered bonds, corporate bonds, and government bonds from emerging markets had a good rating structure: as at 31 December 2024, some 79% (80%) of securities were rated AAA to A.

Our asset-backed securities and mortgage-backed securities at fair value totalled 3% (3%) of the investment portfolio as at the reporting date. This asset class is composed of securitised receivables, e.g. securitisations of real estate finance or consumer credit. Around 31% (43%) of our structured credit products had a rating of AAA.

Our portfolio of fixed-income alternative investments totalled 3% (4%) as at the reporting date. The regional weighting of the investments was 12% (11%) for the US and 86% (82%) for Europe.

Non-fixed-income alternative investments accounted for 13% (12%) of our investment portfolio at the reporting date; of the overall portfolio, 7% (7%) comprised property and 7% (6%) equity securities.

The fair value of our equity portfolio decreased, particularly due to the restructuring of portfolios and redeployment of capital to other asset classes. The equity-backing ratio dropped to 3.6% (4.6%). Including derivatives, the equity-backing ratio was 2.9% (3.7%).

To hedge against inflation, we held inflation-linked bonds totalling €7.1bn (6.1bn) (at fair value). Real and financial assets such as shares, property, commodities, and investments in infrastructure, renewable energies and new technologies also serve to guard against inflation. Additionally, our investments in real assets have a positive diversification effect on the overall portfolio.

Investment result[1]

	2024	Return[2]	Prev. year	Return
	€m	%	€m	%
Regular income	8,137	3.5	6,950	3.2
Write-ups/write-downs	–355	–0.2	–194	–0.1
Change in expected credit losses	45	0.0	–47	0.0
Gains/losses on disposal	–986	–0.4	–588	–0.3
Fair-value changes	1,052	0.5	–65	0.0
Other income/expenses	–702	–0.3	–682	–0.3
Total	**7,191**	**3.1**	**5,374**	**2.5**

1 Details of the investment result by type of investment can be found in the > Notes to the consolidated financial statements > Explanatory information > Notes to the consolidated income statement > (35) Investment result.
2 Return on investment (RoI) in % p.a. on the average fair value of the investment portfolio at the quarterly reporting dates. The investment portfolio used to determine the return (3.1%) for 2024 is calculated as the mean of the fair values as at 31 December 2023 (€224,689m), 31 March 2024 (€226,219m), 30 June 2024 (€227,797m), 30 September 2024 (€231,885m) and 31 December 2024 (€237,110m).

Regular income increased on the previous year, primarily due to sustained high interest rates and a correspondingly stable reinvestment yield. The average reinvestment yield[1] in the financial year was 4.4% (4.5%). Prolonged profitable interest rates in the reporting year resulted in yields on new investments that continued to be above the average return on our existing portfolio of fixed-interest investments. The net result from write-ups and write-downs was slightly lower year on year. Impairment losses on both property and participations was the primary reason for the negative result.

The result from the change in expected credit losses comprises the change in anticipated losses on interest-

1 The average reinvestment yield is shown as an annual rate of return. All reinvestments that are transacted in a financial year and that have remaining terms to maturity of more than one year are recognised at the rates of return applicable at the relevant trade dates; for securities with terms to maturity of up to one year the proportionate term to maturity is taken into account. Investments are not included if their return cannot be calculated (e.g. equities, debt securities with variable rates, inflation-linked bonds, derivatives, real estate) or if they do not have the characteristics of investments (e.g. cash at banks). Hedging costs for securities in foreign currency are not considered.

bearing investments as at the reporting date that are not posted in the category “Fair value changes”.

We posted net losses in the reporting year of €986m on the disposal of investments not recognised at fair value through profit or loss. These losses resulted primarily from the disposal of fixed-interest securities with low interest rates that were sold and whose proceeds were then invested anew so as to profit from higher interest rates.

The net result from fair-value changes totalled €1,052m – with the key positive variable being the result from equities, which accounted for gains of €950m thanks to surging equity markets. And investments in alternative assets, such as private equity, appreciated by €502m. Conversely, real estate losses totalled €223m, which were measured at fair value through profit or loss. In a similar vein, fixed-interest securities depreciated by €116m as a result of subsequent measurement.

Result from equities and equity derivatives[1]

€m	2024	Prev. year
Regular income	328	377
Change in fair value	950	1,067
Result from equities	**1,278**	**1,443**
Result from equity derivatives	**–106**	**–587**
Total	**1,173**	**856**

1 To determine the total annualised return on our equity portfolio (see text), we calculate the ratio of the total result shown in the table and the mean value of the following figures: equity portfolio (carrying amounts) as at 31 December 2023 (€12,036m), 31 March 2024 (€11,204m), 30 June 2024 (€11,086m), 30 September 2024 (€11,392m) and 31 December 2024 (€10,809m).

The return on equity portfolios benefited from strongly bullish equity markets during the reporting year. By contrast, there was a lower result from equity derivatives, some of which we had used to hedge against falling stock prices. Owing in particular to an improved result from derivatives, the return on our equity portfolio, including equity derivatives, rose in the year under review to 10.4% (7.5%).

Financial position

Analysis of our capital structure

Our primary insurance and reinsurance operations have a significant influence on the structure of our balance sheet. In this context, investments serve to cover insurance liabilities[1] (81% of the balance sheet total). Equity (11% of the balance sheet total) and bonds classified as strategic debt (2% of the balance sheet total) are the most important sources of funds.

Development of Group equity

	31.12.2024	Prev. year	Change
	€m	€m	%
Issued capital and capital reserve	7,422	7,424	0.0
Retained earnings[1]	19,137	17,906	6.9
Other reserves[1]	397	−286	–
Net result attributable to Munich Reinsurance Company equity holders	5,685	4,606	23.4
Non-controlling interests	104	122	−14.4
Total	**32,746**	**29,772**	**10.0**

1 Previous year's figures restated due to an adjustment to the allocation of insurance contracts measured using the variable fee approach. This resulted in reclassification from retained earnings to other reserves.

Group equity was higher at the reporting date (€32,746m) than at the start of the year. The dividend payment, share buy-backs and decreased valuation reserves were offset by a significant margin by the very good net result and positive currency translation effects.

Strategic debt

We define as strategic debt all financial instruments with the character of outside financing that do not have a direct link to our operative business. Strategic debt supplements our financial resources, is essentially designed to optimise the cost of capital, and ensures that we have sufficient liquidity at all times. We quantify our debt leverage to make our capital structure transparent. This is defined as the ratio – expressed as a percentage – of strategic debt to the sum of Group equity, strategic debt and the contractual service margin net of tax. Fulfilment cash flows of insurance liabilities are not considered, even though they are mostly available to us on a long-term basis as a source of financing for investment.

1 Insurance contracts issued and reinsurance contracts held (net).

Debt leverage

		31.12.2024	Prev. year	Change
		€m	€m	%
Strategic debt		6,577	4,979	32.1
Equity		32,746	29,772	10.0
Contractual service margin (CSM)[1] net of tax		21,148	19,170	10.3
Total		**60,470**	**53,921**	**12.1**
Debt leverage	%	10.9	9.2	

1 Including net cost/gain resulting from reinsurance contracts held.

The components of our strategic debt are subordinated liabilities, and bonds and notes issued (see the relevant sections in the Notes to the consolidated financial statements). Munich Re's subordinated liabilities amounted to €6,321m (see > Notes to the consolidated financial statements > Explanatory information > Notes to the consolidated balance sheet – Equity and liabilities > (25) Subordinated liabilities). Of this sum, €6,173m were recognised at the reporting date as eligible own funds pursuant to Solvency II. Under the supervisory regulations of Solvency II, subordinated liabilities are recognised as own funds provided that they are available at all times to cover losses on a going-concern basis. The contractual service margin represents the expected profit from insurance contracts, largely from the long-term life and health insurance business, that relates to services to be provided in the future. This unrealised gain is reported as an insurance liability in the balance sheet; we include the CSM (net of tax) when calculating our debt leverage.

Insurance liabilities

Reinsurance business accounts for approximately 35% of insurance contracts issued and reinsurance contracts held (net); around 65% comes from primary insurance. In contrast to liabilities under loans and securities issued, we cannot foresee with certainty how high our liabilities from underwriting business will be and when they will arise. This applies especially to reinsurance. Whereas in property insurance a major portion of the insurance liabilities is generally settled within two to three years, in life or third-party liability insurance substantial amounts may still be due decades after the contracts were concluded. The currency distribution of our insurance contracts issued and reinsurance contracts held (net) reflects the global orientation of our Group. Besides the euro, our main currencies are the US dollar, pound sterling, the Canadian dollar and the Australian dollar.

Restraints on disposal

Since we are an international (re)insurance group, some of our financial resources are subject to restraints on disposal. Supervisory authorities in some countries, for example, require foreign reinsurers to establish premium and reserve deposits to the benefit of primary insurers, or to set up trustee accounts or guarantees with certain financial institutions. At the reporting date, restraints on disposal applied to investments with a volume of €13bn (13bn). In addition, there were contingent liabilities. Information on these can be found in the > Notes to the consolidated financial statements > Explanatory information > Other information > (62) Contingent liabilities, other financial commitments.

Capital position

Optimising our capital structure is one of the main objectives of our active capital management system, in which we also strive to ensure that Munich Re's capital satisfies all applicable standards. In addition to the capital requirements determined using our internal risk model, further requirements specified by regulatory authorities, rating agencies and our key insurance markets must be met. The Solvency II ratio is a fundamental measure of Munich Re's capital strength. Further information on this ratio can be found in the > Risk report. We aim to ensure that our financial strength is such that it enables us to take advantage of profitable opportunities for growth, is not significantly affected by normal fluctuations in capital market conditions, and remains at a reasonable level even in the wake of major loss events or substantial falls in the stock markets.

At the same time, we also define an appropriate level of Group own funds as one which does not lastingly exceed that which is required. Excess capital is returned to our shareholders via dividends and share buy-backs. In practice, capital repatriation comes up against limits because, for example, the German Commercial Code (HGB) obligates our parent, Munich Reinsurance Company, to conduct prudent accounting – with regard to the claims equalisation provision, for instance. This restricts the revenue reserves and profit distribution possibilities, but stabilises results in years with high claims expenditure. Additional information can be found under > Munich Reinsurance Company (information reported on the basis of German accountancy rules).

Between 2006 and 2024, we returned a total of €40.2bn to our shareholders in the form of dividends and share buy-backs. During the reporting year, we bought back shares with a total volume of €1,432m, €1,097m of which as part of the €1.5bn share buy-back programme launched by the Board of Management in February 2024. This means that own shares with a maximum volume of €403m are still to be acquired in the period leading up to the Annual General Meeting to be held on 30 April 2025.

Information in accordance with Sections 315a and 289a of the German Commercial Code (HGB) and explanatory report by the Board of Management

Composition of the subscribed capital

As at 31 December 2024, Munich Reinsurance Company's share capital of €587,725,396.48 was divided into 133,760,287 registered, no-par-value, fully paid shares. The rights and obligations deriving from these shares follow from the applicable statutory requirements and the Company's Articles of Association. With respect to the Company, the only parties deemed shareholders in accordance with Section 67 of the German Stock Corporation Act (AktG) are those entered as such in the Company's register of shareholders.

Restrictions on voting rights and the transfer of shares

The listed registered shares are subject to transfer restrictions. The issuing of restricted transferable registered shares by Munich Reinsurance Company dates back to the Company's foundation in 1880. Restricted transferability means that these shares may be transferred to another holder only with the Company's consent, which, according to Article 3(2) of Munich Reinsurance Company's Articles of Association, is granted at the Company's discretion. Since the share-trading processes have been made very efficient, the consent requirement does not lead to any delays in entry in the register. In recent decades, it has been granted without exception.

Each share carries one vote at the Annual General Meeting and determines the shareholders' participation in the Company's profit. This excludes own shares held by the Company, from which it enjoys no rights. In the cases specified in Section 136 of the Stock Corporation Act, voting rights from the shares concerned are excluded by law. Insofar as shareholders are entered under their own name as being the holders of shares which belong to a third party and exceed the upper limit of 2% of the share capital as stated in the Articles of Association, the shares entered shall not carry any voting rights, pursuant to Article 3(5) of the Articles of Association.

Shareholdings exceeding 10% of the voting rights

Munich Reinsurance Company has not been notified of, nor is it otherwise aware of, any direct or indirect shareholdings in the Company that exceeded 10% of the voting rights as at 31 December 2024.

Shares with special control rights

There are no shares with special control rights.

System of control for employee share scheme where the control rights are not exercised directly by the employees

Like other shareholders, employees of Munich Reinsurance Company exercise their control rights in accordance with statutory provisions and the Articles of Association.

Statutory regulations and provisions of the Articles of Association regarding appointment and dismissal of members of the Board of Management, and concerning amendments to the Articles of Association

The legal parameters for the appointment and dismissal of members of the Board of Management are specified in the Company's Co-Determination Agreement, Articles 13(3) and 16 of the Articles of Association, Sections 84 and 85 of the Stock Corporation Act (AktG), and Sections 24, 47 and 303 of the German Insurance Supervision Act (VAG). Munich Re's Co-Determination Agreement and Articles of Association follow the legal tenets of the German Co-Determination Act (MitbestG). Pursuant to Article 16 of the Articles of Association, the Board of Management must comprise a minimum of two persons; beyond this, the number of members is determined by the Supervisory Board. Since 1 January 2023, the Board of Management has comprised ten members. The Supervisory Board appoints the members of the Board of Management pursuant to Section 84 of the Stock Corporation Act and may dismiss them at any time for good cause. On initial appointment, members of the Board of Management are usually given contracts for a term of three years. Extensions of up to five years are possible. For the appointment or dismissal of members of the Board of Management, Article 13(3) of the Articles of Association stipulates a two-thirds majority of the votes cast on the Supervisory Board. If the requisite majority is not obtained in the initial resolution, the appointment or dismissal of the Board of Management requires a simple majority of the votes cast. The second resolution is only possible following a suitable period of reflection and after the issue has been dealt with in the competent committee, but is thereafter also possible by written consent in lieu of a meeting. In exceptional cases, members of the Board of Management may also be appointed by a court of law, pursuant to Section 85 of the Stock Corporation Act.

The Stock Corporation Act contains general provisions governing amendments to the Articles of Association – Section 124(2) sentence 3, and Sections 179–181 of the Act. These state that only the Annual General Meeting can make resolutions on changes to the Articles of Association. In order to be carried, such a resolution must receive the votes cast by at least three-quarters of the share capital represented in the vote. The Articles of Association may stipulate a different capital majority (higher or lower) or other requirements, but the Company's Articles of Association do not provide for any such special features.

The Stock Corporation Act contains special regulations on amendments to the Articles of Association where increases and reductions in share capital are concerned (Sections 182–240 of the Act). Under these regulations, resolutions on capital measures are generally to be made by the Annual General Meeting. Within a self-determined scope, however, the Annual General Meeting can authorise the Board of Management to initiate certain (capital) measures. The authorisations relating to Munich Reinsurance Company are listed below. In all such cases, a resolution of the Annual General Meeting is required that has been adopted by at least a three-quarter majority of the share capital represented in the vote. Where these resolutions are concerned, the Company's Articles of Association again do not provide for other (i.e. higher) majorities or further requirements. Pursuant to Article 14 of the Articles of Association and Section 179(1) sentence 2 of the Stock Corporation Act, the Supervisory Board is empowered to make amendments to the Articles of Association which affect only the wording.

Powers of the Board of Management, with particular regard to the option of issuing or buying back shares

The powers of the members of the Board of Management are defined in Sections 71 and 76–94 of the Stock Corporation Act (AktG). The Board of Management has the following powers to issue and buy back shares:

- The Annual General Meeting of 25 April 2024 authorised the Board of Management to buy back, with the consent of the Supervisory Board, shares until 24 April 2027 up to a total amount of 10% of the share capital at the time of the resolution, pursuant to Section 71(1) no. 8 of the Stock Corporation Act. The shares acquired plus other own shares in the possession of the Company, or attributable to the Company pursuant to Sections 71d and 71e of the Stock Corporation Act, may at no time amount to more than 10% of the share capital. In accordance with the provisions of the authorisation, the shares may be acquired in various ways. The Board of Management is authorised to use shares thus acquired for all legally permissible purposes, in particular those specified in the authorisation, whilst excluding subscription rights. Among other things, the Board of Management is empowered under Section 71(1) no. 8 of the Stock Corporation Act to retire the shares without requiring further approval from the Annual General Meeting.

- The Annual General Meeting of 29 April 2020 authorised the Board of Management to issue, with the consent of the Supervisory Board, in one or more issues until 28 April 2025, subordinated or non-subordinated convertible bonds, bonds with warrants, profit participation rights, profit participation certificates or combinations of such instruments, with or without a limited term to maturity, which may grant the holders or creditors conversion rights, warrants or conversion obligations in respect of shares of the Company up to a maximum proportional amount of the share capital of €117m (hereinafter referred to as “bonds”), with a total nominal amount of up to €5bn. Shareholders are generally entitled to a subscription right in respect of these bonds, but the Board of Management is authorised, with the consent of the Supervisory Board, to exclude this subscription right in the cases specified in the authorisation.

- Under Article 4(1) of the Articles of Association, the Board of Management is authorised, with the consent of the Supervisory Board, to increase the Company’s share capital at any time up to 27 April 2026 by an amount of up to €117.5m by issuing new registered, no-par-value shares against cash or non-cash contribution (Authorised Capital 2021). In accordance with the above-mentioned provisions of the Articles of Association, it may exclude subscription rights.

- Pursuant to Article 4(2) of the Articles of Association, a contingent increase in the share capital by up to €117m, consisting of new registered no-par-value shares (Contingent Capital 2020), has been authorised. The purpose of this contingent capital increase is to permit shares to be granted to the holders of convertible bonds, bonds with warrants, profit participation rights or profit participation certificates (or combinations of such instruments) with conversion rights, warrants or conversion obligations, which are issued by the Company or a Group company in accordance with the authorisation granted by the Annual General Meeting on 29 April 2020 for the period from 29 April 2020 to the end of the day on 28 April 2025. The increase in the share capital is to be carried out only to the extent that warrants or conversion rights under the aforementioned instruments are exercised, or conversion obligations under these instruments are fulfilled, and insofar as other means of fulfilment are not introduced.

The complete text of the aforementioned authorisations and the declaration by the Board of Management is provided in the agenda of the respective Annual General Meeting at www.munichre.com/agm/archive. Munich Reinsurance Company’s Articles of Association are available at www.munichre.com/articles-of-association.

Significant agreements which take effect, alter or terminate upon a change of control following a takeover bid, and resultant implications

Based on our underwriting guidelines, our reinsurance agreements generally include a clause that grants one or both parties to the agreement a right of extraordinary cancellation in the event that “the other party merges with another company or its ownership and control undergoes a material change”. Such or similar clauses are typical of the industry. They are also common in joint venture or cooperation agreements between shareholders of a joint investment company.

Compensation agreements concluded with members of the Board of Management or employees for the event of a takeover bid

There are no compensation agreements with members of the Board of Management or employees for the event of a takeover bid.

Analysis of the consolidated cash flow statement

Our primary insurance and reinsurance operations have a significant influence on Munich Re’s cash flow. We generally first collect the premiums for the risks assumed and do not make payments until later, when claims need to be settled. Cash flow statements of insurance companies are therefore of limited relevance. The cash flow statement is adjusted to eliminate the effects of fluctuations in exchange rates and changes in the entities consolidated.

Consolidated cash flow statement

	2024	Prev. year	Change
	€m	€m	%
Cash flows from operating activities	3,143	2,543	23.6
Cash flows from investing activities	–505	–329	–53.3
Cash flows from financing activities	–2,228	–2,983	25.3
Cash flows for the financial year	**410**	**–770**	**–**

In the consolidated cash flow statement, cash inflows from operating activities were derived from the net result of €5,671m using the indirect method. In line with our insurance business model, these include cash flows from investment activities.

The net result was also adjusted by cash outflows of €8,653m arising from the expansion of our portfolio of financial and non-financial investments, as well as by €2,732m for non-cash changes in the fair values of assets and liabilities in particular.

Outflows from investing activities were primarily determined by those from obtaining control of consolidated subsidiaries (€340m) and from the acquisition of intangible assets and property, plant and equipment (€316m).

The cash outflows from financing activities stem mainly from the dividend payment in 2024 and from share buy-backs. One cash inflow resulted from the issuing of a subordinated bond.

Overall in the year under review, cash – which encompasses cash with banks, cheques and cash in hand – rose by €410m (including currency effects) to €6,128m. There were items pledged as security and other restrictions on title amounting to €66m (95m).

Risk report

Risk governance and risk management system

Risk management organisation

Organisational structure

Munich Re set up a governance system that meets Solvency II requirements. The main elements of this system are the risk management, compliance, audit and actuarial functions. At Group level, risk management is part of the Integrated Risk Management division (IRM) and reports to the Group Chief Risk Officer (Group CRO). In addition to the Group functions, there are risk management units ("mirror functions") in the fields of business.

Risk governance

Our risk governance ensures that an appropriate risk and control culture is in place by clearly assigning roles and responsibilities for all material risks. The Board of Management must consult the risk management function on major decisions to be taken. The appropriateness of our risk governance is reviewed by the Board of Management on a regular basis.

Defining the risk strategy

The risk strategy, which is aligned with Munich Re's business strategy, defines where, how and to what extent we are prepared to incur risks. The further development of our risk strategy is embedded in the annual planning cycle, and hence in our business planning. The risk strategy is approved by the Board of Management, and discussed with both the Audit Committee of the Supervisory Board and the full Supervisory Board as a material element of the own risk and solvency assessment (ORSA) process.

We determine the risk strategy by defining risk tolerances and limits for a number of risk criteria that are based on the capital and liquidity available, and on our business strategy, and provide a frame of reference for the Group's operating divisions.

Implementation of strategy and the risk management cycle

The risk appetite defined by the Board of Management is reflected in our business planning and integrated into the management of our operations. If capacity shortages or conflicts with the limit system or regulations arise, defined escalation and decision-making processes are followed. These have been designed to ensure that the interests of the business and risk management considerations are weighed and reconciled with each other as far as possible.

Our implementation of risk management at the operational level embraces the identification, analysis and assessment of all material risks. This provides a basis for risk reporting, the control of limits and monitoring.

Risk identification is performed by means of appropriate processes and indicators, which are complemented by expert opinions. At Munich Re, the early identification of risks is primarily operationalised using the emerging risk process. In this process, new or changing risks are discussed with internal and external experts, especially regarding their relevance, the probability of their occurrence, expected loss amount, and potential impact on Munich Re.

As part of the risk analysis, a quantitative and qualitative assessment of all risks at consolidated Group level is made in order to take into account possible interactions between risks across all fields of business.

Internal risk reporting provides the Board of Management with regular information on the risk situation, as regards the individual risk categories and the entire Group alike. This ensures that negative trends are identified in sufficient time for countermeasures to be taken. The purpose of our external risk reporting is to provide clients, shareholders and the supervisory authorities with a clear overview of the Group's risk situation.

Actual risk limits are derived from the risk strategy: taking the defined risk appetite as a basis, limits, rules and any risk-reducing measures required are approved and implemented. We also have a comprehensive early-warning system that draws our attention to any potential risks.

The risk management system is regularly audited by Group Audit.

Internal control system[1]

Our internal control system is an integrated, Group-wide system for managing operational risks. Comprising two key components – the operational risk control system (ORCS) and the compliance management system (CMS) – our internal control system addresses both Group management requirements and local regulations.

Operational risk control system

The operational risk control system (ORCS) is an essential part of the internal control system. At Group level, the ORCS is overseen by the IRM division, which reports to the Group Chief Risk Officer (Group CRO). As part of the ORCS, risk and control self-assessments are carried out at least once a year in all fields of business, and the material operational risks, including compliance-related risks, are identified and assessed in the process. Key controls and management measures to mitigate the material operational risks are analysed and assessed. In addition, the risk management function carries out independent analyses and company-wide cross-comparisons regarding operational risks and controls (monitoring). Significant control deficiencies are addressed by means of improvement measures and/or close monitoring. The main findings derived from the risk and control self-assessments and from monitoring are reported to the Board of Management and the Audit Committee of the Supervisory Board.

The identification, management and control of risks arising out of the accounting process is indispensable for the production of reliable annual financial statements at both consolidated and solo-undertaking level. Risks significant for financial reporting from a Group perspective are integrated into the internal control system in accordance with uniform criteria. The risks are checked annually by the process owners to ascertain whether they are up to date, and the controls are amended as necessary.

The standardised methodology has been implemented on the basis of a Group-wide ORCS policy and guidelines specific to the fields of business. The decision about whether to include a Group undertaking in the standardised ORCS is taken on the basis of the principle of proportionality – with due consideration being given to the nature, scale and complexity of the risks inherent in the undertaking's operations, and to compliance with regulatory and legal requirements. The Group undertakings that have not been integrated into the ORCS Group standard control their risks in compliance with the principles of good corporate governance, Group-wide principles of risk management and relevant national laws.

No material changes were made to the ORCS in the reporting period.

Compliance management system

The second key component of the internal control system is the compliance management system (CMS). At Group level, the Group Compliance and Legal (GCL) division is responsible for the CMS, which is managed by the Group Chief Compliance Officer (Group CCO); a separate Tax CMS, which the Group Taxation division and the Chief Tax Compliance Officer are responsible for, is used for tax compliance. In addition to the Group function, there are further local compliance functions within the fields of business, as well as decentralised compliance functions for selected compliance programmes. The CMS is the methodical framework for the structured implementation of early-warning, risk-control, consulting and monitoring functions for compliance risks.

The CMS is based on an integral compliance culture, an established compliance organisation with clearly defined roles and responsibilities, and independent, suitable and qualified human resources that enable the compliance function to work effectively and efficiently.

In the scope of the CMS, compliance risks are systematically identified, analysed and appropriately handled so as to minimise the risks. Process results are reported to the Board of Management and the Supervisory Board's Audit Committee.

No material changes were made to the CMS in the reporting period.

You will find a detailed description of the main features of the CMS in the > Combined non-financial statement > Governance information > Corporate governance and compliance > Compliance.

Statement on the adequacy and effectiveness of the risk management system and the internal control system[2]

In reviewing the adequacy and effectiveness of our risk management systems and internal control systems, we take into consideration many pieces of information in order to, among other things, identify any material internal control deficiencies. The primary pieces of information are as follows:

- the auditor's report on the results of the accounting-related control system,
- the annual report on the results of the ORCS,
- regular risk reporting, in particular by the Group CRO,
- regular compliance reporting, in particular by the Group CCO, on topics including key compliance metrics and the essential contents of the compliance management system, and

1 The section on the internal control system is part of the combined management report and was not audited.

2 The statement on the adequacy and effectiveness is part of the combined management report and was not audited.

– regular reporting by Group Audit, especially on insights gained from audit activities about our risk management and internal control systems.

In addition, the Audit Committee of the Supervisory Board regularly requests reports on the adequacy and effectiveness of the internal control system and on changes to the risk and control landscape compared with the previous year. The audit reports from Group Audit confirm the general effectiveness of the accounting-related internal control system.

In light of the information and reports above – and considering the assessments made by experts in the divisions IRM, GCL and Group Audit – we consider our risk management systems and internal control systems to be generally adequate. Based on the fact that no material violations or systematic deficiencies were identified in the reporting period, we therefore consider our risk management and internal control systems to also be generally effective.

Significant risks

Our general definition of risk is possible future developments or events that could result in a negative prognosis or a negative deviation from the Group's targets. We consider three criteria when evaluating the materiality of risks. First, the extent to which a risk could influence stakeholder assessments of Munich Re. Second, the ways in which a risk could impact the solvency of Munich Re. And third, the extent to which a risk could exhaust cumulative limits or budgets. We have applied this definition consistently to each business unit and legal entity, taking account of its individual risk-bearing capacity. The assessment of whether a risk is significant or not for a business unit or legal entity according to the above definition is performed in the responsible risk management functions. We make a basic distinction between risks included in our internal model and covered by risk-based capital and other risks not quantified in the internal model. The risks included in the internal model are divided into the following risk categories: underwriting risk in property-casualty business, underwriting risk in life and health business, market risk, credit risk and operational risk. Sustainability risks can affect all of these risk categories and are therefore an integral part of the management of these risks.

Risks depicted in the internal model

Munich Re has a comprehensive internal model that determines the capital needed to ensure that the Group is able to meet its commitments even after extreme loss events. We use the model to calculate the capital required under Solvency II (the solvency capital requirement, or SCR).

The SCR is the amount of eligible own funds that Munich Re needs to have available, with a given risk tolerance, to cover unexpected losses in the following year. It corresponds to the value at risk of the economic profit and loss distribution over a one-year time horizon with a confidence level of 99.5%, and thus equates to the economic loss for Munich Re that, given unchanged exposures, will be exceeded each year with a statistical probability of 0.5%. Our internal model is based on specially modelled distributions for the risk categories property-casualty, life and health, market, credit and operational risks. We use primarily historical data for the calibration of these distributions – complemented in some areas by expert judgement – in order to take adequate account of future developments, among other considerations. Historical data covers a long period to provide a stable and appropriate estimate of our risk parameters. In addition, we take account of diversification effects we achieve through our broad spread across various risk categories and the combination of primary insurance and reinsurance business. We also take into account dependencies between the risks, which can result in higher capital requirements than would be the case if no dependency were assumed. We then determine the effect of the loss absorbency of deferred taxes.

The table shows the solvency capital requirement[1] for Munich Re and its risk categories as at 31 December 2024.

1 Solvency capital requirement excluding the application of transitional measures for technical provisions.

Solvency capital requirement (SCR)

	Reinsurance		ERGO		Diversification	
	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
	€m	€m	€m	€m	€m	€m
Property-casualty	12,410	12,189	860	769	–711	–547
Life and health	7,104	6,815	1,319	999	–612	–367
Market	7,060	6,076	3,870	3,169	–1,463	–966
Credit	2,948	3,256	1,188	1,112	–83	–58
Operational risk	1,082	1,080	791	782	–243	–235
Other[1]	495	540	404	376		
	31,099	**29,954**	**8,432**	**7,206**		
Diversification effect	–11,158	–10,746	–2,144	–1,788		
Tax	–3,999	–3,705	–804	–922		
Total	**15,941**	**15,504**	**5,484**	**4,496**	**–2,511**	**–2,025**

→

	Group			
	31.12.2024	Prev. year		Change
	€m	€m	€m	%
Property-casualty	12,559	12,411	148	1.2
Life and health	7,811	7,447	364	4.9
Market	9,468	8,279	1,189	14.4
Credit	4,052	4,309	–257	–6.0
Operational risk	1,630	1,627	3	0.2
Other[1]	899	915	–16	–1.7
	36,419	**34,987**	**1,432**	**4.1**
Diversification effect	–13,174	–12,863	–311	2.4
Tax	–4,331	–4,151	–180	4.3
Total	**18,915**	**17,974**	**941**	**5.2**

1 Capital requirements for other financial sectors, e.g. institutions for occupational retirement provision.

At Group level, the SCR increased by 5.2% to €18.9bn – compared with €18.0bn as at 31 December of the previous year. The increase was driven primarily by the appreciation of the US dollar, meaning that all risks underwritten in US dollars were converted into a higher euro amount. The increase in the SCR was accelerated by a moderate expansion of exposures in the investment portfolio and positive capital market trends. By contrast, the decline in natural hazard exposures in the reinsurance business and a lower credit risk exposure helped to reduce risk. Other information about the changes in individual risk categories and details about risk concentrations can be found in the following sections.

Property-casualty underwriting risk

The property-casualty risk category encompasses the underwriting risks in the property, motor, third-party liability, personal accident, marine, aviation and space, and credit classes of insurance, together with special lines also allocated to property-casualty. Further risk-relevant information on property-casualty business can be found in the > Notes to the consolidated financial statements > Explanatory information > Disclosures on risks from financial instruments and insurance contracts > (53) Disclosures on further risks from insurance contracts.

In property-casualty business, underwriting risk is defined as the risk of insured losses being higher than our expectations. The premium and reserve risks are significant components of the underwriting risk. Premium risk is the risk of future claims payments relating to insured losses that have not yet occurred possibly being higher than expected. Reserve risk is the risk of the loss provisions established potentially being insufficient to cover losses that have already been incurred. In measuring loss provisions, we follow a cautious reserving approach and assess uncertainties conservatively. In every quarter, we also compare notified losses with our loss expectancy, in order to sustain a high level of reserves.

In the risk model, we differentiate between individual, man-made large losses involving expenditure that exceeds a certain large-loss limit; losses affecting more than one risk or more than one line of business (accumulation losses); and all other losses (basic losses). For basic losses, we calculate the risk of subsequent reserving being required for existing risks within a year (reserve risk) and the risk of under-rating (premium risk). To achieve this, we use actuarial methods that are based on standard reserving procedures, but take into account the one-year time horizon. The calibration for these methodologies is based on our own historical loss and run-off data. Appropriate homogeneous segments of our property-casualty portfolio are used for the calculation of the reserve and premium risks. To aggregate the risk to whole-portfolio level, we apply correlations that take account of our own historical loss experience.

For the purposes of the accumulation-risk scenarios, our experts develop scientifically sound models that quantify the probability of occurrence and the loss potential and also take climate change risks into account. The models also take risk-limiting elements into consideration, such as cover limits. In addition to natural catastrophes, we include other accumulation risks such as cyber and pandemics, using special models. Based on these scenarios, the potential effects on our portfolio are determined using stochastic models.

Our internal model considers the resulting accumulation-risk scenarios to be independent events. The largest natural catastrophe exposure for Munich Re is in the "Atlantic Hurricane" scenario, for which our estimate of annual loss exposure is €9.2bn (8.5bn) (before tax, retained) for a return period of 200 years.

As part of our regular validation, we look in particular at the sensitivity of results produced by the risk model for large and accumulation losses to changes in the return periods or loss amounts for events, or a change in insurance revenue. We also consider the effect of changes of dependency assumptions on the results. We regularly adapt our models on the basis of the findings from our validation.

Another measure for controlling underwriting risks is the targeted cession of a portion of our risks to other carriers via reinsurance or retrocession. Most of our companies have intra-Group and/or external reinsurance and/or retrocession cover.

In addition to traditional retrocession, we use alternative risk transfer for natural catastrophe risks in particular. Under this process, underwriting risks are transferred to the capital markets via special purpose vehicles.

Solvency capital requirement – Property-casualty

The solvency capital requirement (SCR) increased by around 1% at Group level, largely due to the appreciation of the US dollar. An update to the basic loss model and selected natural hazard models resulted in increases that were offset by a decline in natural hazard exposures in the reinsurance business.

Solvency capital requirement (SCR) – Property-casualty

	Reinsurance		ERGO		Diversification		Group		Change	
	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year		
	€m	€m	€m	€m	€m	€m	€m	€m	€m	%
Basic losses	5,973	5,685	718	657	–511	–476	6,181	5,866	315	5.4
Large and accumulation losses	11,560	11,420	540	438	–435	–335	11,665	11,523	142	1.2
	17,534	**17,105**	**1,258**	**1,095**			**17,846**	**17,389**	**457**	**2.6**
Diversification effect	–5,124	–4,916	–399	–327			–5,288	–4,978	–310	6.2
Total	**12,410**	**12,189**	**860**	**769**	**–711**	**–547**	**12,559**	**12,411**	**148**	**1.2**

Life and health underwriting risk

In life and health, we define underwriting risk as the risk of insured benefits payable in life or health insurance business being higher than expected. Of particular relevance are biometric risks and policyholder-behaviour risks, such as lapses and lump-sum options. We differentiate between risks that have a short-term or long-term effect on our portfolio. In addition to the simple risk of random fluctuations resulting in higher claims expenditure in a particular year, the adverse developments with a short-term impact that we model notably include rare – but costly – events such as pandemics. To this end, we model losses and the sum at risk – taking into particular consideration excess mortalities in connection with, for instance, the pandemics of the 20th and 21st centuries.

Further information on the risks in life and health business can be found in the > Notes to the consolidated financial statements > Explanatory information > Disclosures on risks from financial instruments and insurance contracts > (53) Disclosures on further risks from insurance contracts.

Life insurance products in particular, and a large part of our health primary insurance business, are long-term in nature, and the results they produce are spread over the entire duration of the policies. This can mean that negative developments in risk drivers with long-term effects sustainably reduce the value of the insurance portfolio (trend risks). The risk drivers mortality and disability are dominated by the life and health reinsurance segment, particularly by exposure in North America and the Asia-Pacific region. We also underwrite longevity risk in the life and health reinsurance segment, especially in the United Kingdom. The longevity risk driver can additionally be found in the products marketed by ERGO in Germany, together with typical risks related to policyholder behaviour, such as the lapse risk. To a lesser extent, we write risks connected with the increase in treatment costs.

Risk modelling attributes probabilities to potential modified assumptions. We use primarily historical data extracted from our underlying portfolios to calibrate these probabilities, and additionally apply general mortality rates for the population to model the mortality trend risk. To enable us to define appropriate parameters for the modelling of the range of areas in which we operate, portfolios with a homogeneous risk structure are grouped together and individual comprehensive profit and loss distributions determined. We then aggregate these distributions, taking account of the dependency structure, to obtain an overall distribution.

Our largest short-term accumulation risk in the life and health risk category is a severe pandemic. We counter this risk by examining our overall exposure in detail using scenario analysis, and by deploying appropriate measures to manage the risks.

In reinsurance, we control the assumption of biometric risks by means of a risk-commensurate underwriting policy. Interest-rate and other market risks are frequently ruled out by depositing the provisions with the cedant, with a guaranteed rate of interest from the deposit. In individual cases, these risks are also hedged by means of suitable capital market instruments. We also limit our exposure to individuals and groups of persons in life insurance.

For primary insurance, substantial risk minimisation is achieved through product design. In case of adverse developments, policyholder participation is of great significance for risk-balancing. In health primary insurance, most long-term contracts include the possibility and/or obligation to adjust premiums. There are, however, limits to the resilience of policyholders.

Limits are laid down for the pandemic scenarios, which affect the portfolio in the shorter term, and for the longevity scenarios and their longer-term effects in conformity with the risk strategy. We continue to analyse the sensitivity of the internal model to the input parameters on a regular basis. This relates to the interest rate, the biometric risk drivers and customer behaviour.

Solvency capital requirement – Life and health

At Group level, the solvency capital requirement increased by 5%, mainly due to business growth in the business segments. Capital market effects caused by rising interest rates and movements in exchange rates virtually offset each other.

Solvency capital requirement (SCR) – Life and health

	Reinsurance		ERGO		Diversification	
	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
	€m	€m	€m	€m	€m	€m
Health	295	242	851	634	–61	–68
Mortality	5,613	5,023	53	221	–8	–35
Disability	3,707	3,786	164	193	–18	–18
Longevity	1,234	1,150	876	518	–24	–25
Other	349	380	0	0	0	0
Diversification	–4,093	–3,766	–625	–568	0	0
Total	**7,104**	**6,816**	**1,319**	**999**	**–612**	**–367**

→

	Group			Change
	31.12.2024	Prev. year		
	€m	€m	€m	%
Health	1,086	808	278	34.4
Mortality	5,658	5,209		
Disability	3,853	3,961		
Longevity	2,086	1,644	442	26.9
Other	349	380	–31	–8.2
Diversification	–5,219	–4,554	–665	14.6
Total	**7,811**	**7,447**	**364**	**4.9**

Market risk

We define market risk as the risk of economic losses resulting from price changes in the capital markets. It includes equity risk, general interest-rate risk, specific interest-rate risk, property-price risk and currency risk. The general interest-rate risk relates to changes in the basic yield curves, whereas the specific interest-rate risk models changes in credit risk spreads – for example, on euro government bonds from various issuers, or on corporate bonds. We also include in market risk the risk of changes in inflation rates (depicted in the subcategory "general interest-rate risk") and implicit volatilities (cost of options). Fluctuations in market prices affect not only our investments, but also the underwriting liabilities – especially in life primary insurance. Due to the long-term interest-rate guarantees given in some cases and the variety of options granted to policyholders in traditional life insurance, the amount of the liabilities can be highly dependent on conditions in the capital markets.

Market risks are modelled by means of Monte Carlo simulation of possible future market scenarios. We revalue our assets and liabilities for each simulated market scenario, thus showing the probability distribution for changes to basic own funds.

We use appropriate limit and early-warning systems in our asset-liability management to manage market risks. Derivatives such as equity futures, options and interest-rate swaps – which are predominantly used for hedging purposes – also play a role in our management of the risks. The impact of derivatives is taken into account in the calculation of solvency capital requirements.

Further information on derivative financial instruments can be found in the > Notes to the consolidated financial statements > Explanatory information > Notes to the consolidated balance sheet – Assets > (16) Financial investments and also > (18) Insurance-related financial instruments, as well as under > Notes to the financial instruments and fair value disclosures on assets and liabilities > (47) Hedge accounting.

Solvency capital requirement (SCR) – Market

	Reinsurance		ERGO		Diversification	
	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
	€m	€m	€m	€m	€m	€m
Equity risk	3,745	3,399	1,691	1,337	–174	–123
Interest-rate risk	2,779	2,844	2,118	1,763	–737	–923
General interest-rate risk	2,381	2,163	1,464	1,171	–375	–631
Specific interest-rate risk	1,571	1,387	1,600	1,246	–221	–309
Diversification interest-rate risk	–1,173	–706	–947	–654	–141	18
Property risk	1,786	1,631	736	630	–110	–67
Currency risk	5,430	4,207	242	239	–113	–83
	13,740	**12,082**	**4,787**	**3,970**		
Diversification effect	–6,680	–6,006	–916	–801		
Total	**7,060**	**6,076**	**3,870**	**3,169**	**–1,463**	**–966**

	Group			
	31.12.2024	Prev. year		Change
	€m	€m	€m	%
Equity risk	5,262	4,614	648	14.0
Interest-rate risk	4,160	3,685	475	12.9
General interest-rate risk	3,471	2,703	768	28.4
Specific interest-rate risk	2,950	2,324	626	26.9
Diversification interest-rate risk	–2,261	–1,342	–919	68.5
Property risk	2,412	2,195	217	9.9
Currency risk	5,560	4,363	1,197	27.4
	17,393	**14,856**	**2,537**	**17.1**
Diversification effect	–7,925	–6,578	–1,347	20.5
Total	**9,468**	**8,279**	**1,189**	**14.4**

Solvency capital requirement – Market

The solvency capital requirement (SCR) increased by around 14% at Group level. Detailed information on the changes in the individual subcategories is available in the following sections.

Equity risk

The rise in equity risk was due to positive market value trends and a moderate increase in exposure in alternative asset classes.

Interest-rate risk

The general interest-rate risk in the reinsurance field of business rose moderately. The specific interest-rate risk rose on account of higher exposure to fixed-interest securities with credit risk exposure due to portfolio restructuring, among other things.

The interest-rate risks in the ERGO field of business were up, mainly owing to portfolio restructuring and more accurate representation of significant interest-rate volatility in the risk model.

In the reinsurance field of business, the market value of interest-sensitive investments as at 31 December 2024 was €85.5bn (74.0bn). Measured in terms of modified duration, the interest-rate sensitivity of those investments was 3.5 (4.7), while that of the liabilities was 3.4 (4.5). A decrease in interest rates of one basis point led to a change in available own funds amounting to around €10.1m (9.0m).

In the ERGO field of business, the market value of interest-sensitive investments was €111.1bn (109.3bn). The modified duration was 7.7 (7.8) for interest-sensitive investments and 7.0 (7.1) for liabilities. A decrease in interest rates of one basis point led to a change in available own funds amounting to around €2.0m (2.4m).

Property risk

The property risk rose, chiefly due to acquisitions.

Currency risk

The currency risk increased due to modified positions in foreign currencies.

Credit risk

We define credit risk as the financial loss that Munich Re could incur as a result of a change in the financial situation of a counterparty. In addition to credit risks arising out of investments in securities and payment transactions with clients, we actively assume credit risk through the writing of credit and financial reinsurance and in corresponding primary insurance business.

When determining credit risks, Munich Re uses a portfolio model that is calibrated over a longer period (at least one full credit cycle); it also takes account of changes in fair value caused by rating migrations and debtor default. The credit risk arising out of investments (including government bonds and credit default swaps, or CDSs), deposits retained on assumed reinsurance and reserves ceded is calculated by individual debtor. If the credit risk does not exclusively depend on the debtor's creditworthiness, but also on other factors (such as subordination, guarantees or collateralisation), these are also taken into account. We use historical capital market data to determine the associated migration and default probabilities. Correlation effects between debtors are derived from the sectors and countries in which they operate, and sector and country correlations are based on the interdependencies between the relevant stock indices.

The calculation of the credit risk in "Other receivables" is based on internal expert assessments. We also quantify the credit risk for highly rated government bonds. Information on ratings can be found in the > Notes to the consolidated financial statements > Explanatory information > Disclosures on risks from financial instruments and insurance contracts > (51) Disclosures on risks from financial instruments.

Risk concentrations are mainly in government bonds issued by countries inside and outside the European Union. In addition, corporate bonds, pfandbriefs and similar covered bonds account for a large proportion of the investments.

We use a cross-balance-sheet counterparty limit system valid throughout the Group to monitor and control our Group-wide credit risks. The limits for each counterparty (a group of companies or country) are based on its financial situation as determined by the results of our fundamental analyses, ratings and market data, and the risk appetite defined by the Board of Management. The utilisation of limits is calculated on the basis of risk-weighted exposures. There are also volume limits for securities lending and repurchase transactions. Group-wide rules for collateral management – for example, for over-the-counter derivatives and catastrophe bonds issued – reduce the resultant credit risk.

In monitoring the country risks, we do not simply rely on the usual ratings, but perform independent analyses of the political, economic and fiscal situation in the countries issuing bonds in which Munich Re is most heavily invested. In this regard, climate-change-related risks are also considered. On this basis, and taking account of the investment requirements of the fields of business in the respective currency areas and countries, limits or specific measures are approved. These are mandatory throughout the Group for investments and the insurance of political risks.

The sensitivities in the credit risk model are regularly checked against the most important input parameters. This primarily concerns the recovery rates from insolvent debtors, the probabilities of debtor migration between rating classes, and the parameters for correlations between debtors. All validations demonstrated the appropriateness of the modelling approaches used.

We manage credit default risk in retrocession and external reinsurance with the assistance of limits determined by the Retro Security Committee. Information on our default risks from insurance business and from reinsurance contracts held that are assets can be found in the > Notes to the consolidated financial statements > Explanatory information > Disclosures on risks from financial instruments and insurance contracts > (53) Disclosures on further risks from insurance contracts.

Solvency capital requirement – Credit
The solvency capital requirement declined by around 6% at Group level, resulting primarily from a decrease in investments with credit risk exposure in reinsurance. The volume of deposits retained and receivables from reinsurance contracts subject to credit risk also decreased.

Operational risk

We define operational risk as the risk of losses resulting from inadequate or failed internal processes, incidents caused by the actions of personnel or system malfunctions, or external events. This includes criminal acts committed by employees or third parties, insider trading, infringements of antitrust law, business interruptions, inaccurate processing of transactions, non-compliance with reporting obligations, and disagreements with business partners.

We use scenario analyses to quantify operational risks. The results are fed into the modelling of the solvency capital requirement for operational risks and are validated using various sources of information, such as the ORCS findings and both internal and external loss data.

The sensitivity in the internal model is regularly checked against the most important input parameters. This mainly relates to the dependence of the result on frequency and loss amounts and the parameters for the correlations between scenarios. The analyses showed no anomalies in the year under review.

Solvency capital requirement – Operational risk
At Group level, the solvency capital requirement for operational risks remained virtually unchanged.

Security risk

Security risk is an integral component of operational risk. We define security risks as risks resulting from threats to the security of our employees, data, information, and property. We have intensified our monitoring of cyber risks in recognition of the increasing importance of information technology for Munich Re's core processes and the dynamic environment of cyber crime.

The Group Chief Information Security Officer (CISO), a function that is assigned to risk management, is responsible for the central and Group-wide coordination and control of all activities involving information security risks. Security risk committees have also been set up in the fields of business to assess and manage security risks. The members of the security risk committees are managers from operational units (e.g. IT Security) and the control functions (e.g. Risk Management, Information Security, and Compliance).

To further improve cyber security, we are working on initiatives both specific to and across the fields of business to ensure a level of protection in line with our information security strategy. Further information can be found under > Combined non-financial statement > Governance information > Corporate governance and compliance > Information security and > Data protection.

Other risk categories

As is typical throughout the industry and in accordance with regulatory requirements, the risk types specified below are not explicitly quantified in our internal model. Qualitative risk management is very important for dealing with these risks.

Reputational risk

We define reputational risk as the risk of loss that may result from a deterioration in the Group's public image among clients, shareholders or other parties. Our reputation is affected by our behaviour in a number of areas, such as client relationships, product quality, corporate governance, earnings power, our treatment of employees and corporate responsibility. Reputational risk is closely intertwined with all other risk categories. The assessment of individual business transactions in terms of their reputational risk is performed at field-of-business level by reputational risk committees. Where a reputational risk could potentially have an impact across fields of business, other central divisions may be involved in the assessment if required.

Strategic risk

We define strategic risk as the risk of making wrong business decisions, implementing decisions poorly, or being unable to adapt to changes in the operating environment. Existing and new potential for success in the Group and the fields of business in which it operates creates strategic risks. At Munich Re, strategic risks are identified, assessed and managed in a recurring process comprising a strategic dialogue in the Strategy Committee of the Board of Management (StratC) and annual planning. Furthermore, the Group-wide annual (financial) planning process is integrated into the strategic dialogue within the StratC. This annual planning process includes analysing financial sensitivities and risks as well as assessing the capital management and risk strategy. These process steps are mirrored in the primary insurance and reinsurance fields of business and in investment management. In this way, we put our strategy to the test in close dialogue with the various stakeholders at different levels (Group, primary insurance and reinsurance, asset management). The above processes ensure that the Board of Management addresses the strategic risks in detail and is well placed to monitor and manage them. The Group CRO is involved in both the strategic and operational business planning as well as in significant company sales, mergers and acquisitions.

Liquidity risk

Our objective in managing liquidity risk is to ensure that we are in a position to meet our payment obligations at all times.

The liquidity risk is managed within the framework of our holistic risk strategy, with the Board of Management defining limits on which minimum liquidity requirements for our operations are based. Compliance with minimum requirements is continually monitored and regularly reported to the Board of Management. Using quantitative risk criteria, we ensure that Munich Re has sufficient liquidity available to meet all its payment obligations even under adverse scenarios, with the liquidity position being assessed both for extreme insurance scenarios and for adverse situations in the capital markets.

Further information on liquidity risks in life and health insurance business and in property-casualty insurance business can be found in the > Notes to the consolidated financial statements > Explanatory information > Disclosures on risks from financial instruments and insurance contracts > (53) Disclosures on further risks from insurance contracts.

Solvency ratio under Solvency II

The solvency ratio under Solvency II is the ratio of the eligible own funds to the solvency capital requirement.

Solvency II ratio[1]

		31.12.2024	Prev. year	Change
Eligible own funds[2]	€m	54,254	47,979	6,275
Solvency capital requirement	€m	18,915	17,974	941
Solvency ratio under Solvency II	%	287	267	

1 Eligible own funds and solvency capital requirement excluding the application of transitional measures for technical provisions; including the application of transitional measures for technical provisions, the own funds amounted to €54.3bn (52.5bn); solvency capital requirement: €18.9bn (18.0bn); Solvency II ratio: 289% (292%).

2 Driven by economic earnings of €9.3bn and the issue of a subordinated bond with a volume of €1.5bn, the eligible own funds increased as at the reporting date. The following factors had a reducing effect on eligible own funds: the dividend of €2.6bn agreed by the Board of Management and proposed to the Annual General Meeting for the 2024 financial year; the share buy-back programme with a volume of €1.5bn; the adjustment to the opening balance amounting to –€0.3bn; and other measures totalling –€0.1bn.

The eligible own funds as at the reporting date take into account a deduction for the dividend of €2.6bn agreed by the Board of Management and proposed to the Annual General Meeting for the 2024 financial year.

Other risks

Economic and financial-market developments and regulatory risks

Munich Re is heavily invested in the eurozone, and – in reinsurance in particular – in the US dollar currency area, a consequence of our global business activities in these currency areas. We prioritise maintaining a correspondingly broad diversification of investments to cover our insurance liabilities. We take various risk management measures to counter fluctuations in the capital markets that can lead to volatilities in the Group's own funds.

The global economy was characterised by subdued economic growth overall in 2024. The eurozone recovered from stagnation and the US benefited from continued strong economic growth. The German economic slump continued, driven by dwindling industrial output. In China, the government's economic stimulus packages helped to stabilise the economy, although there were still risks in the shadow-banking and real-estate sectors. Inflation rates continued to fall in both the eurozone and the US in 2024; the average rates for the year were below the prior-year value in both regions. In the eurozone, the drop in inflation was due to lower energy prices in some cases, coupled with a less rapid increase in food prices. Service inflation in the eurozone remained persistently high. Given the protectionist policies being pursued by the US government, together with possible financial sanctions and retaliation by trading partners, both the risk of recession and the risk of changes in inflation resulting from tariffs remains high. In this environment, the general insolvency risk for companies in sectors affected by tariffs is also elevated.

For Munich Re, above-average inflation rates can have a particularly adverse effect on its claims reserves. However, we believe that expected inflation rates are adequately taken into account by applying the standard actuarial methods, which address the effects of inflation, and by our conservative reserving approach. Nevertheless, there is a risk that inflation exceeds forecasts and remains high for longer than anticipated, in turn impacting the business operations, financial position and performance of the Group. Although Munich Re protects itself against accelerated inflation by holding inflation-linked bonds and other inflation-sensitive assets such as property, commodities and infrastructure, these measures might not be sufficient to fully mitigate the repercussions of inflation. On the other hand, the fact that interest rates in the eurozone are much higher than in recent years is providing significant relief for life insurance companies with guaranteed minimum interest rates. Although the number of lapses could increase as soon as interest rates rise significantly above the guaranteed interest rate, Munich Re life insurance companies have not on the whole observed such a trend. Thus far, both the positive impact on earnings capacity and the solvency ratio of life insurance companies significantly outweigh the lapse risk.

We regard geopolitical risks in our planning period as very relevant. In addition to the war in Ukraine, which continues to be fought with the same intensity, the tension in the Middle East and the shifts in the balance of power, with China as the key player, 2024 was marked by a further increase in geopolitical uncertainty. This includes the implications of the presidential election in the US and the increasing political instability in the EU. Munich Re is observing the developments closely and is analysing the risks in regions where it has substantial exposures on an ongoing basis. We conduct more in-depth analyses based on specific crisis scenarios if the situation demands so that we can take risk-mitigating measures as necessary.

Global players such as Munich Re are subject to increased fiscal pressure nationally and internationally, as well as a higher audit intensity. Given the current political emphasis on an appropriate taxation of international companies and the introduction of a global minimum tax rate, which has applied in the EU since 1 January 2024, this trend will continue and intensify.

Climate change

Climate change represents the central sustainability risk in relation to the environment. The Munich Re Group counters climate change-related risks by systematically taking them into account in the (re)insurance business, in investments, and in its own operations. In light of the risk mitigation measures we take as part of our risk strategy as well as our risk modelling and pricing, we do not consider the impacts of climate change to be a material financial risk for Munich Re. Further information regarding our views on and measures to address climate change-related risks is available under > Combined non-financial statement > Environmental information > Climate change.

Legal risks

As part of the normal course of business, Munich Re companies are involved in court, regulatory and arbitration proceedings in various countries. The outcome of those or possibly imminent proceedings is neither certain nor predictable. However, we believe that none of these proceedings will have a significant negative effect on the financial position of Munich Re. Such proceedings are dealt with using combined expertise within the individual departments and units.

Assessment of the risk situation

In accordance with the prescribed processes, our Board committees explicitly defined the risk appetite for significant risk categories in the year under review, and quantified it with key figures. We determined and documented the risk appetite across the Group hierarchy and communicated it throughout the Group. In 2024 risk exposures were regularly quantified and compared with the risk appetite. They were reported on and discussed in the relevant committees.

At 287%, the Solvency II ratio is at a very comfortable level above our communicated optimal range of 175–220% (without application of transitional measures). Munich Re thus continues to have a very solid capital base. Based on up-to-date findings and on our internal model, Munich Re's Solvency II ratio (without application of transitional measures) would be at least within or above the optimal range even in the event of major loss events and negative capital market effects. We therefore assess Munich Re's risk situation to be manageable and under control.

Further risk figures[1]

Premium risks and reserve risk in property-casualty insurance

The degree of exposure to premium risks differs according to class of business and also between primary insurance and reinsurance. On the basis of the loss ratios and combined ratios shown in the following table, conclusions can be drawn about the volatilities in the different classes of business and about possible interdependencies.[2] The differences are due to fluctuations in claims expenditure and fluctuations in the respective market-price level for the covers granted.

Loss ratios and combined ratios by class of business

%	2024	Prev. year
Loss ratio		
Reinsurance		
Liability	102.5	89.8
Accident	92.8	75.9
Motor	74.4	94.2
Marine, aviation, space	69.0	60.5
Fire and other property insurance	51.9	58.4
Engineering	54.4	51.6
Credit and surety	55.3	57.9
Other classes of business	64.3	66.1
ERGO Property-casualty Germany	60.3	59.1
ERGO International[1]	62.9	59.3
Combined ratio		
Reinsurance		
Liability	116.6	102.7
Accident	112.8	89.6
Motor	88.6	109.4
Marine, aviation, space	85.6	79.3
Fire and other property insurance	68.4	74.0
Engineering	75.2	72.7
Credit and surety	65.8	67.8
Other classes of business	80.7	79.6
ERGO Property-casualty Germany	89.2	88.9
ERGO International[1]	91.9	90.1

1 Property-casualty business, travel insurance business and short-term health insurance business (excluding health insurance conducted like life insurance).

In the motor, fire and other property insurance, and marine lines of business – and also in sections of engineering reinsurance and ERGO – there is a high degree of sensitivity regarding the underlying assumptions about natural catastrophes. The following table therefore shows the combined ratios for property-casualty reinsurance, including and excluding natural catastrophe losses.

1 In accordance with German Accounting Standard No. 20 (GAS 20).

2 Further information on the combined ratio can be found under > Tools of corporate management and strategic financial objectives, and in the > Notes to the consolidated financial statements > Explanatory information > Segment disclosures > (7) Alternative performance measures.

Combined ratio in property-casualty reinsurance for the last ten years[1]

%	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Including natural catastrophes	82.4	85.2	83.2	99.6	105.6	100.2	99.4	114.1	95.7	89.7
Excluding natural catastrophes	72.6	76.2	74.5	87.6	101.6	90.2	92.6	92.1	90.2	88.8

1 Due to the application of IFRS 4 for financial years preceding 2022, and to the increased limit for major losses from 1 January 2023 (€30m, previously €10m), the values shown in the table are only comparable to a limited extent.

Major losses, by which we mean individual losses exceeding €30m, are particularly relevant in property-casualty reinsurance.

Major losses in property-casualty reinsurance (net)

€m	2024	Prev. year
Major losses from natural catastrophes	2,644	2,335
Man-made major losses	1,241	943
Total	**3,885**	**3,278**

The liability for incurred claims is subject to a reserve risk, i.e. the risk that actual claims settlement may be less than or exceed the amount reserved. Information on the development of claims and claims payments over time can be found in the > Notes to the consolidated financial statements > Explanatory information > Notes to the consolidated balance sheet – Equity and liabilities > (28) Liability for incurred claims. A particular sensitivity to reserve risks exists in the case of contracts with long run-off periods. This characteristic applies especially to third-party liability insurance, where liabilities may manifest themselves after a considerable latency period.

Risks from defaults on receivables from insurance business

As at 31 December 2024, the accounts receivable for reinsurance contracts held were split between the following ratings (based on those of Standard & Poor's):

Rating of accounts receivable

€m	31.12.2024	Prev. year
AAA	3	0
AA	101	105
A	185	164
BBB and lower	5	6
No external rating	134	116

Of all our receivables from insurance contracts issued and held at the reporting date, €622m (644m) were outstanding for more than 90 days. The average default rate for the last three years was 1.0% (1.1%).

Further information on underwriting risks (including biometric risks, lapse risk and interest-rate risk), market risks, and default risks in life insurance can be found in the > Notes to the consolidated financial statements > Explanatory information > Disclosures on risks from financial instruments and insurance contracts > (53) Disclosures on further risks from insurance contracts. In addition, this section includes information on liquidity risk in connection with maturity date analyses of contractual net cash flows and amounts payable on demand.

Opportunities report

Our integrated business model, strong capitalisation and innovation, good customer focus, and deep knowledge of the industry put us in a good position to benefit from continuously evolving markets and changes in client behaviour, while generating profitable growth by developing customised solutions for our clients. Unless stated otherwise, the opportunities for Munich Re outlined below generally relate equally to all fields of business.

Business environment

We anticipate merely moderate growth in the global economy in 2025. Although low inflation, strong wage growth and monetary policy easing will boost private consumption, uncertainties regarding economic policy and geopolitics will hinder economic growth. Our high degree of diversification and our strong capitalisation mitigate the risks we face, and will open up additional business opportunities for us, provided the macroeconomic parameters that are especially relevant to us improve. Stronger economic growth – fuelled by less confrontational trade policy and geopolitics, for instance – tends to increase demand for insurance cover and to result in higher premium volume in most classes of insurance. In addition, the COVID-19 pandemic led many reinsurance and primary insurance clients to recognise their need for increased risk protection. The need for first-class medical care and cover against unforeseeable risks was brought home to consumers, which could have a positive effect on demand for insurance products, particularly private health insurance.

Economic dynamics, which are expected to be positive in the long term, and the low degree of insurance penetration in many developing and emerging markets represent opportunities for profitable expansion and further diversification of our business portfolio along the entire value chain.

Against the backdrop of moderately increasing global reinsurance capacity in 2024, we expect prices to remain stable in international property insurance, with numerous opportunities for profitable growth – especially in our reinsurance and industrial insurance portfolios.

Digital transformation

Digitalisation is increasingly transforming the markets, and the continuous changes in customer behaviour are demanding greater flexibility in terms of providing access, coverage and solutions, as well as in our underlying internal structures. Driving digital transformation therefore remains one of Munich Re's strategic priorities and is part of our Group Ambition 2025.

We are continually adjusting our internal structures and processes to reduce complexity and costs, while at the same time seizing the opportunities that digital transformation offers. We are attempting to automate as much as possible, along the entire value chain and across all units. We want to deliver what our clients and we ourselves expect in terms of quality, speed and security, while continuing to increase efficiency. This applies not just to traditionally client-focused areas such as sales, contract administration and claims handling – but also, for example, to the digitalisation of our asset management. In addition, we are leveraging opportunities arising from flexible, mobile working models to retain and attract qualified staff.

We are also taking account of increasing demand for digital products in our research and development activities. At ERGO, for example, we are heavily investing in the development of new technologies, such as traditional and generative AI, the metaverse, bots and virtual assistants. In doing so, we intend to make our processes and operations more efficient and intelligent, thus enhancing customer experience.

The above-mentioned technologies, particularly traditional and generative AI, play a similarly key role in reinsurance. The primary focus here is on new opportunities in business management, such as providing a greater range of information to underwriters for faster, better decision-making ("augmented underwriting"). We are also leveraging our many years of experience with traditional and generative AI to help our clients overcome challenges associated with the implementation of augmented underwriting, the success of which can be facilitated by our AI-based solutions.

Moreover, we are leveraging numerous initiatives of relevance to our lines of business with an eye to fostering the development of innovative products and services designed to tap growth opportunities in the digital world. Given our clients' hybrid requirements, we are actively driving the integration of various products and sales channels, and the expansion of direct sales in all classes of primary insurance.

Social trends

In life and health insurance, an ageing population coupled with frequently diminishing state benefits are leading to increasing demand for private and company insurance plans, which we are catering to with our broad spectrum of products in life primary insurance. MEAG is also playing a key role in this respect with its investment expertise. Moreover, advances in medicine and the increasing significance of prevention in primary insurance are providing us with a host of possibilities for satisfying our clients' most diverse needs and binding them to Munich Re, as well as for expanding our business. In life reinsurance, we also offer integrated reinsurance and financing solutions.

Ecologically and socially sustainable action is becoming more and more important for the insurance industry. Our many different activities in this context, combined with our high and reliable ESG standards, help us to address the expectations of society – while also portraying us as an attractive partner for investors, clients and staff. Further information is available in the > Combined non-financial statement.

Climate change and natural catastrophes

We expect climate change to lead to an increase in weather-related natural catastrophes in the long term – despite the global efforts being made. This growing loss potential will result in greater demand for primary insurance and reinsurance products. Our expertise in dealing with natural hazard risks and advances in our risk management – such as new, high-resolution risk models – allow us to support preventative measures, calculate competitive prices for traditional covers, and develop new solutions for our primary insurance customers and reinsurance clients.

On a general note, we see business potential in the transition to a climate-neutral economy. We anticipate an increase in worldwide investment in renewable energy in an effort to meet the net-zero goal by 2050. We possess leading engineering and risk assessment expertise and we have innovative risk-transfer concepts ready for this investment surge.

Expanding the limits of insurability

Together with our clients, we strive to expand the boundaries of insurability in many ways and provide our customers with new and enhanced types of cover. In this context, we are developing a broad spectrum of insurance covers for types of risk that are rapidly becoming as important as the traditional ones in a changing world, including performance guarantees for alternative energies and propulsion systems, risks from artificial intelligence and algorithms, parametric risks, flood risks and credit insurance.

Prospects

This section contains forward-looking statements that are based on current assumptions and forecasts of the management of Munich Re. We do not accept any responsibility or liability in the event that they are not realised in part or in full.

Outlook 2025

Outlook for Munich Re

		2025
Insurance revenue from insurance contracts issued	€bn	64
Total technical result – Life and health reinsurance	€bn	1.7
Combined ratio – Property-casualty reinsurance	%	79
Combined ratio – Global Specialty Insurance	%	90
Combined ratio – ERGO Germany	%	89
Combined ratio – ERGO International	%	90
Return on investment	%	over 3.0
Net result	€bn	6.0
Economic earnings	€bn	over 6.0

All forecasts and targets face increased uncertainty owing to fragile macroeconomic and geopolitical developments and volatile capital markets. As always, the projections are subject to major losses remaining within normal bounds, and to the income statement not being impacted by severe fluctuations in the currency or capital markets, significant changes in the tax environment, or other one-off effects. With effect from 1 January 2025, we created a dedicated segment for the Global Speciality Insurance (GSI) business within the reinsurance field of business. In addition, from 2025 onwards, we will be reporting largely at the level of ERGO Germany and ERGO International, and will only be publishing selected metrics for ERGO Life and Health Germany and ERGO Property-casualty Germany.

Munich Re

We estimate that the Group's insurance revenue from insurance contracts issued (insurance revenue) in 2025 will total around €64bn, up slightly on 2024.

We expect our annual return on investment to remain stable year on year at over 3.0%.

Our target net result for 2025 is around €6.0bn, higher than the 2024 net result. The forecasts are subject to major losses being within normal bounds and liability for incurred claims remaining unchanged. Furthermore, they are dependent on our income statement not being impacted by severe currency or capital market movements, significant changes in fiscal parameters, or other special factors.

For 2025, we expect our economic earnings to slightly surpass the IFRS net result of €6.0bn. The compilation of financial reports in accordance with IFRS 9 and IFRS 17 has increased harmonisation between the IFRS net result and economic earnings as performance indicators – but differences remain nevertheless. Of particular note are the differences pertaining to both the timing of the recognition of profit and the impact of capital market effects. The projection for the economic earnings is based on the assumption of stable conditions and capital markets, unchanged modelling parameters, and normal major-loss incidence. Deviations from these assumptions may have a different impact on economic earnings than on accounting based on the IFRS Accounting Standards. Further information on economic earnings as a management tool can be found under > Tools of corporate management and strategic financial objectives.

Subject to approval by the Annual General Meeting, the dividend will amount to €20.00 per share, equivalent to a total payout of €2.6bn.

Reinsurance

In the reinsurance field of business, we expect insurance revenue of around €42bn for 2025, up marginally on 2024's figure. Currency translation effects could potentially have a considerable impact on this estimate. The net result for the reinsurance field of business is expected to total around €5.1bn.

We project a total technical result of around €1.7bn for life and health reinsurance. The total technical result comprises the insurance service result and the result from insurance-related financial instruments.

We anticipate the combined ratio in property-casualty reinsurance to be about 79%. In the new GSI segment, we expect to see a combined ratio of 90%. Both ratios are based on net insurance revenue.

Price development was stable overall, and for the most part compensated for the higher loss estimates in some areas, which were caused primarily by inflation or other loss trends. Primary insurance prices also increased in many markets. Overall, the high price level of Munich Re's portfolio was maintained in the reinsurance renewals as at 1 January 2025 with a slight 0.6% decrease. Economic profitability was negatively affected due to the lower interest rate level.

As at 1 January 2025, around two-thirds of non-life reinsurance treaty business was up for renewal, with a focus on Europe, the US and global business, and representing a premium volume of €15.9bn. Total premium volume written decreased slightly by 2.4% to around €15.6bn. We discontinued business that did not meet our expectations with regard to prices or terms and conditions. At the same time, attractive business relationships arose from the expansion of existing client relationships as well as new business.

The renewals as at 1 April 2025 (above all in Japan and India) and 1 July 2025 (parts of the portfolio in the US, Australia and Latin America) will involve the renegotiation of a premium volume of around €6.1bn in reinsurance treaty business. It is Munich Re's expectation that the attractive price levels and improved treaty conditions will be largely upheld in these renewal rounds, too.

ERGO

In the ERGO field of business, we expect to see a slight increase in insurance revenue to around €22bn for 2025. The contribution to the net result for 2025, at around €0.9bn, should be higher than that for 2024.

We are aiming for a combined ratio of 89% for ERGO Germany. We predict a combined ratio of 90% for ERGO International.

Combined non-financial statement

Group sustainability statement under ESRS

General information

Basis for preparation

General basis

This report has been prepared on a consolidated basis. The scope of consolidation is the same as the scope of consolidation used in consolidated financial reporting in accordance with IFRS Accounting Standards. Due to their inclusion in the consolidated report, certain subsidiaries are exercising the exemption from the requirement to supplement their management report by a report in accordance with Section 289b of the German Commercial Code or with the applicable national transpositions of Article 19a(9) or Article 29a(8) of Directive 2022/2464/EU Corporate Sustainability Reporting Directive (CSRD). These subsidiaries are indicated in the consolidated financial statements under > List of shareholdings as at 31 December 2024 pursuant to Section 313(2) of the German Commercial Code (HGB), by a reference to footnote 12.

The Munich Re Group's upstream and downstream value chain was included in the preparation of this report. The reporting thus covers the impacts, risks and opportunities that are associated with its own operations, including the connected value chain, and those associated with its insurance and investment activity.

In the context of our own operations, we include the companies in the consolidated group with staff who perform activities that form part of our core business of assuming (re)insurance risks and managing investments. The business activities relating to non-financial investments in the consolidated group are, in accordance with the management approach at Munich Re, allocated to the respective disclosures for the investments.

Due to the given confidentiality, we have exercised the option under ESRS 1 not to disclose confidential information that requires a particular level of protection, especially in the area of information security.

Disclosures relating to specific circumstances

Given that the European Corporate Sustainability Reporting Directive (CSRD) was not transposed into German law in 2024, we have prepared a combined non-financial statement according to the requirements of German commercial law pursuant to Sections 289b and 315b of the German Commercial Code (HGB) in accordance with the European Non-Financial Reporting Directive (NFRD, 2013/34/EU), and concurrently under full application of the first set of the European Sustainability Reporting Standards (ESRS) as a reporting framework as per Section 289d HGB. In parallel, the Group sustainability statement in accordance with ESRS meets the requirements of the CSRD, including the involvement of employee representatives.

Accordingly, the reporting includes the disclosures under Sections 289c and 315c HGB and the Group sustainability statement as per the ESRS. Furthermore, it combines the consolidated non-financial statement of the Munich Re Group and the non-financial statement of Munich Reinsurance Company. All content presented in the report applies both to the Group and to Munich Reinsurance Company, unless otherwise noted.

In preparing this report for the first time following the ESRS – a Commission Delegated Regulation (2023/2772/EU) that serves to provide a common framework for sustainability reporting in the EU – the structure and scope of our report have changed, particularly with regard to the reporting of metrics.

Beyond the ESRS disclosure requirements, this report contains supplementary disclosures on scope 3 financed emissions, deriving from the standards published to date by the International Sustainability Standards Board (ISSB): IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2). The disclosures provided under ESRS in this area are supplemented by further reporting in accordance with ESRS 1, Paragraph 114, ESRS 2, Paragraph 15, and the ESRS–ISSB Standards Interoperability Guidance. Specific references to these disclosures are made in the topic-specific sections on financed emissions.

Information and disclosures on the value chain often require the use of judgement or are subject to estimates. This is especially the case in connection with disclosures on our insurance and investment activities. Where relevant, we disclose the sources for estimates and outcome uncertainty in the relevant topic-specific sections.

We engaged EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft to perform an assurance engagement on our 2024 combined non-financial statement containing the Group sustainability statement prepared in accordance with ESRS. All the information in this combined non-financial statement, which has been prepared under full application of the ESRS, has been subject to a limited assurance engagement. Beyond this limited assurance engagement, no further validation of the measurement of the metrics was performed by another external body.

Certain ESRS disclosure requirements were incorporated by reference. A list of information incorporated by reference can be found under > Tabular presentations > List of disclosure requirements incorporated by reference. Any references to information not included in the report constitute additional information and are not part of the combined non-financial statement; they are not covered by the assurance engagement.

Strategy

Strategy, business model and value chain

As one of the world's leading risk carriers and providers of primary insurance and reinsurance products, Munich Re generated insurance revenue of €60,830m in financial year 2024 attributable to the ESRS "Insurance (FIN)" sector. There are no additional ESRS sectors that are significant for Munich Re.

Munich Re pursues a Group-wide strategy. In our endeavours to contribute to a sustainable tomorrow, we regard economic prosperity, resilience and technological progress as factors that are intrinsic to the creation of a just and sustainable society.

Munich Re's business model is based in particular on responsible, sustainable and forward-looking conduct over the long term together with our employees and business partners. The sustainability-related impacts, risks and opportunities are monitored on an ongoing basis as part of our holistic management approach and, where reasonable and possible, tracked using appropriate strategies and actions. Any effects these may have on our business model, for example, are outlined in the following sections. A description of the Munich Re Group, the overarching business strategy, the business model, the value chain and customer groups can be found under > Combined management report > Strategy and > Munich Re Group; and the Group's performance by business segment is presented in the > Combined management report > Business performance. Information on the number of staff, broken down by region can be found under > Social information > Human rights and working conditions > Working conditions > Overview "Characteristics of our workforce".

Munich Re's commitment to acting responsibly continues to serve as a cornerstone of our value creation activities. We are striving to reduce GHG emissions from our insurance business and our investment portfolio to net zero by 2050. Munich Re expressed this intention in the expectation that governments will meet their own pledges to achieve the goals of the Paris Agreement. With regard to the definition and scope of net zero, we will consider the latest information from regulatory requirements when we define new targets.

We have outlined our aspirations accordingly in our Munich Re Ambition 2025. We not only contributed our own expertise and experience, but also worked closely with our external stakeholders to create holistic added value and support an effective climate transition. We focus on the following fields of action:

- Responsible corporate governance: Responsible corporate governance is only possible if it is rooted in ethical, legal conduct.

- Environmental protection and climate change mitigation: We have defined a climate strategy, including decarbonisation targets, which applies to our (re)insurance business, our investments and our own operations. Guidelines set restrictions on the underwriting of risks and on investments in connection with fossil fuels.

- Business model: We take into account environmental, social and governance (ESG) aspects, beyond climate change, across the value chain in our core business activities. In particular, we focus on respecting human rights criteria and corresponding due diligence processes for the protection of biodiversity. We also support the international conventions in the controversial weapons context (including but not limited to the weapon categories of anti-personnel mines and cluster munition), and address this in corresponding guidelines for our investments and for (re)insurance.

- Responsible employer: As an employer, we treat our staff in a responsible and respectful way as an absolute priority. We want to create conditions that support personal and professional development. Our goal is an environment that promotes diversity, equity and inclusion.

Further details on the targets and actions are provided in the relevant information in the following topic-specific sections. Exceptions to guidelines and measures may, in certain cases, be granted at Board level.

Interests and views of stakeholders

Munich Re values open, continuous dialogue with our various stakeholders. This form of proactive engagement enables us to identify those topics that are decisive for our Group, both now and in the future, from the perspective of our stakeholders. Stakeholder views and interests were reflected in the materiality assessment by involving internal experts who engage in ongoing dialogue with various stakeholder groups.

For this purpose, we analyse the results of our dialogue with external stakeholders and incorporate the insights in our strategy:

- We engage in dialogue with our clients and regularly assess their satisfaction with our services through analyses and surveys tailored to the differing customer or client structures of the primary insurance and reinsurance industries, respectively.

- We hold expert discussions with players in the financial markets, which are characterised by regular dialogue and the proactive provision of information. We offer detailed information on the general risks and opportunities of our business by means of frequent personal meetings with investors, at roadshows and at regular events for investors and analysts. We also specifically inform these groups about our sustainability activities and industry trends.

- We keep in close contact with potentially affected stakeholders, non-governmental organisations (NGOs), political institutions, authorities and organisations at both national and international levels. We are also an active member of a range of initiatives in the financial industry and of associations, including the Principles for Sustainable Insurance (PSI), Principles for Responsible Investments (PRI) and the Net-Zero Asset Owner Alliance (NZAOA). Consideration of the interests of potentially affected stakeholders, including respect for human rights, forms part of our general approach to managing ESG aspects (see also > Social information > Human rights and working conditions > Working conditions).

- We maintain a regular dialogue with scientists, associations and organisations across the globe, and are involved in several national and international research and development projects. These include the Global Earthquake Model (GEM), the German Research Centre for Artificial Intelligence (DFKI) and the German Data Science Society (GDS). We also seek out regular dialogue with wider society, for example through public dialogue forums and panel discussions.

Our employees are likewise some of our most important stakeholders, which is why we maintain continuous dialogue with our staff worldwide. We promote a culture of feedback and transparent communication using a broad range of channels, such as Group-wide surveys, internal social media/platforms and other dialogue forums. Events such as town hall meetings, strategy meetings with members of the Board of Management and management conferences also promote dialogue across the various organisational levels.

Impacts, risks and opportunities and their interaction with strategy and business model

The following sustainability-related impacts, risks and opportunities may affect our business performance in the short, medium and long term or are of strategic relevance, and are therefore linked to our strategy and our business model.

We have derived the definitions of the impacts, risks and opportunities from the sector-agnostic ESRS, taking entity-specific aspects into account. Further entity-specific disclosures in particular can be found in the sections on customer satisfaction, information security and data protection. A detailed description and respective management approaches are presented in the following sections.

The assessment of sustainability-related impacts, risks and opportunities is based on established definitions of time horizons: short term (up to 2 years), medium term (more than 2–10 years), and long term (more than 10 years). In particular when it comes to our (re)insurance portfolio, an understanding of how risks change in the short and medium term is of importance for our business activity. Any assessment of how these risks will impact Munich Re’s exposure over medium- and long-term time horizons is naturally subject to a high degree of uncertainty.

Impacts, risks and opportunities that fall under the ESRS disclosure requirements

Impact/risk/ opportunity	Section of the value chain	Cluster	Related ESRS standard/ entity-specific disclosure	Description of impacts, risks, opportunities	Time horizon
Impact	Own operations	Climate change	E1	**Climate change mitigation in internal operations**	short term medium term long term
Impact	Own operations	Climate change	E1	**Use of electricity from renewable resources in internal operations**	short term medium term long term
Impact	Own operations	Climate change	E1	**GHG emissions from MR buildings and non-sustainable modes of transportation**	short term medium term long term
Impact	Own operations	Climate change	E1	**Consuming non-renewable energy sources in internal operations**	short term medium term long term
Impact	Own operations	Human rights & working conditions	S1	**Creating favourable working conditions for employees with consideration of human rights (including equal treatment at the workplace)**	medium term long term
Impact	Own operations	Business conduct & compliance	G1	**Compliant working and business environment**	short term medium term long term
Impact	Own operations	Business conduct & compliance	entity-specific disclosure	**Data protection breaches**	short term medium term long term
Impact	Underwriting	Climate change	E1	**Raising awareness of climate risks**	short term medium term long term
Impact	Underwriting	Climate change	E1	**Reducing the risk of harmful effects of climate change on insureds through (re)insurance solutions**	short term medium term long term
Impact	Underwriting	Climate change	E1	**GHG emissions that can be associated with our (re)insurance products (including covers in the energy sector)**	short term medium term long term
Impact	Underwriting	Customer satisfaction	entity-specific disclosure	**Customer satisfaction and internal customer-related processes**	short term medium term long term
Impact	Investments	Climate change	E1	**GHG emissions from investees, real estate and infrastructure projects**	short term medium term long term
Impact	Investments	Biodiversity and ecosystems	E4	**Investments in industries that potentially contribute to biodiversity loss and ecosystem change**	short term medium term long term
Impact	Investments	Human rights & working conditions	S2, S3	**Investments in countries or companies with potential human rights violations**	short term medium term long term
Opportunity	Own operations	Human rights & working conditions	S1	**Attracting a diverse workforce and adding value to the organisation**	medium term long term
Opportunity	Own operations	Human rights & working conditions	S1	**Attracting and retaining skilled employees**	medium term long term
Opportunity	Underwriting	Climate change	E1	**Increased awareness of climate risks among the population/companies**	short term medium term long term
Opportunity	Underwriting	Customer satisfaction	entity-specific disclosure	**Additional business through satisfied customers**	short term medium term long term
Opportunity	Investments	Climate change	E1	**Investments in renewable energy**	short term medium term long term
Risk	Own operations	Human rights & working conditions	S1	**Loss of workforce**	short term medium term long term
Risk	Own operations	Business conduct & compliance	G1	**Compliance and regulatory risks**	short term medium term long term

Impact/risk/ opportunity	Section of the value chain	Cluster	Related ESRS standard/ entity-specific disclosure	Description of impacts, risks, opportunities	Time horizon
Risk	Own operations	Business conduct & compliance	entity-specific disclosure	**Cyber attacks**	short term medium term long term
Risk	Own operations	Business conduct & compliance	entity-specific disclosure	**Violation of data privacy**	short term medium term long term
Risk	Underwriting	Climate change	E1	**Impacts on the insurance business**	short term medium term long term
Risk	Underwriting	Customer satisfaction	entity-specific disclosure	**Risks in relation to customer satisfaction**	short term medium term long term
Risk	Investments	Climate change	E1	**Impacts on investments**	short term medium term long term

Materiality pursuant to Section 289c HGB

The impacts, risks and opportunities listed in the table above have been classified as relevant for reporting in accordance with the ESRS materiality concept. If the definition of materiality pursuant to Section 289c HBG is applied, the following topics are not deemed material as only material impacts have been identified here:

- Climate change (own operations);
- Biodiversity and ecosystems (investments);
- Human rights and working conditions (investments).

The information on these topics provided in the report constitutes additional information pursuant to Section 289c HGB, and has been included in order to report in accordance with ESRS. All topics listed in the table above are also relevant for reporting under the definition of materiality pursuant to Section 289c HGB.

Understanding of climate change risks

Physical risks and transition risks

Climate-related risks arise in the form of physical and transition risks, with interdependencies between both risk types. Physical risks arise from the increasing frequency and severity of extreme weather events (hurricanes, wildfires, severe convective storms, floods, etc.) and chronic changes such as sea level rise. In turn, those responsible for causing environmental damage or companies that have contributed to climate change may be also held accountable for the consequences. Physical risks are therefore of particular relevance in the underwriting of weather-related natural hazards and in liability insurance. Moreover, physical risks may also impact the value of an investment. Transition risks arise in particular as a consequence of political or economic measures taken for the purpose of conversion to a lower-carbon economy or as a consequence of reactions to changing living conditions in certain regions. In particular, transition risks may affect the value of our investments. Both types of risks involve medium-term and long-term effects, but can also have disruptive short-term consequences.

Climate-related scenario analyses

To estimate its resilience to physical and transition risks in the event of various climate-related scenarios, and to derive specific actions to be taken, Munich Re conducted climate-related scenario analyses covering the period up to 2050 in 2021. In 2023 and 2024, we conducted further analyses specifically addressing physical risks in the life and health reinsurance segment. We review the results of these analyses on a regular basis and our assessment is that they remain valid.

The climate scenarios we use are based on the scenarios presented by the Network for Greening the Financial System (NGFS). We apply a so-called orderly scenario, which assumes that climate policies are introduced early and become gradually more stringent. Physical risks and transition risks are both relatively minor in this scenario. We apply a so-called disorderly scenario, in which the introduction of more stringent climate policies is delayed, but these must then be implemented with immediate effect. This scenario features high transition risk. We also apply "hot house world" scenarios, which assume that transitional efforts are insufficient or non-existent. Such scenarios are characterised by high physical risks.

The targets of the Paris Agreement are assumed to be met in the first two of the scenarios described above.

The climate change scenarios refer to significantly longer periods than our usual scenarios for potential trend risks. Reliable quantitative information is difficult to obtain and depends heavily on the different potential climate change pathways. Any assessment of how these risks will impact Munich Re's exposures over longer time horizons is subject to a high degree of uncertainty. This is because the transition path and the way it affects other emerging risks are uncertain, as are the resulting impacts on known risk drivers such as premium and reserve risks or the impact of changes in share prices, interest rates or exchange rates on investments. Furthermore, future risk exposures may differ considerably from current exposures. We use scenario and sensitivity analyses as standard to consider these uncertainties in our risk strategy.

Risks arising from climate change impact the materiality of our established risk categories: underwriting risk, market price risk, credit risk, operational risk, liquidity risk, strategic risk and reputational risk. For that reason, management of climate-related risks is an integral component of our risk strategy. Our risk strategy is aligned with Munich Re's business strategy and defines where, how and to what extent we are prepared to incur risks. The further development of our risk strategy is embedded in the annual planning cycle, and hence in our business planning. The risk strategy is approved by the Board of Management, and discussed with both the Audit Committee of the Supervisory Board and the full Supervisory Board as a material element of the own risk and solvency assessment (ORSA) process. We determine the risk strategy by defining risk tolerances and limits for a number of risk criteria that are based on the capital and liquidity available, and on our business strategy, and provide a frame of reference for the Group's operating divisions.

Management of sustainability-related impacts, risks and opportunities

The materiality assessment determines which sustainability topics are especially important for Munich Re and its stakeholders, and therefore should be focused on in our management and reporting. To fulfil the regulatory reporting requirements, we conducted a materiality assessment for the 2024 financial year to identify the material information relevant for reporting. The assessment was conducted as per the requirements of the ESRS. The results of the materiality assessment were analysed both with regard to the concept of materiality under Section 289c of the German Commercial Code (HGB) as well as that defined in the ESRS. The present report covers both the topics that were deemed material under the HGB as well as information on the impacts, risks and opportunities that were considered relevant for reporting under ESRS. Where content was considered relevant for reporting only under ESRS, for the purposes of the HGB it constitutes additional information disclosed voluntarily.

Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities

Assessment of sustainability-related impacts

The material impacts were identified and assessed in a multi-stage process. The basis for this was the continual due diligence processes established by Munich Re (see also > Governance > Statement on due diligence). One element of these processes is that the Munich Re units hold regular dialogue with relevant stakeholder groups (e.g. employees, investors, customers, suppliers). The material impacts are addressed and monitored continuously as part of the existing processes. To identify the potential material impacts for the reporting, in a first step, a list of topics with potential impacts was prepared, taking Munich Re's business model into consideration. The list was based on the topics already reported in the previous year in the context of the combined non-financial statement as well as the topics listed in the sector-agnostic ESRS. On the basis of the requirements of the ESRS and taking into account the entire value chain (internal operations, investment and insurance activities), the identified impacts were assessed using qualitative and – where reasonable and possible – quantitative methods. The qualitative assessment was conducted largely in the course of workshops with experts from various units that deal with ESG aspects in their functions and are in continuous dialogue with external stakeholders, e.g. ESG experts from Group Investment Management (GIM) or in Underwriting. The workshop participants were selected on the basis of their expertise, their understanding of Munich Re's business model and their understanding of the expectations of external stakeholders.

This was followed by a supplementary assessment involving additional internal experts, such as the Investor Relations unit, which reflected the interests and views of external stakeholders on the basis of the regular dialogue held with them. By following this process, the interests and views of internal and external stakeholders were represented. For that reason, we did not hold an additional direct consultation with potentially affected stakeholders or external experts.

The assessment focused on our internal operations, insurance and investment activities, and thus considered impacts in which the Munich Re Group is involved through its internal activities and those resulting from its business relationships. Associates and joint ventures were regarded as part of the value chain and taken into account accordingly in the materiality assessment. The assessment was performed at consolidated group level, taking into account all locations in the relevant countries where Munich Re is represented. Potentially significant differences between material impacts, risks and opportunities at Group level and at the subsidiaries of the Munich Re Group were taken into consideration by involving experts in Group functions with a holistic view of the Group. Selected participants from ERGO and MEAG were also included in the workshops.

The criteria in accordance with the provisions of ESRS 1 were considered in the assessment. Accordingly, a distinction was made between negative and positive impacts and between actual and potential impacts. For actual positive impacts, the scale and scope were assessed, while in the case of negative impacts, the irremediability of the impacts was assessed. Likelihood of occurrence was also assessed.

For each identified impact, the scale, scope and irremediability were assessed separately using a scale of 1 to 4. Likelihood of occurrence was assessed on a scale of 5 from 20% to 100%, with actual impacts being assigned a likelihood of 100%.

Severity was calculated as the arithmetic mean of scale, scope and irremediability, and weighted with a likelihood for a final assessment. An impact was classified as material if its total score was above the defined threshold of 2.29. This threshold corresponds to a percentage value of 55% based on the scale of 1 to 4 outlined above.

To identify and assess the impacts of insurance activities, documents including guidelines and available relevant publications were used, such as the ESG guidance issued by the United Nations Environment Programme Finance Initiative (UNEP FI) for non-life insurance business. For investments, impacts were identified and assessed – including potential climate-related impacts – based on the consideration of applicable investment guidelines and, in addition, a sector-based analysis. To do this, Munich Re's investment portfolio was initially allocated to certain economic sectors. Following this, publicly available information on the impacts of economic sectors on the sustainability matters being analysed was used in order to identify actual and potential impacts for Munich Re's investments. The data analysis was supplemented by expert judgement if no data, or only insufficient data, was available for certain topics or asset classes. Particular attention was paid to the special features of Munich Re's investment structure, such as investment activity being focused on companies and government bonds in OECD member states – where the benchmark for environmental standards is higher than in non-OECD member states, which is reflected by lower impacts (according to the Environmental Performance Index developed by Yale University). The process and the results were validated by experts from Group Investment Management and MEAG ESG & Sustainable Finance.

Assessment of sustainability-related risks and opportunities

The identification, assessment, prioritisation and monitoring of sustainability-related opportunities and risks was based on the same assumptions and requirements regarding the inclusion of the value chain as in the assessment of impacts, and was carried out after the impacts had been identified. In this respect, the risks and opportunities were identified and assessed taking the impacts into account. Assessment of the sustainability-related risks in the materiality assessment was performed by the same persons as in the risk management process. Where a sustainability-related risk or opportunity was deemed relevant for reporting under ESRS, then such information was considered necessary for an understanding of the development and performance of the business and the position of the Company, for the purposes of the materiality assessment under Section 289c HGB. Where, in addition, a material impact under ESRS was identified for a given topic, then the topic was deemed material and reportable under Section 289c HGB overall.

The materiality of the risks and opportunities in the context of ESRS reporting was assessed qualitatively on the basis of the likelihood of occurrence and the potential scale, taking short-, medium- and long-term time horizons into consideration. Highly likely risks and opportunities classified as medium to large were deemed as relevant for sustainability reporting in accordance with the ESRS. This does not necessarily mean that a material financial risk remains for the relevant reportable risks. Sustainability risks, including risks related to climate change, are contained in the risks that are quantified in the internal model (see also > Combined management report > Risk report). As part of the integrated risk management processes, these risks are regularly assessed using the following three criteria:

- the extent to which a risk could influence how Munich Re is regarded by its stakeholders;
- the way in which a risk could impact Munich Re's solvency;
- the extent to which a risk could lead to the exhaustion of limits.

This definition is applied consistently to all business units and legal entities, taking individual risk-bearing capacity into account.

Reputational risks may also arise, or the risks may have strategic relevance. Reputational risks in the context of sustainability-related questions are managed by the Group sustainability department and the communications department, and by Reputational Risk Committees in the divisional units. Responsibility for strategic risks lies with the respective process owners/divisional units and ultimately with the Board of Management (Strategy Committee).

As part of the emerging risk process, relevant new risks are identified and qualitatively assessed as a first step. The results are presented in the ORSA report.

Topic-specific requirements for the disclosure of the materiality assessment (IRO-1)
In the following, we present, independently of the materiality of the topics, the information required under disclosure requirement IRO-1 in the topical standards ESRS E2, E3, E4, E5, G1:

Assets and business activities relating to impacts, risks and opportunities in connection with water and marine resources (ESRS E3) and resource use and circular economy (ESRS E5) were considered using the qualitative methodologies described above. With regard to the topical standard ESRS E2, no assessment of our locations in connection with pollution was carried out because, due to our business model, no pollution-related material impacts caused by our locations were identified.

The impacts on biodiversity and ecosystems (ESRS E4) at our own locations and in the upstream and downstream value chain were evaluated as part of the materiality assessment, based on the criteria outlined above. On the basis of the analyses performed, no dependencies on biodiversity and ecosystems and their services were identified or assessed at our own locations or in the upstream and downstream value chain. Ecosystem services were not included in this assessment. Transition risks, physical risks and systemic risks and opportunities in connection with biodiversity and ecosystems are covered by the assessment described above.

In light of our business model and our low environmental impact, no material negative impacts on biodiversity and ecosystems for our internal operations were identified. We therefore did not analyse whether our office buildings are located in or near biodiversity-sensitive areas. We did not define any remedial actions for this reason.

The criteria described above (including consideration of the business model and the value chain) were used to identify material impacts, risks and opportunities relating to our business conduct.

The overall results were confirmed at Board of Management level.

The methodology used for the materiality assessment has been updated since the last reporting period in order to fully comply with the ESRS requirements. For this reason, a new assessment was performed for financial year 2024 to take the new requirements into account. The results will be reviewed in an annual validation process.

Governance

The role of the Board of Management and Supervisory Board

As an Aktiengesellschaft (German stock corporation) under German law, Munich Reinsurance Company has a two-tier board structure, consisting of the Board of Management and the Supervisory Board. The Board of Management is responsible for managing the Company, in particular for setting the Company's objectives and determining its strategy, including for topics relating to sustainability. The Supervisory Board advises the Board of Management and monitors its management of the Company. The Supervisory Board is also responsible for appointing the members of the Board of Management and determining their remuneration. Further information on the corporate legal structure and the role of the Board of Management and Supervisory Board can be found in the Statement on Corporate Governance.

Board of Management

Composition and diversity

In accordance with the law and the Articles of Association, the Board of Management of Munich Reinsurance Company is to be comprised of at least two persons; otherwise the Supervisory Board determines the number of members of the Board of Management. When appointing members of the Board of Management, the Supervisory Board considers diversity in terms of gender, professional and educational background, internationality and age.

The Board of Management of Munich Reinsurance Company currently comprises ten members, including two women:

- Dr. Joachim Wenning (Chair)
- Dr. Thomas Blunck (Chair of the Reinsurance Committee)
- Nicholas Gartside (Chief Investment Officer)
- Stefan Golling
- Dr. Christoph Jurecka (Chief Financial Officer)
- Dr. Achim Kassow (Labour Relations Director)
- Michael Kerner
- Clarisse Kopff
- Mari-Lizette Malherbe
- Dr. Markus Rieß (primary insurance/ERGO)

The share of women on the Board of Management is thus 20%, and that of men 80%.

In its current composition, the Board of Management shows a diverse range of professional training and education. It includes graduates of various degree programmes such as business and economics, (actuarial) mathematics, physics, and political science. The individual members of the Board of Management have had different career focuses – in operative business, in certain markets, or in specialist areas. The diverse CVs and personalities within the Board of Management express the versatility of our business model, and reflect the complex requirements faced by the Board of Management.

The global business activities of the Munich Re Group mean that all members of the Board of Management have international management experience, and the majority have also worked abroad. The Board of Management is also itself international.

In addition, the composition of the Board of Management is diverse in terms of age: the average age is 53, with the youngest member being 40 years old and the oldest member 59 years old.

Access to expertise and skills

The members of the Board of Management bear individual responsibility for the divisions they head, and joint responsibility for overall management of the business. In addition to the specific knowledge and experience required for each division, all members of the Board of Management must have a sufficiently broad range of knowledge and experience to adequately bear the Board of Management's overall responsibility.

All members of the Board of Management must meet the supervisory "fit and proper" standards of Solvency II. To implement these requirements, the Board of Management and Supervisory Board have adopted a "Fit and Proper Policy"; this policy sets out fitness and propriety requirements for Board members and certain other function holders. Accordingly, it must be ensured that the members of the Board of Management have the necessary qualifications in their respective individual areas of responsibility. The policy also requires the entirety of the members of the Board of Management to have suitable qualifications, experience and knowledge, particularly in the following areas:

- Insurance and financial markets: knowledge and understanding of the wider economic, business and market environment in which Munich Re operates.

- Business strategy and business model: detailed understanding of Munich Re's business strategy and model.

- System of governance: knowledge and understanding of the risks which Munich Re or a comparable insurance company is facing, and the capability to manage them. Furthermore, the ability to assess the effectiveness of risk management and ensure effective governance and oversight as well as effective controls in the business; and to oversee changes in these areas as required.

- Financial analysis and actuarial analysis: ability to interpret Munich Re's financial and actuarial information, identify key issues, put in place adequate controls and take the necessary measures on the basis of this information.

- Regulatory framework and regulatory requirements: knowledge and understanding of the regulatory framework in which Munich Re operates, in terms of both the regulatory requirements and expectations. Capability to adapt to changes in the regulatory framework without delay.

- Internal model (risk model): ability to acquire within a reasonable period of time a basic knowledge and understanding of
  - the structure of the internal model and the way the model is adapted to Munich Re's business and is integrated in its risk-management system;

  · the scope of applicability and purpose of the internal model and the risks covered or not covered by the internal model;
  · the general methodology applied in the internal model calculations;
  · the diversification effects taken into account in the internal model;
  · the limits of the internal model.

– Management (leadership experience): ability to exercise directive and oversight functions, and the competence to bear personal responsibility for implementing decisions taken.

Existing specification profiles for the members of the Board of Management set out the specific qualifications, experience, and knowledge that are necessary for the specific positions, in addition to the supervisory requirements. Depending on the respective divisional responsibilities, these can include the following specialist knowledge:

– in-depth knowledge of the topics required by supervisory regulation (see above);
– all forms of traditional and non-traditional insurance in the life and/or non-life segments;
– specialty lines (e.g. US specialty primary insurance lines, capital markets, offshore risks);
– accounting and risk management for major international corporations;
– asset-liability management;
– capital markets and various asset classes;
– sustainability;
– human resources.

All members of the Board of Management fulfil the fit and proper requirements and meet the specification profiles for their specific positions in full. Based on their suitably diverse qualifications, knowledge and relevant experience, they bear the responsibilities assigned to them and ensure that the business is managed and monitored in a professional manner.

In addition, the members of the Board of Management receive regular reports from the Group's senior managers and leading experts, who have deeper, specialist knowledge of all the topics relevant for the Company. This particularly includes the material sustainability-related impacts, risks and opportunities. In addition, the Board of Management can consult the expertise of the senior managers and other experts at any time.

Roles and responsibilities

The work of the Board of Management, in particular the allocation of divisional responsibilities among the individual members, matters reserved for the full Board of Management and the majority required to pass resolutions, is governed by rules of procedure issued by the Supervisory Board.

Fundamental strategic decisions relating to sustainability are made by the ESG Committee – a subcommittee of the Strategy Committee – and by the full Board of Management.

At the level of the Board of Management, risks relating to sustainability are addressed either by the full Board of Management and/or the Group Committee or the Group Risk Committee.

Full Board of Management

The full Board of Management decides on all matters that, either by law, or according to the Articles of Association or rules of procedure, require a resolution of the Board of Management. In particular, it is responsible for matters requiring the approval of the Supervisory Board, those which constitute management tasks, are of exceptional importance or which have to be submitted to the Annual General Meeting, and significant personnel measures.

Group Committee

The Group Committee is the central management committee of the Group. It decides in particular on fundamental issues concerning the strategic and financial management of the Group for all fields of business, and on the principles of general business policy and organisation within the Group. This particularly includes planning, financial management, risk management and risk strategy, and human-resource matters for the uppermost management level at the Group, unless specific tasks are otherwise assigned to the Reinsurance Committee or the Strategy Committee. The committee also makes decisions on all matters of fundamental importance relating to the divisions headed by its voting members. In particular, the Group Committee also addresses sustainability-related risks.

The Group Committee comprises the Chair of the Board of Management and one other member of the Board of Management (currently the Chief Financial Officer). The Chair of the Board of Management chairs the committee.

Group Risk Committee

The Group Risk Committee (GRC) is a subcommittee of the Group Committee. Irrespective of the management responsibility of the full Board of Management and the responsibility of the Group Committee, the GRC is responsible for establishing and maintaining an appropriate risk management process, including risks relating to sustainability in the Group.

In addition to the members of the Group Committee, the GRC also includes the Group Chief Risk Officer (Group CRO) as a non-voting member. The Chief Financial Officer chairs the committee.

Strategy Committee
The Strategy Committee of the Board of Management is the central management committee for fundamental strategic matters in the fields of business (reinsurance, primary insurance). It makes decisions on all strategic matters of fundamental relevance for the fields of business, including own investments as well as administered (third-party) funds, including issues relating to sustainability.

The Strategy Committee comprises the members of the Group Committee, the Chair of the Reinsurance Committee, the member of the Board of Management responsible for primary insurance/ERGO, and the Chief Investment Officer. The Chair of the Board of Management chairs the committee.

ESG Committee
The ESG Committee is the central management committee for fundamental, ESG-related strategic matters in the Group. It makes decisions on all strategic, ESG-related matters of fundamental relevance for the fields of business, including own investments and administered third-party funds, particularly:

- enhancing Group-wide ESG governance;
- enhancing the Group-wide ESG-related strategies, including the Group-wide climate strategy.

Where decisions within the sphere of responsibility of the committee are reserved for the full Board of Management – either by law, the Articles of Association or the Board of Management's rules of procedure – the Committee prepares such decisions. In addition, the Committee is kept up-to-date by the ESG Management Team on the implementation of the above strategies, as well as other important ESG-related matters.

The members of the ESG Committee are the members of the Strategy Committee and the head of the Economics, Sustainability & Public Affairs (ESP) central division as a non-voting member. The Chair of the Board of Management chairs the Committee.

Reinsurance Committee
The Reinsurance Committee is the central management committee for the reinsurance field of business. It decides on all matters of fundamental importance for this field of business, including those related to sustainability, except investments.

The voting members of the Reinsurance Committee consist of all the members of the Board of Management except the members of the Group Committee (Chair of the Board of Management, Chief Financial Officer), the Chief Investment Officer, and the member of the Board of Management responsible for primary insurance/ERGO. The Chief Financial Officer of the reinsurance field of business is also a non-voting member of the Reinsurance Committee. The Chair of the committee is appointed by the Supervisory Board.

Global Underwriting and Risk Committee
The Global Underwriting and Risk Committee (GURC) is a subcommittee of the Reinsurance Committee and is responsible for establishing and continuously implementing an appropriate underwriting and risk management process in the reinsurance field of business, to the extent that the full Board of Management, Strategy Committee, Reinsurance Committee or Group Risk Committee are not responsible.

The voting members of the GURC are the Chair of the Reinsurance Committee and two other members appointed from among the members of the Reinsurance Committee. The non-voting members of the GURC are the Head of Investment Strategies (GIM), the Chief Underwriting Officer for reinsurance, the Group Chief Risk Officer and the Chief Financial Officer of the reinsurance field of business. The Chair of the Reinsurance Committee also chairs the GURC.

Supervisory Board

Composition and diversity
In accordance with the Articles of Association, the Supervisory Board of Munich Reinsurance Company consists of 20 members, of whom 10 are elected by the shareholders at the Annual General Meeting (shareholder representatives) and 10 are elected by the employees (employee representatives).

As for its composition, the Supervisory Board follows a concept of diversity with regard to its members' professional and educational backgrounds, internationality, ethnicity, age, and gender. The Supervisory Board has set itself specific objectives concerning its composition and has defined requirements regarding the competences of the Supervisory Board as a whole. Moreover, sets of criteria have been adopted for employee representatives and shareholder representatives, respectively. As at 31 December 2024, 9 women and 11 men sat on the Supervisory Board. Women therefore constitute 45% and men 55% of the members. In its current composition, the Supervisory Board shows a diverse range of professional training and education. 15 members of the Supervisory Board have international experience. The composition of the Supervisory Board is also diverse in terms of age: the average age is 58, with the youngest member being 44 years old and the oldest member 71 years old.

Details of the composition of the Supervisory Board can be found under > Access to expertise and skills.

Independence
All members of the Supervisory Board (shareholder and employee representatives) are independent within the meaning of ESRS. The percentage of independent members is thus 100%.

Access to expertise and skills

In accordance with the competence profile for the Supervisory Board as a whole and both sets of criteria, it must be ensured that – in terms of the professional and educational backgrounds of its members – the Supervisory Board as a whole has adequate knowledge, skills and experience with regard to the markets, business processes, competition and the requirements of reinsurance, primary insurance and investment in order to perform its duties properly. Appropriate knowledge of the following fields is also required: risk management, accounting, auditing, controlling and internal auditing, asset-liability management, law, regulatory supervision, compliance, tax, human resources management and sustainability matters of significance to the business. The competence profile also includes a good overall understanding of the business model. The members of the Supervisory Board must collectively be familiar with the sector in which the Company operates.

Any additional requirements for specific duties will be defined on a case-by-case basis, in particular taking into account legal requirements and the competence profile. At least one member of the Audit Committee must have expertise in the field of accounting and at least one other member of the Audit Committee must have expertise in the field of auditing. The expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance.

Qualification matrix of the members of the Supervisory Board[1]

		von Bomhard	Horstmann	Beier	Booth	Busch
Tenure	Joined Board in	2019	2014	2024	2016	2024
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	✓	✓	✓	✓	✓
	No overboarding	✓	✓	✓	✓	✓
Diversity	Gender	Male	Female	Male	Male	Male
	Year of birth	1956	1970	1980	1954	1964
	Nationality	German	German	German	British/German	German
	International experience	✓	–	–	✓	✓
	Educational background	Lawyer	Lawyer	Medical orderly	Economist	Physicist
Professional suitability	Actuarial experience[3]	✓	–	✓	✓	–
	Investment management[4]	✓	✓	–	✓	–
	Accounting[5]	✓	✓	–	–	–
	Auditing	✓	✓	–	–	–
	Risk management[6]	✓	✓	–	✓	✓
	Internal model[7]	✓	–	–	✓	–
	Corporate governance and control[8]	✓	✓	–	✓	✓
	Human resources	✓	✓	–	✓	✓
	Sustainability	✓	✓	–	✓	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	✓	–	–	–	–
	Accounting expert	✓	–	–	–	–
	Audit expert	✓	–	–	–	–
	Digital transformation/ Information technology	–	–	–	–	✓
	Cyber security and information security	–	–	–	–	✓
	Climate change/ Climate risks	✓	–	–	✓	✓
	Natural sciences	–	–	–	–	✓
	Engineering	–	–	–	–	✓

See the end of the table for footnotes.

→		Czlowiekowski	Grundler	Jäkel	Jungo Brüngger	Kaindl
Tenure	Joined Board in	2024	2024	2024	2017	2019
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	✓	✓	✓	✓	✓
	No overboarding	✓	✓	✓	–	✓
Diversity	Gender	Male	Female	Female	Female	Male
	Year of birth	1976	1962	1971	1961	1969
	Nationality	Polish	German	German	Swiss	German
	International experience	✓	–	✓	✓	✓
	Educational background	Economist and Social scientist	Study of Biology	MPhil in International Relations	Lawyer	Mathematician
Professional suitability	Actuarial experience[3]	✓	✓	–	✓	✓
	Investment management[4]	✓	✓	–	✓	✓
	Accounting[5]	✓	✓	–	✓	✓
	Auditing	✓	✓	✓	✓	✓
	Risk management[6]	✓	✓	✓	✓	✓
	Internal model[7]	✓	–	–	✓	✓
	Corporate governance and control[8]	✓	✓	✓	✓	✓
	Human resources	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	✓	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	–	–	–	–	✓
	Accounting expert	–	–	–	–	✓
	Audit expert	–	–	–	–	–
	Digital transformation/ Information technology	✓	✓	✓	✓	–
	Cyber security and information security	✓	–	✓	–	–
	Climate change/ Climate risks	–	–	✓	–	–
	Natural sciences	–	✓	–	–	–
	Engineering	–	–	–	–	–

See the end of the table for footnotes.

→		Knoche-Brouillon	Mücke	Ossadnik	Plottke	Spohr
Tenure	Joined Board in	2021	2019	2024	2014	2020
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	✓	✓	✓	✓	✓
	No overboarding	✓	✓	✓	✓	✓
Diversity	Gender	Female	Female	Female	Male	Male
	Year of birth	1965	1953	1968	1962	1966
	Nationality	French/ German	German	German	German	German
	International experience	✓	–	✓	–	✓
	Educational background	Pharmacist	Legal assistant	Physicist	Graduate in insurance business administration	Engineer
Professional suitability	Actuarial experience[3]	–	✓	–	✓	✓
	Investment management[4]	✓	✓	–	✓	✓
	Accounting[5]	✓	✓	✓	✓	✓
	Auditing	✓	✓	✓	✓	✓
	Risk management[6]	✓	✓	✓	✓	✓
	Internal model[7]	✓	–	–	✓	–
	Corporate governance and control[8]	✓	✓	✓	✓	✓
	Human resources	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	–	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	–	–	–	–	–
	Accounting expert	–	–	–	–	–
	Audit expert	–	–	–	–	–
	Digital transformation/ Information technology	✓	✓	✓	–	✓
	Cyber security and information security	–	–	✓	–	✓
	Climate change/ Climate risks	✓	✓	✓	–	✓
	Natural sciences	✓	–	✓	–	–
	Engineering	–	–	✓	–	✓

See the end of the table for footnotes.

→		Stocker-Napravnik	Terhoeven	Vogel	Weidmann	Zimmerer
Tenure	Joined Board in	2024	2024	2024	2024	2017
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	✓	✓	✓	✓	✓
	No overboarding	✓	✓	✓	✓	✓
Diversity	Gender	Female	Female	Male	Male	Male
	Year of birth	1975	1966	1969	1968	1958
	Nationality	German	German	German	German	German
	International experience	✓	✓	✓	✓	✓
	Educational background	Economist	Legal assistant	Master's degree in geography	Economist	Lawyer
Professional suitability	Actuarial experience[3]	✓	✓	–	–	✓
	Investment management[4]	✓	–	–	✓	✓
	Accounting[5]	✓	–	–	✓	✓
	Auditing	✓	–	–	✓	✓
	Risk management[6]	✓	✓	✓	✓	✓
	Internal model[7]	–	–	–	–	✓
	Corporate governance and control[8]	✓	✓	✓	✓	✓
	Human resources	✓	✓	✓	✓	✓
	Sustainability	–	–	✓	✓	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	–	–	–	–	✓
	Accounting expert	–	–	–	–	✓
	Audit expert	–	–	–	–	✓
	Digital transformation/ Information technology	–	✓	✓	–	✓
	Cyber security and information security	–	✓	✓	–	–
	Climate change/ Climate risks	–	–	✓	✓	✓
	Natural sciences	–	–	–	–	–
	Engineering	–	–	–	–	–

1 As at 31 December 2024; ✓ = Fitness: Evaluating as part of the annual self-assessment of the Supervisory Board to have "good" or "sound knowledge". On a scale of A to E, this corresponds to an evaluation of at least B.
2 Please see the > Statement on Corporate Governance for details on independence as per the German Corporate Governance Code.
3 Skills and experience with regard to the markets, business processes, competition and the requirements of reinsurance and primary insurance (life and non-life).
4 Investment, asset-liability management.
5 Accounting, controlling.
6 Risk management (including internal control processes).
7 Internal model: For calculation of the solvency capital requirement under Solvency II.
8 Law, regulatory supervision, compliance, internal audit, tax.
9 Result of a supplementary query (without a rating scale) as part of the annual self-assessment.

The different personalities within the Supervisory Board and their individual careers reflect the wide range of duties of the Supervisory Board and meet the associated requirements.

The members of the Supervisory Board are responsible for arranging training and professional development measures necessary for the performance of their duties. They are appropriately supported by the Company when they take office and with regard to training and professional development measures. As part of a self-assessment, the Supervisory Board notifies the Federal Financial Supervisory Authority (BaFin) once a year how relevant areas of competence in the Supervisory Board are covered. The self-assessment forms the basis for a development plan prepared each year that defines the topic areas in which the Supervisory Board wishes to further develop its knowledge and skills, both for the individual members and as a whole. More information on access to expertise can be found under > Information provided to and sustainability aspects addressed by the Board of Management and the Supervisory Board.

Roles and responsibilities

The Supervisory Board has set out its own rules of procedure, which specify responsibilities, work processes and modalities for the adoption of resolutions. The Audit Committee has its own rules of procedure, which have been adopted by the full Supervisory Board.

The rules of procedure for the Supervisory Board and for the Audit Committee are available on the Munich Re website at www.munichre.com/supervisory-board.

Full Supervisory Board

As a rule, the material impacts and opportunities relating to sustainability are addressed in the Praesidium and Sustainability Committee, Personnel Committee, Remuneration Committee and/or by the full Supervisory Board.

Material risks, and risks of strategic relevance, which relate to sustainability are addressed in the Audit Committee and/or by the full Supervisory Board.

Praesidium and Sustainability Committee

The Praesidium and Sustainability Committee regularly deals with sustainability matters (ESG), except in cases where other committees are responsible. It also prepares the Report of the Supervisory Board to the Annual General Meeting, the Declaration of Conformity with the GCGC pursuant to Section 161 of the Stock Corporation Act (AktG), and the Statement on Corporate Governance for the Supervisory Board. In addition, it is responsible for preparing the annual self-assessment of the effectiveness of the Supervisory Board as a whole and its individual committees with regard to the performance of their duties.

The members of the Praesidium and Sustainability Committee as at 31 December 2024 were:

- Dr. Nikolaus von Bomhard (Chair)
- Dr. Roland Busch
- Dr. Anne Horstmann*
- Anita Stocker-Napravnik*
- Dr. Maximilian Zimmerer

*Employee representative

Audit Committee

The Audit Committee prepares Supervisory Board resolutions on the adoption of the annual financial statements and approval of the consolidated financial statements (including preliminary audit) and discusses interim financial reporting and Solvency II reporting with the Board of Management. Additionally, the Audit Committee monitors sustainability-related reporting and the associated reporting processes, as well the adequacy and effectiveness of the risk management system (including ESG risks), internal control system, Compliance Management System and handling of material compliance cases, the actuarial function system and the internal audit system.

The Audit Committee prepares the procedure for selecting the external auditor, in particular the Supervisory Board's proposal to the Annual General Meeting to elect the auditor. The Audit Committee is additionally responsible for assessing performance and monitoring the independence of the external auditor; it monitors and assesses the quality of the audit and any additional services provided by the external auditor. In particular, it engages the external auditor for the Company and consolidated financial statements as well as for the external assurance engagement of the combined non-financial statement, defines areas of emphasis of the audits and agrees the auditor's fee.

After in-depth deliberations by the Board of Management, the Audit Committee – together with the Board of Management – prepares the annual discussion of the risk strategy by the Supervisory Board and discusses any changes to or deviations from the risk strategy with the Board of Management during the year.

The members of the Audit Committee as at 31 December 2024 were:

- Dr. Maximilian Zimmerer (Chair)
- Dr. Nikolaus von Bomhard
- Stefan Kaindl*
- Dr. Victoria E. Ossadnik
- Ulrich Plottke*

*Employee representative

Remuneration Committee

The Remuneration Committee is responsible for preparing the Supervisory Board's resolutions on determining, regularly reviewing and amending the remuneration system for the Board of Management; this Committee also determines and reviews the specific target- and maximum overall remuneration of the individual members of the Board of Management. In addition, the Remuneration Committee prepares the Supervisory Board's resolutions regarding determination of the level of variable remuneration components, determination of the performance criteria and objectives for variable remuneration, the assessment of objectives, and the determination of the variable remuneration to be granted to the individual Board of Management members. The Personnel Committee may be involved in this assessment. Where sustainability (ESG) issues are concerned, the Praesidium and Sustainability Committee may be involved in determining and assessing the performance criteria and objectives for variable remuneration. The Remuneration Committee is also responsible for preparing the Supervisory Board's resolutions regarding remuneration components of the employment contracts of members of the Board of Management, and for remuneration reporting with regard to the remuneration of members of the Board of Management and the Supervisory Board.

The members of the Remuneration Committee as at 31 December 2024 were:

- Renata Jungo Brüngger (Chair)
- Anita Stocker-Napravnik*
- Prof. Dr. Jens Weidmann

*Employee representative

Personnel Committee

The Personnel Committee prepares the appointments and any revocations of appointments of Board of Management members. It also prepares the long-term succession planning together with the Board of Management, including setting targets for the number of women on the Board of Management. In addition, the Personnel Committee is responsible for personnel matters involving members of the Board of Management, unless these are issues that are the responsibility of the full Supervisory Board or the Remuneration Committee.

The members of the Personnel Committee as at 31 December 2024 were:

- Dr. Nikolaus von Bomhard (Chair)
- Renata Jungo Brüngger
- Anita Stocker-Napravnik*

*Employee representative

Information provided to and sustainability aspects addressed by the Board of Management and the Supervisory Board

The Board of Management and the Supervisory Board and/or their responsible committees addressed the identified sustainability-related impacts, risks and opportunities in the 2024 reporting period. Details about these can be found under > General information > Strategy > Impacts, risks and opportunities and their interaction with strategy and business model.

Board of Management

The Board of Management determines the strategic direction for the business, agrees it with the Supervisory Board and ensures that it is followed. For this purpose, and equally in the case of decisions on significant transactions and in the risk management process, the Board of Management systematically identifies and assesses the social, environmental and governance-related risks and opportunities for the Company, as well as the corresponding impacts on the Company's activities. As well as long-term economic goals, it also appropriately takes sustainability targets into consideration.

To this end, the Board of Management's committees are informed regularly or as needed about existing projects, activities, progress and current developments. The views and interests of the affected stakeholders in relation to the sustainability-related impacts are communicated in this context by the relevant responsible units, the Group Sustainability department or the ESG Management Team to the responsible committees of the Board of Management.

By incorporating sustainability-related factors into the strategic and operational decision-making processes, the committees ensure that all relevant aspects are taken into consideration and any potential compromises are carefully weighed up.

Internal risk reporting is used to provide the Board of Management with quarterly updates on the risks in the individual risk categories and on the risk situation in the Group as a whole.

At Group level, risk management is handled by Integrated Risk Management (IRM) and is headed by the Group Chief Risk Officer. It comprises the management of sustainability risks, and in particular climate risks. In addition to the Group functions, there are risk management units ("mirror functions") in the relevant Group companies. An appraisal by the risk management function is necessary for any key decisions at the level of the Board of Management.

The Board of Management is responsible for effecting adequate risk management and risk control. It must ensure that statutory requirements and in-house rules are complied with, and works to ensure compliance by Group companies and their staff members. The Board of Management has established a Group-wide risk-based Compliance Management System (CMS). The CMS constitutes the methodological basis for the structured implementation of the early-warning, risk-control, advisory and monitoring functions. The compliance function oversees the development, implementation, monitoring and ongoing improvement of the Group-wide CMS.

Compliance with data protection regulations is a significant element of maintaining Munich Re's reputation and the basis for the trust of our business partners. Data protection management systems have been implemented in the various fields of business to systematically monitor and control how we handle personally identifiable information.

Operationally, the ESG Committee is supplemented by the ESG Management Team. This team is composed of the heads of ESP and Financial and Regulatory Reporting (FRR), the head of the Group's Sustainability department, the departmental head for ESG-relevant topics in Group Investment Management (GIM), as well as the chief underwriting officers from reinsurance and ERGO. The ESG Management Team is responsible for implementing and monitoring the Group-wide ESG strategies. It meets whenever necessary, but at least four times a year, and addresses the effectiveness of sustainability-related strategies, actions and targets with regard to the impacts, risks and opportunities, among other aspects. Eleven meetings took place in the 2024 financial year. The ESG Committee and the ESG Management Team are supported by the Group Sustainability department and the sustainability teams from the various areas of the business. The Group's Sustainability department is part of the ESP central division, which reports directly to the Chair of the Board of Management. It coordinates sustainability activities within the Group.

Non-compliance with ESG criteria could result in damage to Munich Re's reputation. As a result, where societal and environmental risks are not already subject to specific operational standards, they are assessed by our reputational risk management and rejected if necessary. We identify, analyse, assess and manage reputational risks with the aid of qualitative methods. Specific guidelines and process descriptions define how we deal with reputational and sustainability risks. Various measures raise our staff's awareness of reputational and

ESG aspects, which in turn helps to mitigate the risks. Reputational risk committees (RRCs) in investment, reinsurance and primary insurance (in the latter case called the Reputation and Integrity Committee) assess concrete reputational concerns and any potential reputational or sustainability risks of individual transactions. If necessary, there are escalation mechanisms in place to forward individual transactions to Board of Management level. The reviewed incidents are documented. The figures in the table illustrate the findings and the development of the reputational and sustainability risks reviewed by the RRCs for the 2024 financial year and the previous year.

Outcome of assessment by RRC of transactions submitted for review of critical reputational risks

Number	2024	Prev. year	Change
			%
Rejected due to critical reputational risk	0	2	−100.0
Accepted, no critical reputational risk identified	10	5	100.0
Accepted under specified terms	4	3	33.3

Supervisory Board

The Supervisory Board and/or its responsible committees are informed regularly or ad hoc about existing projects, activities, progress and current developments.

In the context of reporting to the Audit Committee, the adequacy and effectiveness of the risk management and internal control systems are assessed. Further relevant information about the risk management governance system is presented under > Risk report > Risk governance and risk management system > Risk management organisation.

The full Supervisory Board also addresses material sustainability issues at least three times a year. It does so on the basis of the combined non-financial statement, upon presentation of the annual personnel report, and through regular updates on ESG-relevant strategies and implementation measures. Such updates are based on the report detailing the work of the Praesidium and Sustainability Committee, and other information. Further information can be found under > Corporate governance > Report of the Supervisory Board.

The members of the Supervisory Board were again invited to participate in an information event in 2024. Nearly all members used the opportunity to learn more about the internal model and about underwriting.

A special introductory event for the new members of the Supervisory Board was also offered.

Integration of sustainability-related performance in incentive schemes

The Supervisory Board decides on the remuneration system for the Board of Management and reviews it regularly. The Supervisory Board's Remuneration Committee supports the full Supervisory Board and prepares resolutions that the Supervisory Board discusses in detail and adopts. The Board of Management remuneration system decided upon by the Supervisory Board is submitted to the Annual General Meeting for approval. The remuneration system is submitted to the Annual General Meeting again for approval if any material change is proposed, and in any event at least every four years, most recently on 28 April 2021. Further information on the remuneration system and the remuneration report can be found online at www.munichre.com/board-of-management.

The remuneration system stipulates that the remuneration of the members of the Board of Management comprises fixed remuneration and variable remuneration, each of which accounts for approximately 50% of the target overall remuneration. In the case of members of the Board of Management who are still eligible to participate in the employer-financed company pension scheme, the fixed remuneration accounts for approximately 60% and the variable remuneration for approximately 40% of the target overall remuneration. 30% of the variable remuneration consists of an annual component (annual bonus) with a financial target and 70% consists of a multi-year component (multi-year bonus). Since the financial year 2022, 80% of the multi-year bonus has a share-based assessment basis (up to 2021: 100%). In addition, at least one specific ESG target (based on environmental, social or governance-related aspects) with an overall weighting of 20% is set. For both the annual bonus and the multi-year bonus, the Supervisory Board also has the option of factoring in sustainability matters, in the context of a discretionary component.

For each upcoming financial year, the Supervisory Board defines the assessment bases for all components of variable remuneration, which are aligned with operational, sustainable and above all strategic objectives. It considers the strategic objectives in depth every year when assessing and defining the assessment bases. It also determines whether the targets apply to the individual members or the Board of Management as a whole. Neither the targets nor the benchmarking parameters may be adjusted retroactively.

The following ESG targets, which apply to all members of the Board of Management, were agreed for the current multi-year bonus plans:

ESG targets as a component of the multi-year bonus

Multi-year bonus 2022-2025 – To be paid in 2026 – 20% ESG targets	
Environment (weighting 15%)	Achieving the **climate protection targets** defined in the Munich Re Group climate strategy Reducing the CO_2 footprint by 2025 in **investments** −29% emissions from FY 2019 to FY 2025 **Linear scaling 0–200%:** −19% = 0% −29% = 100% −39% = 200% Reducing the CO_2 footprint by 2025 in **insurance** – Thermal coal: −35% emissions from FY 2019 to FY 2025 **Linear scaling 0–200%:** −25% = 0% −35% = 100% −45% = 200% – Oil and gas – Upstream: −5% emissions from FY 2019 to FY 2025 **Linear scaling 0–200%:** 0% = 0% −5% = 100% −10% = 200% Reducing the CO_2 footprint by 2025 in **own emissions** from operations −12% CO_2 emissions per employee of the Munich Re Group from FY 2019 to FY 2025 **Linear scaling 0–200%:** 0% = 0% −12% = 100% −24% = 200%
Social (weighting 2.5%)	40% share of **women in management positions** at all management levels across the Group by end of FY 2025 **Linear scaling 0–200%:** 37.5% = 0% 40.0% = 100% 42.5% = 200%
Governance (weighting 2.5%)	The **average share of audit findings not implemented in a timely manner** in relation to the total number of open audit findings is to be no higher than 5% Group-wide at the end of the quarters in the assessment period. **Linear scaling 0–200%:** 10% = 0% 5% = 100% 0% = 200%
Multi–year bonus 2023–2026 – to be paid in 2027 – 20% ESG targets	
Environment (weighting 10%)	Define a **climate ambition for 2030** in line with the **2050 net-zero target** and **deliver on climate commitments** – Deliver on **climate ambition 2025** for investments, insurance and own operations – Develop and communicate a **climate ambition for 2030** by end of FY 2025 for investments, insurance and own operations – **Clear steps towards progress on 2030 targets are visible** by end of FY 2026 (e.g. emission reduction, implementation of relevant policies, initiation of engagement dialogues with clients, etc.) **Linear scaling 0–200%:** – Climate ambition 2025 not achieved, climate ambition 2030 not in place at end of FY 2025, no steps taken towards achieving climate ambition 2030 at end of FY 2026 = 0% – Climate ambition 2025 achieved, climate ambition 2030 in place at end of FY 2025, clear steps towards achieving climate ambition 2030 taken by end of FY 2026 = 100% – Climate ambition 2025 exceeded, climate ambition 2030 in place before end of FY 2025, significant steps towards achieving climate ambition 2030 already implemented by end of FY 2026 = 200%
Social (weighting 5%)	**40% share of women in management positions at all levels across the Group by end of FY 2026** Linear scaling 0–200%: 37.5% = 0% 40.0% = 100% 42.5% = 200%

Governance (weighting 5%)	**Conduct (2.5% weighting):** The **average share of audit findings not implemented in a timely manner** in relation to the total number of open audit findings is to be no higher than 5% Group-wide at the end of the quarters in the assessment period. **Linear scaling 0–200%:** 10% = 0% 5% = 100% 0% = 200% **Culture (2.5% weighting):** **Senior leaders within the Group** ensure through regular **tone-from-the-top activities** within their areas of accountability that the **compliance culture** continues to be **on a high level**. Linear scaling 0–200%: – Material compliance breach with substantial financial/reputational impact = 0% – Compliance practice and culture in good shape = 100% – Proven industry-leading functional excellence = 200%
Multi–year bonus 2024–2027 – to be paid in 2028 – 20% ESG targets	
Environment (weighting 5%)	Define a **climate ambition for 2030** in line with the **2050 net-zero target** and **deliver on climate commitments** – Deliver on **climate ambition 2025** for investments, insurance and emissions from own operations – Develop and communicate a **climate ambition for 2030** for investments, insurance and emissions from own operations by end of FY 2025 – **Progress on achieving climate ambition 2030 is in line with planning** by end of FY 2027 (e.g. emission reduction, implementation of relevant policies, initiation of engagement dialogues with clients, etc.) **Linear scaling 0–200%:** – Climate ambition 2025 not achieved, climate ambition 2030 not in place at end of FY 2025, little or no progress towards achieving climate ambition 2030 at end of FY 2027 = 0% – Climate ambition 2025 achieved, climate ambition 2030 in place at end of FY 2025, can be verified at end of FY 2027 that planned achievement of climate ambition 2030 is fully on track = 100% – Climate ambition 2025 exceeded, climate ambition 2030 in place before end of FY 2025, more than half of climate ambition 2030 already implemented by end of FY 2027 = 200%
Governance (weighting 15%)	**Advancing Munich Re's own cyber security and compliance with relevant regulatory requirements** – Implementation of the Group-wide cyber security strategy – Defined cyber resilience measures prove to be effective – Ensuring cyber compliance **Linear scaling 0–200%:** – Cyber security strategy, cyber resilience practice and cyber compliance demonstrate major deficits = 0% – Cyber security strategy, cyber resilience and cyber compliance meet all material requirements = 100% – Actual level(s) of cyber security, cyber resilience and cyber compliance significantly exceed internal and external expectations = 200%
Multi–year bonus 2025–2028 – to be paid in 2029 – 20% ESG targets	
Social (weighting 10%)	**Fostering employee motivation and retention and an inclusive corporate culture within the Munich Re Group** **Linear scaling 0–200%:** – Employee Engagement Index based on a 4-year average (weighting: 50%) ≤ 65% = 0% 77% to 81% = 100% ≥ 89% = 200% – Inclusion Index based on a 4-year average (weighting: 50%) ≤ 64% = 0% 76% to 80% = 100% ≥ 88% = 200%
Governance (weighting 10%)	**Advancing Munich Re's own cyber security and ensuring the implementation of the relevant regulatory requirements** – Further development of the Group-wide cyber security strategy and implementation of guidelines and codes of practice based there upon – Defined cyber resilience measures prove to be effective – Ensuring cyber compliance

Linear scaling 0–200%:
- Cyber security strategy, cyber resilience practice and cyber compliance demonstrate major deficits = 0%
- Cyber security strategy, cyber resilience and cyber compliance meet all material requirements = 100%
- Actual level(s) of cyber security, cyber resilience and cyber compliance significantly exceed internal and external expectations = 200%

The progress made in achieving the climate change mitigation targets in the Munich Re Group's climate strategy is described in the following sections. Assessment of achievement of the climate change mitigation targets in the context of the multi-year bonus plan's ESG targets will be conducted for the first time in 2026. No variable remuneration linked to climate-related considerations was granted in the reporting year.

Statement on due diligence

The following overview describes how and where the application of the most important aspects and steps to comply with due diligence requirements are considered in the present report.

Statement on due diligence

Core elements of due diligence	Section
a) Embedding due diligence in governance, strategy and business model	– General information > Management of sustainability-related impacts, risks and opportunities > Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – General information > Governance > The role of the Board of Management and Supervisory Board – Social information > Human rights and working conditions > Human rights: Management of impacts > Actions – Environmental information > Climate change > Insurance activities: Management of climate change-related impacts, risks and opportunities > Strategy – Environmental information > Climate change > Investments: Management of climate change-related impacts, risks and opportunities > Strategy – General information > Management of sustainability-related impacts, risks and opportunities > Description of the processes to identify and assess material impacts, risks and opportunities – General Information > Strategy > Interests and views of stakeholders – Social information > Human rights and working conditions > Human rights: Management of impacts > Actions
b) Engaging with affected stakeholders in all key steps of the due diligence	– General information > Management of sustainability-related impacts, risks and opportunities > Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – General Information > Strategy > Interests and views of stakeholders – Social information > Human rights and working conditions > Human rights: Management of impacts > Actions
c) Identifying and assessing adverse impacts	– General information > Management of sustainability-related impacts, risks and opportunities > Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – Social information > Human rights and working conditions > Human rights: Management of impacts > Strategy – Social information > Human rights and working conditions > Human rights: Management of impacts > Actions – Environmental information > Climate change > Insurance activities: Management of climate change-related impacts, risks and opportunities > Strategy – Environmental information > Climate change > Investments: Management of climate change-related impacts, risks and opportunities > Strategy
d) Taking actions to address those adverse impacts	– General information > Management of sustainability-related impacts, risks and opportunities > Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – Environmental information > Climate change > Insurance activities: Management of climate change-related impacts, risks and opportunities > Actions – Environmental information > Climate change > Investments: Management of climate change-related impacts, risks and opportunities > Actions – Social information > Human rights and working conditions > Human rights: Management of impacts > Actions
e) Tracking the effectiveness of these efforts and communicating	– General information > Management of sustainability-related impacts, risks and opportunities > Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – Environmental information > Climate change > Insurance activities: Management of climate change-related impacts, risks and opportunities > Metrics and targets – Environmental information > Climate change > Investments: Management of climate change-related impacts, risks and opportunities > Metrics and targets – Social information > Human rights and working conditions > Human rights: Management of impacts > Strategy – Social information > Human rights and working conditions > Human rights: Management of impacts > Actions

Risk management and internal controls related to Group sustainability reporting

Our internal control system (ICS) is an integrated, Group-wide system for managing operational risks. Comprising two key components – the Operational Risk Control System (ORCS) and the Compliance Management System (CMS) – our internal control system addresses both Group management requirements and local regulations. It also covers reporting requirements. The identification, management and control of risks arising out of the reporting process is indispensable for the production of reliable reporting. Risks that are material for reporting from the Group's perspective are integrated into the internal control system in accordance with uniform criteria. The risks are checked annually by the process owners to ascertain whether they are up to date, and the controls are amended as necessary. Key controls and management measures to mitigate the material operational risks are analysed and assessed. The main findings derived from the risk and control self-assessments and from monitoring are reported to the Board of Management and the Audit Committee of the Supervisory Board.

A detailed description of the relevant core elements of our ICS can be found in the > Risk report > Risk governance and risk management system > Risk management organisation > Internal control system and under > Statement on the adequacy and effectiveness of the risk management system and the internal control system. For details about how risks are prioritised, see > Material risks.

Environmental information

Disclosures under Article 8 of Regulation (EU) 2020/852/Taxonomy Regulation

We report on the share of our Taxonomy-eligible and Taxonomy-aligned economic activities in insurance and investment, as per EU Regulation 2020/852 (EU Taxonomy Regulation) in conjunction with the supplemental Commission Delegated Regulations (EU) (EU Taxonomy Delegated Regulation) 2021/2139, 2021/2178, 2022/1214, 2023/2486, 2023/3851.

Insurance activities

Our Taxonomy-aligned (re)insurance activities disclosed below make a substantial contribution, as enabling activities, to climate change adaptation. In accordance with the classification system set out in the EU Taxonomy Regulation, we report on the economic activities defined as environmentally sustainable for (re)insurers.

Activities generally deemed as suitable for making a substantial contribution to the environmental objective of climate change adaptation (Taxonomy-eligible) are non-life insurance and reinsurance underwriting activities that are attributable to specific lines of business (LoBs) and cover climate-related perils. If these non-life insurance and reinsurance underwriting activities satisfy a further set of defined criteria, they are classified as environmentally sustainable (Taxonomy-aligned).

Our focus with regard to the EU Taxonomy Regulation is to calculate the metrics required by regulation. There are no broader strategic implications at present.

Taxonomy-eligibility
We classify non-life insurance and reinsurance underwriting activities as Taxonomy-eligible if they fall under one of the lines of business set out in Commission Delegated Regulation (EU) 2021/2139 – and if climate-related perils are covered and priced. We have identified the following lines of business, in particular, as relevant in this context: fire and other damage to property insurance, other motor insurance, and marine, aviation and transport insurance.

Taxonomy-alignment
A non-life insurance or reinsurance activity is classified as Taxonomy-aligned if, in addition to being classified as Taxonomy-eligible, it meets the technical screening criteria for substantially contributing to climate change adaptation and doing no significant harm (DNSH) under the EU Taxonomy Delegated Regulation 2021/2139, and complies with the minimum safeguards of the EU Taxonomy Regulation.

The technical screening criteria for determining a substantial contribution to climate change adaptation are: leadership in the modelling and pricing of climate risks, product design or support of the development and provision of appropriate non-life insurance products, innovative (re)insurance coverage solutions, data sharing, and a high level of service in post-disaster situations. Taxonomy-aligned (re)insurance activities in this regard are based particularly on modelling techniques and product-design processes that comply with the requirements of the EU Taxonomy Regulation.

In addition, for Taxonomy-aligned activities, no significant harm to the environmental objective of climate change mitigation as defined in the EU Taxonomy Regulation was identified. The activities do not include either (re)insurance of the extraction, storage, transport or manufacture of fossil fuels, or (re)insurance of vehicles, property or other assets dedicated to such purposes. Taxonomy-aligned (re)insurance activities do not include the (re)insurance of fossil-fuelled power plants, among others. The assessment of insurance revenue according to the “do no significant harm” (DNSH) principle is based on information made available to us from our clients. Where the data is not sufficiently granular, we mainly use sector classifications for approximation. Activities in primary insurance and in facultative and direct (re)insurance business that do significant harm to climate change mitigation are, on this basis, classified as Taxonomy-non-aligned as a whole, and pro-rata Taxonomy-non-aligned for the treaty reinsurance business.

In addition, when conducting the Taxonomy-aligned (re)insurance activities, the minimum safeguards set out in Article 18 of the EU Taxonomy Regulation are complied with. This includes compliance with minimum safeguards relating to human rights, anti-corruption, taxation and unfair competition (see also > Social information > Human rights and working conditions > Human rights, and > Governance information > Corporate governance and compliance > Compliance).

With regard to human rights, the insurance business is, in general, included in the due diligence process described in > Social information > Human rights and working conditions > Human rights, in order to identify risks of human rights violations and to counter them with suitable actions.

In addition to taking into consideration an exclusion list of companies that have been involved in confirmed and serious violations of human rights, we updated our underwriting guidelines for our single-risk business in primary insurance and facultative reinsurance in the 2023 reporting year to include an enhanced risk analysis for certain large commercial business clients. The focus here is on client groups for which – given their geography and sector of industry – structural factors contribute to an increased risk of human rights violations.

Should in this context significant reputational or human rights risks be identified in the underwriting process, the underwriting guidelines stipulate an extended review process, and risks may need to be presented to the respective Reputational Risk Committee prior to acceptance.

(Re)insurance KPIs as per Article 8 of the EU Taxonomy Regulation

The KPIs as per the regulatory template in the EU Taxonomy Delegated Regulation 2023/2486 are presented based on IFRS insurance revenue from non-life insurance and reinsurance underwriting activities.

Determining Taxonomy-eligibility and Taxonomy-alignment is based first on the data underlying the pricing, which forms the basis for deriving the Taxonomy-eligible and Taxonomy-aligned IFRS insurance revenue.

In this regard, only the share of insurance revenue that covers climate-related risks is considered to be Taxonomy-eligible and Taxonomy-aligned ("climate-related share"). The calculation is based on (re)insurance underwriting activities for which specific data on the climate-related share of insurance revenue is available.

Insurance revenue from our (re)insurance underwriting activities is as follows in terms of its environmental sustainability as per the EU Taxonomy Regulation and the corresponding proportion of total non-life insurance and reinsurance activities. The disclosure overall, as well as the extent to which Taxonomy-aligned insurance activities have either been ceded to a reinsurer or are deemed reinsurance activities, are consistent with IFRS segment reporting.

(Re)insurance KPIs as per Article 8 of the EU Taxonomy Regulation

	Substantial contribution to climate change adaptation			DNSH (Do no significant harm)					
	Absolute insurance revenue 2024	Proportion of insurance revenue 2024	Proportion of insurance revenue 2023[1]	Climate change mitigation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards
Economic activities	€m	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)	**4,060**	**10.5**	**7.9**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**
A.1.1. Of which reinsured	195	0.5	0.4	Y	Y	Y	Y	Y	Y
A.1.2. Of which stemming from reinsurance activity	3,761	9.7	7.2	Y	Y	Y	Y	Y	Y
A.1.2.1. Of which reinsured (retrocession)	195	0.5	0.4	Y	Y	Y	Y	Y	Y
A.2. Non-life insurance and reinsurance underwriting Taxonomy-eligible but not environmentally sustainable activities (Taxonomy non-aligned activities)	**590**	**1.5**	**1.4**	–	–	–	–	–	–
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	**34,194**	**88.0**	**90.7**	–	–	–	–	–	–
Total (A.1 + A.2 + B)	**38,845**	**100.0**	**100.0**	–	–	–	–	–	–

1 Adjusted from the previous year based on Commission Notice C/2024/6691 published in the Official Journal of the European Union in November 2024.

The Taxonomy-aligned insurance revenue from our (re)insurance underwriting activities amounted to €4,060m (previous year: €2,931m).

The 38.5% increase in Taxonomy-aligned insurance revenue compared to the previous year can be explained by the broader scale of (re)insurance activities that were assessed in detail this financial year, together with a portfolio shift in favour of Taxonomy-eligible and Taxonomy-aligned (re)insurance underwriting activities in relation to Taxonomy-non-eligible (re)insurance underwriting activities. This was due to changes in rates as well as active portfolio management.

The proportion of Taxonomy-aligned (re)insurance underwriting activities (€4,060m) in relation to Taxonomy-eligible (re)insurance underwriting activities (€4,650m) was 87.3% (previous year[1]: 85.3%). Unlike in the previous year and consistently with how Taxonomy-alignment is assessed, only the climate-related share of insurance revenue for the Taxonomy-eligible products was used in the assessment of Taxonomy-eligibility. Insurance revenue attributable to (re)insurance activities that were deemed Taxonomy-eligible but not Taxonomy-aligned, and which thus generally have the potential to become Taxonomy-aligned, amounted to €590m (previous year[1]: €504m).

The remaining insurance revenue from non-life business, amounting to €34,194m (previous year[1]: €33,536m), was classified as Taxonomy-non-eligible. This revenue is attributable either to a line of business in non-life primary insurance and reinsurance underwriting activities that was not listed, or to the share of a product that does not specifically cover climate-related risks and is priced accordingly.

Investments

The EU Taxonomy Regulation sets out a standardised system for classifying which economic activities can be qualified as environmentally sustainable, and under which conditions.

For the year 2024, reporting requirements for all six environmental objectives apply in accordance with Commission Delegated Regulation (EU) 2023/2486. Disclosures on Taxonomy-eligibility must be made for the newly applicable, non-climate-related environmental objectives: sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems. The climate-related environmental objectives of climate change mitigation (CCM) and climate change adaptation (CCA) were updated in 2023, with changes to the technical screening criteria and additional economic activities added. For any economic activity disclosed for the first time in 2023, a one-year transition period remains, during which it is only necessary to report on the Taxonomy-eligibility of that activity.

In the previous year, we only examined our direct real estate used by third parties, and other investments in non-financial assets, to determine their Taxonomy-eligibility and thus their contribution to the newly applicable environmental objectives. For this reporting year, information on these environmental objectives is available to us from our investee companies for the first time. The greater availability of the eligibility ratios from our counterparties has led to a slight rise in Taxonomy-eligibility overall. Our focus with regard to the Taxonomy remains on calculating the metrics required by regulation. There are no broader strategic implications at present.

All assets that are theoretically able to finance economic activities fall within the scope of the Taxonomy KPIs. This predominantly includes the balance sheet items “Investments”, “Investments for unit-linked life insurance” and “Insurance-related financial instruments” in the consolidated IFRS balance sheet. It does not include intangible assets, owner-occupied property or further property, plant and equipment that are not held for the purpose of financing economic activities. Insurance and reinsurance contracts that are classified as assets for accounting purposes, and cash resources such as cash at banks, cheques and cash in hand are also excluded. Furthermore, investments in governments, central banks and supranational issuers fall outside the scope of the Taxonomy KPIs because the use of proceeds is unknown. Investments in governments also include investments in German federal states (Bundesländer), regions, municipalities, cities and communities. Issuers with EU state guarantees, however, are subjected to an assessment to determine their Taxonomy-eligibility and -alignment.

The total investments – the basis for calculating the coverage ratio – predominantly include the balance sheet items “Cash and cash equivalents” and “Other assets”, in addition to the investments in the scope of the Taxonomy KPIs.

The following table shows the scope of the Taxonomy KPIs based on the IFRS carrying amounts, and the coverage ratio, i.e. the assets covered by the KPIs relative to the total investments considered. It presents a full breakdown of the investments that fall within the scope of the Taxonomy KPIs. In order to fulfil the requirement in Article 6 of the Commission Delegated Regulation (EU) 2021/2178, we also complete and disclose the template set out in Annex X of that regulation, which can be found under > Tabular presentations > EU Taxonomy Regulation templates.

1 Adjusted from the previous year based on Commission Notice C/2024/6691 published in the Official Journal of the European Union in November 2024.

Scope of application of the Taxonomy KPIs as per Art. 8 of the EU Taxonomy Regulation

	31.12.2024		Prev. year	
	€m	%	€m	%
Total investments	**259,685**	**100.0**	**246,566**	**100.0**
Thereof assets covered by the KPI, absolute and relative to total investments (Coverage ratio)	**159,933**	**61.6**	**156,093**	**63.3**
Thereof other than investments for unit-linked life insurance contracts	151,473	94.7	148,160	94.9
Thereof exposure to other counterparties	44,592	27.9	42,889	27.5
Assets covered by the KPI in scope of the numerator, absolute and relative to assets covered by the KPI	**68,928**	**43.1**	**61,400**	**39.3**
Assets funding economic activities from financial undertakings subject to NFRD	15,829	9.9	11,261	7.2
Assets funding economic activities from non-financial undertakings subject to NFRD	8,620	5.4	7,381	4.7
Exposure to other counterparties in scope of the numerator	44,479	27.8	42,758	27.4
Assets covered by the KPI not in scope of the numerator, absolute and relative to assets covered by the KPI	**91,005**	**56.9**	**94,693**	**60.7**
Assets funding economic activities from financial undertakings not subject to NFRD	55,019	34.4	57,012	36.5
Assets funding economic activities from non-EU financial undertakings not subject to NFRD	30,759	19.2	28,917	18.5
Assets funding economic activities from EU financial undertakings not subject to NFRD	24,259	15.2	28,095	18.0
Assets funding economic activities from non-financial undertakings not subject to NFRD	32,485	20.3	34,374	22.0
Assets funding economic activities from non-EU non-financial undertakings not subject to NFRD	23,227	14.5	24,415	15.6
Assets funding economic activities from EU non-financial undertakings not subject to NFRD	9,257	5.8	9,958	6.4
Derivatives	3,388	2.1	3,176	2.0
Exposure to other counterparties not in scope of the numerator	113	0.1	131	0.1

A company's economic activities are Taxonomy-eligible if they are listed in the Commission Delegated Regulation (EU) 2021/2139, supplementing the EU Taxonomy Regulation. Taxonomy-eligible activities are activities that are deemed to be generally suitable for making a positive contribution to the respective environmental objective.

In accordance with Article 3 of the EU Taxonomy Regulation, economic activities are Taxonomy-aligned if they actually contribute substantially to one or more of the environmental objectives, without causing significant harm to one of the others. Both are determined by using technical screening criteria. To qualify as Taxonomy-aligned, the company carrying out the economic activity must also ensure it does so in compliance with minimum safeguards.

Our disclosures on Taxonomy-eligibility and -alignment are phased according to the different regulatory-driven disclosure timelines of our investees. We consider reporting from non-financial undertakings which published information on their Taxonomy-alignment regarding the climate change mitigation and climate change adaptation environmental objectives, and on their Taxonomy-eligibility regarding all six environmental objectives, for the 2023 financial year. For that reason, we disclose Taxonomy-eligibility with respect to the four non-climate-related environmental objectives under “Assets funding Taxonomy-eligible economic activities where alignment has not yet been assessed”. With respect to our investments in financial undertakings, data on Taxonomy-alignment regarding the CCM and CCA environmental objectives was available to us for the first time in the current reporting year.

In cases where the Taxonomy-alignment data is inconsistent or incomplete, we disclose the investments under “Assets funding Taxonomy-eligible but not Taxonomy-aligned economic activities”.

For the portion of our portfolio that represents an investment in the activities of companies that are obliged to publish a non-financial statement, we disclose the shares of the Taxonomy-eligible and the Taxonomy-aligned turnover and of the Taxonomy-eligible and Taxonomy-aligned capital expenditure, respectively, that we finance through our investments at the reporting companies. With regard to investments in other primary insurers and reinsurers, the share of Taxonomy-eligible and Taxonomy-aligned insurance activities is considered as a turnover-based share. As Taxonomy-eligibility based on CapEx has not been reported in full by other insurers, it is not possible to provide a complete, consistent assessment and presentation of the Taxonomy-eligibility or, in turn, -alignment. This being the case, these investments have been allocated to “Assets from financial investee undertakings not used to assess Taxonomy-eligibility”. To collect the data, we use the data provider ISS STOXX and only use data that has actually been reported. The denominator accordingly constitutes the total assets covered by the Taxonomy KPIs.

We have undertaken our own classification to determine the Taxonomy-eligibility and -alignment of our real estate used by third parties, mortgage loans and other investments in non-financial assets. The same applies to our infrastructure investments held via holdings or special-purpose vehicles (SPVs) and for which we performed a look-through.

We also looked through our unconsolidated funds to the constituents, to determine the Taxonomy-eligibility and -alignment of the former.

With regard to our investments in renewable energy and forestry, the most relevant economic activities are 4.1. Electricity generation using solar photovoltaic technology, 4.3. Electricity generation from wind power, and 1.3. Forest management. For this reporting year, we were able to report only a small share of our investments in renewable energy, and none of our investments in forestry, as Taxonomy-aligned. This is because fulfilment of the DNSH criteria for the two climate-related environmental objectives cannot yet be fully documented. We are reliant on the operating companies to support us with the remaining documentation requirements. Through continuous dialogue and further engagement, we are encouraging them to provide the documentation we are missing.

Due to the fact that economic activities connected with real estate are generally Taxonomy-eligible and real estate collateral is available for every mortgage loan, the share of real estate and mortgage loans that are Taxonomy-eligible is 100%.

Mortgage loans to private individuals and companies as well as direct and indirect real estate used by third parties have made the greatest contribution to our Taxonomy-alignment. These economic activities primarily fall under the category 7.7. Acquisition and ownership of buildings and have been allocated exclusively to the environmental objective climate change mitigation. We were not able to report any Taxonomy-alignment for the activities classified under 7.1. Construction of new buildings or 7.2. Renovation of existing buildings in the reporting year. This is due to the fact that adequate evidence that the DNSH criteria have been met cannot yet be provided in full. In the case of loans, the buildings that serve as collateral for the mortgage loans were used as the basis for assessing Taxonomy-eligibility and -alignment.

As part of this Taxonomy assessment, we checked the energy status of the buildings. Their energy efficiency was determined on the basis of energy performance certificates or energy-efficiency data obtained by external service providers. Due to a lack of availability of energy performance certificates for the majority of residential buildings in Germany serving as collateral for mortgage loans, an energy-efficiency-class screening was carried out by Sprengnetter Property Valuation Finance GmbH based on comparable buildings. For economic activity categorised under 7.7., a building built before 31 December 2020 can make a significant contribution to the environmental objective of climate change mitigation, as an alternative to having an energy-efficiency class of at least A, when it is within the top 15% of the national or regional building stock in terms of its energy efficiency. Due to a lack of public data, determination of the top 15% was based on relevant studies available at the reporting date. For residential buildings in Germany, a study by the Association of German Pfandbrief Banks (vdp) and Drees & Sommer was used. For commercial buildings in Germany and abroad, the basis was data from the Institut de l'Épargne Immobilière et Foncière (IEIF) in collaboration with software provider Deepki, supported by the German Sustainable Building Council (DGNB) and the Royal Institution of Chartered Surveyors (RICS).

In assessing the DNSH criterion for climate change adaptation, an analysis of current and future, material, physical climate risks that could affect buildings was performed, using Munich Re Service GmbH's climate-risk analysis tool (Location Risk Intelligence).

Derivatives classified as assets for the balance sheet, as well as investments in companies which are themselves not obliged to publish a non-financial statement (for example companies whose registered seat is outside the EU) are not included in the assessment of Taxonomy-eligibility and -alignment. We mainly use data from the provider ISS ESG to identify such companies. In addition, we perform a consistency check based on relevant data from Bloomberg.

Our investments in asset-backed securities (ABS) are reported under "Assets not in scope of the numerator". Based on the regional distribution of our ABS portfolio as well as random samples of originators known to us, we came to the conclusion that the majority consisted of companies that are not subject to the reporting obligations. Because insufficient data was available, we were also unable to look through to the ultimate beneficiaries for a large portion of our investments in ABS.

Our investments in private equity funds are reported in the same way as funds not managed by MEAG where it was not possible to perform a look-through despite sufficient efforts, i.e. under "Assets funding economic activities that are Taxonomy-non-eligible".

In accordance with the provisions of Article 8 of the EU Taxonomy Regulation, in combination with Commission Delegated Regulation (EU) 2021/2178, in the following we report metrics concerning the share of our Taxonomy-eligible and Taxonomy-aligned assets. The table provides a full breakdown of the assets included in the assessment of Taxonomy-eligibility and -alignment. In order to fulfil the requirement in Article 6 of the Commission Delegated Regulation (EU) 2021/2178, we also complete and disclose the template set out in Annex X of that regulation, which can be found under > Tabular presentations > EU Taxonomy Regulation templates.

The increase in the proportion of assets funding Taxonomy-aligned economic activities is mainly attributable to direct real estate used by third parties, as well as to new business and better data availability for mortgage loans. In addition, alignment ratios for other financial investee undertakings were available to us for the first time in the financial year. For that reason, the additional disclosure for these assets can be omitted from the table below.

The reduction in "Assets from financial investee undertakings not used to assess Taxonomy-eligibility" is mainly attributable to a change in the method used for recording data at credit institutions, which, at the same time, led to higher ratios of Taxonomy-eligible and Taxonomy-non-eligible assets.

Overview of Taxonomy-eligibility and -alignment of assets (details on the numerator); absolute and relative to total assets covered by the KPIs[1, 2]

	31.12.2024			
	Turnover-based		CapEx-based	
	€m	%	€m	%
Assets covered by the KPIs in scope of the numerator, absolute and relative to total assets covered by the KPIs	**68,928**	**43.1**	**68,928**	**43.1**
Assets funding Taxonomy-eligible economic activities	**38,209**	**23.9**	**38,216**	**23.9**
Assets funding Taxonomy-aligned economic activities	**5,403**	**3.4**	**5,887**	**3.7**
Assets funding Taxonomy-aligned economic activities from non-financial undertakings	858	0.5	1,464	0.9
Assets funding Taxonomy-aligned economic activities from financial undertakings	468	0.3	329	0.2
Assets funding Taxonomy-aligned economic activities from other counterparties[3]	4,078	2.5	4,093	2.6
Thereof assets funding Taxonomy-aligned activities other than investments for unit-linked life insurance contracts	5,220	3.3	5,689	3.6
Assets funding Taxonomy-eligible but not Taxonomy-aligned economic activities	**32,806**	**20.5**	**32,329**	**20.2**
Assets funding Taxonomy-eligible economic activities where alignment has not yet been assessed	**0**	**0.0**	**0**	**0.0**
Assets funding economic activities that are not Taxonomy-eligible	**28,626**	**17.9**	**27,786**	**17.4**
Assets from financial investee undertakings not used to assess Taxonomy-eligibility[4]	**2,093**	**1.3**	**2,926**	**1.8**

	Turnover-based		CapEx-based Prev. year	
	€m	%	€m	%
Assets covered by the KPIs in scope of the numerator, absolute and relative to total assets covered by the KPIs	**61,400**	**39.3**	**61,400**	**39.3**
Assets funding Taxonomy-eligible economic activities	**32,197**	**20.6**	**31,800**	**20.4**
Assets funding Taxonomy-aligned economic activities	**3,488**	**2.2**	**3,861**	**2.5**
Assets funding Taxonomy-aligned economic activities from non-financial undertakings	466	0.3	825	0.5
Assets funding Taxonomy-aligned economic activities from other counterparties[3]	3,022	1.9	3,037	1.9
Thereof assets funding Taxonomy-aligned activities other than investments for unit-linked life insurance contracts	3,468	2.2	3,829	2.5
Assets funding Taxonomy-eligible but not Taxonomy-aligned economic activities	**25,876**	**16.6**	**26,491**	**17.0**
Assets funding Taxonomy-eligible economic activities where alignment has not yet been assessed	**2,833**	**1.8**	**1,447**	**0.9**
Assets funding economic activities that are not Taxonomy-eligible	**24,646**	**15.8**	**22,465**	**14.4**
Assets from financial investee undertakings not used to assess Taxonomy-eligibility[4]	**4,558**	**2.9**	**7,136**	**4.6**

1 The table for the 2024 financial year includes a full assessment for the environmental objectives of climate change mitigation and climate change adaptation. For our liquid investments in financial undertakings and non-financial undertakings, reported data on Taxonomy-eligibility for environmental objectives 3 to 6 was available for the first time for the 2024 reporting year; data on Taxonomy-alignment was not yet available. With regard to environmental objectives 3 to 6 for the 2023 financial year, eligibility was assessed only for direct investments in non-financial assets. Moreover, for the 2023 financial year alignment figures are included only from non-financial investee undertakings, as reported alignment data from financial undertakings is not yet available.
2 With regard to investments in primary insurers and reinsurers, the share of Taxonomy-eligible and Taxonomy-non-eligible insurance activities is considered as a turnover-based share. As Taxonomy-eligibility based on CapEx has not been reported in full by other insurers, it is not possible to provide a complete, consistent assessment and presentation of the Taxonomy-eligibility or, in turn, -alignment for the 2024 financial year. This being the case, these investments have been allocated to “Assets from financial investee undertakings not used to assess Taxonomy-eligibility”.
3 Thereof 0.9 (0.8) percentage points are attributable to mortgage loans for which the Taxonomy-alignment was assessed using an energy-efficiency-class screening on the basis of comparable objects.
4 Comprised of our financial investee undertakings’ investments in derivatives and in undertakings that are not obliged to publish a non-financial statement. Both are excluded from the eligibility assessment performed by our investee undertakings. As of the 2024 reporting year, this metric also includes investments by financial undertakings whose reporting on Taxonomy-eligibility and non-Taxonomy-eligibility is incomplete. These are excluded from our assessment of investments that fund Taxonomy-eligible activities.

In the following table we additionally disclose the Taxonomy-aligned activities for each environmental objective relative to total Taxonomy-aligned activities.

Overview of Taxonomy-aligned activities per environmental objective relative to total Taxonomy-aligned activities[1]

	Turnover-based				CapEx-based 31.12.2024			
	Transitional[2]	Enabling	Other	Total	Transitional[2]	Enabling	Other	Total
	%	%	%	%	%	%	%	%
Climate change mitigation	1.4	10.1	86.3	**97.8**	1.6	13.5	84.5	**99.7**
Climate change adaptation	–	1.9	0.3	**2.2**	–	0.0	0.3	**0.3**
Total	**1.4**	**12.0**	**86.7**	**100.0**	**1.6**	**13.6**	**84.8**	**100.0**

1 There is no reported data available for the environmental objectives sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.
2 Transitional activities only contribute to the climate change mitigation environmental objective.

Overview of Taxonomy-aligned activities per environmental objective relative to total Taxonomy-aligned activities[1]

	Prev. year							
	Turnover-based				CapEx-based			
	Transitional[2]	Enabling	Other	Total	Transitional[2]	Enabling	Other	Total
	%	%	%	%	%	%	%	%
Climate change mitigation	1.1	11.8	87.1	**100.0**	2.2	15.3	82.6	**100.0**
Climate change adaptation	–	0.0	0.0	**0.0**	–	0.0	0.0	**0.0**
Total	**1.1**	**11.8**	**87.1**	**100.0**	**2.2**	**15.3**	**82.6**	**100.0**

1 Only alignment figures from non-financial investee undertakings are included, as reported alignment data from financial undertakings is not yet available. There is also no reported data available for the environmental objectives sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.
2 Transitional activities only contribute to the climate change mitigation environmental objective.

Financial undertakings are obliged as a matter of principle to base their Taxonomy-alignment calculations on adjusted key performance indicators from the non-financial undertakings in which they invest. Non-financial undertakings are obliged to adjust their share of Taxonomy-aligned economic activities if they have financed Taxonomy-aligned turnover and/or capital expenditure using proceeds from green bonds they have issued. Due to incomplete disclosures from our investee companies, we were not able to make such an adjustment for the reporting year.

An overview of our investment activities in fossil gas and nuclear energy generation as well as the share of our assets that fund the associated Taxonomy-eligible and Taxonomy-aligned economic activities (4.26–4.31) can be found under > Tabular presentations > EU Taxonomy Regulation templates. The standard templates correspond to the requirements of Annex XII, as stipulated in Article 8, paragraph 8 of the Commission Delegated Regulation (EU) 2022/1214. This concerns the disclosure requirements in accordance with Article 8, paragraphs 6 and 7 regarding fossil gas and nuclear energy generation activities.

Overall, we expect that availability of data will continue to increase. In the case of alternative investments, we are continuing our dialogue with the operators of the assets to address the criteria in the Taxonomy screening process that have not been met.

Climate change

Climate strategy and the Munich Re Group Ambition 2025

As a responsible corporate Group, Munich Re endeavours to play its part in meeting the targets of the Paris Agreement. The Group has therefore set itself climate targets for its investments, its (re)insurance activities and its own operations.

Responsibility for our Group-wide climate strategy, achievement of the climate-related targets under the Munich Re Group Ambition 2025 and the associated measures, lies with the Board of Management or the corresponding committees with ESG duties. This also includes strategic decisions in connection with a new climate strategy and corresponding actions.

Munich Re has already defined the first phase of its expected contribution to climate change mitigation in the shape of the core elements of our climate strategy as part of the Munich Re Group Ambition 2025 and the decarbonisation targets it stipulates, which were derived bottom-up and using scientifically based scenarios. The Intergovernmental Panel on Climate Change (IPCC)'s Special Report on Global Warming of 1.5°C and Sixth Assessment Report were considered as central sources for potential scenarios and emission-reduction pathways for our climate strategy and actions with regard to our investments and (re)insurance business. They are science-based and compatible with the 1.5°C global warming limit. Reference is made to no-overshoot and temporary-overshoot scenarios with regard to the 1.5°C target, in line with the pathways set out by the IPCC. In this regard, we did not break down the quantitative contribution that specific decarbonisation levers are expected to make to achieving the targets of the Munich Re Group Ambition 2025.

Achievement of the GHG[1] reduction targets by 2025, as described in the following, is factored into the calculation of the multi-year bonus for all members of the Board of Management (see > General information > Governance > Integration of sustainability-related performance in incentive schemes > "ESG targets as a component of the multi-year bonus" table).

1 Greenhouse gas emissions

Munich Re Group Ambition 2025 and beyond

2024	2025	Long term
Investments – Financed GHG emissions[1]	**Target**	**Target**
No direct investments in listed companies that generate > 15% revenue from thermal coal[2] > 10% revenue from oil sands	Thermal coal[6] –35% emissions	Thermal coal Full phase-out by 2040
Oil and gas companies[3] – No new direct investments in exclusively oil and gas companies[4] – Commitment to net zero by integrated oil and gas companies from 2025 required – No direct illiquid investments in new oil and gas fields, midstream oil infrastructure or oil-fired power plants[5]	Oil and gas[6] –25% emissions Total[6] –25% to –29% emissions	Total Net-zero emissions by 2050[13]
(Re)insurance – Insurance-related GHG emissions[7]	**Target**	**Target**
Thermal coal No insurance of new coal mines, new power plants or related infrastructure[8]	Thermal coal –35% emissions[11]	Thermal coal Full phase-out by 2040 (including treaty business)
Oil and gas – Exploration and production – No insurance of new or existing oil sand sites or related infrastructure[9], Arctic exposure or infrastructure[10] – No insurance of new oil and gas fields, midstream oil infrastructure or oil-fired power plants[5]	Oil and gas –5% emissions[12]	Total Net-zero emissions by 2050[13]
Own operations – GHG emissions from business operations	**Target**[14]	**Target**[15]
Reduction in GHG emissions per employee Scope 1, 2 and 3 (business travel, paper, water and waste)	Total –12% emissions per employee	

All greenhouse gas (GHG) emissions are measured in CO_2 equivalents (CO_2e). Base year for all target and achievement figures is 2019.
Exceptions to the guidelines can only be approved by Board of Management committees.

1 Scope 1 and 2.
2 Exceptions are possible in individual cases for companies with revenue in thermal coal between 15–30% on the basis of active engagement dialogues.
3 Direct investments in equities or corporate bonds from listed oil and gas companies.
4 Publicly traded companies listed under the Global Industry Classification Standard (GICS) Oil & Gas sub-industries with the exception of Integrated Oil & Gas.
5 Applies to contracts/projects exclusively covering planning, financing, construction or operation, which had not yet been in production (oil and gas fields) or under construction or operation (infrastructure and facilities) as at 31 December 2022.
6 Applies to listed equities, corporate bonds and, under "Total", also to directly held real estate.
7 Applies to primary insurance, direct and facultative (re)insurance business.
8 For single-location stand-alone risks.
9 For single-location stand-alone risks; for mixed covers above a certain threshold.
10 For exclusive covers; for mixed covers and the treaty reinsurance business where the exposure is above a defined single-digit percentage threshold.
11 Metric tonnes of thermal coal produced annually by insureds/installed operational capacity (in megawatts) of insured coal-fired power plants of insureds (used as an equivalent for an approximate development of the GHG emissions of our insureds' business).
12 Our insureds' self-calculated scope 1–3 life-cycle emissions related to their oil and gas production that are proportionally associated with our property insurance business (insurance capacity relative to total insurance ceiling).
13 With regard to the definition and scope of "net zero" in connection with (re)insurance business activities, we will consider the latest information from regulatory requirements when we define new targets.
14 The targets for 2025 were not defined separately for scopes 1 to 3.
15 Due to regulatory changes since the launch of our Munich Re Group Ambition 2025, the terms "net zero" and "neutrality" will no longer be used in connection with business operations relating to our Munich Re Group Ambition 2025.

Our Munich Re Group Ambition 2025 was discussed in-depth with internal stakeholders from across various Group units and hierarchies, among other reasons in order to evaluate the scientific basis of the corresponding climate targets and the levers for achieving those targets. It was ensured that no anomalies – either in the composition of our portfolio or external factors such as temperature or economic impacts – affected the chosen base year of 2019, which is used to measure progress towards achieving the targets. The targets were not externally validated.

Our aim is to reduce the GHG emissions from our insurance business and our investment portfolio to net zero by 2050. Munich Re expressed this intention in the expectation that governments will meet their own pledges to achieve the goals of the Paris Agreement. When we launched our Munich Re Group Ambition 2025 in 2020, we adopted a climate strategy that set out the initial targets for our Group to make its own specific contribution to mitigating climate change. Our current climate ambition covers the period until the end of 2025, and by the end of 2025 we plan to develop a strategy outlining our potential contribution to net zero and climate change mitigation. We will prepare a transition plan in accordance with the regulatory requirements in due course.

Insurance activities: Management of climate change-related impacts, risks and opportunities

Strategy

The main pillar of our business activity is assuming and diversifying risk in primary insurance and in reinsurance. Our objective to create sustainable economic value is enshrined in the key principles of our Group-wide business and risk strategy. Our business conduct is driven by appropriate risk management and a holistic approach to achieving economic success and added value for the Group. We do this in our insurance business in particular by having strong customer focus, by offering responsible solutions and by integrating ESG aspects into our insurance and reinsurance products and services.

As a responsible company, Munich Re also endeavours to play a part in meeting the targets of the Paris Agreement. Our holistic approach with regard to the climate is based on the following three core elements:

- decarbonisation targets,
- provision of risk transfer solutions that contribute to climate change adaptation and to mitigating the impacts of climate change, and
- Group-wide risk management.

As part of our short-term decarbonisation targets under the Munich Re Group Ambition 2025, we have committed to reducing the GHG emissions related to our primary insurance and reinsurance products. Additionally, we are striving to reduce GHG emissions from our insurance business to net zero[1] by 2050.

In our (re)insurance business, we offer insurances that can be associated with GHG emissions. In the course of assessing the negative climate impacts of our insurance business, we identified oil and gas production as well as specific activities in connection with thermal coal as material drivers of GHG emissions. We have therefore been pursuing individual decarbonisation targets for the year 2025 since 2020, in primary insurance as well as in facultative and direct (re)insurance business, with regard to thermal coal production and combustion as well as oil and gas production; the latter relates to the operational property insurance business. This also encompasses treaty-like business in the form of facultative facilities if it includes the option to decline individual risks. To achieve our decarbonisation targets, we can either support our insureds in reducing GHG emissions or we can adapt the composition of our insurance portfolio over time.

Despite the global efforts to limit climate change, we assume that, in the long term, there will be an increase in weather-related natural catastrophes. We expect that the increasing loss potential driven by climate risks and greater awareness among the population and businesses will in the end result in increased demand for primary insurance and reinsurance products.

Due to our expertise in research into the consequences of climate change, we have gained far-reaching knowledge of the impacts of climate change and reflect this in our risk-based pricing and targeted underwriting requirements in our (re)insurance solutions, which are normally renewed every year. Identified changes in weather hazards or natural weather variability patterns which result in changes on the loss distribution side over time are considered in our risk modelling and risk management as well as in our pricing processes.

1 With regard to the definition and scope of "net zero" in connection with (re)insurance business activities, we will consider the latest information from regulatory requirements when we define new targets.

For us as risk carriers, risk management constitutes a key element of responsible and sustainable corporate governance. Identifying, analysing and assessing risks are part of our Group-wide risk management, which we describe in our > Risk report.

Our (re)insurance products enable us to help increase the resilience of our clients to the economic consequences of natural catastrophes. By applying sensitive pricing and developing climate-sensitive product features in accordance with our pricing guidelines, we provide positive incentives for risk-sensitive behaviour with regard to natural catastrophes and hence support climate change adaptation. In particular, we can make an environmentally sustainable contribution in line with the understanding of the EU Taxonomy Regulation (see > Disclosures under Article 8 of Regulation (EU) 2020/852/Taxonomy Regulation > Insurance activities) with (re)insurance activities in the following three lines of business: other motor insurance; marine, aviation and transport insurance; fire and other damage to property insurance. By making risk data available to public authorities on request, we additionally help create transparency about current developments.

We pool and expand our internal expertise to ensure the appropriate management of climate impacts, opportunities and risks.

Strategic sustainability targets are decided in the aforementioned ESG Committee of the Board of Management. The ESG Management Team is responsible for appropriately monitoring the ESG-related strategies and its implementation within the Group, and addresses important questions about ESG issues and initiatives within the Group (see > General information > Governance).

ESG Governance at Munich Re is rounded off by climate experts in various central divisional units and departments. These include the Munich Re Chief Climate Officer, the Munich Re Chief Climate Scientist and Head of Geo Risks, leading natural catastrophe experts in Corporate Underwriting and the Climate Litigation Task Force, which consists of experts from a variety of underwriting and claims units in Munich and other Group locations.

Actions

We implement our climate strategy using targeted integrated actions for which no dedicated budgets were adopted:

- imposing underwriting restrictions for high-emission activities and exposures;
- providing transparency and dialogue with employees and reinsurance clients at training courses and other events;
- offering (re)insurance solutions for climate change adaptation.

Our efforts to steer ESG aspects in our business are also reflected by our involvement in the PSI initiative on ESG integration, where we are represented on the board and report every year on our progress with integrating the principles. We also work together with partners, institutions and NGOs. Additionally, we are a signatory to the UN Global Compact, which further underlines our commitment to conducting our business responsibly.

To integrate ESG criteria into the insurance business and reduce GHG emissions associated with our (re)insured business, we have implemented corresponding policies, processes and tools whose adequacy we review regularly and, where appropriate, refine or adapt. They include ESG criteria applicable across the Group, which we apply throughout our insurance activities. Specific binding ESG guidelines in our underwriting guidelines govern the management of certain business activities (see also our statement on “Munich Re’s approach to fossil fuels in underwriting and investment”). These include rules on thermal coal activities in connection with new thermal coal mines, power plants or infrastructure, as well as oil and gas activities in connection with new oil and gas fields and/or new oil infrastructure and oil-fired power plants, oil sands and Arctic oil and gas activities.

Our underwriting guidelines are regularly reviewed (normally once a year as well as on an ad hoc basis) and updated if necessary. All changes must be approved by the Reinsurance Committee, or by the authorised divisional unit heads, before they are published internally. Following publication of the updated underwriting guidelines, our employees are informed about the new rules.

A review plan is set up each year to assess compliance with the guidelines. The underwriting reviews are risk-based and examine in particular compliance with the underwriting strategy and guidelines, specified standards and quality. Any review findings are regularly followed up within the year or the deadline set out in the review process.

In facultative and direct (re)insurance, we already committed in September 2018 to no longer insure single-location stand-alone risks in the planning, financing, construction or operation of new thermal coal mines, coal-fired power plants and the related infrastructure. This applies to said risks in cases where construction or preparatory work for coal production or operation began after 1 September 2018. Multi-location covers are treated like single-location risks if the majority of the locations or insured risks qualify as “new”. In primary insurance we also committed, already in 2018, to no longer insure related stand-alone risks. Since 2021, ERGO has imposed a complete underwriting ban on corresponding new business in an underwriting guideline.

In the oil and gas sector, we have put exclusions in place for the insurance of oil-sand extraction and the related infrastructure. In primary insurance and facultative and direct (re)insurance business, it has been prohibited since 2019 to cover new or existing oil-sand sites, as well as new or existing oil-sand-related infrastructure. The guidelines referred to above apply to single locations and stand-alone risks. The exclusion also applies to mixed policies with exposure above a set threshold of 20% of the sum insured or revenue.

In December 2021, we reinforced our guidelines on Arctic oil and gas drilling, including directly related infrastructure, for all Group entities that underwrite business of this kind. We no longer accept any corresponding single-risk stand-alone covers. This also applies to mixed covers and the treaty reinsurance business, where the exposure is above a defined single-digit percentage threshold. The new guidelines apply to renewals of existing reinsurance treaty business with commencement dates of 2023 or later. The definition of the Arctic in this regard is based on the internationally recognised definition by the Arctic Monitoring and Assessment Programme (AMAP), with a few exceptions in the Norwegian region below the Arctic circle, since Arctic conditions do not prevail there.

In addition, our measures are designed to no longer support contracts and projects on a single-risk, single-location basis which exclusively insure new oil and gas fields, new oil-fired power plants or new so-called midstream oil infrastructure, as well as the associated planning, financing, construction or operation. This applies to our primary insurance business and our facultative and direct (re)insurance business, effective 1 April 2023. Our rules prohibit the above-mentioned actions and activities, unless the oil and gas fields were already producing, or construction on or operation of the corresponding power plants or infrastructure had already begun, as at 31 December 2022. The same applies where such risks or projects are contained or bundled in one cover together with other risks (e.g. existing oil or gas fields), where the cover is mainly designed to insure one or more of such new risks.

In the context of the Munich Re Group Ambition 2025, the activities of our clients can, alongside portfolio management measures, help reduce GHG emissions associated with our (re)insurance portfolio. We initiate dialogue with our clients to provide the best possible support for the necessary transition.

A special ESG tool and external ESG databases help our underwriters in the facultative and direct (re)insurance business to factor ESG criteria into their risk assessment. This is especially relevant in the industrial sector, which is subject to particular exposure and duties of care. For these ESG risk assessments, we also make use of the expertise contained in renowned external ESG databases. We regularly hold information events and training for our employees and clients on the responsible approach to handling ESG aspects and continuously refine our information and training formats. One focus of our Code of Conduct is also how we fulfill our social and global responsibility for sustainability and human rights. Our staff are required to familiarise themselves with the principles and rules in our Code of Conduct and to regularly complete training. Alongside other ESG aspects that are relevant for Munich Re, our Code of Conduct focuses in particular on climate change mitigation and climate change adaptation. Dedicated sustainability teams in primary insurance and reinsurance support the business units by providing tailored ESG advice. In addition, employees in the underwriting units act as multipliers who actively transfer their knowledge of ESG integration across departmental boundaries for ESG assessments and in discussions with clients, as appropriate given the risks or current situation.

To make a positive contribution to decarbonisation and support investment in low-emission technologies, we offer dedicated green tech solutions. In the context of these insurance solutions, we assume a share of the technology-specific risks in order to support the development of renewables and low-carbon technology. Our focus in that regard is on photovoltaics, wind power, battery storage systems and hydrogen technologies.

We are supporting climate change adaptation in society and the economy by helping our clients to build resilience to natural catastrophes and extreme weather events and minimise losses. For example, our offering includes (re)insurance solutions, parametric covers and insurance pool solutions to cover the costs of natural catastrophes. We also offer tools for assessing physical climate risks and their financial effects.

In this way, we encourage a risk-aware approach by our clients and hence make a positive contribution to climate change adaptation. We also work together with industry associations such as the German Insurance Association (GDV) and the Geneva Association to develop specific recommendations for action.

Examples of our (re)insurance products that serve to increase the resilience of our clients with respect to natural catastrophe losses are:

- reinsurance capacity for the Caribbean Catastrophe Risk Insurance Facility (CCRIF). The CCRIF pools hurricane, earthquake and heavy rainfall risks on behalf of its member states in the Caribbean and Central America;

- reinsurance capacity for African Risk Capacity (ARC). ARC pools drought and cyclone risks for its member states in Sub-Saharan Africa;

- reinsurance capacity for Pacific Catastrophe Risk Insurance Company (PCRIC). PCRIC pools earthquake, cyclone and extreme rainfall risk for its member states in the South Pacific;

- reinsurance capacity for the Fonds de Solidarité contre les Événements Catastrophiques (FSEC), Morocco's solidarity fund against catastrophic events. FSEC pays for losses from uninsured, low-income households. Earthquake risks are covered by a parametric reinsurance structure supported by Munich Re;

- parametric programme for financing catastrophe risk for the Disaster Management Authority of the Indian state of Nagaland – supporting the government initiative to rehabilitate vulnerable communities and to rebuild public assets;

- insurance solutions for low-income people in India so they can use loans from microfinance institutions (MFIs) to recover from the effects of natural catastrophes (flooding, hurricanes and earthquakes);

- insurance solutions that secure people's livelihoods. Our joint venture HDFC ERGO offers a broad spectrum of microinsurance products for the rural population in India, including weather-indexed insurance for farmers as well as health and accident insurance.

Munich Re considers climate risks in its risk modelling and pricing, based on the most recent climate science. Potential changes may impact the Group's solvency capital requirement (SCR).

Projections of changing physical risks in connection with natural catastrophes are inherently uncertain. As part of the regular validation process, we examine the sensitivity of major and accumulation losses to changes in the return period, the loss amount or a change in the business volumes written. Additionally, we consider the impact of changes in the correlation between different regions or perils on the result of the risk model. The return periods of Munich Re's most important climate-related perils are stressed in the internal Munich Re model so as to obtain an indication of the order of magnitude of the risk. Our analyses indicated that Munich Re is capable of managing conceivable higher exposures.

The majority of our (re)insurance portfolio exposed to climate risks is in property insurance, which is characterised by short claims settlement periods. Additionally, the annual renewals process provides the opportunity to respond at short notice to negative developments and negotiate premium adjustments and/or new contractual terms such as limits. Munich Re is thus always in a position to mitigate the financial risks of climate change.

Based on the scenario analyses, we examined in greater detail any risks from climate-related litigation (i.e. court proceedings related to climate change) because these have potentially longer claims settlement periods.

Litigation related to climate change is on the rise worldwide. For a number of reasons, the success rate for cases that come to court is currently very low. Nevertheless, any direct liability under which a duty to defend or pay damages is assumed could result in considerable losses. In addition to the risk of increased frequency of single major losses, accumulation scenarios are also possible. To counter this risk, we have issued a range of topic papers and best practices that provide underwriters for example with standard clauses and information on developments in case law. Respective training is also offered. We are monitoring this risk very closely and currently see no material financial risk for Munich Re.

Climate change may alter certain insurance markets. The potential changes include:

- an increase in weather-related natural catastrophes and higher loss potential, boosting the demand for primary insurance and reinsurance products;

- higher risk-based prices, reducing demand;

- more complex risk modelling and an increase in earnings volatility and capital requirements due to the increased probability of severe loss events occurring. These factors reduce supply.

Munich Re counters this risk by generally ensuring that its risk strategy includes a diversified insurance portfolio. Our expertise in dealing with natural hazard risks and advances in our risk management – such as new, high-resolution risk models – allow us to support preventative measures, calculate competitive prices for traditional covers, and develop new solutions for our primary insurance customers and reinsurance clients.

In the life and health reinsurance segment, we have analysed the potential effects of climate change on the mortality and health of insureds in our portfolios. The effects are dependent on the climate forecast and a population's demographic and geographic composition. Older and socio-economically disadvantaged people are at greatest risk. It is very difficult to identify deaths in which climate was a contributing factor. Furthermore, the insured population may be less severely impacted by the effects of climate change than the overall population.

Our analyses indicate that the two greatest potential physical risks for life and health are extreme heat events in the United States and Asia as well as the unabated increase in average temperatures, which may ultimately lead to more frequent epidemics/pandemics. Although the quantitative information on this risk complex is subject to considerable uncertainty, we do not currently anticipate climate change to have any material impacts on our exposures.

Another measure to mitigate underwriting risks is the selective cession of a portion of our risks to other risk carriers through reinsurance or retrocession. In addition to traditional retrocession, we use alternative risk transfer, especially for natural catastrophe risks. For this purpose, we use the capital markets as an additional option for risk diversification.

Metrics and targets

Assuming risks is an integral component of our business model. For this reason, we monitor the effectiveness of our strategies and actions to manage risks as part of our general strategic target tracking and managing of financial metrics.

We measure the degree of achievement of the climate targets defined in our Munich Re Group Ambition 2025, in primary insurance and in facultative and direct (re)insurance that does not include the reinsurance treaty business, as described in the following.

The GHG emissions reduction targets are expressed only as a percentage of the emissions of a base year. This is because the progress measurement is based on Munich Re's internal definitions for approximating GHG emissions regarding the activities in question, which definitions do not permit any comparability of absolute figures with other market players.

With regard to operational property insurance business in oil and gas production, we are striving to reduce our self-calculated GHG emissions associated with our business by 5% by 2025 compared with the base year 2019, as part of our targets for primary insurance and for the direct and facultative (re)insurance business.

In (conventional and unconventional) oil and gas production, the target refers directly to our self-calculated GHG emissions from our clients' insured oil and gas production that are associated with our property insurance business. We calculate the figure by first determining our clients' scope 1–3[1] life-cycle GHG emissions associated with the produced amounts of oil and gas. For these calculations, we use the expertise of our subsidiary HSB Solomon Associates LLC, who themselves use the integrated open-source tool The Oil Climate Index + Gas. We associate these emissions with our (re)insurance policies in the amount that the (re)insurance capacity provided by Munich Re contributes to the total insurance ceiling (client's deductible + total insurance capacity) known to us. The base year is 2019; for all active risks as at 31 December 2019.

Development of self-calculated scope 1, 2 and 3 GHG emissions (CO_2e) associated with our operational property business in primary insurance and facultative and direct (re)insurance, relative to the 2019 base year (Munich Re Group Ambition 2025)[1, 2]

%	31.12.2024	Prev. year
Oil and gas production	–96.4	–79.8

1 The figure does not include treaty reinsurance business.
2 The oil and gas production volumes used in the calculation are based on the latest available data from an external data provider.

The year-on-year reduction is largely due to the discontinuation of this business segment by the Munich Re Syndicate in the financial year.

Moreover, we have committed to completely phasing out the (re)insurance of thermal coal activities altogether in our primary insurance and (re)insurance business by 2040. In primary insurance and in facultative and direct (re)insurance business, we aim to reduce the GHG emissions from insured activities related to our insureds' thermal coal production (mines) and coal-fired power plants by 35% by 2025, relative to the base year of 2019. This also encompasses treaty-like business in the form of facultative facilities if it includes the option to decline individual risks.

1 Scope 3 GHG emissions: other indirect emissions from activities in the value chain.

With regard to thermal coal, the targets are derived from the following key metrics as the basis for evaluating the development of GHG emissions associated with the insured business of our clients: annual tonnes of thermal coal produced from mines, and installed operational capacity in megawatts of our clients' thermal coal power plants. The base year is 2019; for all active risks as at 31 December 2019. Given that the reduction targets are applicable across all non-life lines of insurance, and that our goal is to completely discontinue insuring these business activities by 2040, our clients' GHG emissions associated with our insured business are – as described above – fully taken into account regardless of the specific type and amount of our (re)insurance participation. As a result, the metrics for the base year and the reporting year, which are calculated to measure the reduction as at the given reporting date, are always based on 100 percent figures at client level across the relevant insurance lines. The figures therefore refer to our clients' production of thermal coal or their power plant capacity, while avoiding double counting at the client level across the various relevant lines of insurance.

Development of approximated GHG emissions at client level in primary insurance and facultative and direct (re)insurance business, relative to the 2019 base year (Munich Re Group Ambition 2025)[1]

%	31.12.2024	Prev. year
Thermal coal mining[2]	–55.7	–40.8
Coal-fired power plants[3]	–46.7	–40.6

1 The figures do not include treaty reinsurance business.
2 The development of the metric tonnes of insured thermal coal produced each year by insureds is used as an equivalent for an approximate development of the GHG emissions. These are based on the reported actual data of the insured.
3 The development of the installed operational capacity (in megawatts) of the insured coal-fired power plants of our insureds is used as an equivalent for an approximate development of GHG emissions. These are based on the latest available data from an external data provider.

The year-on-year reductions remain largely due to active portfolio management measures, including discontinuation of business. The reduction in thermal coal mining was additionally boosted by a reduction in the quantities produced by our clients. Transformational effects again had a minor impact on the overall development of the figures for coal-fired power plants.

A key figure for assessing risk exposure is the loss to our insurance portfolio from climate-related natural catastrophes, which we calculate on the basis of natural catastrophe modelling in our internal risk model. In the following table, we illustrate the value at risk of the economic profit and loss distribution over a one-year time horizon with a confidence level of 99.5%. The net perspective after external retrocession is shown for Munich Re's largest climate-related natural catastrophe exposures:

Value at risk

	2024	Prev. year	Change
Natural catastrophes – scenario (net)	€m	€m	%
Atlantic Hurricane (North America)	9,233	8,513	8.5
Winter Storm (Europe)	6,134	5,827	5.3
Flood (Germany)	3,064	2,980	2.8
Severe Thunderstorm (USA)	1,250–2,250	1,250–2,250	
Wildfire (USA)	750–1,750	750–1,750	

In some regions, there is already a high probability of a causal link between certain changes in the frequency of weather-related perils and anthropogenic climate change. Examples of this include a larger proportion of high-intensity tropical cyclones, more frequent and more intensive heavy precipitation events and flash flood events, as well as stronger storm surges due to sea level rise. This trend is also reflected in the annual natural catastrophes. The year 2024 maintained the trend of high losses in recent years. Worldwide, the actual overall loss incurred from natural catastrophes (approximately US$ 320bn) and insured share (around US$ 140bn) were considerably higher than the averages for the past five and ten years.

The burden from major natural catastrophes losses is concentrated largely in Munich Re's property insurance business and amounted in the financial year to a total of €2,644m (2,335m) for the reinsurance business after external retrocession. This corresponds to 9.8% (9.0%) of the net insurance revenue and takes into account major losses exceeding €30m. The losses in 2024 were dominated by a large number of strong hurricanes, severe thunderstorms and floods, which, according to climate research, are often increasing in intensity and, in some regions, in frequency as well.

Developing innovative (re)insurance solutions and services that respond to the challenges posed by climate change is part of our core business. We monitor the effectiveness of our climate strategies and actions as to the opportunities and impacts in the context of our strategic goals within the Munich Re Group Ambition 2025.

Investments: Management of climate change-related impacts, risks and opportunities

Strategy

The materiality assessment reveals the following impacts, risks and opportunities in our investments:

Munich Re has material negative impacts on the sustainability aspect of climate change mitigation, in particular through GHG emissions from real estate and infrastructure projects in which it invests directly, as well as through investments in companies that generate high levels of GHG emissions in the short, medium and long term. In addition to sector-based identification and the materiality assessment, recording the scope 3 GHG emissions in Category 15 “Investments” (financed emissions) confirms the result of our sector-based analysis with regard to the topic of climate change mitigation. An overview of the financed emissions can be found under > Metrics and targets.

Additionally, Munich Re has identified a material opportunity with regard to the sustainability aspect of energy. In Munich Re’s view, renewable energy (this covers both energy supply and storage) remains an attractive investment in the medium and long term. Because the energy transition is, on the one hand, key to mitigating climate change and is becoming increasingly important on the public and private agenda globally, and on the other, Munich Re has expertise in the fields of technology and risk assessment allowing it to benefit from these investment opportunities, this potential opportunity was assessed to be highly likely. A description of the risks associated with climate change in investments can be found under > Risks.

Our strategic decisions on sustainability in investments consider the impacts and opportunities described above and are taken by the Board of Management’s ESG Committee, supported by the ESG Management Team. In addition, the ESG Investment Committee specifically focuses on implementing the ESG strategy with regard to our investments. The GIM Reputational Risk Committee supports our efforts to holistically handle sustainability risks by analysing and assessing reputational risks in our investment activities. The Chief Investment Officer (CIO) is the Board of Management member responsible for the Group’s investment management. GIM, which reports to the CIO, is responsible for the sustainability of the Group’s investment strategy as the asset owner, and has its own Sustainability in Investments Team for this purpose. ESG multipliers throughout GIM support this team in establishing sustainability as an important consideration in our investment processes. This structure is also reflected at MEAG, the asset manager responsible for a major part of our investments. MEAG ensures targeted implementation of the ESG strategy through its membership on GIM’s ESG Investment Committee, ongoing coordination among the sustainability teams in the investment area, and the ESG multipliers in the various portfolio-management teams. Regular training is offered to increase and improve awareness of sustainability issues, for example on regulatory topics or sustainability trends. The MEAG ESG Committee at Board level and the MEAG ESG Management Team have key roles in this regard.

As a global investor, Munich Re is aware of its responsibility to conduct its activities sustainably, and integrates ESG criteria into its investment policy. In addition, we have committed to steering our portfolio towards a net-zero climate target by 2050. To ensure transparency and accountability on our journey towards net zero, we use the NZAOA framework to develop specific emission reduction targets sequentially and for various asset classes, including a range of milestones for intermediate targets. These intermediate targets we have then defined are reviewed and updated when needed to reflect the latest technologies, market conditions and decarbonisation pathways that are relevant for our sector and our business activities.

To ensure a rigorous and science-based approach to managing unavoidable emissions, we will – following the gross reduction of such emissions – endeavour to neutralise any residual emissions from investee companies using the technologies and methods available at the time.

The targets we have set ourselves are based on scenarios with a maximum temperature increase of 1.5°C by the end of the century. Munich Re joined the NZAOA in 2020 and aligns its targets with the NZAOA Target Setting Protocol. The activities in line with the Target Setting Protocol correspond to the core elements of common transition plans, which include five-year plans, progress reporting and engagement goals. The following fields of action in relation to our investment strategy and collaborative engagement as part of the investor-led Climate Action100+ initiative (CA100+) with our investee companies are guiding us towards our targets up to 2050 in addition to continuous learning about the efficiency and effectiveness of our measures.

To help meet the climate goals of the Paris Agreement, we have committed to decarbonisation targets in our Munich Re Group Ambition 2025. We have been pursuing these goals since 2020 and have adjusted our investments accordingly. In addition to becoming a member of the NZAOA, Munich Re was one of the first signatories to the PRI. Based on these two programmes, we have introduced our Responsible Investment Guideline (RIG), which covers the PRI and NZAOA recommendations and the sustainability criteria that we apply to our investment management; it is our overarching framework for managing the identified impacts and opportunities. Our GIM1.1.4 unit (Sustainability in Investments) is responsible for the process for overseeing compliance with the RIG requirements. The process requires affected addressees to adopt the instructions in the RIG in their decision-making processes. Exclusions of issuers or governments are communicated to the asset managers involved and must be implemented. In the case of indirect investments, compliance with the RIG requirements cannot be fully ensured. Our goal is to identify such investment products and apply our sustainability processes to the extent feasible, e.g. by recommending model clauses for incorporating human rights and biodiversity criteria. As part of the Group Finance function, MEAG is responsible for analysing liquid assets to check compliance with the list of exclusions and for notifying GIM1.1.4 if exclusions are violated. The RIG stipulates that written notification must be made to GIM1.1.4 without undue delay if there are doubts about implementation, and in the case of deviations or violations.

The Head of Department GIM1.1 is responsible at the top management level for the implementation of the RIG. Amendments in the annual revision process are submitted to the ESG Investment Committee (responsible for implementing the ESG strategy in our investments) and the ESG Management Team.

When the RIG was defined, the requirements of internal and external stakeholders were taken into consideration, in particular the interests of Munich Re regarding compliance with the climate strategy as well as recommendations resulting from our PRI and NZAOA membership. The RIG is updated regularly and an extract is published in the download centre on the Munich Re website.

The guideline contains measures with which we address the material impacts and opportunities outlined at the start of the > Strategy section. These include the topics of climate change mitigation, climate change adaptation, energy efficiency and renewable energy deployment. We base this on systematic integration of ESG criteria in GIM and MEAG's investment processes, actively fulfilling our stewardship role as asset owners, defined exclusion criteria, and ESG-focused investment areas such as renewable energy and green bonds. In addition, we demand that all of our asset managers apply sustainability criteria when handling their portfolios. Our goal is to decarbonise our investment portfolio, reaching our net-zero target we have set by 2050. Munich Re entered into this commitment in the expectation that the governments will meet their own pledges to ensure that the goals of the Paris Agreement are achieved. In publishing our Munich Re Group Ambition 2025, we committed to divesting from thermal coal by 2040.

For the financial services industry, in addition to decarbonisation targets, the financing of sustainable business activities plays a particularly important role.

We continue to make a concerted effort to hold a share of ESG-focused investments in our asset portfolio.

As an insurer, we regard investing as an integral component of our business model. For the companies of the Munich Re Group, Group-wide standards are applied to develop the investment strategy as a matter of principle. This means that the investment strategy is designed to ensure the greatest possible security and profitability, based on an appropriate mix and diversification, as well as available liquidity at all times. The consideration of supervisory, accounting and tax frameworks is reflected in the diversification of our portfolio across regions, currencies and ratings, taking into account environmental, social and governance principles in the various asset classes. By integrating these principles, negative impacts on the sustainability aspect of climate change mitigation that are associated with investments are limited to the greatest extent possible.

Actions

As a global investor, Munich Re is aware of its responsibility to conduct its activities sustainably, and we integrate sustainability criteria into our investment strategy. In its investment decisions, Munich Re therefore takes ESG risks into consideration and adopts measures in the form of sustainability criteria determined by the specific investment mandate.

We pursue the actions described below to reduce our negative impacts on the sustainability aspect of climate change mitigation, and to leverage opportunities with regard to the sustainability aspect of energy.

We have adopted the following climate change mitigation and climate change adaptation measures and implement them continuously:

- The measures introduced to achieve the targets are based largely on portfolio restructuring as a decarbonisation lever and therefore do not require any major operating and/or capital expenditures. We use CO_2e budgets for special portfolios and divestments, as well as investments in low-carbon assets.

- To supplement this, our CO_2e reduction plan has been placed with selected external asset managers.

- We finance sustainable economic activities by issuing green bonds.

- We also exclude any direct investments in listed companies (equities and corporate bonds) that generate a significant portion of their revenue from thermal coal (>15%, conversion into electricity/mining) or from oil sands (>10%). Companies that generate 15% to 30% of their revenue from thermal coal are excluded from our investment universe or, in individual cases, encouraged to reduce their greenhouse gases in the context of an engagement dialogue as part of the investor-led CA100+ initiative.

- In addition, we no longer directly invest in equities or corporate bonds of listed oil and gas companies whose business model specialises in oil and gas. We define such specialised oil and gas companies in this respect as publicly traded companies according to the Global Industry Classification Standard (GICS) Oil and Gas sub-sectors, with the exception of Integrated Oil & Gas in accordance with the ISS ESG GICS classification. Corresponding holdings are reduced in line with market conditions.

- We take further action by using collaborative engagement: in individual cases, companies are encouraged to reduce GHG emissions in the context of an engagement dialogue as part of the investor-led CA100+ initiative, with the aim of promoting the sustainable transformation of the economy as an identified decarbonisation lever.

As of 1 January 2025, for new direct investments Munich Re requires a credible commitment to net-zero GHG emissions by 2050, including corresponding short- and mid-term milestones, from listed integrated oil and gas companies (in accordance with the ISS ESG GICS classification). This means that we will exclude relevant companies from the investment universe that do not meet the criteria described above.

In order to continue making progress towards achieving our GHG reduction targets in our investments, we rely on the real economy making progress towards achieving the net-zero target. At the same time, achieving the target requires a market situation that allows us to cover the liabilities arising from the insurance business and, at the same time, to decarbonise our portfolio. Because our actions consist largely of portfolio restructuring, there is no material dependency on the availability and allocation of resources.

Munich Re has developed an investment strategy as part of the Munich Re Group Ambition 2025 with regard to the identified material potential opportunity for the sustainability aspect of energy.

The actions taken in the reporting period include the continued expansion of investments in infrastructure projects such as solar power plants and wind farms, innovative transport solutions, sustainably managed forests and organic farming. We are also investing in green bonds related to investments in renewable energy, sustainable waste management, protection of biodiversity or sustainable land use.

Metrics and targets

Our goal is to decarbonise our investment portfolio, reaching our net-zero target by 2050. In that context, we have committed to divesting from thermal coal by 2040.

As part of our Munich Re Group Ambition 2025, we have set ourselves the target for our investments of reducing, as an intermediate step until 2025, our total scope 1 and 2 financed GHG emissions from listed equities, corporate bonds and direct real estate by 25–29% compared to the 2019 base year. The baseline value of financed GHG emissions (scope 1 and 2) by listed equities, corporate bonds and direct real estate was 5,728,652 t CO_2e in the 2019 base year.

In addition, we have set specific sector targets for listed equities and corporate bonds: we intend to reduce financed GHG emissions from investments in thermal coal – in particular mining and/or power generation – by more than 35% by 2025, and for investments in oil and gas – in particular drilling and production, refining and distribution – by more than 25%, respectively compared to the 2019 base year. In a further step towards reaching our net-zero target, in October 2022 we updated our specifications for the oil and gas sector and added new milestones. The baseline value of financed GHG emissions (scope 1 and 2) in the 2019 base year was 512,303 t CO_2e for thermal coal and 1,032,872 t CO_2e for oil and gas.

The asset classes covered by the Munich Re Group Ambition 2025 targets are currently not reconcilable with the emissions in the table “Financed emissions according to Category 15 ‘Investments’ of the GHG Protocol”, as only liquid investments (listed equities and corporate bonds) are included in this target. Direct real estate is also covered by the Munich Re Group Ambition 2025; in accordance with ESRS E1-6 in conjunction with the requirements of the GHG Protocol, this is not reported under Category 15 financed emissions.

The GHG emission reduction targets are based on the guidance in the NZAOA Target Setting Protocol. They are science-based and compatible with the central sources that Munich Re considers. In our alignment with the IPCC pathways in the context of our NZAOA membership, we also engage with the relevant stakeholders.

To manage the opportunity identified in the materiality assessment, we set ourselves the target of increasing the volume of investments in renewable energy by 2025. This was based on our risk appetite and served to diversify our alternative investment portfolio. Our target of investing up to €3bn in renewable energy has been reached. The Board of Management has so far not adopted a new target. Nevertheless, this investment segment remains attractive for new investments. In the financial year, 2,481,180 MWh of electricity was generated by non-financial investments in the consolidated group (notably, wind farms and solar installations).

In the following, we describe significant assumptions underlying the parameters used to measure our degree of target achievement, as well as the underlying methodologies:

The following table illustrates the development of scope 1 and 2 financed GHG emissions from listed equities, corporate bonds and direct real estate. We use data from the external data provider ISS ESG to measure the financed GHG emissions from listed equities and corporate bonds. To measure GHG emissions for our direct real estate portfolio, we continue to record energy consumption data, which is subsequently converted using emission factors.

The absolute and relative GHG emission reductions achieved in the financial year are shown in the following tables:

Absolute financed GHG emissions (scope 1 and 2)[1]

t CO_2e	31.12.2024	Prev. year
Listed equities, corporate bonds and direct real estate	2,605,139	3,016,864
Thereof: listed equities and corporate bonds from companies in the thermal coal segment – in particular mining and/or power generation	236,921	234,194
Thereof: listed equities and corporate bonds from companies in the oil & gas segment – in particular drilling and production, refining and distribution	449,544	463,260

1 For listed equities, corporate bonds based on the available CO_2e emissions from the data provider ISS ESG (usually CO_2e emissions from the previous year). For directly held real estate, CO_2e emissions for the 2024 financial year are approximated due to a lack of available data at the time of publication. They are based on available CO_2e emissions from the previous year and CO_2e-emission reductions as a result of implemented energy-saving measures, provided they can be verified and measured.

Development of financed GHG emissions (scope 1 and 2) compared to the 2019 base year (Munich Re Group Ambition 2025)[1]

%	31.12.2024	Prev. year
Listed equities, corporate bonds and direct real estate	–54.5	–47.3
Thereof: listed equities and corporate bonds from companies in the thermal coal segment – in particular mining and/or power generation	–53.8	–54.3
Thereof: listed equities and corporate bonds from companies in the oil & gas segment – in particular drilling and production, refining and distribution	–56.5	–55.1

1 For listed equities, corporate bonds based on the available CO_2e emissions from the data provider ISS ESG (usually CO_2e emissions from the previous year). For directly held real estate, CO_2e emissions for the 2024 financial year are approximated due to a lack of available data at the time of publication. They are based on available CO_2e emissions from the previous year and CO_2e-emission reductions as a result of implemented energy-saving measures, provided they can be verified and measured.

In a deviation from PCAF methodology, the market value is used as the basis for debt instruments to remain consistent with the 2019 base year for the Munich Re Group Ambition 2025. If we were to use the nominal value instead of the market value for debt instruments, the reduction would have been 50.9% (instead of 54.5%) relative to the 2019 base year.

Of the reduction achieved relative to the previous year, 25% is attributable to portfolio changes (new investments and total sales) and 34% to the decarbonisation of the real economy. A further 41% is attributable to valuation changes, changes in data coverage or changes in sub-portfolios.

To assess the effectiveness of our actions regarding the identified negative impact on climate change, we regularly monitor the development of the relative carbon footprint of the investments that fall under the scope of our climate ambition. The metric therefore relates to the reduction targets for financed scope 1 and 2 emissions defined in the Munich Re Group Ambition 2025. The financed GHG emissions from this portfolio are shown in relation to the market value of our investments. The amount was 68 t CO_2e/€m invested as at 31 December 2023; as at 31 December 2024, it had changed to 55 t CO_2e/€m invested. The metric's denominator takes into account the market value of all investments that fall under the scope of the Munich Re Group Ambition 2025. This also includes the market value of investments for which we have no CO_2e data. Data availability therefore also influences this metric in addition to the actual development of the portfolio's emissions. In the reporting year, CO_2e data was available to us for 92.4% (previous year: 93.6%) of the investments in the scope of the denominator.

Other metrics we use to measure the effectiveness of our actions to address the material effects on the sustainability aspect of climate change mitigation are the volume of ESG-focused investments and the volume of green bonds issued.

With regard to renewables, we achieved our 2025 target of increasing our renewable energy holdings to €3bn ahead of time in 2023, and we will continue using the investment opportunities.

Within our portfolio, we emphasise a balanced, diversified mix of corporate and government-related issuers. In the medium term, we are striving to expand the ESG-focused portfolio.

The volume of ESG-focused investments is a measure of our contribution to financing the transition to a climate-neutral economy, and we use it to track the effectiveness of our strategies and actions relating to our identified impact on climate change mitigation. The following table provides an overview of our ESG-focused investments. The investments are shown in each case with the total of their market values (including accrued interest in euros in the case of green bonds) in the relevant asset classes.

ESG-focused investments

	31.12.2024	Prev. year	Change
€m			%
Green bonds	4,452	3,633	22.5
Renewables	3,319	3,130	6.0
Certified real estate	2,562	2,565	–0.1
Certified forestry management	2,496	1,928	29.5

The classification of the green bond portfolio is based on the assessment of the emission documentation by Bloomberg Green Bond Flag. These green bonds had to comply with the ICMA standard or comparable standards at the time of issue and feature a second party opinion. In cases where we exclude companies from our investment universe based on our environmental criteria, such as oil and gas companies or coal companies, we may still selectively invest in green bonds issued by those companies. The prerequisites for this, however, are that the companies comply with a recognised framework (e.g. ICMA standard or the European green bond standard) and that the issuer has publicly committed to a net-zero target by 2050 (or another pathway based on the Paris Agreement) and – in the case of coal companies – a coal exit strategy by 2040.

The underlying energy source, such as solar, wind, geothermal energy or hydropower, is relevant for allocation to the volume of investments in renewables. The investment volume includes the associated infrastructure for producing electricity and heat, as well as for storage and transportation. This metric also enables us to measure the effectiveness of our strategies and actions relating to the material energy opportunity we have identified.

Our real estate investments focus on energy efficiency and certified buildings. We aim to ensure certification of the real estate under the Building Research Establishment Environmental Assessment Method (BREEAM), Leadership in Energy and Environmental Design (LEED), the German Sustainable Building Council (DGNB) or comparable certifications that contribute to sustainability. Certification is performed independently using the certification process of the relevant certification companies.

Sustainable forestry is the primary objective of all our forestry investments. We focus on forestry investments where management of the forest is certified by the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification Schemes (PEFC) or a similar organisation, or is reliably certified within the first five years after acquisition. The asset manager applies ESG criteria to each investment as part of the due diligence process and subsequently in the course of ongoing management activities. Certification is process-based and performed independently by the relevant certification companies.

We issue green bonds as a way to finance the expansion of our sustainable investments. Issuing green bonds thus also makes a contribution to reaching our net-zero target by 2050.

Green bonds issued

	31.12.2024	Prev. year	Change
			%
Nominal volumes of green bonds issued in €m	2,250	2,250	0.0
Nominal volumes of green bonds issued in US$ m	1,250	1,250	0.0

GHG gross emissions in Category 15 “Investments” constitute a significant scope 3 category for Munich Re. These are referred to as financed emissions and are shown in the following table. A total of 7,284,057 t CO_2e of financed emissions feed into Munich Re’s climate footprint, and are included under the scope 3 GHG emissions in the line “(15) Investments”; see > Own operations: Management of climate change-related impacts > Metrics and targets. Details are shown in the table “GHG emissions according to ESRS”. Our financed emissions in the 2024 reporting year do not include any scope 3 emissions from our investee companies because the data coverage and quality is still inadequate with regard to transparency and comparability. As we still cannot rely on robust estimates either, it can be assumed that the scope 3 information does not meet the quality requirements, despite reasonable efforts on our part.

Financed emissions according to Category 15 "Investments" of the GHG Protocol

	Scope	31.12.2024	Data quality score	Data coverage
		t CO_2e	1 (best quality) to 5 (lowest quality)	%
Equity investments	1–2	3,397,628	2.9	97
Debt investments with known use of proceeds	1–2	103,914	3.0	100
Debt investments with unknown use of proceeds	1–2	3,246,121	1.9	100
Project finance	1–2	536,394	2.8	100
Total financed emissions		**7,284,057**		

In accordance with the principles and provisions of the Green House Gas Protocol (GHGP) Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), the financed emissions comprise our equity instruments, debt instruments in companies with known and unknown use of proceeds, and project finance. For these asset classes, the calculation of financed emissions uses the prescribed methodology of the GHG Accounting and Reporting Standard for the Financial Industry from the Partnership for Carbon Accounting Financials (PCAF), specifically part A "Financed Emissions" (December 2022 version). In the context of the Munich Re Group Ambition 2025, we used market values to calculate the attribution factor of debt instruments. In the above table "Financed emissions according to Category 15 'Investments' of the GHG Protocol", we adapted the methodology and, as recommended by the PCAF, use nominals for the numerator of the attribution factor for debt instruments.

The category of equity investments comprises listed equities and equity funds, real estate equity funds, infrastructure equity investments, private equity and infrastructure funds, insurance-related equity instruments, and other participations without operational control. As a rule, only GHG emissions from investments where we do not exercise any operational control fall within Category 15 "Investments". If we have operational control of a company or an asset, we report the GHG emissions under scope 1 and 2 of our climate footprint.

The category of debt instruments consists of publicly traded corporate debt, infrastructure loans, loans to unlisted companies, private debt funds, commercial real estate loans and residential mortgage loans, real estate debt funds and insurance-related debt instruments.

The project finance category comprises certain equity and debt finance arrangements in which repayment of the capital provided as part of the project is made using cash flows generated by the project. This type of financing can occur in connection with infrastructure investments and real estate finance. Munich Re did not finance any projects as the initial sponsor or lender in the 2024 financial year. The financed emissions represent our share of the GHG emissions of other companies. To attribute our share (attribution factor) in the case of equity investments in listed companies, we use the market value, and in the case of debt investments, we use the notional value in relation to the value of the company plus cash (enterprise value including cash, EVIC), if available. If the EVIC is not available, we calculate the financed emissions using the PCAF methodologies with sector averages for emission factors.

In the case of equity investments in unlisted companies, we use the ratio of the market value to total balance sheet value (equity and debt) as the attribution factor.

We use the scope 1 and 2 emissions of the financed companies in all sectors if we can obtain corresponding CO_2e data on the financed companies with reasonable effort. To do this, we use the most recent data in the best available data quality. This generally involves CO_2e emissions of the previous year provided by data provider ISS. We take a hierarchical approach in this regard and first use CO_2e data that is published or provided by the financed companies. We then close any remaining data gaps by using sector averages. In addition to gaps in CO_2e data, gaps may also arise in the EVIC and in the assessment of the data quality in accordance with PCAF requirements. Investments for which we do not have any information on the data quality of the associated GHG emissions are rated with a data quality score of 5.

Primary data (reported emissions) is given priority over secondary data (estimates, sector averages) because it offers a greater degree of accuracy. The criteria that affect data quality are the verifiability of the data, and the data's actuality, regionality and source. Because of data restrictions, emissions are calculated using both primary and secondary data. We are striving to increase data quality gradually in the coming years. CO_2e data is available for some of our investments in retail funds, but no information about the quality of the data. When we calculate average data quality, we assign these investments a score of 5, the lowest possible score.

We report data coverage per asset class in the table "Financed emissions according to Category 15 'Investments' of the GHG Protocol", whereby the numerator contains the market values of all assets for which we have CO_2e data. We then consider this in relation to the total market values of the asset class concerned. We calculated the data quality per asset class as the weighted average of the individual assets in the class, in accordance with the requirements of the PCAF Financed Emissions Standard. Weighting was done using the "outstanding amount". This corresponds to the market value of equity instruments and the notional value of debt investments.

Financed emissions can change due to changes in the value of the financed companies that are used in the numerator of the attribution factor. To ensure comparability, we do not use any company values adjusted for market price changes, in line with the PCAF methodology.

Given that the asset classes referenced in the IFRS Sustainability Disclosure Standard S2 are not identical to the ESRS requirements, which in turn are based on the GHG Protocol, the following table "Financed emissions, disaggregated by asset class" contains a corresponding reconciliation for the scope 1 and scope 2 financed emissions.

All asset classes in the mandatory scope of the GHG Protocol are included. We voluntarily include financed emissions from equity and debt funds, from mortgage loans to private individuals and from debt instruments with unknown use of proceeds. Investments in unit-linked life insurance are not included in our financed emissions because the investment is held for the benefit of policyholders, who bear the investment risk. In accordance with the GHG Protocol and the NZAOA Target Setting Protocol, such investments fall under the voluntary scope of reporting.

Financed emissions, disaggregated by asset class

						31.12.2024
	Scope 1	Scope 2	Total	Gross exposure	Drawn portion of loan commit-ments	Data coverage
	t CO_2e	t CO_2e	t CO_2e	€m	€m	%
Equity investments	2,923,870	473,778	3,397,647	27,255	–	97
Loans	730,170	137,402	867,572	16,905	–	100
Bonds	2,559,438	402,384	2,961,822	35,703	–	100
Undrawn loan commitments	5,033	3,831	8,864	–28	1,079	88
Total ISSB asset classes	**6,218,510**	**1,017,395**	**7,235,906**	**79,834**	**–**	**–**
Private debt funds	36,080	20,935	57,015	1,852	–	95
Real estate debt funds	0	0	0	0	–	–
Undrawn loan commitments	–5,033	–3,831	–8,864	28	–	88
Total financed emissions and gross exposure	**6,249,558**	**1,034,499**	**7,284,057**	**81,715**	**–**	**–**

In the following, we additionally report, for the asset classes referenced in the IFRS Sustainability Disclosure Standard S2, the financed scope 1 and scope 2 emissions on the basis of the six-digit GICS industry level codes (see the table "Financed emissions, disaggregated by GICS industries"). We use the scope 1 and 2 emissions of the financed companies in all sectors (GICS) as long as we can obtain corresponding CO_2e data on the financed companies with reasonable effort. Any investments that we could not allocate to one of the GICS industries are combined in the line item "Other".

Financed emissions, disaggregated by GICS industries

	31.12.2024		
	Equity investments		
GICS industry	Absolute gross financed emissions, scope 1	Absolute gross financed emissions, scope 2	Gross exposure
	t CO_2e	t CO_2e	€m
Energy Equipment and Services	3	7	1
Oil, Gas and Consumable Fuels	29,872	2,497	119
Chemicals	24,128	12,250	250
Construction Materials	3,772	150	8
Metals and Mining	35,786	9,937	107
Construction and Engineering	3,568	652	73
Industrial Conglomerates	550	486	258
Commercial Services and Supplies	150,650	195	121
Passenger Airlines	3,495	17	4
Ground Transportation	3,104	3,290	15
Transportation Infrastructure	1,421	5,218	726
Capital Markets	9,841	7,198	1,052
Diversified Telecommunication Services	503	2,053	318
Electric Utilities	16,478	55,928	903
Gas Utilities	67,750	1,317	681
Multi Utilities	9,251	7,736	408
Water Utilities	32,339	4,996	214
Independent Power and Renewable Electricity Producers	1,036,498	3,194	1,374
Real Estate Management and Development	683	1,863	389
Other	1,442,998	322,206	8,180
Subtotal	**2,872,691**	**441,192**	**15,200**
Remaining GICS	51,179	32,586	12,054
Total	**2,923,870**	**473,778**	**27,255**
Data coverage in %	**97**	**97**	**–**

	31.12.2024		
	Loans		
GICS industry	Absolute gross financed emissions, scope 1	Absolute gross financed emissions, scope 2	Gross exposure
	t CO_2e	t CO_2e	€m
Energy Equipment and Services	0	0	0
Oil, Gas and Consumable Fuels	104,352	55,913	305
Chemicals	0	0	0
Construction Materials	0	0	0
Metals and Mining	0	0	0
Construction and Engineering	33,768	1,437	738
Industrial Conglomerates	262	54	101
Commercial Services and Supplies	2,669	2,083	189
Passenger Airlines	0	0	0
Ground Transportation	18,276	1,154	391
Transportation Infrastructure	6,824	6,965	1,563
Capital Markets	411	9,544	211
Diversified Telecommunication Services	2,128	18,251	592
Electric Utilities	32,178	1,205	77
Gas Utilities	0	0	0
Multi Utilities	0	0	0
Water Utilities	24,834	2,043	125
Independent Power and Renewable Electricity Producers	395,592	12,219	1,388
Real Estate Management and Development	87,580	25,339	10,263
Other	0	0	0
Subtotal	**708,875**	**136,208**	**15,943**
Remaining GICS	21,296	1,194	961
Total	**730,170**	**137,402**	**16,905**
Data coverage in %	**100**	**100**	**–**

GICS industry	31.12.2024 Bonds Absolute gross financed emissions, scope 1	Absolute gross financed emissions, scope 2	Gross exposure
	t CO_2e	t CO_2e	€m
Energy Equipment and Services	83,135	9,683	99
Oil, Gas and Consumable Fuels	258,848	21,490	788
Chemicals	188,368	39,583	367
Construction Materials	118,851	12,120	88
Metals and Mining	98,625	14,621	141
Construction and Engineering	3,974	400	88
Industrial Conglomerates	208,206	33,010	1,986
Commercial Services and Supplies	8,846	1,103	216
Passenger Airlines	125,503	232	145
Ground Transportation	16,892	3,628	258
Transportation Infrastructure	6,236	12,714	307
Capital Markets	358,091	65,157	7,199
Diversified Telecommunication Services	3,451	15,275	1,743
Electric Utilities	511,047	29,843	1,516
Gas Utilities	55,465	4,889	242
Multi Utilities	107,101	15,272	599
Water Utilities	0	0	0
Independent Power and Renewable Electricity Producers	273,659	11,928	756
Real Estate Management and Development	1,805	4,734	322
Other	0	0	0
Subtotal	**2,428,104**	**295,681**	**16,861**
Remaining GICS	131,334	106,703	18,843
Total	**2,559,438**	**402,384**	**35,703**
Data coverage in %	**100**	**100**	**–**

GICS industry	31.12.2024 Undrawn loan commitments Absolute gross financed emissions, scope 1	Absolute gross financed emissions, scope 2	Gross exposure
	t CO_2e	t CO_2e	€m
Energy Equipment and Services	0	0	0
Oil, Gas and Consumable Fuels	0	0	0
Chemicals	0	0	0
Construction Materials	0	0	0
Metals and Mining	0	0	0
Construction and Engineering	155	47	–15
Industrial Conglomerates	0	0	0
Commercial Services and Supplies	2	1	3
Passenger Airlines	0	0	0
Ground Transportation	1,444	1,432	4
Transportation Infrastructure	173	707	–15
Capital Markets	0	0	0
Diversified Telecommunication Services	2	1	1
Electric Utilities	0	0	0
Gas Utilities	0	0	0
Multi Utilities	0	0	0
Water Utilities	0	0	0
Independent Power and Renewable Electricity Producers	353	406	2
Real Estate Management and Development	2,887	547	–11
Other	0	0	0
Subtotal	**5,016**	**3,142**	**–31**
Remaining GICS	17	690	3
Total	**5,033**	**3,831**	**–28**
Data coverage in %	**88**	**88**	**–**

	31.12.2024
	Drawn portion of loan commitment
GICS industry	**Gross exposure**
	€m
Energy Equipment and Services	0
Oil, Gas and Consumable Fuels	0
Chemicals	0
Construction Materials	0
Metals and Mining	0
Construction and Engineering	66
Industrial Conglomerates	0
Commercial Services and Supplies	15
Passenger Airlines	0
Ground Transportation	152
Transportation Infrastructure	365
Capital Markets	0
Diversified Telecommunication Services	75
Electric Utilities	0
Gas Utilities	0
Multi Utilities	0
Water Utilities	0
Independent Power and Renewable Electricity Producers	102
Real Estate Management and Development	299
Other	0
Subtotal	**1,072**
Remaining GICS	7
Total	**1,079**
Data coverage in %	**–**

Risks
Climate change risks are continuously monitored and managed as part of our ALM, liquidity and concentration risks. Due to the strong diversification and high overall liquidity of our investments, we do not consider the impacts of climate change scenarios on the valuation of our investments to be a material financial risk overall.

We see a particular risk in a portion of our assets with long maturities. In the case of illiquid investments, this risk is already assessed and managed in the due diligence process by analysing potential location-specific perils due to climate change. In the case of long-dated government bonds, we do not simply rely on the usual ratings, but perform independent analyses of the political, economic and fiscal situation in the countries issuing bonds in which Munich Re is most heavily invested. In this regard, climate-change-related risks are also considered. On this basis, and considering the needs of the business segments to invest in the relevant currency areas and countries, concentration risks and hence also potential financial risks due to climate change are deliberately limited.

Own operations: Management of climate change-related impacts

Strategy
Reducing GHG emissions is a core element of Munich Re's climate strategy. This is expressed in the target set out in the Munich Re Group Ambition 2025 to reduce emissions from our own operations. Owing to Munich Re's worldwide presence through its subsidiaries, we take a global approach to this target. In the context of our own operations, we include the companies in the consolidated group with staff who perform activities that form part of our core business of assuming (re)insurance risks and managing investments. For Munich Re's own operations, the following areas of influence were identified as material in the materiality assessment: climate change mitigation through internal operations and use of electricity from renewable resources in our own operations, GHG emissions from Munich Re-owned buildings and means of transportation (for business travel), and energy consumption from non-renewable sources in internal operations. The resulting GHG emissions from our internal operations can potentially have a negative impact on climate change. We can make a potentially positive contribution to the climate and ecosystems by reducing emissions and switching to renewable energy. We can take direct responsibility for our own operations with regard to reducing GHG emissions, including energy procurement, which is not the case for insurance business or for investments. However, compared with our investment and insurance business, Munich Re's own operations have

a significantly lower potential influence on mitigating climate change due to the lower GHG emissions involved. As Munich Re is a service provider, the consumption of energy and resources in our own operations arises primarily within the office premises and during business travel. The Munich Re Group Ambition 2025 climate strategy takes these aspects into consideration in its targets. Our goal is to make a positive contribution towards the requirements set out in the Paris Agreement.

Implementing the strategy and target-achievement actions takes place at Group level in the respective divisional units, and locally. The function of the Group environmental manager is located in the ESP central unit, which reports directly to the Chair of the Board of Management. To ensure clear responsibilities for target achievement, consistent reporting and an exchange of best practices within the Group, a hub structure for environmental management at Group, field of business and local level has been established for reinsurance, MEAG and ERGO.

In terms of our own operations, the Munich Re Group Ambition 2025 climate strategy considers the direct climate impact of our own GHG emissions from our operational business processes. The material climate-related impacts in our own operations were identified and assessed in the materiality assessment (see > General information > Management of sustainability-related impacts, risks and opportunities > Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities). Scope 1, 2 and 3 GHG emissions from our own operations were analysed to identify both current and potential future sources of GHG emissions. We record self-generated emissions and the related direct consumption of energy in scope 1. This includes emissions resulting from the use of gas, emergency power generators, the consumption of self-generated renewable energy and the use of company cars. Scope 2 emissions are generated by purchased energy – electricity as well as district heating and cooling. Under scope 3, we record emissions for paper and water consumption, waste generation and business travel (excluding business trips with company cars). The goal of this assessment is to develop well-founded measures to reduce emissions and minimise negative climate effects. We believe that, both currently and for the future, we have only a limited influence on our internal operations with moderate environmental impacts. The reason is that office operations and the associated consumption of resources are dependent, among other things, on factors that we cannot influence, such as external temperatures, which determine our need for heat and cooling in the offices. When it comes to energy, we achieve material positive impacts by switching from conventional to renewable energy, which we primarily procure from external providers for our business operations. Switching to electricity from renewable energy sources or purchasing renewable energy certificates reduces our net GHG emissions from power consumption.

Actions

To mitigate climate change, our energy-related climate protection actions in our own operations focus on the use of renewable energy. We also strive to reduce our total consumption of energy and resources, including water and paper, to reduce waste and to encourage environmentally responsible forms of business travel.

For all fully consolidated companies with staff and their locations that are in the scope of our Munich Re Group Ambition 2025 climate strategy for our own operations, and included in quantitative reporting, we are successively switching energy procurement to renewable energy sources. This shift is a key decarbonisation lever for us. By 2025, we want to switch to 100% energy from renewable sources for these companies and their locations by procuring electricity from renewable energy sources directly from power utilities, by purchasing corresponding renewable energy certificates and by generating our own energy. Energy consumption by companies not involved in the quantitative reporting process is extrapolated, and the resulting GHG emissions are included in the total calculation. In addition, Munich Re voluntarily buys carbon credits in the amount of the calculated emissions, and cancels them. Further information and the procedure we follow are detailed under > Metrics and targets.

As outlined, switching to electricity from renewable sources is an important field of action with regard to scope 2 emissions. Furthermore, as part of our actions to cut emissions, our employees are sensitised to contribute to the reduction of emissions through their behaviour. We also prefer environmentally friendly alternatives for business travel and are increasingly using environmentally friendly rail travel and electric vehicles. In addition, the careful use of resources such as water and paper as well as waste reduction is being implemented at site level, which helps reduce scope 3 emissions, for example by using reusable containers in our staff catering.

The actions for which we have not adopted any dedicated budgets accompany our actions to achieve our strategic objectives, as defined in our Munich Re Group Ambition 2025 climate strategy.

Many actions are subject to external reviews in the course of implementing environmental management. In 2024, 47.2% of staff included in the scope of reporting were involved in a DIN ISO 14001 or Eco Management and Audit Scheme (EMAS)-certified environmental management system that systematically monitors and assesses the implementation of applicable environmental criteria in operations. Due to a broader scope of reporting as a result of the ESRS requirements, a year-on-year comparison will only be possible as of the 2025 reporting year.

Metrics and targets

In its climate strategy, the Munich Re Group set out that GHG emissions from our own operations would be reduced by 12% per employee by 2025 in relation to the 2019 base year (2.5 t CO_2e per employee). The reduction relates to GHG emissions from our own direct and indirect energy consumption (scope 1 and 2), as well as selected scope 3 emissions from, for example, our consumption of paper and water, as well as from waste generation and business travel. We will also provide financial support for climate change mitigation actions this year that will lead to the reduction and storage of GHG emissions in the same quantity as our emissions from our own operations. The Munich Re Group Ambition 2025 climate strategy set the target of net zero for our operations by 2030. According to the plan from the year 2020, it was envisaged that Munich Re's GHG neutrality would be gradually replaced by GHG net zero. Because the regulatory environment is currently changing rapidly with regard to the definition of the terms "GHG neutrality" and "GHG net zero", we decided to stop using these terms in the context of our Munich Re Group Ambition 2025 climate strategy in connection with our own operations.

Various IPCC scenarios from 2018 were considered and discussed in the course of developing the Munich Re Group Ambition 2025 climate strategy. Ultimately, we defined the specific emissions reduction target of 12% per employee for our own operations, based on an estimate of the potential. The targets for 2025 were not defined separately for scopes 1 to 3. The calculated reduction in GHG emissions is distributed across scope 1, 2 and 3. Determination of the target is based on the market-based methodology for scope 2. The target applies to the emissions of the fully consolidated companies with staff.

One of the key levers for executing the Munich Re Group Ambition 2025 climate strategy is the switch to renewable energy sources. As actions are implemented at the local level, the switch from conventional energy to energy from renewable sources has proven itself empirically to be an effective mechanism for reducing emissions.

In the following section, we disclose the environmental metrics for our own operations for the reporting year, in accordance with the scope of ESRS reporting. In the scope of our quantitative reporting in 2024, we included data on companies whose staff constitute 83.8% of the overall number of employees in the scope of ESRS reporting. This data was then used as a basis to extrapolate the figures to 100% of all staff in the ESRS reporting scope.

With regard to our own operations, we record our GHG emissions from direct and indirect energy consumption (scope 1 and 2), as well as significant scope 3 emissions such as those associated with paper and water consumption, waste generation and business travel. Other emissions sources were classified as not significant and are therefore not reported. We used three criteria to identify the significant scope 3 categories. The focus in this regard was on the criterion of size. The criteria "relevance for stakeholders" and "ability to influence" were also considered.

ESRS reporting on own operations included, for the first time in 2024, all our majority-interest non-consolidated entities with staff. Also for the first time, we took emissions into account from our buildings that are used both for internal purposes and by third parties (including vacant buildings).

In addition, in 2024 scopes 1 and 2 for the first time included building-related emissions that are caused by external users in properties that are not classified as investments under IFRS Accounting Standards, but that are owned by companies that are financially controlled by the Munich Re Group. We also record under scope 1 and 2 the emissions from illiquid directly held investments, such as investment properties and other assets, such as forestry and investments in renewables, where we exercise financial control and where no Munich Re staff work.

We record the total amount of our financed emissions for scope 3 in Category 15 "Investments". These are indirect emissions that we allocate to ourselves on the basis of our investment activities in the amount of our share of equity or debt and where we do not have operational control. A breakdown by asset classes in accordance with Category 15 "Investments" of the GHG Protocol can be found in the table entitled "Financed emissions according to Category 15 'Investments' of the GHG Protocol". Details of the methodology used to calculate our financed emissions can be found in > Investments: Management of climate change-related impacts, risks and opportunities > Metrics and targets.

Due to the change in the scope of reporting in the 2024 reporting year in alignment with ESRS, a year-on-year comparison will only be possible as of next reporting year.

The resulting GHG emissions are calculated in accordance with the ESRS calculation bases. For the further calculation of GHG emissions from our own operations, we use an internationally recognised data management tool that uses recognised sources selected in accordance with the GHG Protocol as the calculation basis for GHG emissions. Primarily consumption-based data was used for paper and water consumption and waste. For business travel, the Munich Re Group records the actual distances travelled and the means of transport used. In cases where no primary data is available, we use secondary data sources, such as cost-based calculations. We use recognised emission factors to convert the data into GHG emissions. All consumption data at the local level not available at the time of reporting has been estimated. The consumption data measured at Group level is extrapolated to 100% of the employees who belong to a company in the consolidated group. All employees with an existing employment contract at 31 December 2024 were included.

The total energy and power consumption in the reporting year, broken down by fossil and renewable energies in megawatt hours (MWh), is shown in the following table. "Total fossil energy consumption" also includes fuel consumed by company cars.

The share of purchased electricity from renewable sources compared with the total energy purchased by the fully consolidated companies with staff in the Munich Re Group that were included in the quantitative reporting was 87% in 2024 (91%); i.e. we calculate the ratio of purchased electricity from renewable energy sources to total purchased energy. The slight reduction compared to 2023 is due to minor changes in the regulatory requirements. The expected reduction in 2025 is approximately 4,800 t of GHG emissions.

Energy consumption and mix related to own operations

	2024	Share in total energy consumption
	MWh	%
Total fossil energy consumption	**267,584**	**66.4**
Total renewable energy consumption	**135,640**	**33.6**
Thereof purchased or acquired electricity from renewable sources[1]	128,737	31.9
Thereof self-generated, fuel-based renewable energy (biomass, biogas)	4,280	1.1
Thereof self-generated, non-fuel-based renewable energy (solar, wind)	2,623	0.7
Total energy consumption	**403,224**	**100.0**

1 Electricity actually purchased from renewable sources in MWh: 79,565.

Munich Re's energy generation from renewable sources in MWh is broken down in the table below. This is electricity that is generated mostly in our biogas plant or in our photovoltaic systems. The unused quantity of self-generated energy is fed into the grid. The amount of self-generated energy indicated here is based on the staff covered in the reporting (83.8%). We have not extrapolated the figure to 100% of all staff within the scope of ESRS reporting, in order to avoid overvaluing our own renewable energy generation.

Renewable energy generation

MWh	2024
Total	**12,279**

The split between renewable and non-renewable sources of electricity based on the approach for calculating market-based scope 2 GHG emissions uses a conservative approach. Emissions are calculated using the same hierarchy as the GHG Protocol, and we use the underlying emission factors for electricity as follows: 1) product- or supplier-specific contractual emission factors; 2) if these are not available, we use factors in line with the Residual Mixes issued by the Association of Issuing Bodies (AIB), if applicable; 3) if these are also not available, we use emission factors published by the International Energy Agency (IEA). Under the market-based approach, CO_2 emissions are therefore calculated taking individual energy procurement decisions into account. In the calculation of our total GHG emissions, the emissions from the purchased, non-extrapolated volume of electricity from renewable sources are included with a supplier-specific conversion factor.

We also report our total GHG emissions using the location-based approach. In this case, we use country-specific emission factors from the IEA to calculate emissions from electricity; CO_2 emissions are calculated using the average energy mix in a given region or country.

GHG emissions in accordance with ESRS

Scope	Source of emission	31.12.2024 t CO_2e
Scope 1	GHG emissions	64,353
	Thereof from own operations	40,561
Scope 2	GHG emissions (location-based)	133,821
	Thereof from own operations	60,610
	GHG emissions (market-based)	112,657
	Thereof from own operations	51,111
Scope 3	GHG emissions	7,310,344
	(1) Purchased goods and services (paper and water)	1,286
	(5) Waste generated in operations	1,801
	(6) Business travel (excluding business trips with company cars that are reported within scope 1)	23,200
	(15) Investments	7,284,057
Scope 1–3	**Total GHG emissions (scope 2 location-based)**	**7,508,517**
Scope 1–3	**Total GHG emissions (scope 2 market-based)**	**7,487,353**

An explanation of Category 15 GHG emissions can be found under > Investments: Management of climate change-related impacts, risks and opportunities.

The information on greenhouse gas intensity in the following table covers total GHG emissions in our own operations relative to the insurance revenue recorded by the fully consolidated companies as at 31 December 2024 (€60,830m).

GHG intensity in own operations according to ESRS

Scope	Source of emission	GHG intensity per €m insurance revenue 2024 t CO_2e/€m
Scope 1–3	**Total GHG emissions (scope 2 location-based)**	**2.10**
Scope 1–3	**Total GHG emissions (scope 2 market-based)**	**1.94**

Munich Re publishes disclosures on absolute GHG emissions that fall within the scope of our Munich Re Group Ambition 2025 climate strategy for own operations separately in the following table. The climate strategy's emission reduction target set in 2019 only covers the staff of the fully consolidated companies.

The material positive impacts of our initiatives are already evident today in the downward trend in our GHG emissions.

GHG emissions in own operations – Munich Re Group Ambition 2025

Scope	Source of emission	2024 t CO_2e	Prev. year t CO_2e	Change %
Scope 1	GHG emissions from direct energy consumption	38,924	33,093	17.6
	Thereof from business trips with company cars	9,594	10,841	–11.5
Scope 2	GHG emissions from indirect energy consumption (location-based)	37,724	38,157	–1.1
	GHG emissions from indirect energy consumption (market-based)	18,320	14,249	28.6
Scope 3	GHG emissions from upstream activities	23,111	22,571	2.4
	Thereof purchased goods and services (paper and water)	1,105	1,324	–16.5
	Thereof waste generated in operations	1,763	1,781	–1.0
	Thereof business travel (excluding business trips with company cars that are reported within scope 1)	20,243	19,466	4.0
Scope 1–3	**Total GHG emissions (scope 2 location-based)**	**99,759**	**93,821**	**6.3**
Scope 1–3	**Total GHG emissions (scope 2 market-based)**	**80,355**	**69,913**	**14.9**

We calculate the GHG footprint per employee from our business activities by evaluating the annual GHG emissions resulting from our consumption of energy, business travel, paper, water and waste. Any consumption data that was not yet available at the time of reporting has been estimated. The consumption data measured is extrapolated to 100% of the employees who had an employment contract at the reporting date and belong to a fully consolidated company, and therefore fall within the scope of the Munich Re Group Ambition 2025 climate strategy for own operations. The resulting GHG emissions are calculated based on internationally recognised methods and conversion factors, the same way as the emissions recorded under ESRS.

We have already surpassed our 12% reduction target per employee and in 2024 we went on to achieve a 26% reduction in GHG emissions per employee (approx. 18,000 t CO_2e) compared with 2019. In the 2024 financial year, GHG emissions from direct energy consumption rose. This is due to a normalisation of gas consumption compared to previous years, which more than offset the reduction from business travel with company cars achieved by the ongoing shift to electric vehicles. The increase in GHG emissions from indirect energy consumption (market-based) is due to the differentiated application of conversation factors for calculating emissions from renewable energy sources, based on ESRS requirements. Nevertheless, the absolute energy consumption from electricity use by the respective fully consolidated companies is slightly below that of the previous year. A robust and consistent method for the conversion of the intensity target (−12% per employee) to an absolute emissions target is being analysed.

By increasing the proportion of electric vehicles in our fleets (scope 1), travelling with carbon-neutral trains (scope 3), and generally using digital communication media instead of in-person meetings, we were able to achieve a definite reduction in GHG emissions from business travel in 2024 compared with the 2019 base year.

The resulting savings of scope 2 (market-based) GHG emissions compared with the 2019 base year were approximately 8,900 t CO_2e in 2024.

GHG intensity in own operations – Munich Re Group Ambition 2025

		GHG intensity per employee			Ambition 2025: −12% per employee	
		2024	Prev. year	Change	Base year 2019	Change
Scope	Source of emission	t CO_2e/ headcount	t CO_2e/ headcount	%	t CO_2e/ headcount	%
Scope 1	GHG emissions from direct energy consumption	0.89	0.77	15.0	1.11	−19.9
	Thereof from business trips with company cars	0.22	0.25	−13.4	0.29	−24.5
Scope 2	GHG emissions (location-based)	0.86	0.89	−3.3	1.16	−25.7
	GHG emissions (market-based)	0.42	0.33	25.5	0.69	−39.4
Scope 3	GHG emissions from upstream activities	0.53	0.53	−0.2	0.68	−22.7
	Thereof purchased goods and services (paper and water)	0.03	0.03	−19.4	0.04	−40.5
	Thereof waste generated in operations	0.04	0.04	−4.8	0.07	−42.9
	Thereof business travel (excluding business trips with company cars that are reported within scope 1)	0.46	0.46	1.5	0.57	−18.9
Scope 1–3	**Total GHG emissions (scope 2 location-based)**	**2.28**	**2.19**	**3.9**	**2.95**	**−22.8**
Scope 1–3	**Total GHG emissions (scope 2 market-based)**	**1.83**	**1.63**	**12.2**	**2.48**	**−26.1**

The Munich Re Group uses real consumption data to record the emissions of most of its employees. Even if we cannot achieve 100% real-time data coverage, we strive to continuously improve the informational value of our data, e.g. by increasing its granularity and quality. Accordingly, we have introduced a comprehensive internal control system, we train local data collectors and reviewers, and we maintain an ongoing dialogue with them to improve data collection at the locations. The roles and responsibilities of the individuals at site, segment and Group level have been defined. All data is recorded in a database that supports collection of the data and performs largely automated calculations.

For the emissions accounted for in the Munich Re Group Ambition 2025 climate strategy, Munich Re acquires carbon credits in the amount of the disclosed CO_2 emissions from our own operations and cancels them. In doing so and thus providing financial support to certified climate change mitigation projects, we want to help achieve international climate targets. This includes credits that have already been acquired as well as those which have been bindingly and irrevocably negotiated and which we will receive by 2025. Credits corresponding to 66,512 t CO_2e were cancelled in financial year 2024 – of which 41,260 t CO_2e in February 2024 that we allocated to 2023; credits equivalent to 27,000 t CO_2e were cancelled later in 2024, which we allocated to 2024. We have reserved 147,254 t worth of carbon credits outside our value chain for possible cancellation by the time of reporting on the year 2025. As at February 2025, at the time of reporting on the year 2024, of that figure, credits for 52,710 t CO_2e had already been cancelled, which we allocated to 2024. The quantity of carbon credits cancelled as at February 2025 therefore corresponds to the emissions from our own operations in 2024 that are covered by the Munich Re Group Ambition 2025 climate strategy. The purchase of carbon credits for emissions generated in financial year 2024 is based on existing contractual arrangements.

Offsets from carbon credits have no influence on the achievement of our self-imposed emission reduction targets, as they are not factored or calculated into these targets, and Munich Re implements emission reduction actions independently of this. When selecting carbon credits, we place value on internationally recognised certification standards such as the Gold Standard. In addition, cancelled carbon credits are recorded in a corresponding central register. In this way, we try to ensure that the credits we purchase are of high quality.

Carbon credits from climate change mitigation projects

		2024
Total amount of carbon credits cancelled outside the value chain	**t CO_2e**	**68,260**
Share from removal projects	%	10.0
Thereof Gold Standard	%	77.1
Thereof other standards	%	22.9
Share from reduction projects	%	90.0
Thereof Gold Standard	%	100.0
Thereof other standards	%	0.0
Share from projects within the EU	%	0.0
Share from carbon credits that qualify as corresponding adjustments under Article 6 of the Paris Agreement	%	0.0

Biodiversity and ecosystems

Investments: Management of impacts on biodiversity and ecosystems

Strategy

Indications of the loss of biodiversity have heightened awareness of this topic in the corporate world. According to the Intergovernmental Panel on Climate Change (IPCC), there is a close correlation between climate change and biodiversity.

For that reason, the integration of sustainability criteria in our investment decisions increasingly also considers the protection of biodiversity and the avoidance or mitigation of negative impacts on ecosystems, among others through land use and habitat change, pollution, the use and exploitation of natural resources, and invasive species.

The materiality assessment considers impacts that are directly linked to our own operations or value chain. A material impact from our investments was identified in the case of investments in sectors that potentially contribute to the loss of biodiversity and ecosystem changes. This can relate to land degradation, desertification and soil sealing as drivers of the changes, and can impact endangered species.

The time horizon of the impacts differs depending on the industrial sector in which we invest. Impacts from our direct alternative investments can occur during the entire life cycle. This being the case, the focus is on long-term investments in industries that can directly impact the condition of ecosystems. Another insight from the assessment was that we do not currently have sufficient data available for liquid assets, and therefore this investment universe is not a focus.

In the context of biodiversity, Munich Re focuses on illiquid assets due to their long-term investment horizon and underlying comprehensive due diligence. Our focus is on direct infrastructure, direct forestry and agriculture investments, as well as on directly held investment property (alternative investments) where we hold a majority interest. These are long-term investments whose impact on the condition of ecosystems can be subject to targeted analysis because sufficient data is available.

Our portfolio assessment therefore focuses on the geographical location of the asset as well as the sectors being invested in. We have chosen a location-based approach that specifically targets natural or mixed World Heritage sites (in accordance with the definition in the UNESCO World Heritage Convention), Natura 2000 areas as well as important biodiversity sites and other protected areas. Our existing exclusion criteria currently relate to natural or mixed UNESCO World Heritage sites. The exclusion means that there are no direct alternative investments in the critical industries specified under > Actions, in which we hold a majority interest and which are – or a material portion thereof is – situated in a natural or mixed UNESCO World Heritage site. The criteria are set out in detail in our Responsible Investment Guideline (RIG).

The RIG contains criteria for certified forestry and for protecting natural or mixed UNESCO World Heritage sites. Beyond this, we have not adopted any practices or policies for sustainable land use and agriculture, for sustainable oceans/seas or to address deforestation, nor have we incorporated local and indigenous knowledge or nature-based solutions.

Actions

To reduce negative impacts on biodiversity-sensitive areas, we have defined the following mitigation measures: we do not make any direct alternative majority investments in critical industries if a material portion of the underlying asset is directly located in a natural or mixed World Heritage site. Critical industries are defined as the metal industry, mining/coal mining/oil and gas (especially upstream), construction materials, agricultural products (meat, poultry and dairy), engineering and construction services, suppliers and generators of electricity (utilities – including hydropower), seaports and services, forestry, chemicals and biofuels. As a result, we do not make any new investments that significantly affect natural or mixed UNESCO World Heritage sites.

Sustainability and biodiversity risks are also assessed in the due diligence process. Experts from MEAG and Munich Re address such risks through direct inquiries, on-site visits, online research and, if available, data from external data providers. MEAG has developed an ESG evaluation template to assess the requirements. This template contains a list of questions that are associated with increased ESG risks and indicates activities and sectors where we must act particularly carefully in relation to biodiversity risks.

The questions in the ESG evaluation template focus in particular on the following:

- Does the investment activity negatively impact biodiversity?

- Is the site in or within ten kilometres of a natural or mixed World Heritage site as defined in the report by the World Database on Protected Areas?

- Are there species threatened by extinction on the Red List of the International Union for Conservation of Nature (IUCN) whose habitats lie within the areas impacted by the site?

Analyses from the ESG evaluation template and statutory environmental standards, such as environmental impact assessments, are used as the basis for investment decisions so that we can help protect relevant biodiversity areas. Categorisation using a traffic light system (green/amber/red) in the ESG evaluation ensures that the assessment of potential or actual impacts is part of the MEAG investment process.

In the case of indirect alternative investments (e.g. funds, private equity) and investments via non-Group asset managers, Munich Re has limited transparency and ability to exert influence as regards the restrictions described above. It is planned to include the restrictions in the fund documentation (e.g. side letters) as standard; in exceptional cases, the criteria may be waived. If this is the case, Munich Re may still choose to invest if the counterparty provides solid reasons in writing as to why the exclusion is not possible, its policy on biodiversity, or explanations on their general approach to biodiversity that meet our standards.

Beyond the legal requirements, there is generally no application of compensation measures as part of our aforementioned assessment processes and actions.

Metrics and targets

We have not set any targets in connection with avoiding negative impacts on biodiversity and ecosystems. We currently work with the ESG evaluation template and exclusions. We are not planning any such targets at the present time, and cannot comment on when we will publish any.

The disclosure requirements on impact metrics in connection with biodiversity and ecosystems change (E4–5) are only relevant for our own operations. Nevertheless, we have addressed company-specific metrics due to the material impact of our investments on the topic of biodiversity in connection with our investment activity.

To determine entity-specific metrics, existing direct alternative investments are subjected to a location-based screening, whereby tools driven by geolocation data are used to identify the proximity of the investments to biodiversity-sensitive areas. In the standard process, the investment sites are screened for the following classifications:

- Natura 2000 network of protected areas (Europe only)
- Natural or mixed UNESCO World Heritage sites
- Key biodiversity areas
- Other protected areas in accordance with Appendix D = Common Database on Designated Areas (CDDA) provided by the European Environment Agency.

Infrastructure investments are analysed by an external specialist on the basis of available geo-coordinates and documentation. Their analysis identifies whether the investment is located in or near one of the biodiversity-sensitive areas listed above.

Any such infrastructure investments are subjected to a further assessment, which requires the project planner to confirm that there are no negative impacts on biodiversity. This is generally established by performing an environmental impact assessment. When the results of this assessment become available, the mitigation measures to be taken are documented and the project planner must confirm that all measures have been implemented and are still in place. In such cases, the asset is not disclosed in the following table. In the event that mitigation measures cannot be implemented or no environmental report has been prepared, the investment is put on a watch list and disclosed in the table along with the number of hectares occupied by the asset in question.

The following special attributes apply to the metrics reported for infrastructure projects:

- For negative impacts from the transportation of goods or persons by water, it is not possible to report figures for the size (area) of the site. Accordingly, only the number of sites of such investments are reported in the table, with no figures for the area in hectares.

- For a majority of the investments, the analysis process outlined above is carried out by a specialist external consultant. For investments not assessed in this way, an analysis is performed internally using the Integrated Biodiversity Assessment Tool (IBAT) to determine their proximity to biodiversity-sensitive areas. Currently we do not have any confirmations of the actual negative impacts or information about the size (area) of the site for such investments. Accordingly, the same applies to these investments that only the number of sites are reported in the table, with no figures for the area in hectares.

- In the case of investments for which the coordinates are not available and could not be obtained from the project planner, no analysis is performed and thus neither the number of sites nor hectares are reported.

In the case of direct forestry and agriculture investments, the analysis is carried out by internal experts using a geographic information system. Their analysis reveals whether the sites of agriculture/forestry investments are located in or near one of the biodiversity-sensitive areas listed above. No assessment is currently performed as to whether the investments have a negative impact on the biodiversity-sensitive areas; appropriate methodology is still being developed. Moreover, it is currently only possible to disclose the number of hectares of the overall portfolio, not of the individual sites. The number of hectares has therefore not been reported.

As regards real estate, an assessment of the first three of the biodiversity-sensitive areas referred to above (Natura 2000 network of protected areas [Europe only], natural or mixed UNESCO World Heritage sites and key biodiversity areas) is conducted for the analysis of directly held investment property. No assessment is currently performed as to whether the investments have a negative impact on the biodiversity-sensitive (CDDA) areas; appropriate methodology is still being developed. For investments that are located in or near to the three areas referred to above, but for which no information on the size (area) of the sites is available in the system, only the number of sites are reported, with no figures for the area in hectares.

The following table shows the number of direct alternative majority investments located in or near such areas, and the size of these investments in hectares (total area of relevant assets/sites). The radius used to determine if investments are located near to these areas varies depending on the asset class. For direct infrastructure investments and direct forestry and agriculture investments, we apply a radius of ten kilometres, and for directly held investment property, a radius of one kilometre. The smaller radius is based on the assumption that the only potential impacts a building in our portfolio has are on its immediate surroundings, which is why the radius for this asset class has been reduced. Taking into account the methods and limitations to calculating the entity-specific metrics outlined above, the following table contains disclosures for direct alternative infrastructure, forestry and agriculture investments and directly held investment property.

Sites located in or near biodiversity-sensitive areas that are potentially impacted or whose impact has not been assessed

	Hectares	Number of sites
	31.12.2024	31.12.2024
Total	**185**	**52**

Social information

Human rights and working conditions

Human rights: Management of impacts

Strategy
During the materiality assessment, material impacts were identified which potentially affect human rights, in investments as well as our own workforce. With regard to investment activities, potential negative impacts relating to human rights in the value chain through business relationships were identified as material. For example, in the case of investments in countries or companies, human rights violations may be identified in connection with the activities, relating to the local population or employees of the investee (workers in the value chain). At the same time, local communities may be affected by human rights violations relating to the investee's activities. Potentially impacted stakeholders are actors in the downstream value chain with which Munich Re is directly or indirectly connected via investments, e.g. the employees of an investee or impacted communities, as, for example, in the case of infrastructure projects.

In connection with human rights in our own workforce, potentially material negative impacts are to be considered in the case of any non-compliance with legal and company requirements. These may occur in the course of Munich Re's own internal operations, and include potential incidents and violations in the application of local labour law, or related to equality and integration in any form.

There is no direct link to our strategy or business model. Since violations can only occur due to misconduct by individual employees, and no systematic violations have been identified, no impact on our business model or strategy can be derived.

The protection of human rights is a particular obligation, one that we strive to meet in line with internationally accepted human rights principles. It is part and parcel of our approach to corporate governance, our definition of which includes economic, environmental, and social requirements.

Munich Re's goal is to identify risks relating to human rights violations at an early stage and to minimise them as far as possible within our sphere of influence. Our human rights strategy therefore comprises a range of preventive measures with which we endeavour to manage our risks relating to human rights in advance. We strive to pursue a holistic approach and to have an overview of all relevant human rights topics. Our actions are regularly reviewed, updated and adopted as part of our ESG governance. The Board of Management and Supervisory Board are involved in the general strategy relating to human rights and are informed where appropriate about our stakeholders' interests and needs in the area of human rights.

To implement the strategy described above and prevent the impacts that were identified as material, the Munich Re Group has adopted a range of guidelines and strategies relating to respecting human and labour rights. All applicable guidelines and standards have been published in the respective Munich Re companies' online internal media.

The Board of Management has issued a declaration to respect and protect human rights for the Munich Re Group that also addresses the stakeholders (potentially) impacted by our business, such as our own workforce, workers in the value chain and affected communities, without being limited to any specific groups. This declaration underscores Munich Re's commitment to human rights, as defined in the UN Guiding Principles on Business and Human Rights, in the International Bill of Human Rights and in the Declaration on Fundamental Principles and Rights of the International Labour Organization (ILO). The guideline documents the fundamental requirements for respecting human rights and describes how human rights risks are managed in our business activities, with the goal of creating a common understanding and foundation for protecting human rights in the Group long term. In this regard, we strive to continuously improve the guideline and the related due diligence processes, and to expand our risk assessment.

We have defined the following human rights as relevant for our business model. They were derived from (international) frameworks or statutory requirements, e.g. from the International Labour Organization, the UN Universal Declaration of Human Rights, or the German Supply Chain Due Diligence Act (LkSG):

- The right to healthy, safe and dignified working conditions; this includes a prohibition of the worst forms of child and forced labour, modern slavery and human trafficking, guaranteed freedom of movement of migrant workers, the right to payment of a living wage, a limit on working hours, the right to health and safety at work, and a prohibition from disregarding the freedom of association.

- The right to equality and non-discrimination means that no discrimination on the grounds of disability, age, gender, ethnic origin, nationality, sexual identity, political views, race, religion or similar aspects, no sexual or other personal harassment, and no offensive behaviour will be tolerated.

- Further, we do not tolerate socially inappropriate behaviour, intimidation, violence or the threat of violence.

- The right to adequate living conditions protects the habitats of local communities and/or indigenous peoples and tries to protect them from environmental hazards and prevent or reduce the negative health impacts of such hazards.

We have also published a statement signed by the Board of Management on the UK Modern Slavery Act every year since 2017, and since 2021 we have issued a declaration under the Australian Modern Slavery Act as well. By doing so, we are pursuing the goal of creating transparency about our value chain and any human rights violations in it, as well as about our processes, so that we can monitor them and mitigate them through suitable measures.

We are also signatories to the UN Global Compact and have committed ourselves to the following principles:

- Promoting and protecting internationally recognised human rights within our scope of activity
- Taking precautionary measures designed to prevent Munich Re from contributing to human rights violations, for example human trafficking
- Upholding the freedom of association and the effective recognition of the right to collective bargaining
- Supporting the elimination of any kind of forced or child labour
- Helping to put an end to discrimination in hiring and employment.

Our principles can also be found in the Group-wide Code of Conduct for suppliers, although our materiality assessment did not identify any material impacts, risks or opportunities relating to human rights regarding our suppliers (see > General information > Strategy > Impacts, risks and opportunities and their interaction with strategy and business model).

Investments

In addition, Munich Re's GIM unit considers whether there are potential impacts on human rights, for example with regard to workers in the value chain or affected communities. If any impacts are identified, they are classified either as widespread and systemic or as isolated instances, and thus excluded from investment or monitored accordingly, depending on such classification. The existence of such impacts is continuously reviewed, for example in the context of the due diligence process described below, to counter the risk that our investment business may be linked to countries or companies that are problematic from a human rights perspective.

In the investment context, the connections to the potentially affected stakeholders in the value chain (including affected communities) are merely indirect. As a result, those stakeholders are not analysed in any greater detail for particular characteristics (e.g. specific types of human rights violations, such as child labour, in geographical areas that are particularly at risk.) We see our responsibility as lying in continuous human rights-related screening activities and, if necessary, in corresponding follow-up actions relating to our investments.

Human rights criteria are enforced in the investment strategy for our own investments in the form of our Responsible Investment Guideline (RIG). The goal of the RIG is to stipulate responsible standards and ESG requirements as a framework for investment activities, including restrictions in connection with human rights concerns that must be observed in investments and can relate, for example, to affected communities and workers in the value chain. It includes a clearly defined due diligence process for the human rights concerns described above, which includes a Group-wide risk analysis on the basis of external data. These requirements and processes prohibit investments in companies/countries with severe human rights violations. The RIG applies to all companies in the Munich Re Group with licences for primary insurance and reinsurance, and for the internal asset managers (MEAG AMG, Munich Re Investment Partners). Our exclusions for direct investments must also be applied by all external asset managers. In the case of indirect investments, compliance with this requirement cannot be fully ensured.

Strategic decisions on sustainability with regard to investments are taken by the Board of Management's ESG Committee, supported by the ESG Management Team. In addition, the ESG Investment Committee specifically focuses on implementing the ESG strategy with regard to our investments.

Internal operations

Respecting the human rights of our own workforce as well is an important component of our aforementioned corporate governance approach. In potential cases of incidents or violations (see the metrics at the end of this section), we examine the extent to which widespread or systemic negative impacts exist for our own workforce or whether these are isolated instances. To date, no specific activities have come to light in which our employees were exposed to practices giving rise to human rights concerns, such as child or forced labour. The examination of material impacts did not identify any persons who have particular characteristics, work in particular environments or perform particular activities that could expose them to a greater extent. This was based on a survey of Munich Re HR experts with knowledge of groups potentially at particular risk (e.g. based on the analysis of reported incidents of discrimination). The identified impacts on our own workforce do not relate to any particular group or persons (e.g. particular age groups).

In addition to the Board of Management's declaration to respect and protect human rights referred to above, our Group-wide Code of Conduct, which is binding for all employees, embodies our shared understanding of the value of respecting human rights (see > Working conditions). This expressly sets out that Munich Re rejects all forms of slavery, discrimination in recruitment and employment, child labour, degrading working conditions, and other violations of human rights. The Code of Conduct stipulates human rights in accordance with the international frameworks described above.

Actions

To manage human rights-related impacts, we incorporate the interests and views of our stakeholders in a variety of ways. On the one hand, with our Human Rights Officers for the Munich Re Group and the ERGO Group, we have created positions that consider the interests of affected stakeholders. On the other hand, workers in the value chain or affected communities, for example, can contact us via the channels described below, among others, with regard to human rights matters. We also address their interests and views in the context of the materiality assessment, in which internal representatives assess actual and potential material impacts of Munich Re that also include impacts on these stakeholder groups.

Since there is only an indirect connection to the affected stakeholders (including affected communities) in the investment area, there is no direct engagement and no collaboration with them.

We have taken actions both in our internal operations and in investments to steer our decision-making with regard to human rights. This enables us to minimise risks and negative impacts with respect to human rights violations.

Human rights due diligence

With the aim of preventing or mitigating potentially negative impacts of our business activities on the protection of human rights – e.g. for our own workforce, or for workers in the value chain or affected communities in terms of our investments – we have established a due diligence process in order to identify risks of human rights violations and counter them with suitable actions. For the Munich Re Group, the process components listed below are continuously revised, reviewed and, if necessary, extended.

- Management commitment to comply with human rights;
- Appointment of a Human Rights Officer for the Munich Re Group and for the ERGO Group;
- Structured identification and assessment of human rights risks by the Human Rights Officers;
- Implementation of measures and monitoring;
- Annual reporting and communication;
- Support and grievance mechanism.

Whistleblowing channels

Staff and external whistleblowers can use the Munich Re, ERGO and MEAG whistleblowing portals to report possible or actual human rights violations. If a human rights violation by Munich Re, ERGO, MEAG or a third party attributable to them is reported or we otherwise learn of one, the dedicated compliance units for Munich Re, ERGO or MEAG will investigate. Every potential case is investigated in accordance with a procedure set out in internal guidelines. If we learn of human rights violations in our business relationships or value chain, a decision on appropriate and effective remedial action is taken.

Whistleblowers can access our portal 24/7 worldwide, via our intranet or the publicly accessible websites. This allows relevant information to be shared securely, confidentially and, on request, anonymously. Reports of potential human rights violations that reach us via other channels (e.g. email) are handled using the same principles and processes.

In the event of increasing risks or specific indications of potential human rights violations that are either revealed by our own monitoring or that we receive through our whistleblower portal or other channels, we examine the matter carefully, enter into dialogue with the affected parties if appropriate, and launch the necessary preventive or mitigation measures to avoid, terminate or mitigate the violation in question. In line with our governance processes, the Reputational Risk Committees (RRC) and the ESG Management Team are involved in the decision, depending on the severity of the violation. Our whistleblower system is reviewed at regular intervals and expanded if necessary (e.g. in relation to a potential user group). Information on further actions relating to issues giving rise to human rights concerns, such as data security and protection of whistleblowers, can be found under > Governance information > Corporate governance and compliance > Information security, as well as under > Compliance and > Data protection.

Investments

As a preventive measure in the area of investments, we maintain an exclusion list of companies with which, due to confirmed substantial human rights violations, we choose not to do business. For this purpose, the list of companies which we want to exclude from our investments is maintained in a multi-stage process based on information from external data providers. This list is regularly reviewed, updated and adopted as part of our ESG governance. Government bonds (including the sub-sovereign level) and bonds from government-related institutions rated CCC on the MSCI ESG Rating scale are excluded under the RIG requirements due to high risks related to socio-economic or political factors. Exclusions also apply to these asset classes if, on the basis of a specific country rating for human rights, their risk exposure is extreme. If their risk exposure is high, the portfolios of assets in question are monitored. Application of the exclusion lists for direct investments is mandatory for our asset managers. In the case of indirect investments, compliance with this requirement cannot be fully ensured. We have integrated human rights into our due diligence process for our direct alternative investment activities, particularly for the asset classes of investments in infrastructure, forestry and agriculture, and directly held real estate.

As a responsible investor, we also support the international conventions addressing controversial weapons (including but not limited to the weapon categories of anti-personnel mines and cluster munition), and exclude any direct investment in listed equities or bonds from companies who are verifiably involved in controversial weapons.

In the event of rising risks or concrete evidence of potential human rights violations that is either identified in the course of our monitoring or reaches us via our whistleblowing channels, we carefully review the facts and initiate the preventive or remedial measures needed in order to avoid, end or mitigate the violation in question. Our Human Rights Officers regularly monitor and, if necessary, update our human rights strategy and risk management process. Their findings are reported to the Board of Management. As no actual severe human rights violations have yet been identified, it has not been necessary to take any mitigation measures to date. The effectiveness of our actions relating to investments is reflected in the number of identified cases of severe human rights violations and incidents in the value chain shown below.

The material impacts are managed by the appointed Human Rights Officers; the relevant units such as Group Investment Management also implement the stipulated measures.

Own workforce

As an employer, we undertake to comply with international human rights standards and to provide adequate working conditions for our staff. For this reason, we also conducted a risk analysis and assessment in the 2024 financial year in order to identify human rights risks within our own workforce. We assess potential human rights risks and, if necessary, take action to prevent them. We conduct the risk analysis once a year or in response to significant changes.

A comprehensive top-down company-specific risk analysis was performed with regard to our own employees. To do this, the risk factors from an external data provider were used for the following human rights risks per country within the insurance sector: “Freedom rights” (child labour, slavery, human trafficking and forced labour [Section 2 (2) No. 1–4 of the LkSG] and “Working conditions” (occupational health and safety, freedom of association, discrimination & living wages [Section 2 (2) No. 5–8 of the LkSG)]. Following the top-down analysis, certain countries are given priority because they constitute a greater human rights risk. Any business units or legal entities based there are then subjected to a broader bottom-up analysis, which considers the relevant human rights and any measures that are implemented within HR to ensure that human rights are respected. This approach is set out in work instructions both in reinsurance and at ERGO. Further details on working conditions can be found under > Working conditions.

At ERGO, a comprehensive and specific bottom-up risk analysis for 117 companies in the ERGO Group was initially performed in 2023, and complemented by a further analysis of selected companies in 2024. More detailed information can be found in the separate LkSG reporting for the ERGO Group.

Our Code of Conduct explicitly states that Munich Re does not tolerate any discrimination. In Germany, we have set up an official department for complaints as provided for in Section 13 of the General Equal Treatment Act (AGG). Further information on how we respect the human rights of our employees, e.g. on diversity, equity, inclusion and other aspects, can be found under > Working conditions.

In the case of our own workforce, we have taken additional actions in connection with human rights, including enforcing mandatory training, for example on complying with the Code of Conduct, in order to prevent any and all forms of discrimination, workplace harassment or potential human rights violations. Additional information on how we work with our staff, especially when it comes to diversity, equity and inclusion, is presented under > Working conditions > Diversity, equity and inclusion.

An escalation process for reporting incidents is clearly defined, and complaints offices have been established that deal with cases of discrimination and, if necessary, initiate countermeasures and provide solutions. Further details can be found under > Governance information > Corporate governance and compliance > Compliance.

All actions relating to human rights are understood as continuous and are therefore subject to our long-term planning. There are no additional concrete action plans.

Metrics and targets

The channels and actions described above serve to identify human rights violations. We report on relevant indicators for human rights aspects in the following.

Indicators in the value chain

The effectiveness of our efforts relating to the material impacts of our investments on the topic of human rights is tracked using the metric "Number of identified cases of severe human rights violations and incidents in the value chain". This metric shows the number of human rights violations that were recorded, validated and classified as severe in connection with investments in the financial year. The metric covers government bonds and bonds issued by government-related institutions in countries, as well as listed equities and corporate bonds in the direct portfolio (excluding third-party investments). If we discover, for example during the regular updating of the exclusion lists, that the portfolio contains an investment in a company with severe human rights issues, and no remedial measures such as divestment are undertaken within six months of the discovery, then such a case would be reported in the metric. Cases that became known in the previous financial year but are still ongoing are shown again in the current financial year.

No cases of severe human rights violations or incidents in the value chain relating to investments were recorded in financial year 2024.

There are no specific, time-related targets for human rights incidents in the value chain, as our approach is generally to avoid participating in a business where any allegations of human rights violations have been made. There are no plans to change this in subsequent years. We assess the effectiveness of our strategies and actions relating to the identified potential impacts through close monitoring of all channels and the systematic appraisal of indicators of potential human rights violations.

Indicators in our own workforce

The effectiveness of our efforts relating to material impacts on the topic of human rights for our own workforce is tracked using a variety of metrics (see the table "Incidents and complaints"). On the one hand, we report on reported cases of discrimination, including harassment. The confirmed incidents at the Group companies are compiled quarterly by Munich Re's Compliance unit. These cases are based on reports from the whistleblower channels, where an incident has been confirmed. The metric shows how many cases of discrimination and harassment relating to our own workforce occurred in the financial year. The metric covers all employees who have employment contracts with Munich Re Group companies. Cases that became known in the previous financial year but are still ongoing are shown again in the current financial year.

Human rights-related complaints by our workforce constitute the number of complaints that are received via our whistleblower portal and other channels, such as via the HR Business Partners or pool email addresses, and which are not yet included in the metric shown above.

Of this figure, no cases were submitted via the national contact point for OECD multinational enterprises.

There were no confirmed human rights incidents and the recorded complaints did not lead to any fines, penalties or compensation payments.

Incidents and complaints

		2024
Total number of incidents of discrimination, including harassment, in the reporting period	Number	0
Total number of complaints filed through channels for raising such concerns (not including incidents of discrimination or harassment)	Number	27
Total amount of fines, penalties and compensation for damages as a result of the incidents and complaints disclosed above	€	0

No cases of severe human rights violations relating to our own workforce were recorded in financial year 2024.

Severe human rights violations

		2024
Severe human rights violations and incidents	Number	0
Total amount of fines, penalties and compensation for damages	€	0

There are also no specific, time-related targets for our own workforce, as our approach is to fundamentally avoid potential human rights violations, i.e. to keep the figure at zero. There are no plans to change this in subsequent years. We assess the effectiveness of our strategies and actions relating to the identified impacts through close monitoring of all channels and the systematic appraisal of indicators of potential human rights violations.

Working conditions: Management of impacts, risks and opportunities

Strategy

As a knowledge-based company, the expertise of our staff is the basis of Munich Re's success. Offering attractive working conditions and promoting diversity, equity and inclusion (DEI) are strategic success factors for Munich Re.

Our staff make a core contribution to the continued success of the Munich Re Group. Especially in today's continuously shifting global environment, we view the expertise of our staff as a strength that we preserve and further expand through targeted support for our talent and experts. We strive to bring together people from all over the world, to foster their potential and to offer them a platform from which they can flourish.

In this regard, as a leading (re)insurance group, creating attractive working conditions for our staff while respecting human rights (including equality in the workplace) was deemed as having a material positive impact on the Munich Re Group workforce. Our workforce means all staff, including those who are self-employed or made available by third-party companies.

Munich Re also believes it is important to have a diverse workforce and to create the corresponding conditions, so that it remains capable of meeting the challenges of the future as well. Good working conditions also create the opportunity for Munich Re to be seen as an attractive employer for qualified staff, thus reducing the strategic risk posed by staff turnover.

Good working conditions, for example an appropriate salary and continuing professional and personal development opportunities, coupled with the confidence that they will not be discriminated against on the basis of their personal characteristics, offer our staff an attractive working environment. This applies equally to all groups of persons, regardless of where they are employed in the Group. For the self-employed and staff made available by a third-party company for a limited time, this applies to a limited extent. There are restrictions particularly with regard to remuneration and training.

Given Munich Re's business model, qualified staff are a key prerequisite to implementing the Company's strategic ambitions, which were announced in the Munich Re Group Ambition 2025. In this context, "staff turnover risk" was identified and included in reporting due to its strategic relevance. By creating attractive working conditions, Munich Re can counteract the risk posed by staff turnover.

By creating good working conditions, Munich Re is able to retain its staff long term (low staff turnover) and recruit well-qualified staff with a variety of skills for the future.

Especially with regard to the issue of health and safety, employees, self-employed persons or persons provided by third-party companies are not exposed to the same risks as persons working in a manufacturing enterprise. We address aspects of employee health and well-being that are particularly important for us as a financial services provider, in our strategic Health, Safety and Wellbeing Statement.

All employee groups working at Munich Re are affected equally by those positive impacts and opportunities that were identified as material. On the other hand, negative impacts and risks can of course also arise in any company, irrespective of its business model. These include in particular discrimination against individual staff members or discrimination against groups of staff members on the basis of specific characteristics. We demand strict compliance with our Code of Conduct and take corresponding actions to prevent such discrimination. For us, vulnerable groups include all under-represented employee groups. Further information can be found under > Diversity, equity and inclusion.

There is no risk of child or forced labour in our own business operations at any of our locations worldwide.

The main risks for Munich Re are increased staff dissatisfaction and turnover if the working conditions on offer are not considered to be at least equally attractive to those offered by other companies.

Risks in the working conditions category exist in the area of workplace discrimination in particular, even if this were only to occur in isolated instances. Other risks include an excessive workload and lack of opportunities for work/life balance, a lack of protection for the health and well-being of our staff, inadequate salary, a lack of continuing professional and personal development opportunities, as well as a lack of social protection. All of these factors are considered appropriately in our strategic human resources decisions.

We have embedded employee matters in our business strategy in the context of the Munich Re Group Ambition 2025. Strategic approaches are first developed by specific HR functions with Group-wide responsibilities, together with the Group's Strategy department. Key strategic decisions are submitted to the Board of Management for adoption, and then incorporated into the HR strategies in reinsurance and at ERGO and MEAG through policies (e.g. our Code of Conduct) or joint projects.

The main Group-wide policy for interacting with employees and governing staff behaviour at Munich Re is our Code of Conduct. It is aligned with internationally recognised standards, including the UN Guiding Principles on Business and Human Rights.

Munich Re takes a clear stand against racism, inequality and discrimination of any kind. Our Group-wide Code of Conduct, which is binding for all employees, prohibits any form of discrimination or misconduct. In particular, it emphasises the importance of diversity, equity, inclusion, and the health and safety of our staff.

The Code of Conduct expressly addresses grounds for discrimination, such as ethnic origin, skin colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, nationality or socio-economic background, and other forms of discrimination. We are clearly committed to a zero-tolerance policy for discrimination, bullying or harassment.

Other Group-wide policies are our declaration to respect and protect human rights (for details, see > Human rights) and the Health, Safety and Wellbeing Statement, which is our declaration to create good working conditions for our staff. Our associated actions are described in the following sections. Preventing workplace accidents plays a fundamentally important role for us as a company. At the same time, as an insurer, we have relatively little exposure to the risk of workplace accidents. For that reason, we do not have any dedicated management system for preventing workplace accidents, beyond our Health, Safety and Wellbeing Statement. Further information is provided under > Health and safety.

Our goal is to implement our business strategies in the Group as far as possible in the respective client, competitive and workforce environments at ERGO, MEAG and in reinsurance. Our operational human resources management is closely linked to the specific requirements of the respective fields of business and is thus explicitly decentralised. If necessary, adjustments to central requirements and individual solutions regarding employee matters can be made for the fields of business.

We implement varied dialogue formats to ensure regular dialogue with our staff members. Examples include town hall meetings by the members of the Board of Management in the areas for which they are responsible. In Germany, we are in regular dialogue with the works councils on relevant issues. Further information on our dialogue formats with the various stakeholder groups is provided under > General information > Strategy > Interests and views of stakeholders.

In the reporting year, we conducted a Group-wide survey to measure sustainable employee engagement, based on nine core questions. Our Employee Engagement Index covers more than 39,000 employees in reinsurance and at ERGO and MEAG. The survey results were further analysed by gender and age groups. In addition to the nine core questions to measure sustainable employee engagement, each business field focused on selected business- and strategic HR topics within their global employee surveys.

Staff members and external whistleblowers can use the Munich Re and ERGO compliance whistleblowing portals in a variety of languages to report potential or actual violations of our Code of Conduct. This also applies to human rights violations. Employees are informed of the available reporting channels through compulsory Code of Conduct training. The responsible compliance units investigate any indication of negative impacts on an employee or a potential human rights violation. The same applies if we receive information about potential or actual violations through other channels. Every potential case of misconduct is investigated and resolved in accordance with an internal process. If we learn of negative impacts in an existing contractual relationship, we decide on appropriate and effective mitigation measures in dialogue with the responsible parties. Further details on our whistleblower system can be found under > Human rights: Management of impacts, risks and opportunities.

Overview “Characteristics of our workforce”

The following metrics include all companies that were identified as relevant with regard to the impacts, risks and opportunities relating to our own workforce discussed in the report. The assessment is based on all affiliated companies. Overall, 47,713 employees work for Munich Re’s affiliated companies, 45,815 of whom work for companies covered by the present report. Reporting on the relevant companies covers approximately 96% of the employees from all affiliated companies. In the context of financial reporting, only the employee data of fully consolidated companies is reported. The number of employees at those companies amounts to 43,584. The number of employees in this report under ESRS is therefore 2,231 higher than in the financial reporting. The number of employees at the affiliated but not consolidated companies amounts to 4,129.

This report also includes Munich Reinsurance Company. Its registered seat is in Germany and it also operates branch and representative offices with employees particularly in China, India and Spain. Country-specific information is provided under the applicable metrics. In addition, the focus is on Group-wide steering, and any qualitative statements apply equally to both Munich Reinsurance Company and the Group.

We show the total number of persons who were employed, as at the 31 December reporting date of the financial year, at those Group companies covered under ESRS reporting.

The number of employees includes all employees who have an employment contract with one of the Group companies, provided that the employment contract was entered into for a period of at least three months. Apprentices, interns and working students are not included. Germany, the USA and Poland each account for more than 10% of the total workforce. The majority of employees are based in Germany, with more than 43%, followed by the rest of Europe (excl. Germany) and America. The fewest number of employees are in the Asia, Pacific and Africa region.

More than half of our employees are women. Fewer than 1% did not provide a gender or selected “third gender”. Due to the very small number of employees who selected the “third gender” (fewer than 5 employees), for legal reasons no figures are provided for certain items.

Headcount by region

	2024
	Number
Region	
Americas	7,380
Asia, Pacific, Africa	4,681
Germany	19,876
Europe (excl. Germany)	13,878
Total employees	**45,815**

Headcount by gender

	2024
	Number
Gender	
Female	24,248
Male	21,552
Third gender	2
Not disclosed	13
Total employees	**45,815**

Headcount by country

	2024
	Number
Country	
Germany	19,876
USA	5,471
Poland	4,587

Headcount by employment type and gender

					2024
	Female	Male	Third gender	Not disclosed	Total
	Number	Number	Number	Number	Number
Employees with permanent employment contract (as at 31.12.)	23,363	20,846	2	13	44,224
Employees with temporary employment contract (as at 31.12.)	885	706	0	0	1,591
Total employees (as at 31.12.)	**24,248**	**21,552**	**2**	**13**	**45,815**

Headcount by employment type and region

					2024
	Asia, Pacific, Africa	Europe (excl. Germany)	Germany	Americas	Total
	Number	Number	Number	Number	Number
Employees with permanent employment contract (as at 31.12.)	4,538	13,041	19,360	7,285	44,224
Employees with temporary employment contract (as at 31.12.)	143	837	516	95	1,591
Total employees (as at 31.12.)	**4,681**	**13,878**	**19,876**	**7,380**	**45,815**

Temporary employment contracts are those entered into for a period of at least three months and for a limited term only.

The number shows the number of persons in each case at the 31 December reporting date of the financial year.

The majority of employees have permanent employment contracts. At 6.0%, the share of temporary employment contracts is highest in the region Europe (excl. Germany). At 3.6%, a slightly greater share of women had temporary employment contracts compared to men (3.3%).

Employee turnover

		2024
Total number of employee departures	Number	4,652
Employee turnover rate	%	10.1

The total number of departures consists of natural turnover (retirement/death of the employee) and terminations by either the employee or employer. It also includes departures due to the expiry of temporary contracts.

The number shown is calculated as the total number of persons who left during the course of the financial year. The turnover rate describes this number in relation to the average number of employees in the Munich Re Group in the financial year.

Munich Re continues to record a low employee turnover rate.

Non-employees are persons who do not have an employment contract with one of the Group companies. These are persons who do work at Munich Re that would otherwise be done by a staff member. They can be self-employed persons or persons employed by a third party. They do not include consultants who are involved (in an advisory capacity) in special project functions. The majority of the non-employees consists of the non-employed sales force at ERGO, which distributes ERGO products exclusively. The remaining self-employed staff mostly perform IT functions.

Non-employees in own workforce

	2024
	Number
Non-employees	16,211

This shows the number of persons as at the 31 December reporting date of the financial year who do not have a contract of employment with one of the Group companies and are accordingly classified as non-employees in accordance with the definition above.

No prior-year comparison is possible because this metric was recorded to this extent for the first time for the 2024 financial year.

Providing good working conditions

Our employees, their well-being and their long-term loyalty to us as an employer are among our most valuable capital. In this context, we monitor the potential risk of the loss of key personnel or critical technical skills, as well as the lack of skilled personnel. Workforce and succession planning measures are designed to ensure that functions continue to be fulfilled and the availability of specialist knowledge is retained. At the same time, we want to maintain our employer reputation and position ourselves with strong employer brands on the labour market.

As described above, Munich Re provides good working conditions so that there are no negative impacts in our business context. Munich Re provides good working conditions by implementing a range of measures for all staff. These include secure employment, compliance with legal requirements, the implementation of measures defined in local collective bargaining and social dialogue, adequate pay, social protection, training, work/life balance, health and well-being.

We aim to remain attractive to our employees by offering secure jobs, competitive remuneration conditions, broad corporate health-management offerings with a variety of health benefits, comprehensive employee-assistance programmes, DEI-related initiatives, as well as flexible working options.

As an employer, we take a proactive approach to anticipating possible negative impacts resulting from violations of health and safety obligations, offering a comprehensive range of benefits to promote the flexibility, health and well-being of our employees. The local companies adopt additional measures according to their respective needs, including guidelines, work instructions and training to avoid any form of discrimination, workplace harassment or potential human rights violations.

To be able to offer our employees consistently good working conditions, our actions involve ongoing activities whose adequacy we regularly review and, where necessary, refine or adapt accordingly.

A range of "New Work" concepts, developed and tested in reinsurance and at ERGO and MEAG, include new workplace concepts and policies on hybrid working.

These concepts aim to give our staff a high level of flexibility as regards their work environment.

Munich Re's human resources activities are guided by the goal of being an attractive, fair and responsible employer and remaining so in the future. Significant elements of this approach include attracting candidates worldwide who have extensive expertise and experience, and then developing and retaining them. We promote a future-focused and appreciative work culture, in which cooperation in our global organisation and external knowledge networks leads to the best solutions for our clients.

Corresponding frameworks are in place in all fields of business which set out rules for the various personnel topics. In Germany, these are complemented by internal company agreements.

The Code of Conduct respects all conditions of the applicable laws and existing collective bargaining agreements. This includes the maximum working hours specified for the respective country, breaks, overtime as well as vacation and sickness regulations of all types.

The applicable local rules governing the health and safety of staff are applied by the relevant local entities. This prevents negative impacts and supports positive impacts on our staff.

In order to measure the effectiveness of our actions on working conditions, we conduct employee surveys as part of our Engagement Index.

No explicit Group-wide targets were formulated for the creation of good working conditions and no timeline was set for the formulation of such targets.

Employee inclusion/social dialogue

Share of employees covered by collective bargaining agreements

%	2024
Percentage of employees covered by collective bargaining agreements	52.3

Collective bargaining coverage and social dialogue

	2024		
	Collective bargaining coverage		Social dialogue
	Employees – EEA	Employees – Non-EEA	Employees – EEA
Coverage rate			
0–19%	Poland	Americas; Asia, Pacific, Africa	
20–39%		Europe (excl. Germany)	
40–59%			
60–79%			Poland
80–100%	Germany		Germany

At our companies in the European Economic Area (EEA), with the exception of ERGO we do not have any agreements with regard to representation by a European works council, a works council of a European company (Societas Europaea, SE) or a works council of a European cooperative (Societas Cooperativa Europaea, SCE). ERGO has a European works council that is based on an agreement with the co-determination committees. None of our companies in the form of an SE has set up its own works council.

In the EEA, Germany and Poland meet the criteria for significant employment (more than 10% of the workforce). At our companies in Germany, a total of 94.5% of employees are covered by collective bargaining agreements; at our companies in Poland, no employees are covered by them. Collective bargaining agreements are only concluded for non-managerial employees in Germany; accordingly, 100% coverage of all employees cannot be achieved. Coverage in the regions outside the EEA varies widely. Due to the local conditions, both the American and the Asian countries have a very low coverage.

In Germany, dialogue with the co-determination bodies covers the majority (over 96%) of the workforce. The only exception is small companies that have not established a works council. Even though no collective bargaining terms apply to our companies in Poland, 73% of staff are nevertheless represented by co-determination bodies.

Training and development

Our learning and development objectives and content are based on the core skills that are relevant for our employees across the Group. The curriculum is also regularly updated to meet current and future demands. The development of digital skills is significantly changing many aspects of the way our employees work worldwide. An objective of the Munich Re Group Ambition 2025 is therefore to build and enhance the digital expertise of our employees. To this end, we are continuously expanding our digital training curricula, so that our staff master the tools and methods required to drive the digital transformation in our respective fields of business.

The HR departments of the individual fields of business are primarily responsible for training measures to improve social, methodological, management and language skills. Content for training measures and e-learning formats on topics such as compliance, data protection and information security are in the remit of the respective departments.

In all fields of business, talent programmes systematically support employees in their careers, and prepare them for future challenges. Moreover, a Group function steers the strategic management development and succession planning for the top management level. Continuous talent development is key in achieving the strategic goals of the Munich Re Group Ambition 2025.

We develop the professional and personal skills of particularly talented employees through various business-field-specific and Group-wide development programmes. At the Group level, our Group Management Platform is primarily aimed at networking our management and providing further training on current leadership topics. Thereby, we also lay a foundation for succession planning at this level. In 2024, 123 (100) staff took part in the programme.

Training measures

	2024
	Hours
Average number of training hours per employee	
Female	22.1
Male	22.3
Third gender[1]	–
Not disclosed	11.0
Total	**22.2**

1 No figures provided for legal reasons.

As a matter of principle, we have various centralised and local training offerings for all employees, with a focus on promoting digital skills. Analyses of the centrally managed access to training measures such as “LinkedIn Learning” and the relevant offerings by the individual Group companies, which are recorded in a variety of systems, form the basis for calculating the data shown. Many of the offerings are self-learning offerings in video and audio formats.

The gender metrics illustrate the average number of training hours by gender. The total number shows the average number of training hours for all employees.

No prior-year comparison is possible because this metric is being recorded for the first time.

Adequate wages

One of Munich Re’s fundamental principles is to offer its employees an attractive, competitive income. In addition to benchmark data and the economic development of the company, the progression of the cost of living is one of the potential factors that determine an appropriate salary-increase budget.

Company pension schemes are a key voluntary benefit in many of the Group’s companies. They include various employer-financed pension commitments and in some cases deferred compensation.

Adequate wages

%	2024
Percentage of employees who are paid an adequate wage	100.0

Munich Re pays a salary above the minimum wage in all countries. The values underlying the figures on adequate wages were calculated centrally. They are based on the respective national and regional statutory minimum wages or, where none exist, on other country-specific benchmarks. The adequate wages per country/region were compared with the relevant hourly wages of the employees at our Group companies.

Remuneration ratio

	2024
	Number
Ratio of the highest paid individual to the median annual total compensation for all employees	123.7

The remuneration of the highest paid individual at Munich Re amounts to approximately 124 times the median for Munich Re employees. At Munich Re, the highest paid individual is the CEO. No prior-year comparison is possible.

To determine this figure, the remuneration paid to the CEO in the reporting year, plus the company pension contribution, was used as a basis. The corresponding opposing figure for the remuneration paid in the financial year to each employee of Munich Re was then calculated. This included all employees who received a salary in the financial year. Inactive employees who are included in the headcount but do not receive a salary, were not taken into account.

Social protection

Percentage of employees covered by social protection

%	2024
Type of social protection	
Sickness	98.8
Unemployment	97.7
Occupational accident and acquired disability	98.8
Parental leave	97.1
Retirement	99.4

In the following countries, we have not achieved coverage of 100% of all staff, either through state or company protection, for the mitigation of certain social risks: Australia, Bahrain, Colombia, India, Oman, Singapore, Thailand, the USA and the United Arab Emirates.

In Australia, there is no company social protection in the event of unemployment. State social protection for that situation depends on a number of factors, including personal financial status. Since data on employees' personal financial status is not collected, we have set the figure for social protection against unemployment in Australia at zero. In addition, staff with temporary employment contracts in Australia are not covered by corporate social protection during parental leave.

In Bahrain, only staff with permanent employment contracts have social protection against unemployment. Only employees with Bahraini citizenship have social protection during retirement.

In Colombia, social protection against unemployment is dependent on the respective employee's salary, i.e. this risk is no longer covered as of a certain level of remuneration.

In India, with the exception of retirement, there is no social protection for any of the stated situations for staff at Group companies that do not provide voluntary social protection for the respective event.

Social protection against unemployment and during retirement in Oman is available only to staff with Omani citizenship.

In Singapore there is mandatory social protection during retirement for employees with Singapore citizenship and for permanent residents. Not all Group companies offer additional corporate social protection during retirement or in case of unemployment.

Our company in Thailand offers social protection during parental leave only to female staff.

At one of our companies in the USA, length of service of at least one year is a prerequisite for social protection during parental leave.

Social protection during retirement in the United Arab Emirates is only available to employees with domestic citizenship.

Coverage of the relevant social risks is measured centrally for each company in the course of reporting. The results for the individual companies are then combined for the relevant countries. The companies that do not provide social protection for all staff and for all the named risks, were asked to provide relevant details.

In general, the collected data shows that a very large proportion of Munich Re employees are covered by government and/or company insurance for most types of social risk.

No prior-year comparison is possible because this data was collected for the first time in this form.

Health and safety
As a responsible employer, Munich Re wants to create a healthy and safe working environment. Additionally, we continuously strive to improve physical and mental health and to increase our safety standards. With a focus on occupational health management, a Group-wide Health, Safety and Wellbeing Statement was developed in 2022. This statement covers four topic areas: mental health, physical health, social connectedness and working environment. Munich Re is committed to the goal of complying with the legal requirements for health and safety in the workplace.

In line with their general governance structures, the corporate entities in the Group coordinate their health, safety and well-being initiatives. They ensure that the individual corporate entities can achieve optimum compliance with the wide variety of local legal requirements that apply to them.

Occupational healthcare management features a variety of different offerings. These include, in addition to medical care from the company doctor, the possibility of medical check-ups and vaccinations.

Absences due to sickness

		2024
Average sick leave days per employee	Number	11.8
Sickness rate	%	4.7

In the context of business activities and the working environment of Munich Re employees, workplace accidents that may occur in connection with the employees' work is not a material metric that we use to manage our actions related to health and safety.

Munich Re uses the recording of sickness-related absences as an indicator of the effectiveness of our actions in the areas of health, safety and well-being.

To establish the number of sick leave days, the relevant total time spent absent due to illness (in days) is collected from all Group companies covered in the reporting and for which an analysis of sick leave days is possible. Those figures are then used to calculate the average across all employees at the companies analysed. The sickness rate is the ratio of the total number of sick leave days to the total number of target working days for all Group companies covered in the reporting and for which an analysis of sick leave days is possible. The reported figure thus applies to 86.3% of employees covered by this report. No prior-year comparison is possible because the composition of the companies on which the report is based has changed significantly.

Opportunities for flexible working
Munich Re offers all employees a variety of models that enable the flexible arrangement of working hours and location. We offer a broad range of flexible working models which also include regular mobile working. Internal company agreements for individual locations and fields of business enable a good work/life balance.

Family-related leave

%	2024
Employees entitled to take family-related leave	97.6
Employees that took family-related leave	6.8
Female	8.0
Male	5.4
Third gender[1]	–
Not disclosed	0.0

1 No figures provided for legal reasons.

97.6% of Munich Re employees can take time off for family reasons. This gives the employees the greatest possible flexibility to master family challenges alongside their professional activity.

6.8% of eligible employees made use of this option. The metric reflects eligible employees and shows the proportion of employees who took time off in the reporting period.

The largest share of time taken off is attributable to employees who are women. The information on genders relates in each case to the number of employees in each category (in other words, 8% of all eligible employees who are women took time off for family reasons in the reporting year). No prior-year comparison is possible because this metric is being recorded for the first time.

Diversity, equity and inclusion
We firmly believe that the diversity of our employees is a key success factor for Munich Re and have anchored the development thereof as a strategic focus in the Munich Re Group Ambition 2025. Today, employees of over 100 different nationalities work for Munich Re at more than 50 locations worldwide.

The strategic management of DEI is carried out by a Group-wide function. The HR departments of the business fields are responsible for the initiatives and their operational implementation at the respective locations and in the respective business entities. Moreover, Munich Re implemented Group-wide DEI governance in 2023. All activities across the Group are coordinated by the DEI Management Team, consisting of the Labour Relations Directors from reinsurance, ERGO and MEAG. This Management Team is supported by a DEI task force, which is actively involved in the development and implementation of our DEI initiatives at international level.

Munich Re takes a clear stand against inequality and discrimination in all forms. Our Group-wide Code of Conduct, which is binding for all employees, prohibits any form of discrimination or misconduct. In Germany, employees receive regular mandatory training on the German Equal Treatment Act (AGG) to promote understanding and compliance.

Staff are also required to attend training on the Code of Conduct each year. Channels have been established for the reporting of discriminatory behaviour, including an option to report anonymously and in different languages.

In the framework of our DEI-related activities, annual Group-wide events with a variety of themes are held on specific occasions, for example on International Women's Day, during Pride Month, or on the International Day of Persons with Disabilities.

The actions against unequal treatment and to promote diversity involve ongoing activities whose adequacy we regularly review and which we refine or adapt accordingly.

We have embedded employee matters in our business strategy as part of the Munich Re Group Ambition 2025. In this context, Munich Re's target is to reach a 40% share of women in management positions by the end of 2025.

Achievement of the target proportion of women in management positions is included in the multi-year bonus for 2022 to 2025 for all members of the Board of Management (see > General information > Governance > Basis for preparation > Integration of sustainability-related performance in incentive schemes > "ESG targets as a component of the multi-year bonus" table).

The following measures are intended to increase the proportion of women in management positions: candidate lists and selection committees must be diverse Group-wide, senior appointments are closely monitored by the Board of Management, an even stronger focus on equality in talent development is aimed for, and our progress in gender diversity is monitored Group-wide. These key figures are integrated into the quarterly Group-wide reporting process for our business figures. As at 31 December 2024, we had almost reached this goal, as 39.5% of our managers are women.

Age distribution among staff is a key component of our strategic projects on long-term workforce planning. The Group-wide Equal Pay Project combines the dimensions of gender and remuneration parameters. Based on the results of these strategics projects, corresponding targets will be discussed.

The effectiveness of the strategies and actions relating to DEI are also measured using the Engagement Index.

"Gender" and "generation" dimensions

Employees by age group

	2024	
	Number	%
Percentage of employees per age group		
under 30 years	5,656	12.3
between 30 and 50 years	24,601	53.7
over 50 years	15,558	34.0
Total	**45,815**	**100.0**

Senior managers by gender

	2024	
Senior management (ML1 and ML2)	Number	%
Gender		
Female	759	34.0
Male	1,474	66.0
Third gender	0	0.0
Not disclosed	0	0.0
Total	**2,233**	**100.0**

More than 50% of Munich Re employees are between the ages of 30 and 50, thus representing the largest age group. The share of employees over the age of 50 is also very high.

The basis for calculating this metric is the number of all employees who were employed at Munich Re as at the 31 December 2024 reporting date. The underlying number of employees corresponds to the number that is also shown under > Overview "Characteristics of our workforce".

Munich Re defines as senior management all staff who have a management function at the first or second management level. No prior-year comparison is possible because the composition of the companies for this evaluation changed significantly compared with the previous year, and data for the previous year is not available for all underlying companies.

Remuneration parameters

Gender pay gap

%	2024
Unadjusted gender pay gap	28.7

Munich Re's unadjusted gender-specific pay gap is 28.7% for the reporting year. The calculation is based on the hourly pay of all Munich Re employees. It includes the remuneration paid out in the reporting year including fixed and variable remuneration, as well as material benefits. To make the hourly wages comparable, the individual target working hours for the reporting year are calculated for each employee, so that the individual total remuneration paid out, divided by the total number of target working hours, produces an hourly pay rate that is comparable regardless of the employee's agreed number of working hours.

Other DEI criteria: Persons with disabilities

At the Munich Re Group, we aim to turn our workplace into a space of equality and inclusion for people of all abilities. This includes not only raising awareness, but also actively supporting staff with disabilities and ensuring that the workspace is free of barriers. Our goal is to remove barriers – whether they be physical, systemic or societal – and to create a culture in which everyone feels that they belong.

Percentage of employees with disabilities

%	2024
Percentage of employees with disabilities	4.4

Munich Re had 1,891 employees with disabilities in the reporting year. Calculation of the metric is based only on reports by those Group companies that are allowed to collect data on employees with disabilities. The figure also includes reports from Group companies which, in accordance with local law, collect data on staff with disabilities only on a voluntary basis, without review. The reported figure thus applies to 94.7% of employees covered by this report. No comparison with the current figures is possible as the information was provided on the voluntary basis in the previous years.

Customer orientation and satisfaction

Insurance activities: Management of impacts, risks and opportunities

Strategy

Maintaining a close relationship of trust with our clients is a key element towards the success of our business. That is why we want to understand our clients' needs and develop the best possible solutions for them, in a joint dialogue. For the material impacts, risks and opportunities, we apply a differentiated management approach under our business model, which applies both to our reinsurance clients and to our primary insurance customers and reflects their different demands and needs accordingly.

Responsibilities lie with the respective Board members and/or executives, as well as within the various local companies. Just how important our clients are to us is demonstrated by the fact that they are an integral part of the Munich Re Group Ambition 2025. At Munich Re, we manage the dialogue with our clients, and the solutions we offer them, on the basis of our clients' needs and growth ambitions.

At management level, responsibility in primary insurance for globally monitoring and continuously enhancing customer satisfaction and the identified impacts, risks and opportunities it contains lies with the ERGO Deutschland Marketing, Customer Experience & Investment Products division within the Customer Insights & Experience unit. In reinsurance, this responsibility lies within Strategy & Innovation, and specifically in the Sales Excellence Development department.

Our activities and business relationships as a (re)insurance group have a significant influence on client satisfaction. In particular through our policies, our procedures, client contact and the selection of our investees, we can influence whether clients are ultimately satisfied with Munich Re's processes.

Following the materiality assessment to determine the scope of reporting, we therefore identified three important matters with regard to customer satisfaction. The identified negative impact is that clients may be dissatisfied in the short, medium or long term due to internal processes, for example in claims processing or sales processes. Risks relating to client satisfaction were also identified and, due to their strategic relevance, included in the scope of reporting. Such risks involve potential loss of business, reputational damage or lower client loyalty. At the same time, we have identified an offsetting opportunity in the area of client satisfaction in the form of potential additional business through referrals by satisfied, loyal existing clients, and the potential for selling higher-value products. We can leverage this opportunity through, among other things, the increased deployment of digital elements in products and services so that we can better meet client needs, for example by improving user interfaces and providing faster feedback. In addition, cooperation with strategic partners, such as start-ups, to assess underwriting risks using artificial intelligence offers another opportunity.

If a client survey were to indicate that they are not satisfied, we would address this and the resulting knock-on effects by managing the issue centrally and holding discussions with the local companies to develop joint solutions and actions. Corresponding measures are established for the relevant markets. For primary insurance, we acquire additional customer feedback in certain markets in order to obtain a full picture and initiate targeted action.

Actions

Every two years, we undertake a global satisfaction survey among all of our reinsurance clients. This ensures that the identified impacts, risks and opportunities are carefully monitored and systematically tracked so that we can counter potential negative impacts, proactively mitigate risks and optimally leverage opportunities. The process includes an analysis of the market and the most important players, as well as the implementation of tailored insurance solutions, products and services for our clients. Client managers in reinsurance are supported by a central sales unit that ensures transparency in our Group-wide product and service palette. This unit is also responsible for two event formats that take place annually as a platform for in-depth dialogue with representatives of our key clients: the “cDays” conference and “Advance”, an exclusive five-week programme aimed at expanding participants’ expertise and leadership skills, and at further developing the industry.
In addition, we offer our reinsurance clients an extensive seminar programme on insurance-related topics, based on our leading expertise.

In addition to our regular client satisfaction surveys, in reinsurance we have implemented a number of measures aimed at consolidating our client relationships. And our operational units regularly request feedback from their clients to complement the centrally organised survey. In order to better respond to our clients’ suggestions for improvement, we offer a comprehensive training programme to all staff who have direct contact with clients.

In primary insurance, ERGO particularly supports its independent sales partners with various offers, for example advisory tools and concepts, and professional development training, to ensure continuous customer satisfaction through professional service. The local companies individually tailor these offers to their respective needs. Our advice to customers by our independent sales partners in Germany is provided using a standardised approach (ERGO Kompass) to ensure that quality is consistently high. ERGO also uses a variety of tools to obtain direct feedback about new products and services, but also about overarching strategic issues. The main focus is its in-house market research panel (ERGO Kundenwerkstatt) of 7,664 (7,535) customers. In 2024, ERGO conducted 11 (30) projects and/or surveys among the panel members. This feedback from our customers is very important to us. Among other things, we use it in product development and to improve our services for them. Besides customer feedback, we also record and assess customer complaints. This input is used as a basis for improvements in the various areas.

Customer satisfaction in primary insurance is measured continuously throughout the year. Since Q4 2023, we have also been measuring overall customer satisfaction in addition to the net promoter score (NPS). This satisfaction is a key performance indicator for ERGO customer satisfaction and the specific material impacts, risks and opportunities. It enables more transparent planning of actions.

Many customer-oriented services and digital processes have already been established that help customers contact ERGO and solve specific requests, and more are planned. ERGO is also constantly working on modernising its offerings with simple and intuitive products for both its private and commercial customers. As a result, customer loyalty and long-term business relations are strengthened for potential business growth.

Metrics and targets

The overarching goal of our efforts is to maintain and deepen the satisfaction of our clients. In our Munich Re Group Ambition 2025, our goal is to be a long-term partner to our clients.

For reinsurance, our goal is to develop a stable, positive NPS and an understanding of our clients' strategies and requirements, so that we can develop joint solutions. There are currently no specific quantitative targets in the area of client satisfaction for the identified material impacts, risks and opportunities. There are no plans at present to define such targets due to the differences between the local companies. Instead, we take a client-centric approach tailored to the circumstances on the various markets. However, the effectiveness of our strategies and actions relating to the identified opportunity in the area of client satisfaction is continuously monitored and assessed through ongoing client surveys and regular discussion of the results.

Client satisfaction, and in particular the NPS metric, are examined in reinsurance with respect to various aspects of the business relationship. We publish the NPS and selected results of the survey on our website. The global satisfaction survey of reinsurance clients was most recently conducted in May 2024, and covers clients in North and South America, Europe, Asia, Africa, Australia and New Zealand. To determine the NPS, the reinsurance clients indicate on a scale of 1 (most unlikely) to 10 (very likely) whether they would recommend Munich Re. The responses are grouped as follows:

- Scores of 1 to 6: Detractors;
- Scores of 7 to 8: Passives;
- Scores of 9 to 10: Promoters.

The percentage share of each group is calculated based on the total number of responses. To arrive at the definitive NPS, the percentage of detractors is subtracted from the percentage of promoters.

The calculation basis for the NPS for reinsurance was modified in the current reporting period. Changes in earlier NPS results are because surveys that were not completed in full were previously included but are now no longer included. The historical database for the years 2020 and 2022 was corrected accordingly.

Our most recent NPS of 63 for reinsurance in 2024 is very high – higher again than the 2022 figure of 60. The NPS is measured on a scale of –100 to 100.

Over and above the Munich Re Group Ambition 2025, ERGO's goal is to become the leading digital insurer by 2025 – both in Germany and in its core international markets. This reflects our customers' desire to purchase insurance and receive customer service digitally. ERGO is driving topics such as robotics, artificial intelligence and voice technology in Germany and internationally, and is expanding its digital business models and ecosystems, as well as its annex business – in turn bringing us closer to realising our identified opportunity of gaining additional business.

To measure customer satisfaction in primary insurance, we use a survey via market research panels in the individual markets. The objective is to obtain a view of the market from the customer perspective that is as neutral as possible. Measurement of customer satisfaction in primary insurance is validated by the executing service provider.

The result shows the percentage of satisfied primary insurance customers in key core markets. Currently, the survey is conducted in Belgium, Germany, Estonia, Greece, India, Latvia, Lithuania, Austria, Poland and Spain. The results are derived from the surveys, which gather feedback from both ERGO customers and competitors. In Germany, the surveys cover a fixed reference group, with around 4,200 responses being collected each year for ERGO and 12,000 for competitors. In each international market, around 1,600 responses are collected from ERGO customers and from customers of competitors. Satisfaction is measured on the basis of a five-point scale and is surveyed every year on an ongoing basis; the reporting date is 31 December.

Based on our assessment, we can see that customer satisfaction in primary insurance is also high. Some 94% (94%) of customers gave ERGO or its local companies in the core markets a rating of "good" or higher in 2024. Satisfaction is rated overall on a scale from "poor" to "adequate", "good", "very good" or "excellent".

The results of our monitoring identify any potential for both improvement and differentiation in the specific lines of business, platforms, services, products and customer groups. We then feed these opportunities into our strategy in the form of initiatives.

Governance information

Corporate governance and compliance

Information security: Management of risks

Strategy
Processing data and information is a core element of our business processes. For that reason, secure information processing and the resilient operation of our IT systems play a key supporting role in our value chain.

Following the materiality assessment to determine the scope of reporting, cyber attacks were identified as a risk and, due to their strategic relevance, have been included in the scope of reporting. Successful cyber attacks that lead to the loss of data or failure of IT systems constitute a financial and a reputational risk. Potential losses from information security risks arise due to inadequate cyber security measures; the former include disruption to business operations, violations of legal requirements, and reputational damage.

In this context, the Board of Management has adopted policies and guidelines for information security management and for business continuity management. These apply to all operating subsidiaries and branches. They define requirements for the management of our information security and for business continuity management, as well as the associated risks. They also define Group-wide minimum requirements, targets, responsibilities, processes and reporting procedures.

Information security fundamentally affects all employees, both internal and external, who work with Munich Re Group information. They are required to apply and observe the requirements governing information security.

The monitoring of information security risks is the responsibility of the Group Chief Information Security Officer (Group CISO), who acts on behalf of the Board of Management. At an operational level, information security risks are primarily managed by IRM and IT.

In its management of information security, Munich Re pursues three fundamental protection objectives: protecting the confidentiality, availability and integrity of the information being processed. Information security measures are defined and implemented to achieve these protection objectives. These are based on sectoral standards, regulatory requirements and insights from peer group comparisons.

Actions
These actions help us protect data and information, enable resilient data processing in our value chain and prevent potential risks. At the same time, they help us to comply with statutory and regulatory requirements. Effective information security risk management enables any residual risks to be managed.

Increasing numbers of cyber attacks, new cyber aggressors and attack scenarios jeopardise our protection objectives. Growing regulatory requirements relating to security also present new challenges in the area of information security. For this reason, we continuously review our information security measures and processes and adapt them to meet the constantly changing technical and legal requirements, for instance from the Digital Operational Resilience Act (DORA).

We also continuously refine the processes and supporting IT systems for information security to reflect technical improvements. These include the introduction of platforms that enable more efficient, flexible, and secure collaboration.

The information security measures comprise preventive protection measures on the one hand, and measures for effectively identifying cyber attacks and for ensuring systematic management in the event of security incidents on the other.

To verify the measures we have implemented, Munich Re regularly tests its resilience and responsiveness to external attacks. The insights we gain from this help increase our future resilience and responsiveness.

Our employees are trained regularly using e-learning programs about information security. These are mandatory for all employees.

There is also a defined reporting process that specifies who employees can turn to if they notice something suspicious. Such measures help keep our confidential data appropriately protected against unauthorised access, malicious use, manipulation and loss.

Metrics and targets
Our overriding objective is to ensure the security of our employee and client data in the long term, by effectively defending against serious attacks and ensuring that the consequences of successful attacks are kept to a minimum.

For Munich Re, extending our information security landscape while also meeting regulatory requirements has top priority. For that reason, the Supervisory Board agreed on targets for enhancing our own cyber security as well as complying with and implementing the corresponding regulatory requirements, within the ESG targets for the Board of Management members' 2024–2027 and 2025–2028 multi-year bonuses (see > General information > Governance > Integration of sustainability-related performance in incentive schemes > "ESG targets as a component of the multi-year bonus" table).

Due to the sensitivity of the data and the potential for undesirable criminal incentives in the area of cyber security, we do not currently report any metrics or related quantitative targets externally. We have thus exercised the option, in accordance with ESRS, not to disclose sensitive confidential information.

Compliance: Management of impacts and risks

Strategy

Munich Re operates in highly regulated industries, including (re)insurance and the investment business. Our business is consequently based on compliance with all applicable statutory, supervisory and other external requirements, in particular those related to primary insurance, reinsurance and investment business. Our compliance function and the Compliance Management System (CMS) provide guidance and clarity, helping Munich Re to navigate the complexity of regulatory requirements and to comply with them in the course of doing business. In addition, the compliance function provides advice on the legally compliant realisation of business opportunities. We strive to improve the positive perception of Munich Re among our staff, clients and other stakeholders and to instil confidence through compliant conduct in the work and business environments, in turn contributing to a values-based corporate culture.

Each and every staff member is accountable for integrity and compliance. Compliance is thus a key element of our business processes, allowing us to fulfil our responsibilities and to embody integrity.

The ultimate responsibility for implementing the minimum standards lies with the Board of Management.

Our compliance department manages compliance activities through Group-wide standards. In addition to the Group function, there are further local compliance functions within the fields of business, as well as decentralised compliance functions for selected compliance programmes.

Compliance and regulatory risks were identified as a result of the materiality assessment and, due to their strategic relevance, included in the scope of reporting. We counter the dynamics of changing and new external regulations by continuously monitoring and analysing the regulatory environment and by taking the necessary measures and adjustments. Non-compliance with external requirements and regulations can lead to legal consequences and fines – not to mention damage to Munich Re's reputation.

Existing compliance risks arising from non-compliance with external and internal requirements are therefore regularly identified and assessed as well as managed through programmes and actions. It is a top priority for Munich Re to indefinitely maintain our stakeholders' trust by aligning our conduct with rules and ethical principles.

Munich Re's Code of Conduct in particular defines key principles, in turn serving as a binding framework for all Group activities. The Code of Conduct is the basis of our compliance culture.

Our business activities are embedded in a compliance culture based on our ethical principles. These principles are particularly reflected in the Munich Re Code of Conduct, our main standard outlining our expectations of our staff to act responsibly and to respect the rules and regulations. In addition to our basic standards for fair and responsible conduct – covering topics such as handling conflicts of interest correctly, preventing corruption, ensuring compliance with antitrust law, observing economic sanctions, preventing money laundering, and complying with tax regulations – our Code of Conduct also emphasises sustainability, human rights, responsible leadership, fostering a culture of trust and transparency ("speak-up culture"), whistleblower protection and other topics.

As a global financial institution, we see ourselves operating in a fundamentally risk-prone environment with regard to corruption and bribery. For this reason, we consider all our company functions to be risk-prone accordingly.

Our Code of Conduct also obliges us to uphold international guidelines and instruments. We joined the UN Global Compact in 2007. The ten principles of the UN Global Compact, such as fighting corruption, are core elements of our ESG-related strategies. Based on our Code of Conduct, all current and new Munich Re staff undertake to act with integrity and reliability.

We have set up dedicated compliance programmes as minimum standards for compliance risks of Group-wide relevance, for example corruption and bribery, financial sanctions, money laundering and antitrust law, sales compliance, and data protection. Monitoring the implementation of these programmes is the responsibility of the respective local compliance organisation. Due to its international business activities, Munich Re is also subject to foreign corruption-prevention laws such as the US Foreign Corrupt Practices Act and the UK Bribery Act. Accordingly, we have established Group-wide minimum standards that govern the correct handling of gifts and hospitality, donations and sponsorship, as well as on interacting with public officials. A zero-tolerance policy for corruption is an integral part of our compliance programme. Munich Re is also committed to the fight against money laundering and terrorist financing. The companies that are subject to the German Money Laundering Act (GWG) have been set up accordingly; officers responsible for money laundering issues, and their deputies, have been appointed where mandated by the GWG. ERGO and MEAG have, through internal anti-money laundering policies, set up fundamental standards for their staff in the relevant companies to prevent money laundering and terrorist financing. Duly identifying customers, service providers and suppliers is part of the know-your-customer principle and the process is integrated into corresponding due diligence checks.

Staff can use our norm management system to access relevant guidelines and minimum requirements. Targeted training measures help staff to understand and comply with key requirements in the long term. Material revisions of and amendments to guidelines are communicated ad hoc, as necessary.

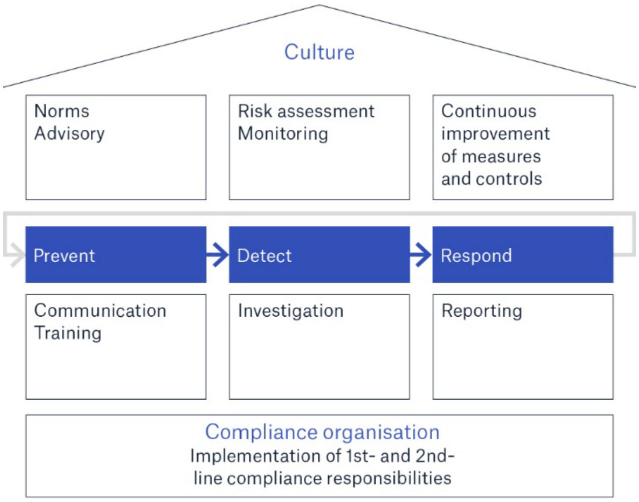
Actions

Compliance Management System (CMS)

To avoid material compliance risks and to pursue our strategy consistently in accordance with rules and laws, Munich Re established a Compliance Management System (CMS) that defines minimum requirements for the entire Group. Our CMS helps to foster a culture of adherence to rules and standards by Munich Re, its management and its staff – and to monitor compliance with appropriate action.

Our CMS was developed on the basis of external compliance standards such as ISO 19600 and IDW PS 980 from the German Institute of Certified Accountants (IDW) – and carefully tailored to meet Munich Re's needs. It is regularly reviewed and continuously improved. The CMS provides the methodological framework for the structured implementation of the early-warning, risk-control, advising and monitoring functions.

Munich Re's CMS is geared to the aforementioned goals and is designed as follows:



The scope and means of implementing compliance activities with regard to the above-mentioned CMS elements are guided by the risk profile of the respective Group company, though the implementation of minimum standards that apply throughout the Group is mandatory for all entities. Material compliance risks are identified and mitigated using Group-wide methodology. Controls are monitored and any potential violations that may occur, despite preventative measures, are investigated without exception and followed up.

Prevention

We have set ourselves the goal of enabling our staff to conduct themselves ethically and compliantly through a defined reference framework, including a Group-wide Code of Conduct, guidelines and standards. Training, advice for managers and staff, and proper communication of relevant content also play important roles in this regard.

Our staff are required to familiarise themselves with the principles and rules anchored in our Code of Conduct, as well as to regularly complete training in person or via e-learning programs. Annual mandatory tests on selected Code of Conduct topics – such as fighting corruption or complying with antitrust law – help staff to grasp and internalise the training content. In this way staff demonstrate every three years that they understand all aspects of the Code of Conduct.

The compliance norms specify principles and minimum requirements for avoiding and managing material compliance risks within the Munich Re Group.

The internal advisory function responds to compliance-related questions, provides advice on specific cases, issues general recommendations, and shows senior management as well as managers and staff how to assess and avoid compliance risks, but also how to avoid potential external and internal breaches and respond accordingly.

Our Group-wide communication and training courses are aimed at increasing awareness of compliance risks and dealing with them effectively. Both are tailored to the needs of the various German and international Group companies and their respective business models.

For companies within the reinsurance group, ERGO and MEAG, we also offer risk-based additional training programmes on the specific compliance risks of corruption and bribery, antitrust law, data protection, information security, and insider trading law. Staff must pass mandatory tests on these various subjects every two to three years. Line managers and the compliance organisation continually verify that staff complete all mandatory tests.

Detection
Assessing compliance risks includes the systematic identification, analysis and mitigation of such risks. The process is based on a Group-wide coordinated methodology to identify, assess and document risks. Munich Re's material compliance risks and the corresponding mitigation measures are analysed and reported to the Board of Management at least once a year. The main risk areas include data protection, financial sanctions, antitrust law, use of external staff, money laundering, sales compliance, corruption and ESG. The management of changes to the law is part of our risk assessment, allowing us to evaluate in good time any possible effects of changes in the legal environment. The topics of AI and greenwashing were a particular focus in this regard in 2024. Monitoring consists of evaluating whether the implemented measures for mitigating material compliance risks are appropriate and effective. It also includes reviewing the defined frameworks and evaluating the design and effectiveness of the controls implemented. If there are any suspicions or allegations of illegal activity and/or misconduct within the company, internal investigations are conducted by the compliance function. We have set up a comprehensive whistleblower system for reporting suspicious activity.

Response
Continuous improvement means regularly reviewing our CMS and compliance measures on the basis of risk assessments, monitoring and other relevant information from the various departments (audit reports, legal changes, organisational changes, etc.), and making adjustments if necessary. In this regard, the maturity level of the CMS is determined annually on the basis of quantitative and qualitative surveys and metrics. This includes monitoring of the completion rates of mandatory online tests, for example on anti-corruption, antitrust law, data protection and the Code of Conduct. The same applies to the number of whistleblower reports and other allegations received, as well as to the number, topics and severity of compliance violations identified.

Compliance reports are submitted every six months to the Board of Management, annually to the Audit Committee, and ad hoc when required. Reporting includes, but is not limited to, information on significant compliance risks and mitigating action, compliance-related violations and statements regarding the maturity level of the CMS, as well as an overview of the adequacy and effectiveness of the procedures established to comply with external requirements. Reporting also involves regularly communicating with supervisory authorities such as BaFin.

Whistleblowing portal
We maintain Group-wide channels to report and record violations of the law and other regulations. Staff can report potential violations to Group Compliance and Legal or their line manager. In addition, they have the option to contact an external, independent ombudsman. The compliance whistleblowing portal is available to all staff and external parties for reporting violations. This setup allows allegations to be reported securely, anonymously and confidentially. Any reports received are forwarded to Group Compliance and Legal or the relevant local compliance organisation. It is ensured at all times that the investigating compliance function remains independent.

The whistleblowing portal can be used to report potential violations relating to financial crime (corruption, financial sanctions, fraud), regulatory requirements, money laundering, tax law, antitrust law, insider trading, sales compliance, data protection, human rights (and other ESG matters), gender discrimination, sexual harassment, diversity and violations of equal-treatment provisions. The function protecting whistleblower anonymity in Munich Re's compliance whistleblowing portal has been externally certified under ISO 27001.

Munich Re's whistleblowing portal complies with the legal requirements, as amended, of the EU Whistleblowing Directive 2019/1937.

All our compliance measures serve to sustainably protect Munich Re's reputation and to mitigate the consequences of any non-compliance with external requirements. We continuously review the adequacy and effectiveness of our actions and swiftly make any necessary adjustments.

Metrics and targets
In line with our strategy, we fundamentally do not tolerate any staff misconduct or any Group non-compliance with external requirements. We therefore seek to avoid any severe compliance violations with material financial effects. The knowledge gained from investigating suspected cases and violations are used to continuously improve the CMS. The specific actions that we initiated as a result of confirmed violations include, in particular, improvements of processes and guidelines, disciplinary actions such as verbal warnings, written warnings and termination of employment, and training measures. Beyond general target-setting, the multi-year bonus for 2023–2026 is tied to governance metrics, particularly the compliance culture at Munich Re; see > General information > Governance > Integration of sustainability-related performance in incentive schemes > "ESG targets as a component of the multi-year bonus" table. Senior managers within the Group ensure through regular tone-from-the-top activities within their areas of accountability that the compliance culture continues to be on a high level and, consequently, in alignment with the interests of staff.

Metrics are important instruments for our Compliance Management System and for honing our measures. These metrics particularly include the coverage and participation rates of internal compliance courses, and data on compliance incidents.

Compliance training

Each and every staff member is accountable for compliance. We therefore strive to help all staff members and all managers by raising awareness of relevant compliance risks and providing appropriate training courses. Board of Management members at Group companies also complete training on relevant compliance matters.

Our staff members and managers are required to complete training courses, tailored to target groups, in person or via e-learning programs, on the Code of Conduct and selected compliance topics, such as anti-corruption, ensuring compliance with antitrust law, or data protection requirements. Where necessary, training content is tailored to meet local requirements.

One of our top priorities in compliance training is to raise awareness among Munich Re staff with respect to anti-corruption. Anti-corruption training addresses appropriate conduct, among others regarding gifts and hospitality, particularly with respect to interactions with public officials. As a rule, Munich Re staff members complete training every three years on our Code of Conduct, which addresses corruption and bribery, among other subjects. Moreover, staff members in the reinsurance group complete an anti-corruption refresher course every two years. To this end, all Munich Re staff members were required to complete compliance training courses designed to combat bribery and corruption in the reporting year. The effectiveness of training activities is measured by continually monitoring rates of completion of the mandatory tests on the training content.

Compliance violations

Munich Re records any violation – be it of purely internal requirements, of statutory or regulatory rules, of supervisory requirements, or of other external rules (hereinafter: "external requirements") – as a compliance incident. Such incidents constitute an essential component of our reporting to the Boards of Management and Supervisory Board Audit Committees of Munich Re companies.

In the 2024 financial year, 467 (2023: 497) allegations of potential misconduct were received through the various reporting channels (see > Whistleblowing portal) at Munich Re, ERGO and MEAG. All allegations were first subjected to a plausibility test and then carefully and impartially investigated where necessary, while protecting the whistleblower and maintaining their anonymity. It was ensured at all times that the investigating function remained independent. No severe violations with a material financial impact were identified. Details about the allegations and violations of external requirements are shown in the table below. The local compliance functions report metrics on a quarterly basis to Group Compliance and Legal for consolidation and validation; the metrics are also assessed for purposes of internal and external reporting. Information about allegations and possible violations concerning data protection can be found under > Data protection: Management of impacts and risks.

A total of 131 confirmed violations were documented in the 2024 reporting year (2023: 171). More specifically, 58 (2023: 55) of those cases were violations of purely internal requirements and 73 (2023: 116) were violations of external requirements. Of the allegations, 247 were found to be unconfirmed violations (2023: 170). As at 31 December 2024, 89 allegations were still under investigation (2023: 156). Of the 73 (2023: 116) confirmed violations of external requirements, no violations regarding bribery or corruption were identified. Accordingly, we do not know of any convictions, fines or internal disciplinary measures in this context.

The changes to the figures compared to the previous year are as follows:

Confirmed violations of external requirements

	2024	Prev. year[1]	2024	Prev. year[1]	Change
	Number	Number	Share	Share	%
Regulatory requirements	28	46	38.4	41.4	−39.1
Tax law	7	7	9.6	6.3	0.0
Other offences to the detriment of third parties or the company	28	29	38.4	26.1	−3.4
Sales- and product-related requirements	10	29	13.7	26.1	−65.5
Unfair competition and antitrust law	0	0	0.0	0.0	–
Money laundering	0	0	0.0	0.0	–
Financial sanctions	0	0	0.0	0.0	–
ESG criteria (other than human rights)	0	0	0.0	0.0	–
Insider trading and market manipulation	0	0	0.0	0.0	–
Corruption	0	0	0.0	0.0	–
Total	**73**	**111**	**100.0**	**100.0**	**−34.2**

1 Due to a potential overlap between HR compliance violations and human rights violations to be reported, no figure for HR-related violations has been provided in the above table for 2024. Following an analysis of the incidents that were received by the Compliance department via the various channels (whistleblower portal, complaints management, ombudsman or direct contact), there were two HR compliance violations in 2024 – compared to five such incidents in the previous year – that would not fall under human rights reporting. We have also adjusted the total number of violations of external requirements for the previous year from 116 to 111 accordingly.

Data protection: Management of impacts and risks

Strategy

It is of crucial importance for Munich Re to ensure that digital data and technologies are used responsibly, and to remain a trusted partner on the market by striving to offer innovative solutions for our clients. Due to the nature of our business, we come into contact with a large amount of data.

Protecting this data is important to us, especially given the fact that increasing digitalisation means that many business processes involve handling personally identifiable information. Data protection is also a significant element of maintaining Munich Re's reputation and the trust of our business partners. Data containing personally identifiable information about Munich Re's staff members, clients or business partners is sensitive and requires special protection, particularly against unauthorised access (e.g. unauthorised access to company systems and networks) and unlawful processing. Violations of data privacy can entail risks to the rights and freedoms of data subjects, which can result in significant economic or social disadvantages.

This potentially negative impact may also represent a financial risk for Munich Re. Following the materiality assessment to determine the scope of reporting, "violation of data privacy" was identified as a risk and, due to its strategic relevance, has been included in the scope of reporting. Data privacy violations may result in risks to Munich Re's business operations and investments. Infringements of data protection regulations may result in measures being taken by the authorities, such as the imposition of fines or limitations on the processing of personally identifiable information, compensation claims by data subjects or reputational damage for Munich Re and an adverse impact on business relations.

Where necessary, data protection officers and other designated data protection experts at the Group companies have been appointed to handle data protection in reinsurance, at ERGO and at MEAG. Among other tasks, the data protection officers and experts work in their respective areas of responsibility to ensure compliance with the data protection regulations, monitor the lawfulness of IT-supported data processing, advise the respective companies on their duties under the applicable data protection regulations, answer staff questions on data protection, and serve as a first point of contact in communications with the supervisory authorities. The decision on the processing and protection of personally identifiable information is made by the respective units concerned. Within their area of responsibility, the data protection officers and experts regularly report to the highest management level of their company regarding data protection. Reports are made at least once a year to Munich Reinsurance Company's Board of Management concerning significant data protection issues and improvements to Munich Re's data protection management systems.

The Group's data protection organisation is centrally coordinated by the Group Compliance and Legal division, which is also responsible for implementing data protection strategies. Particularly complex and risky data protection topics at Munich Re are handled by the Data Strategy and Governance legal department, which is part of the Compliance and Legal division and serves as a centre of excellence. All Munich Re staff can contact this department if they have any enquiries relating to data protection and AI.

The highest level of hierarchy responsible for data protection strategies is the CEO, who is accountable for the Group Compliance and Legal division.

Our data protection strategy and relevant guidelines cover compliance with applicable regional data protection regulations, including in all geographical areas in which we operate, and all stakeholder groups that could be affected. We take the concerns and interests of our key stakeholders seriously and give them due consideration in our strategies and guidelines. We are guided by standards and best practices such as the guidelines and recommendations of the European Data Protection Board. We have also joined, for example through ERGO, industry initiatives such as the German Insurance Association's code of conduct for handling personally identifiable information by German insurers, aimed at fine-tuning data protection processes.

Our data protection strategy and the related guidelines are communicated to the relevant stakeholders via the company intranet, data protection training, and other channels.

Munich Re's Code of Conduct and various business-field-specific internal norms contain binding regulations for all employees on the topics of data protection and information security (see also > Information security: Management of risks) to ensure a consistent approach in these areas. They are therefore the most important strategic guidelines for our Group in the field of data protection.

For Group companies situated within the European Union (EU) and the EEA, the internal rules regarding data protection refer primarily to the General Data Protection Regulation (GDPR). On the basis of the GDPR, the reinsurance group and MEAG have each adopted a data protection policy covering their activities in the EU/EEA – and ERGO has adopted a global policy for its international subsidiaries – in order to ensure a consistent, mandatory level of protection across these fields of business. In addition, from 2025 onwards, a Data Protection Directive takes effect throughout the Group, providing for global minimum standards in the area of data protection. These global provisions are rounded out by additional activity-related guidelines or work instructions issued by the individual Group companies as required. Further information on the content and scope of application of the Code of Conduct can be found under > Social information > Human rights and working conditions, and under > Compliance.

In our reinsurance business and at MEAG, binding corporate rules on data protection apply for our intra-Group data sharing with companies situated outside the EU/EEA, thus ensuring an appropriate level of data protection at our locations worldwide. In 2023, we implemented an updated version of these data protection regulations approved by the competent data protection supervisory authority and published it on our website at www.munichre.com/data-protection. From 2025, we are also planning to include ERGO in the binding corporate rules.

In addition, since 2023 Munich Re has had a Group-wide Code of Conduct for suppliers. Its purpose is to help ensure that our third-party suppliers comply with certain minimum data protection requirements in our business relations. This Code of Conduct underlies our selection process and is applied to the supplier via a "corporate responsibility" clause in the contract.

Information on data security and protective control actions can be found under > Information security.

Actions

In the past year, we have intensified our data protection activities in order to counter the identified potential impacts and risks associated with ever-increasing digitalisation.

All our staff members, including new recruits, take part in regular mandatory e-learning programs on the basics of data privacy and on our internal data protection regulations. This is supplemented by classroom courses for certain employee groups (selected on the basis of risk) and other measures actions aimed at raising staff awareness (for example on the Munich Re intranet). To ensure systematic management and control of handling personally identifiable information, we have implemented data protection management systems in the individual fields of business.

In order to provide transparency about data protection risks and information security risks, and to fulfil data protection accountability obligations, every instance of IT-supported processing of personally identifiable information in reinsurance is reviewed using a defined process (risk assessment and control evaluation – RACE) and documented in a record of processing activities. Any data processing that entails a high risk of infringing an individual's rights or restricting their freedoms is identified and monitored through a privacy impact assessment. ERGO and MEAG also comply with their accountability obligations under data protection law with the help of corresponding processes. In addition to the aforementioned data protection risk reviews, every instance of IT-supported data processing is reviewed – according to the protection needs of the processed data – for compliance with information security requirements. Since 2023, we have been using an overarching governance, risk and compliance platform in reinsurance and have integrated the data protection processes in the Group companies affiliated with the platform.

Regular evaluation of processing, which is part of the RACE process, monitors whether current legal and security requirements are being met. In addition, compliance with data protection requirements is monitored via further measures (e.g. self-assessments, on-site audits) in the data protection organisation. Regular audits on data protection topics carried out by internal auditors complete this approach.

Especially via the data privacy statements published on our websites, and through detailed data protection information that in many cases forms an integral part of concluding an insurance contract with the insured, we create transparency for the data subjects regarding the purposes of data processing and their rights (e.g. right of access and right to data portability). The required processes have been implemented to deal with requests for access/data portability or complaints from data subjects within the prescribed deadlines.

Our third-party risk management takes account of data protection requirements and the requisite technical and organisational security measures during the procurement process, and ensures – where needed – the conclusion of necessary data protection clauses with service providers. The service providers are contractually obliged to impose these standards on their subcontractors. Furthermore, service providers are obliged to make their staff aware of the applicable data protection regulations, and to conduct regular training courses and take measures to raise awareness.

For intra-Group IT services provided, there is a framework agreement in place between the Group companies in reinsurance and at MEAG and ERGO in Germany that also covers the required specifications of globally valid minimum data protection standards and the agreement of data protection clauses. The framework agreement is also being rolled out to ERGO's international Group companies as of 2024, and will thereupon apply worldwide.

Identifying, investigating, mitigating and documenting data protection incidents in reinsurance and at MEAG has been an integral part of the security incident management process since the start of 2024. This enables a speedy response to such incidents and – where necessary – prompt remedial action as well as timely notifications to supervisory authorities and, if needed, data subjects. In addition, a "lessons learned" stage has been put in place to facilitate appropriate improvements in existing precautionary measures where needed. ERGO also uses a structured approach to deal with data protection incidents, which is linked to its security incident management. Information on other data protection-related actions, such as our whistleblowing systems, can be found under > Compliance.

Metrics and targets

In order to counter the potential impacts and risks identified in data protection and to monitor the effectiveness of the associated guidelines and actions, our objective, which we pursue in line with our strategy and relevant stakeholder interests, is zero avoidable material incidents and resulting proceedings in Munich Re's business operations. We continually monitor the attainment of this ambition by recording our data protection incidents. The cost and effort resulting from these actions should be commensurate to the severity and likelihood of the risk of a data privacy violation. We regularly evaluate the need to fine-tune this objective.

The metrics we use to measure the effectiveness of our data protection strategy and measures are the number of identified material data protection incidents recorded in our business operations and the resulting proceedings. The Solvency II Group Compliance Policy requires Group companies to report material incidents and proceedings which have been sufficiently verified to the Group Compliance and Legal division of Munich Reinsurance Company on an ad hoc basis. In addition to this, Group Compliance and Legal requests information from the Group companies at least every six months about any data protection incidents. Furthermore, as part of the security incident management process, data protection incidents in reinsurance and at MEAG – which have been reported by staff, clients, service providers or others, or have been identified by Security Information and Event Management (SIEM) – are recorded in the relevant database. The Group Data Protection Officer in reinsurance evaluates the data protection incidents recorded in the database to check which of them constitute material data protection incidents or material proceedings. In this context, the Group Data Protection Officer in reinsurance validates or consolidates the ad hoc reports to and the requests for information from Group Compliance and Legal in accordance with the Solvency II Group Compliance Policy. ERGO records data protection incidents separately and informs the Group Data Protection Officer for reinsurance if there is the possibility of a material incident or proceedings.

In the 2024 reporting year, as in the previous year, no material data protection incidents as defined in the Solvency II Group Compliance Policy were identified anywhere in our Group worldwide, nor were any material proceedings for infringement of data protection regulations initiated. We are thus once again in line with our general objective.

Tabular presentations

List of disclosure requirements incorporated by reference

Disclosure requirement/ datapoint	Reference to	Section
ESRS 2, BP-1, Paragraph 5(b) ii	Consolidated financial statements	– List of shareholdings as at 31 December 2024 pursuant to Section 313(2) of the German Commercial Code (HGB)
ESRS 2, SBM-1, Paragraph 40(a)	Combined management report	– Business performance
ESRS 2, SBM-1, Paragraph 40(e), (f)	Combined management report	– Strategy – Munich Re Group – Business performance
ESRS 2, SBM-1, Paragraph 42	Combined management report	– Strategy – Munich Re Group
ESRS 2, IRO-1, Para. 53(c) iii; Para. 53(e)	Combined management report	– Risk report
ESRS 2, GOV-2, Paragraph 26(b)	Combined management report > Risk report	– Risk management organisation
ESRS 2, GOV-5, Paragraph 36(a-e)	Combined management report > Risk report	– Risk management organisation > Internal control system; – Statement on the adequacy and effectiveness of the risk management system and the internal control system; – Material risks

List of disclosure requirements fulfilled

	Disclosure requirement	Sections
General information	ESRS 2 – BP-1	General information – Basis for preparation – General basis
	ESRS 2 – BP-2	– General information – Basis for preparation – Disclosures relating to specific circumstances – General information – Strategy – Impacts, risks and opportunities and their interaction with strategy and business model
	ESRS 2 – GOV-1	General information – Governance – The role of the Board of Management and Supervisory Board
	ESRS 2 – GOV-2	– General information – Governance – The role of the Board of Management and Supervisory Board – Board of Management – Roles and responsibilities – General information – Governance – The role of the Board of Management and Supervisory Board – Supervisory Board – Roles and responsibilities – General information – Governance – Information provided to and sustainability aspects addressed by the Board of Management and the Supervisory Board
	ESRS 2 – GOV-3	General information – Governance – Integration of sustainability-related performance in incentive schemes
	ESRS 2 – GOV-4	General information – Governance – Statement on due diligence
	ESRS 2 – GOV-5	General information – Governance – Risk management and internal controls related to Group sustainability reporting
	ESRS 2 – SBM-1	General information – Strategy – Strategy, business model and value chain
	ESRS 2 – SBM-2	General information – Strategy – Interests and views of stakeholders
	ESRS 2 – SBM-3	– General information – Strategy – Strategy, business model and value chain – General information – Strategy – Impacts, risks and opportunities and their interaction with strategy and business model
	ESRS 2 – IRO-1	General information – Management of sustainability-related impacts, risks and opportunities – Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities
Climate change	ESRS 1, Para. 113	– Environmental information – Disclosures under Article 8 of Regulation (EU) 2020/852/Taxonomy Regulation – Tabular presentations – EU Taxonomy Regulation templates
	E1 – GOV-3	– General information – Governance – Integration of sustainability-related performance in incentive schemes – Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025
	E1-1	Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025
	E1 – SBM-3	– General information – Strategy – Understanding of climate change risks – Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025 – Environmental information – Climate change – Insurance activities: Management of climate change-related impacts, risks and opportunities (in the following: Insurance activities) – Strategy – Environmental information – Climate change – Insurance activities – Actions – Environmental information – Climate change – Investments: Management of climate change-related impacts, risks and opportunities (in the following: Investments) – Strategy – Environmental information – Climate change – Investments – Metrics and targets – Risks – Environmental information – Climate change – Own operations: Management of climate change-related impacts (in the following: Own operations) – Strategy

	Disclosure requirement	Sections
	E1 – IRO-1	– General information – Strategy – Understanding of climate change risks – Climate-related scenario analyses – General information – Management of sustainability-related impacts, risks and opportunities – Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – Assessment of sustainability-related impacts – Environmental information – Climate change – Insurance activities – Strategy – Environmental information – Climate change – Insurance activities – Actions – Environmental information – Climate change – Investments – Strategy – Environmental information – Climate change – Own operations – Strategy
	E1-2	– General information – Strategy – Understanding of climate change risks – Climate-related scenario analyses – Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025 – Environmental information – Climate change – Insurance activities – Strategy – Environmental information – Climate change – Insurance activities – Actions – Environmental information – Climate change – Investments – Strategy – Environmental information – Climate change – Own operations – Strategy – Environmental information – Climate change – Own operations – Actions
	E1-3	– Environmental information – Climate change – Insurance activities – Actions – Environmental information – Climate change – Investments – Actions – Environmental information – Climate change – Own operations – Actions
	E1-4	– Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025 – Environmental information – Climate change – Insurance activities – Strategy – Environmental information – Climate change – Insurance activities – Metrics and targets – Environmental information – Climate change – Investments – Metrics and targets – Environmental information – Climate change – Own operations – Metrics and targets
	E1-5	– Environmental information – Climate change – Investments – Metrics and targets – Environmental information – Climate change – Own operations – Metrics and targets
	E1-6	– Environmental information – Climate change – Investments – Metrics and targets – Environmental information – Climate change – Own operations – Metrics and targets
	E1-7	– Environmental information – Climate change – Investments – Strategy – Environmental information – Climate change – Own operations – Metrics and targets
	Entity-specific disclosures	– Environmental information – Climate change – Insurance activities – Metrics and targets – Environmental information – Climate change – Investments – Metrics and targets
Biodiversity and ecosystems	E4-1	Environmental information – Biodiversity and ecosystems – Investments: Management of impacts on biodiversity and ecosystems (in the following: Investments) – Strategy
	E4 – SBM-3	Environmental information – Biodiversity and ecosystems – Investments – Strategy
	E4 – IRO-1	General information – Management of sustainability-related impacts, risks and opportunities – Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities
	E4-2	Environmental information – Biodiversity and ecosystems – Investments – Strategy
	E4-3	Environmental information – Biodiversity and ecosystems – Investments – Actions
	E4-4	Environmental information – Biodiversity and ecosystems – Investments – Metrics and targets
	E4-5	Environmental information – Biodiversity and ecosystems – Investments – Metrics and targets
	Entity-specific disclosures	Environmental information – Biodiversity and ecosystems – Investments – Metrics and targets
Human rights and working conditions	S1 – SBM-2	– General information – Strategy – Interests and views of stakeholders – Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities (in the following: Working conditions) – Strategy
	S1 – SBM-3	– Social information – Human rights and working conditions – Human rights: Management of impacts (in the following: Human rights) – Strategy – Social information – Human rights and working conditions – Working conditions – Strategy
	S1-1	– Social information – Human rights and working conditions – Human rights – Social information – Human rights and working conditions – Working conditions
	S1-2	Social information – Human rights and working conditions – Working conditions – Strategy
	S1-3	– Social information – Human rights and working conditions – Human rights – Actions – Whistleblowing channels – Social information – Human rights and working conditions – Working conditions – Strategy
	S1-4	– Social information – Human rights and working conditions – Human rights – Actions – Own workforce – Social information – Human rights and working conditions – Working conditions
	S1-5	– Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Social information – Human rights and working conditions – Working conditions – Diversity, equity and inclusion
	S1-6	Social information – Human rights and working conditions – Working conditions – Overview “Characteristics of our workforce”

	Disclosure requirement	Sections
	S1-7	Social information – Human rights and working conditions – Working conditions – Overview "Characteristics of our workforce"
	S1-8	Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Employee inclusion/social dialogue
	S1-9	– Social information – Human rights and working conditions – Working conditions – Diversity, equity and inclusion – Social information – Human rights and working conditions – Working conditions – Diversity, equity and inclusion – "Gender" and "generations" dimensions
	S1-10	Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Adequate wages
	S1-11	Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Social protection
	S1-12	– Social information – Human rights and working conditions – Working conditions – Diversity, equity and inclusion – Social information – Human rights and working conditions – Working conditions – Diversity, equity and inclusion – Other DEI criteria: Persons with disabilities
	S1-13	Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Training and development
	S1-14	Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Health and safety
	S1-15	– Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Opportunities for flexible working – Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Diversity, equity and inclusion
	S1-16	– Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Adequate wages – Social information – Human rights and working conditions – Working conditions – Providing good working conditions – Diversity, equity and inclusion
	S1-17	Social information – Human rights and working conditions – Human rights – Metrics and targets – Indicators in our own workforce
	S2 – SBM-2	General information – Strategy – Interests and views of stakeholders
	S2 – SBM-3	– Social information – Human rights and working conditions – Human rights: Management of impacts (in the following: Human rights) – Strategy – Social information – Human rights and working conditions – Human rights – Strategy – Investments
	S2-1	– Social information – Human rights and working conditions – Human rights – Strategy – Social information – Human rights and working conditions – Human rights – Metrics and targets – Indicators in the value chain
	S2-2	Social information – Human rights and working conditions – Human rights – Actions
	S2-3	– Social information – Human rights and working conditions – Human rights – Actions – Whistleblowing channels – Social information – Human rights and working conditions – Human rights – Actions – Investments
	S2-4	– Social information – Human rights and working conditions – Human rights – Actions – Investments – Social information – Human rights and working conditions – Human rights – Metrics and targets – Indicators in the value chain
	S3 – SBM-2	General information – Strategy – Interests and views of stakeholders
	S3 – SBM-3	Social information – Human rights and working conditions – Human rights – Strategy
	S3-1	– Social information – Human rights and working conditions – Human rights – Strategy – Social information – Human rights and working conditions – Human rights – Metrics and targets – Indicators in the value chain
	S3-2	Social information – Human rights and working conditions – Human rights – Actions
	S3-3	– Social information – Human rights and working conditions – Human rights – Actions – Whistleblowing channels – Social information – Human rights and working conditions – Human rights – Actions – Investments
	S3-4	– Social information – Human rights and working conditions – Human rights – Actions – Investments – Social information – Human rights and working conditions – Human rights – Metrics and targets – Indicators in the value chain
Customer orientation and satisfaction	Entity-specific disclosures	– Social information – Customer orientation and satisfaction – Insurance activities: Management of the impacts, risks and opportunities (in the following: Insurance activities) – Strategy – Social information – Customer orientation and satisfaction – Insurance activities – Actions – Social information – Customer orientation and satisfaction – Insurance activities – Metrics and targets

Corporate governance and compliance	G1 – GOV-1	– General information – Governance – Information provided to and sustainability aspects addressed by the Board of Management and the Supervisory Board – General information – Governance – The role of the Board of Management and Supervisory Board – Board of Management – Access to expertise and skills – General information – Governance – The role of the Board of Management and Supervisory Board – Supervisory Board – Access to expertise and skills
	G1 – IRO-1	General information – Management of sustainability-related impacts, risks and opportunities – Description of the process for identifying and assessing material sustainability-related impacts, risks and opportunities – Topic-specific requirements for the disclosure of the materiality assessment (IRO-1)
	G1-1	– Governance information – Corporate governance and compliance – Compliance: Management of impacts and risks (in the following: Compliance) – Strategy – Governance information – Corporate governance and compliance – Compliance – Actions – Governance information – Corporate governance and compliance – Compliance – Metrics and targets
	G1-3	– Governance information – Corporate governance and compliance – Compliance – Strategy – Governance information – Corporate governance and compliance – Compliance – Actions – Compliance management system (CMS) – Governance information – Corporate governance and compliance – Compliance – Metrics and targets – Compliance training
	G1-4	– Governance information – Corporate governance and compliance – Compliance – Metrics and targets – Compliance violations
Information security	Entity-specific disclosures	– Governance information – Corporate governance and compliance – Information security: Management of risks (in the following: Information security) – Strategy – Governance information – Corporate governance and compliance – Information security – Actions – Governance information – Corporate governance and compliance – Information security – Metrics and targets
Data protection	Entity-specific disclosures	– Governance information – Corporate governance and compliance – Data protection: Management of impacts and risks (in the following: Data protection) – Strategy – Governance information – Corporate governance and compliance – Data protection – Actions – Governance information – Corporate governance and compliance – Data protection – Metrics and targets

Table of all datapoints deriving from other EU legislation

Disclosure requirement and related datapoint	Section/Information if omitted	EU legislation complied with (SFDR[1], Pillar 3[2], Benchmark Regulation[3], EU Climate Law[4])
ESRS 2 GOV-1 Board's gender diversity: paragraph 21 (d)	– General information – Governance – The role of the Board of Management and Supervisory Board – Board of Management – Composition and diversity – General information – Governance – The role of the Board of Management and Supervisory Board – Supervisory Board – Composition and diversity	– SFDR reference: Indicator number 13 of Table #1 of Annex 1 – Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816[5], Annex II
ESRS 2 GOV-1 Percentage of board members who are independent: paragraph 21 (e)	General information – Governance – The role of the Board of Management and Supervisory Board – Supervisory Board – Independence	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS 2 GOV-4 Statement on due diligence: paragraph 30	General information – Governance – Statement on due diligence	SFDR reference: Indicator number 10 Table #3 of Annex 1
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities: paragraph 40 (d) i	not applicable	– SFDR reference: Indicators number 4 Table #1 of Annex 1 – Pillar 3 reference: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453[6] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS 2 SBM-1 Involvement in activities related to chemical production: paragraph 40 (d) ii	not applicable	– SFDR reference: Indicator number 9 Table #2 of Annex 1 – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS 2 SBM-1 Involvement in activities related to controversial weapons: paragraph 40 (d) iii	not applicable	– SFDR reference: Indicator number 14 Table #1 of Annex 1 – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818[7] Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II

Disclosure requirement and related datapoint	Section/Information if omitted	EU legislation complied with (SFDR[1], Pillar 3[2], Benchmark Regulation[3], EU Climate Law[4])
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco: paragraph 40 (d) iv	not applicable	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II
ESRS E1-1 Transition plan to reach climate neutrality by 2050: paragraph 14	Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025	EU Climate Law reference: Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks: paragraph 16 (g)	not applicable	– Pillar 3 reference: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2
ESRS E1-4 GHG emission reduction targets: paragraph 34	Environmental information – Climate change – Climate strategy and the Munich Re Group Ambition 2025	– SFDR reference: Indicator number 4 Table #2 of Annex 1 – Pillar 3 reference: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 6
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors): paragraph 38	not applicable	SFDR reference: Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1
ESRS E1-5 Energy consumption and mix: paragraph 37	Environmental information – Climate change – Own operations: Management of climate change-related impacts – Metrics and targets	SFDR reference: Indicator number 5 Table #1 of Annex 1
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors: paragraphs 40 to 43	not applicable	SFDR reference: Indicator number 6 Table #1 of Annex 1
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions: paragraph 44	– Environmental information – Climate change – Own operations: Management of climate change-related impacts – Metrics and targets – Environmental information – Climate change – Investments: Management of climate related impacts, risks and opportunities – Metrics and targets	– SFDR reference: Indicators number 1 and 2 Table #1 of Annex 1 – Pillar 3 reference: Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)
ESRS E1-6 Gross GHG emissions intensity: paragraphs 53 to 55	Environmental information – Climate change – Own operations: Management of climate change-related impacts – Metrics and targets	– SFDR reference: Indicators number 3 Table #1 of Annex 1 – Pillar 3 reference: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 8(1)
ESRS E1-7 GHG removals and carbon credits: paragraph 56	Environmental information – Climate change – Own operations: Management of climate change-related impacts – Metrics and targets	EU Climate Law reference: Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks: paragraph 66	not material	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk: paragraph 66 (c)	not material	Pillar 3 reference: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk

Disclosure requirement and related datapoint	**Section/Information if omitted**	**EU legislation complied with (SFDR[1], Pillar 3[2], Benchmark Regulation[3], EU Climate Law[4])**
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes: paragraph 67 (c)	not material	Pillar 3 reference: Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities: paragraph 69	not material	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil: paragraph 28	not material	SFDR reference: Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1
ESRS E3-1 Water and marine resources: paragraph 9	not material	SFDR reference: Indicator number 7 Table #2 of Annex 1
ESRS E3-1 Dedicated policy: paragraph 13	not material	SFDR reference: Indicator number 8 Table 2 of Annex 1
ESRS E3-1 Sustainable oceans and seas: paragraph 14	not material	SFDR reference: Indicator number 12 Table #2 of Annex 1
ESRS E3-4 Total water recycled and reused: paragraph 28 (c)	not material	SFDR reference: Indicator number 6.2 Table #2 of Annex 1
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations: paragraph 29	not material	SFDR reference: Indicator number 6.1 Table #2 of Annex 1
ESRS 2 – SBM-3 – E4: paragraph 16 (a) i	not applicable	SFDR reference: Indicator number 7 Table #1 of Annex 1
ESRS 2 – SBM-3– E4: paragraph 16 (b)	Environmental information – Biodiversity and ecosystems – Investments: Management of impacts on biodiversity and ecosystems – Strategy	SFDR reference: Indicator number 10 Table #2 of Annex 1
ESRS 2 – SBM-3 – E4: paragraph 16 (c)	Environmental information – Biodiversity and ecosystems – Investments: Management of impacts on biodiversity and ecosystems – Strategy	SFDR reference: Indicator number 14 Table #2 of Annex 1
ESRS E4-2 Sustainable land/agriculture practices or policies: paragraph 24 (b)	Environmental information – Biodiversity and ecosystems – Investments: Management of impacts on biodiversity and ecosystems – Strategy	SFDR reference: Indicator number 11 Table #2 of Annex 1
ESRS E4-2 Sustainable oceans/seas practices or policies: paragraph 24 (c)	Environmental information – Biodiversity and ecosystems – Investments: Management of impacts on biodiversity and ecosystems – Strategy	SFDR reference: Indicator number 12 Table #2 of Annex 1
ESRS E4-2 Policies to address deforestation: paragraph 24 (d)	Environmental information – Biodiversity and ecosystems – Investments: Management of impacts on biodiversity and ecosystems – Strategy	SFDR reference: Indicator number 15 Table #2 of Annex 1
ESRS E5-5 Non-recycled waste: paragraph 37 (d)	not material	SFDR reference: Indicator number 13 Table #2 of Annex 1
ESRS E5-5 Hazardous waste and radioactive waste: paragraph 39	not material	SFDR reference: Indicator number 9 Table #1 of Annex 1

ESRS 2 – SBM-3 – S1 Risk of incidents of forced labour: paragraph 14 (f)	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Strategy	SFDR reference: Indicator number 13 Table #3 of Annex I
ESRS 2 – SBM-3 – S1 Risk of incidents of child labour: paragraph 14 (g)	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Strategy	SFDR reference: Indicator number 12 Table #3 of Annex I
ESRS S1-1 Human rights policy commitments: paragraph 20	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Strategy	SFDR reference: Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8: paragraph 21	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Strategy	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS S1-1 Processes and measures for preventing trafficking in human beings: paragraph 22	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities	SFDR reference: Indicator number 11 Table #3 of Annex I
ESRS S1-1 Workplace accident prevention policy or management system: paragraph 23	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Strategy	SFDR reference: Indicator number 1 Table #3 of Annex I
ESRS S1-3 Grievance/complaints handling mechanisms: paragraph 32 (c)	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Strategy	SFDR reference: Indicator number 5 Table #3 of Annex I
ESRS S1-14 Number of fatalities and number and rate of work-related accidents: paragraph 88 (b) and (c)	not material	SFDR reference: Indicator number 2 Table #3 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness: paragraph 88 (e)	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Providing good working conditions – Health and safety	SFDR reference: Indicator number 3 Table #3 of Annex I
ESRS S1-16 Unadjusted gender pay gap: paragraph 97 (a)	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Diversity, equity and inclusion – Remuneration parameters	SFDR reference: Indicator number 12 Table #1 of Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS S1-16 Excessive CEO pay ratio: paragraph 97 (b)	Social information – Human rights and working conditions – Working conditions: Management of impacts, risks and opportunities – Providing good working conditions – Adequate wages	SFDR reference: Indicator number 8 Table #3 of Annex I
ESRS S1-17 Incidents of discrimination: paragraph 103 (a)	Social information – Human rights and working conditions – Human rights: Management of impacts – Metrics and targets – Indicators in our own workforce	SFDR reference: Indicator number 7 Table #3 of Annex I
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD: paragraph 104 (a)	Social information – Human rights and working conditions – Human rights: Management of impacts – Metrics and targets – Indicators in our own workforce	– SFDR reference: Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)
ESRS 2 – SBM-3 – S2 Significant risk of child labour or forced labour in the value chain: paragraph 11 (b)	not applicable	SFDR reference: Indicators number 12 and n. 13 Table #3 of Annex I

ESRS S2-1 Human rights policy commitments: paragraph 17	Social information – Human rights and working conditions – Human rights: Management of impacts – Actions – Human rights due diligence	SFDR reference: Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1
ESRS S2-1 Policies related to value chain workers: paragraph 18	Social information – Human rights and working conditions – Human rights: Management of impacts – Strategy	SFDR reference: Indicator number 11 and n. 4 Table #3 of Annex 1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines: paragraph 19	Social information – Human rights and working conditions – Human rights: Management of impacts – Metrics and targets – Indicators in the value chain	– SFDR reference: Indicator number 10 Table #1 of Annex 1 – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8: paragraph 19	Social information – Human rights and working conditions – Human rights: Management of impacts – Strategy	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain: paragraph 36	Social information – Human rights and working conditions – Human rights: Management of impacts – Metrics and targets – Indicators in the value chain	SFDR reference: Indicator number 14 Table #3 of Annex 1
ESRS S3-1 Human rights policy commitments: paragraph 16	Social information – Human rights and working conditions – Human rights: Management of impacts – Actions – Human rights due diligence	SFDR reference: Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines: paragraph 17	Social information – Human rights and working conditions – Human rights: Management of impacts – Metrics and targets – Indicators in the value chain	– SFDR reference: Indicator number 10 Table #1 Annex 1 – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)
ESRS S3-4 Human rights issues and incidents: paragraph 36	Social information – Human rights and working conditions – Human rights: Management of impacts – Metrics and targets – Indicators in the value chain	SFDR reference: Indicator number 14 Table #3 of Annex 1
ESRS S4-1 Policies related to consumers and end-users: paragraph 16	not material	SFDR reference: Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines: paragraph 17	not material	– SFDR reference: Indicator number 10 Table #1 of Annex 1 – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)
ESRS S4-4 Human rights issues and incidents: paragraph 35	not material	SFDR reference: Indicator number 14 Table #3 of Annex 1
ESRS G1-1 United Nations Convention against Corruption: paragraph 10 (b)	not applicable, as process is fully described under Governance information – Corporate governance and compliance – Compliance: Management of impacts and risks – Strategy	SFDR reference: Indicator number 15 Table #3 of Annex 1
ESRS G1-1 Protection of whistleblowers: paragraph 10 (d)	not applicable, as process is fully described under Governance information – Corporate governance and compliance – Compliance: Management of impacts and risks – Actions – Whistleblowing portal	SFDR reference: Indicator number 6 Table #3 of Annex 1
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws: paragraph 24 (a)	Governance information – Corporate governance and compliance – Compliance: Management of impacts and risks – Metrics and targets – Compliance violations	– SFDR reference: Indicator number 17 Table #3 of Annex 1 – Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II)

ESRS G1-4 Standards of anticorruption and anti-bribery: paragraph 24 (b)	Governance information – Corporate governance and compliance – Compliance: Management of impacts and risks – Metrics and targets – Compliance violations	SFDR reference: Indicator number 16 Table #3 of Annex 1

1 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
2 Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
3 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (OJ L 171, 29.6.2016, p. 1).
4 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).
5 Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).
6 Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1).
7 Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

EU Taxonomy Regulation templates

In this section we present, in accordance with Article 6 of the Commission Delegated Regulation (EU) 2021/2178, the information relevant for insurance and reinsurance undertakings, in table form using the templates set out in Annex X. We also present the standard templates set out in Annex XII for the disclosure of nuclear and fossil gas-related activities in accordance with Article 8, paragraphs 6 and 7.

Investments

Financial year 2024

Template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned economic activities in relation to total investments

Description	%	Description	€m
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:	3.4	Turnover-based:	5,403
CapEx-based:	3.7	CapEx-based:	5,887
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	61.6	Coverage ratio:	159,933
Additional, complementary disclosures: breakdown of the denominator of the KPI			
The percentage of derivatives relative to total assets covered by the KPI.	2.1	The value in monetary amounts of derivatives.	3,388
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	20.3	For non-financial undertakings:	32,485
For financial undertakings:	34.4	For financial undertakings:	55,019
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	14.5	For non-financial undertakings:	23,227
For financial undertakings:	19.2	For financial undertakings:	30,759
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	5.4	For non-financial undertakings:	8,620

Description	%	Description	€m
For financial undertakings:	9.9	For financial undertakings:	15,829
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:[1]	27.9	Value of exposures to other counterparties and assets:[1]	44,592
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders:[3]	94.7	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders:[3]	151,473
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:		Value of all the investments that are funding economic activities that are not Taxonomy-eligible:	
Turnover-based:	17.9	Turnover-based:	28,626
CapEx-based:	17.4	CapEx-based:	27,786
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned:	
Turnover-based:	20.5	Turnover-based:	32,806
CapEx-based:	20.2	CapEx-based:	32,329
Additional, complementary disclosures: breakdown of the numerator of the KPI			
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings: Turnover-based:	0.5	For non-financial undertakings: Turnover-based:	858
For non-financial undertakings: CapEx-based:	0.9	For non-financial undertakings: CapEx-based:	1,464
For financial undertakings: Turnover-based:	0.3	For financial undertakings: Turnover-based:	468
For financial undertakings: CapEx-based:	0.2	For financial undertakings: CapEx-based:	329
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	
Turnover-based:	3.3	Turnover-based:	5,220
CapEx-based:	3.6	CapEx-based:	5,689
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:[1]		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:[1]	
Turnover-based:	2.5	Turnover-based:	4,078
CapEx-based:	2.6	CapEx-based:	4,093
Breakdown of the numerator of the KPI per environmental objective			
Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:			
Environmental objective	**%**	**Breakdown**	**%**
1. Climate change mitigation[2]			
Turnover:	97.8	Transitional activities: (Turnover)	1.4
CapEx:	99.7	Transitional activities: (CapEx)	1.6
		Enabling activities: (Turnover)	10.1
		Enabling activities: (CapEx)	13.5
2. Climate change adaptation[2]			
Turnover:	2.2	Enabling activities: (Turnover)	0.0
CapEx:	0.3	Enabling activities: (CapEx)	1.9
3. The sustainable use and protection of water and marine resources[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–
4. The transition to a circular economy[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–
5. Pollution prevention and control[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–

Description	%	Description	€m
6. The protection and restoration of biodiversity and ecosystems[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–

1 Amended based on Art. 5(3) of the Delegated Regulation of 27 June 2023.
2 In accordance with Art. 5(3) of the Delegated Regulation of 27 June 2023, “transitional activities” were deleted for environmental objectives 2–6 (see Annex 5, paragraph 11).
3 The restriction to investments “that are directed at funding, or are associated with, Taxonomy-aligned economic activities” has been deleted, as this does not apply to the denominator.

Template 1 (Turnover): Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 (Turnover): Taxonomy-aligned economic activities (denominator)

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.0	1	0.0	0	0.0
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**5,403**	**3.4**	**5,284**	**3.3**	**119**	**0.1**
8.	**Total applicable KPI**	**5,403**	**3.4**	**5,284**	**3.3**	**119**	**0.1**

Template 3 (Turnover): Taxonomy-aligned economic activities (numerator)

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	0.0	1	0.0	0	0.0
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**5,403**	**100.0**	**5,284**	**97.8**	**119**	**2.2**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**5,403**	**100.0**	**5,284**	**97.8**	**119**	**2.2**

Template 4 (Turnover): Taxonomy-eligible but not Taxonomy-aligned economic activities

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9	0.0	9	0.0	0	0.0
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	509	0.3	509	0.3	0	0.0
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12	0.0	12	0.0	0	0.0
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	0.0	2	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**32,274**	**20.2**	**–**	**–**	**–**	**–**
8.	**Total amount and proportion of Taxonomy eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**32,806**	**20.5**	**–**	**–**	**–**	**–**

Template 5 (Turnover): Taxonomy non-eligible economic activities

Row	Economic activities	€m	%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**28,626**	**17.9**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**28,626**	**17.9**

Template 1 (CapEx): Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 (CapEx): Taxonomy-aligned economic activities (denominator)

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**5,887**	**3.7**	**5,867**	**3.7**	**20**	**0.0**
8.	**Total applicable KPI**	**5,887**	**3.7**	**5,867**	**3.7**	**20**	**0.0**

Template 3 (CapEx): Taxonomy-aligned economic activities (numerator)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		€m	%	€m	%	€m	%
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**5,887**	**100.0**	**5,867**	**99.7**	**20**	**0.3**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**5,887**	**100.0**	**5,867**	**99.7**	**20**	**0.3**

Template 4 (CapEx): Taxonomy-eligible but not Taxonomy-aligned economic activities

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.0	1	0.0	0	0.0
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	382	0.2	380	0.2	2	0.0
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	19	0.0	19	0.0	0	0.0
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.0	1	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**31,927**	**20.0**	**–**	**–**	**–**	**–**
8.	**Total amount and proportion of Taxonomy eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**32,329**	**20.2**	**–**	**–**	**–**	**–**

Template 5 (CapEx): Taxonomy non-eligible economic activities

Row	Economic activities	€m	%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**27,786**	**17.4**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**27,786**	**17.4**

Previous year (2023)

Template: The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned economic activities in relation to total investments

Description	%	Description	€m
The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:	2.2	Turnover-based:	3,488
CapEx-based:	2.5	CapEx-based:	3,861
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	63.3	Coverage ratio:	156,093
Additional, complementary disclosures: breakdown of denominator of the KPI			
The percentage of derivatives relative to total assets covered by the KPI.	2.0	The value in monetary amounts of derivatives.	3,176
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	22.0	For non-financial undertakings:	34,374
For financial undertakings:	36.5	For financial undertakings:	57,012
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	15.6	For non-financial undertakings:	24,415
For financial undertakings:	18.5	For financial undertakings:	28,917
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	4.7	For non-financial undertakings:	7,381
For financial undertakings:	7.2	For financial undertakings:	11,261
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:[1]	27.5	Value of exposures to other counterparties and assets:[1]	42,889
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders:[3]	94.9	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders:[3]	148,160
The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:		Value of all the investments that are funding economic activities that are not Taxonomy-eligible:	
Turnover-based:	15.8	Turnover-based:	24,646
CapEx-based:	14.4	CapEx-based:	22,465
The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned:	
Turnover-based:	16.6	Turnover-based:	25,876
CapEx-based:	17.0	CapEx-based:	26,491
Additional, complementary disclosures: breakdown of numerator of the KPI			
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings: Turnover-based:	0.3	For non-financial undertakings: Turnover-based:	466
For non-financial undertakings: CapEx-based:	0.5	For non-financial undertakings: CapEx-based:	825
For financial undertakings: Turnover-based:	0.0	For financial undertakings: Turnover-based:	0
For financial undertakings: CapEx-based:	0.0	For financial undertakings: CapEx-based:	0

Description	%	Description	€m
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	
Turnover-based:	2.2	Turnover-based:	3,468
CapEx-based:	2.5	CapEx-based:	3,829
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:[1]		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:[1]	
Turnover-based:	1.9	Turnover-based:	3,022
CapEx-based:	1.9	CapEx-based:	3,037
Breakdown of the numerator of the KPI per environmental objective			
Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:			
Environmental objective	%	**Breakdown**	%
1. Climate change mitigation[2]			
Turnover:	100.0	Transitional activities: (Turnover)	1.1
CapEx:	100.0	Transitional activities: (CapEx)	2.2
		Enabling activities: (Turnover)	11.8
		Enabling activities: (CapEx)	15.3
2. Climate change adaptation[2]			
Turnover:	0.0	Enabling activities: (Turnover)	0.0
CapEx:	0.0	Enabling activities: (CapEx)	0.0
3. The sustainable use and protection of water and marine resources[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–
4. The transition to a circular economy[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–
5. Pollution prevention and control[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–
6. The protection and restoration of biodiversity and ecosystems[2]			
Turnover:	–	Enabling activities: (Turnover)	–
CapEx:	–	Enabling activities: (CapEx)	–

1 Amended based on Art. 5(3) of the Delegated Regulation of 27 June 2023.
2 In accordance with Art. 5(3) of the Delegated Regulation of 27 June 2023, "transitional activities" were deleted for environmental objectives 2–6 (see Annex 5, paragraph 11).
3 The restriction to investments "that are directed at funding, or are associated with, Taxonomy-aligned economic activities" has been deleted, as this does not apply to the denominator.

Template 1 (Turnover): Nuclear and fossil gas related activities[1]

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

1 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 2 (Turnover): Taxonomy-aligned economic activities (denominator)[1, 2]

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**3,488**	**2.2**	**3,488**	**2.2**	**0**	**0.0**
8.	**Total applicable KPI**[3]	**3,488**	**2.2**	**3,488**	**2.2**	**0**	**0.0**

1 Only alignment figures from non-financial investee undertakings are included, as reported alignment data from financial undertakings was not available for the 2023 financial year.
2 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.
3 The previous years' figures for "total applicable KPI" have been amended in accordance with the requirements of the EU Taxonomy Regulation.

Template 3 (Turnover): Taxonomy-aligned economic activities (numerator)[1, 2]

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		€m	%	€m	%	€m	%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**3,488**	**100.0**	**3,488**	**100.0**	**0**	**0.0**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**3,488**	**100.0**	**3,488**	**100.0**	**0**	**0.0**

1 Only alignment figures from non-financial investee undertakings are included, as reported alignment data from financial undertakings was not available for the 2023 financial year.
2 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 4 (Turnover): Taxonomy-eligible but not Taxonomy-aligned economic activities[1]

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		€m	%	€m	%	€m	%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	480	0.3	480	0.3	0	0.0
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**25,395**	**16.3**	**–**	**–**	**–**	**–**
8.	**Total amount and proportion of Taxonomy eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**25,876**	**16.6**	**–**	**–**	**–**	**–**

1 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 5 (Turnover): Taxonomy non-eligible economic activities[1]

Row	Economic activities	€m	%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**24,646**	**15.8**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**24,646**	**15.8**

1 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 1 (CapEx): Nuclear and fossil gas related activities[1]

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

1 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 2 (CapEx): Taxonomy-aligned economic activities (denominator)[1, 2]

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**3,861**	**2.5**	**3,861**	**2.5**	**1**	**0.0**
8.	**Total applicable KPI[3]**	**3,861**	**2.5**	**3,861**	**2.5**	**1**	**0.0**

1 Only alignment figures from non-financial investee undertakings are included, as reported alignment data from financial undertakings was not available for the 2023 financial year.
2 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.
3 The previous years' figures for "total applicable KPI" have been amended in accordance with the requirements of the EU Taxonomy Regulation.

Template 3 (CapEx): Taxonomy-aligned economic activities (numerator)[1, 2]

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.0	0	0.0	0	0.0
7.	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**3,861**	**100.0**	**3,861**	**100.0**	**1**	**0.0**
8.	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**3,861**	**100.0**	**3,861**	**100.0**	**1**	**0.0**

1 Only alignment figures from non-financial investee undertakings are included, as reported alignment data from financial undertakings was not available for the 2023 financial year.
2 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 4 (CapEx): Taxonomy-eligible but not Taxonomy-aligned economic activities[1]

		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM+CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	€m	%	€m	%	€m	%
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	480	0.3	480	0.3	0	0.0
7.	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**26,011**	**16.7**	**–**	**–**	**–**	**–**
8.	**Total amount and proportion of Taxonomy eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**26,491**	**17.0**	**–**	**–**	**–**	**–**

1 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Template 5 (CapEx): Taxonomy non-eligible economic activities[1]

Row	Economic activities	€m	%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0
7.	**Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**22,465**	**14.4**
8.	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**22,465**	**14.4**

1 With respect to Taxonomy-eligibility and -alignment, the contribution of liquid assets in nuclear and gas is immaterial. As a consequence, these assets are not taken into account.

Insurance activities

Our reporting in accordance with the regulatory template in the EU Taxonomy Delegated Regulation 2023/2486 can be found under > Environmental information > Disclosures under Article 8 of Regulation (EU) 2020/852/Taxonomy Regulation > Insurance activities.

Key intangible resources[1]

Key intangible resources are resources without physical substance on which the business model of the Group fundamentally depends and which are a source of value creation for the Group.

Munich Re's business model is based in particular on our good reputation and independent ratings of our financial strength. In short, financial strength ratings issued by rating agencies are assessments of our ability to meet our ongoing obligations towards our policyholders and cedants. Global rating agencies have been rating our financial strength in the AA rating category for many years. Along with our global presence, strong brand and market position as one of the world's leading reinsurers, these ratings constitute an important foundation on which we build and maintain trustful relationships with our clients.

In primary insurance, high levels of customer satisfaction and our strong brands represent key intangible resources in the context of our market access and close relationships with our customers. Maintaining a close relationship of trust with our primary insurance customers and reinsurance clients is a key element towards the success of our business. For details, please refer to the > Combined non-financial statement > Social information > Customer orientation and satisfaction.

Another key intangible resource is our intellectual capital. Indeed, our internal risk model, natural catastrophe models, underwriting processes, and our intellectual capital combined enable us to adequately assess as well as reasonably and competitively price risks. As a knowledge-based company, the expertise of our staff is also a pillar of Munich Re's success and, as such, yet another key intangible resource. For more information, please see the > Combined non-financial statement > Social information > Human rights and working conditions > Working conditions.

1 The section on key intangible resources is part of the combined management report and was not audited.

Munich Reinsurance Company (information reported on the basis of German accountancy rules)

For the 2024 financial year, Munich Re again utilised the option of publishing a combined management report in accordance with Section 315(5) in conjunction with Section 298(2) of the German Commercial Code (HGB). Supplementary to our Munich Re reporting, this section provides details on the performance of Munich Reinsurance Company.

The annual financial statements of Munich Reinsurance Company are prepared in accordance with German accounting rules (HGB). By contrast, the consolidated financial statements are prepared in accordance with IFRS Accounting Standards. As a result, there are some deviations in the accounting policies – mainly with regard to intangible assets, non-financial investments, financial instruments, underwriting assets and liabilities, and deferred taxes.

Market environment and major factors of influence

The macroeconomic and industry environment of Munich Reinsurance Company essentially corresponds to that of the Group. Please see the section > Macroeconomic and industry environment for more detailed information.

Business performance

In the 2024 financial year, Munich Reinsurance Company's business performance was once again encouraging overall, despite a year-on-year increase in major-loss expenditure. By contrast, growth of profitable business was the main factor driving the positive net result. In addition, the reserve releases made for prior accident years following a review of our reserving position were up on the previous year. The underwriting result before claims equalisation provision decreased moderately overall.

The accounting result of Munich Reinsurance Company developed as follows:

Condensed income statement for Munich Reinsurance Company

	2024	Prev. year	Change
	€m	€m	%
Earned premiums for own account	26,573	25,742	3.2
Interest on technical provisions for own account	331	235	40.6
Other underwriting income for own account	–14	0	–
Claims incurred for own account	–18,946	–18,674	–1.5
Change in other technical provisions for own account	109	474	–76.9
Expenses for performance-related and non-performance-related premium refunds for own account	0	–1	–
Operating expenses for own account	–6,601	–6,289	–5.0
Other underwriting expenses for own account	–77	–29	–163.5
Underwriting result before claims equalisation provision	**1,375**	**1,459**	**–5.7**
Change in claims equalisation provision and similar provisions	4	252	–98.3
Underwriting result for own account	**1,379**	**1,711**	**–19.4**
Investment income	7,453	5,257	41.8
Investment expenses	–2,017	–2,266	11.0
Interest income on technical provisions	–350	–263	–33.0
Other income	1,212	955	27.0
Other expenses	–1,470	–1,093	–34.6
Non-technical result	**4,828**	**2,590**	**86.4**
Operating result before tax	**6,208**	**4,301**	**44.3**
Taxes on income and profit and other taxes	–1,452	–360	–303.4
Profit for the year	**4,756**	**3,941**	**20.7**
Profit brought forward from previous year	5	13	–61.9
Transfers from other revenue reserves	0	0	–
Appropriations to other revenue reserves	–2,133	–1,943	–9.8
Net retained profits	**2,628**	**2,011**	**30.7**

Technical result

In the 2024 financial year, Munich Reinsurance Company's gross premium income totalled €33,384m (32,018m). The year-on-year increase of 4.3% chiefly resulted from new business and growth of existing business. Changes in the value of the euro as against other currencies had a dampening effect.

Gross premium volume in life and health reinsurance was up in the reporting year, with gross premiums rising by 15.4% to €9,526m (8,254m). If exchange rates had remained unchanged, our premium income in life and health reinsurance would have increased by 16.7%.

In property-casualty reinsurance, too, we posted growth in gross premium income of 0.4% to €23,858m (23,764m) in the reporting year. The increase was due to new business and business growth across a large number of lines and regions. If exchange rates had remained the same, premium volume would have been up by 1.5%.

In the reinsurance renewals, Munich Re managed to exploit growth opportunities across the Group. These involved the expansion of existing client relationships as well as new business. At the same time, Munich Re was also willing to discontinue business that no longer met its expectations with regard to profitability or terms and conditions. It was possible to maintain the high quality of our portfolio thanks to stable or improved contractual terms and conditions. Price development was stable overall, and for the most part more than compensated for the higher loss estimates in some areas, which were primarily attributable to inflation and other loss trends. Munich Re also benefited from an increase in primary insurance prices in many markets as regards proportional treaties. All in all, prices for the Munich Re portfolio increased by around 0.2%.

The underwriting result before claims equalisation provision of Munich Reinsurance Company was down year-on-year to €1,375m (1,459m), also due to higher major-loss expenditure than in the previous year. Our customary review of provisions for the full year, which resulted in a higher release of provisions for claims from prior years, had a mitigating effect. The safety margin in the provisions increased year on year.

Major-loss expenditure totalling €3,002m (2,724m) after retrocession and before tax was higher year on year, and exceeded the expected value of 14%. There were again many major losses in the 2024 financial year. With expected losses of around €335m, the year's biggest loss event by far was Storm Boris in September, which caused flooding in Central and Eastern Europe. In addition, there were a number of flood, thunderstorm and storm events, particularly in North America and Europe. Aggregate natural catastrophe losses were lower than in the previous year at €1,765m (1,973m). In terms of net earned premium, aggregate natural catastrophe losses accounted for 8.7 (9.8) percentage points of the loss ratio.

In property-casualty reinsurance, man-made major losses totalled €1,236m (750m) in the reporting year, up on the previous year. This was equivalent to 6.1 (3.7) percentage points of net earned premium.

The combined ratio, which reflects the relation of claims and costs to net earned premiums, fell to 93.5% (96.4%) overall, mainly owing to the above effects.

Performance of the classes of business

Life

		2024	Prev. year	Change
				%
Gross premiums written	€m	8,264	7,301	13.2
Underwriting result before claims equalisation provision and similar provisions	€m	68	758	–91.0

In life reinsurance, premium income rose, also due to intra-Group retrocessions with primary insurance and reinsurance subsidiaries and to new contracts in the United Kingdom. The drop in the underwriting result is primarily due to a one-off effect from extraordinary reserve releases in the previous year. There was also a drop in the result overall in the reporting year due to loss and reserve trends, particularly in our North American business.

Health

		2024	Prev. year	Change
				%
Gross premiums written	€m	1,262	953	32.4
Combined ratio	%	100.4	90.6	
Underwriting result before claims equalisation provision and similar provisions	€m	13	80	–83.8

In health reinsurance, premium income was up in India, China and Canada. The drop in the underwriting result can be traced back first and foremost to higher claims expenditure in Canada and the non-renewal of a small number of contracts in China.

Personal accident

		2024	Prev. year	Change
				%
Gross premiums written	€m	397	400	−0.8
Combined ratio	%	78.7	82.3	
Underwriting result before claims equalisation provision and similar provisions	€m	73	83	−12.0

Premium income in personal accident reinsurance remained almost constant year on year. The underwriting result before claims equalisation provision fell due to higher expenditure.

Marine

		2024	Prev. year	Change
				%
Gross premiums written	€m	714	638	11.9
Combined ratio	%	90.3	84.1	
Underwriting result before claims equalisation provision and similar provisions	€m	51	75	−32.0

In marine reinsurance, we were able to increase premium income in the reporting year. The underwriting result before claims equalisation provision fell slightly due to higher major-loss expenditure.

Third-party liability

		2024	Prev. year	Change
				%
Gross premiums written	€m	3,238	3,832	−15.5
Combined ratio	%	141.9	126.6	
Underwriting result before claims equalisation provision and similar provisions	€m	−1,239	−950	−30.4

In third-party liability reinsurance, premium income fell in the reporting year mainly on account of quota share reductions and moves to withdraw from unprofitable business. The underwriting result before claims equalisation provision decreased year on year owing to much higher expenditure for major losses.

Aviation

		2024	Prev. year	Change
				%
Gross premiums written	€m	710	722	−1.7
Combined ratio	%	120.9	107.0	
Underwriting result before claims equalisation provision and similar provisions	€m	−140	−49	−185.7

Premium income in aviation reinsurance, which comprises the aviation and space classes, remained nearly constant compared with the previous year. The underwriting result before claims equalisation provision decreased in the reporting year owing to higher claims expenditure.

Motor

		2024	Prev. year	Change
				%
Gross premiums written	€m	5,305	4,537	16.9
Combined ratio	%	102.4	115.0	
Underwriting result before claims equalisation provision and similar provisions	€m	−74	−398	81.4

In motor reinsurance, premium income increased in the reporting year – mainly on account of higher premiums. The underwriting result before claims equalisation provision improved in the reporting year, largely owing to lower claims expenditure compared with the previous year.

Fire

		2024	Prev. year	Change
				%
Gross premiums written	€m	3,352	3,390	−1.1
Combined ratio	%	79.9	97.7	
Underwriting result before claims equalisation provision and similar provisions	€m	569	59	864.4

Premium income in fire reinsurance remained more or less constant in the reporting year. The underwriting result before claims equalisation provision improved considerably year on year thanks to much lower claims expenditure.

Engineering

		2024	Prev. year	Change
				%
Gross premiums written	€m	1,340	1,232	8.8
Combined ratio	%	90.3	84.2	
Underwriting result before claims equalisation provision and similar provisions	€m	110	156	–29.5

In engineering (machinery, EAR, CAR, EEI, etc.), premium income saw a year-on-year increase due to business growth. The underwriting result was down due to a higher loss ratio than in the previous year.

Other classes

		2024	Prev. year	Change
				%
Gross premiums written	€m	8,802	9,013	–2.3
Combined ratio	%	74.5	78.3	
Underwriting result before claims equalisation provision and similar provisions	€m	1,944	1,645	18.2

Under “Other classes”, we subsume the remaining classes of property insurance, such as burglary, plate glass, hail (including agricultural insurance), water damage, contingency, windstorm, livestock and householders’ and homeowners’ comprehensive insurance as well as credit insurance.

Premium income dropped slightly year on year. The combined underwriting result of the “Other classes” before claims equalisation provision rose year on year, mainly due to lower claims expenditure.

Non-technical result

The global economy continued on its moderate growth trajectory in 2024. While what had previously been very strong growth in the United States tapered off slightly, the economy in the eurozone gradually recovered from stagnation, although Germany’s economy contracted slightly. The rate of growth in China fell, prompting extensive fiscal support measures. Although rates of inflation in the United States and the eurozone alike were down year on year, price pressures in services remained high.

Major central banks started loosening the monetary policy reins in 2024 on the back of falling inflation.

Yields on ten-year government bonds in the US and Germany moved within a slightly narrower range in 2024 than in 2023, and, over the year as a whole, remained more or less on par with the previous year on average, despite the key rate cuts. In the US, mounting inflation expectations associated with Donald Trump’s re-election drove bond yields up. At the end of December, US yields were significantly higher, and German yields slightly higher, than at the start of the year.

Important equity indices rose significantly in 2024, including the US Dow Jones Industrial Average and the EURO STOXX 50. Volatility on the international financial markets was low in the first half of the year. Prices slumped in August triggered by concerns surrounding the US economy, but volatility levels soon fell again.

Exchange rate volatility was not particularly pronounced, as in the previous year. The US dollar gained ground against a large number of currencies in the fourth quarter as investors anticipated higher inflation and a delay in the cycle of interest rate cuts. At the end of December, the US dollar and the British pound were much higher against the euro compared with the start of the year. In the 2024 financial year, Munich Reinsurance Company’s return on investment (including deposits retained on assumed reinsurance) totalled 6.1% (3.5%) on the basis of carrying amounts.

Investment result

€m	2024	Prev. year
Regular income	5,127	2,938
Write-ups/write-downs	91	193
Gains/losses on the disposal of investments	550	444
Other income/expenses	–333	–584
Total	**5,436**	**2,991**

The marked increase in the investment result in the 2024 financial year can be attributed to a significant one-off effect related to income from affiliated companies. In addition to this one-off effect, there was also an improvement in net income and expenses from derivative financial instruments.

Profit for the year

Munich Reinsurance Company generated a profit of €4,756m (3,941m) in the 2024 financial year, up significantly in a year-on-year comparison thanks in particular to an above-average investment result.

The increase in tax expenses compared to the previous year is attributable to the German parent company’s higher tax burden from previous years and higher taxes incurred by the branches for the current year.

Financial position

Balance sheet structure of Munich Reinsurance Company

	2024	Prev. year	Change
	€m	€m	%
Intangible assets	93	104	−11.0
Investments	93,097	86,449	7.7
Receivables	16,857	21,774	−22.6
Other assets	1,583	1,117	41.7
Deferred items	507	446	13.6
Excess of plan assets over pension liabilities	144	158	−9.2
Total assets	**112,281**	**110,049**	**2.0**
Equity	16,605	15,288	8.6
Subordinated liabilities	6,207	4,632	34.0
Technical provisions	76,355	72,409	5.5
Other provisions	2,930	2,858	2.5
Deposits retained on retroceded business	2,925	2,578	13.4
Other liabilities	7,235	12,267	−41.0
Deferred items	24	17	34.8
Total equity and liabilities	**112,281**	**110,049**	**2.0**

In the 2024 financial year, Munich Reinsurance Company generated net retained profits of €2,628m (2,011m) according to German accountancy rules (HGB). Including these net retained profits, the Company's revenue reserves amounted to €9,183m (7,864m) as at the reporting date, of which €81m (150m) is subject to a restriction on distribution. The distributable earnings thus amount to €9,102m (7,714m).

The shareholders' equity of Munich Reinsurance Company as determined under German accountancy rules is protected against the risk of loss arising from a random accumulation of losses by the claims equalisation provision totalling €7,380m (7,395m). Given our robust capital position according to all calculation methods, we intend – subject to the approval of the Annual General Meeting – to pay our shareholders an increased dividend of €20.00 (15.00) per share for the 2024 financial year, or €2,628m (2,011m) in total, from Munich Reinsurance Company's net retained profits.

Equity[1]

€m	2024	Prev. year
Issued capital	577	580
Capital reserve	6,845	6,845
Revenue reserves	6,555	5,853
Net retained profits	2,628	2,011
Equity	**16,605**	**15,288**

1 Information on Section 160(1) no. 2 of the German Stock Corporation Act (AktG) can be found in Note 6 of Munich Reinsurance Company's Annual Report 2024.

Pursuant to German commercial and company law, dividends and share buy-backs may only be paid out of profits and revenue reserves. Besides the expenses and income incurred in the current year, changes in the claims equalisation provision also have a significant influence on the level of profits for the year.

The carrying amount of Munich Reinsurance Company's investments excluding deposits retained on assumed reinsurance increased to €83,052m (77,053m).

As at 31 December 2024, 87% of our fixed-interest securities were rated "A" or better. Overall, 97% of our fixed-interest securities were investment-grade at the reporting date.

The claims equalisation provision is established for individual classes of property-casualty business. It serves to smooth significant fluctuations in loss experience over a number of years. Its recognition and measurement are governed by legal provisions.

If, in a given financial year, loss ratios in individual classes of business are significantly in excess of the long-term average (which amounts to 15 years in most classes), the claims equalisation provision is reduced and the above-average loss expenditure is largely offset. According to current calculations, it is expected that – given normal claims expenditure in the 2025 financial year – the amounts allocated will be moderate.

The target or maximum amount allowed for the claims equalisation provision, which is essentially calculated on the basis of earned premiums and the standard deviation of the loss ratio in the respective class of insurance, determines the amount of the annual non-performance-related allocation to the claims equalisation provision. The performance-related change in the claims equalisation provision is added to this figure in years in which claims experience is favourable (i.e. when the random occurrence of claims is below average), whereas amounts are withdrawn in years in which claims experience is adverse (i.e. the random occurrence of claims is above average).

Overall, the balance sheet item "Claims equalisation provision and similar provisions" fell by €4m to €8,056m (8,060m) in the reporting year. Owing to favourable claims experience, we had to allocate significant amounts to the claims equalisation provision in some classes of business – especially in fire €814m (338m), credit €168m (197m), and marine €17m (25m).

Adverse claims experience meant that the claims equalisation provision was reduced in the following classes of business: third-party liability −€643m (−237m), motor −€84m (−270m), and aviation −€39m (−46m).

In addition, owing to a reduction of the maximum amount, the claims equalisation provision in personal accident reinsurance was adjusted by −€246m (−284m).

The current level of the claims equalisation provision is 100% of the legally stipulated maximum amount allowed in the credit and personal accident classes of business, and more than 50% in fire, third-party liability and motor.

Liquidity

Our liquidity is ensured at all times by means of detailed liquidity planning. As a rule, the Company generates significant liquidity from its premium income, from regular investment income and from investments that mature. We also attach great importance to the credit rating and fungibility of our investments. Given the maturity structure of the outstanding bonds and the credit facilities employed (which are, in any case, relatively insignificant in scope), there are no refinancing requirements.

Statement on Corporate Governance for the 2024 financial year pursuant to Section 289f and Section 315d of the German Commercial Code (HGB)

Munich Reinsurance Company has submitted the Statement of Corporate Governance pursuant to Section 289f of the Commercial Code (HGB), and the Group Statement of Corporate Governance in accordance with Section 315d of the Commercial Code. The statements have been combined and can be found in the “Corporate governance” section. Pursuant to Section 317(2) sentence 6 of the Commercial Code, the audit of statements by the auditors is limited to whether or not this has been done. The combined Statement on Corporate Governance can be found on the Munich Re website at www.munichre.com/cg-en.

Further information

Risks and opportunities

The business performance of Munich Reinsurance Company is largely subject to the same risks and opportunities as the performance of the reinsurance field of business presented in the consolidated financial statements. Munich Reinsurance Company generally participates in the risks of its shareholdings and subsidiaries in accordance with its respective percentage interest held. Munich Reinsurance Company is integrated in the Group-wide risk management system and internal control system of the Group. Further information is provided in the > Risk report and in the > Opportunities report.

Remuneration report of Munich Reinsurance Company

The principles regarding the structure and design of the compensation system of Munich Reinsurance Company correspond to those of the Group. Further information is provided in the remuneration report at www.munichre.com/board-of-management.

Other information

On 31 December 2024, Munich Reinsurance Company had 5,024 (4,716) employees.

Munich Reinsurance Company has branches in Australia, Canada, China, France, India, Italy, Japan, Malaysia, New Zealand, Singapore, South Korea, Spain and the United Kingdom.

Prospects

The projections by Munich Reinsurance Company about the future development of its business are essentially subject to the same influences as the reinsurance life and health and reinsurance property-casualty segments presented in the consolidated financial statements. You can find this information in > Outlook 2025.

Against this background, Munich Reinsurance Company should post gross premium of around €34bn in the 2025 financial year – assuming that exchange rates remain constant. We expect the combined ratio to be at around the same level as in the reporting year. Assuming average claims experience, we project that the underwriting result before claims equalisation provision for the 2025 financial year will be slightly higher than in the reporting year.

The investment result of Munich Reinsurance Company is expected to decrease substantially in the 2025 financial year, as we anticipate lower gains on disposal, and, above all, a reduction in income from affiliated companies, given that 2024 had been impacted by a one-off effect.

As things stand at present, we expect to achieve an adequate German GAAP (HGB) result in the 2025 financial year, although it is likely to be lower than in the reporting year.

Corporate governance

Dr. Nikolaus von Bomhard
Chair of the Supervisory Board

Dear Readers,

In the 2024 financial year, the Supervisory Board fulfilled all the tasks and duties incumbent upon it by law and under the Articles of Association and the rules of procedure. The overall attendance of members at meetings of the Supervisory Board and its committees was 99%; an overview of attendance can be found at the end of the Report of the Supervisory Board and at www.munichre.com/supervisory-board. Most of the meetings of the full Supervisory Board and of the committees were held in person. A number of meetings were also held as virtual sessions using video calls or as hybrid meetings, i.e. with some members participating in person and others by video call.

We monitored the Board of Management in its conduct of the business, and gave advice on all matters of importance for the Group. No inspection measures in accordance with Section 111(2) sentence 1 of the German Stock Corporation Act (AktG) were required at any time.

Collaboration between Supervisory Board and Board of Management

The Board of Management punctually and directly involved the Supervisory Board in all important business transactions and decisions of fundamental significance for the Group. In our meetings, we discussed the reports from the Board of Management in detail. Cooperation with the Board of Management was characterised in every regard by targeted and responsible action aimed at promoting the successful development of Munich Re. The Board of Management satisfied its reporting obligations towards the Supervisory Board in all respects, both verbally and in writing.

Outside of Supervisory Board meetings, the Board of Management informed us promptly and extensively about important events in the Group, such as the implementation of the project to merge the IT organisations for reinsurance, ERGO and MEAG, as well as the results of electing employee representatives to the Supervisory Board pursuant to the Co-Determination Agreement. In addition, the shareholder representatives and the employee representatives met regularly with the Chair of the Board of Management, Joachim Wenning, for separate discussions in preparation for the meetings. The employee representatives also met with the Labour Relations Director, Achim Kassow, in December.

Between meetings, I had regular discussions with the Chair of the Board of Management. We discussed questions of strategic orientation, succession planning, risk management, compliance, the current business situation and the impact of geopolitical crises on Munich Re. Also between meetings, the Chair of the Audit Committee, Maximilian Zimmerer, remained in close contact with Chief Financial Officer Christoph Jurecka.

Focal points of the meetings of the full Supervisory Board

There were seven meetings of the Supervisory Board in the year under review. The meeting held on 26 February 2024 was as a hybrid meeting; the other meetings were held in person. We regularly had in-depth discussions with the Board of Management about business performance and current topics, with a special focus on strategic considerations of the Board of Management with respect to the individual fields of business. The Board of Management reported to us on an ongoing basis on Munich Re's investments, addressing developments in the global economy and financial markets in detail, as well as their impact on the Group's assets, financial position and results. In addition, we advised the Board of Management on matters of strategic importance for the future of the Group, with a particular focus last year on the innovation and growth strategies. Besides the above-mentioned issues, we dealt specifically with the following topics at the individual meetings in 2024:

The meeting on 26 February focused on the preliminary figures for the 2023 Company and Group financial statements, along with the capital repatriation policy. We discussed and decided how to measure the annual bonus for 2023, the multi-year bonus for 2020–2023 and the resultant bonus payments to the Board of Management. At this meeting, we also approved the remuneration report of the Board of Management and the Supervisory Board for the 2023 financial year so that the report could be presented at the 2024 Annual General Meeting. The meeting also addressed the self-assessment that insurance supervisory law requires the members of the Supervisory Board to undertake concerning their knowledge of topics that are important for providing advice and supervision to the Munich Re Board of Management. The Supervisory Board also addressed the qualification matrix for the Supervisory Board derived from this self-assessment and to be disclosed in the Statement on Corporate Governance. The level of collective expertise on the Supervisory Board is high. The Supervisory Board possesses the appropriate diversity of qualifications, knowledge and experience to provide advice and supervision to proficiently monitor and accompany the business performance of Munich Re, taking account of the characteristics specific to the Company and the Group.

The meeting on 13 March focused, among other things, on the Company and Group financial statements for 2023, the combined management report (including the combined non-financial statement and information regarding the EU Taxonomy) and the Supervisory Board's motions for resolution by the Annual General Meeting. The Board of Management also provided us with information on the IT strategy.

We used the meeting held on 25 April to make last-minute preparations for the Annual General Meeting, which took place as an in-person event.

Following the Annual General Meeting on 25 April, there was a constituent meeting of the new Supervisory Board in which we held the election for the Chair of the Supervisory Board and the Deputy Chair, and the election for members and chairs of the six Supervisory Board Committees.

On 25 July, the Board of Management provided us with information on the current strategy for the EU/LA divisional unit, as well as on the use of artificial intelligence within the Munich Re Group. We also used this meeting to examine the changes to the Board of Management remuneration system that are to be presented to the Annual General Meeting for approval in 2025. Moreover, we received the Group-wide remuneration report for the 2023 financial year in line with Solvency II and the Remuneration Regulation for Insurance Companies (VersVergV) at this meeting.

On 23 October, topics related to corporate governance were also on the agenda as scheduled, including the resolution regarding the Declaration of Conformity with the German Corporate Governance Code and the discussion of the self-assessment findings of the Supervisory Board and its committees in 2024. We were also briefed by the Board of Management on current developments at ERGO, as well as on underwriting excellence in reinsurance and at ERGO and Global Specialty Insurance. The Group Chief Auditor also reported on the interim results of the 2024 audit activities.

On 12 December, we reviewed the compensation of the Board of Management and, following a comprehensive discussion, we established the target overall remuneration to be paid to members of the Board of Management with effect from 2025. We also adopted the assessment bases for variable remuneration in 2025. We took a decision concerning changes to the Board of Management remuneration system that are to be presented to the Annual General Meeting for approval in 2025, and made adjustments to the Share Ownership Guidelines for members of the Board of Management. We also discussed and then took a decision on the reappointment of the Board member Markus Rieß, and confirmed his fitness and propriety within this context. During this meeting, the Group Chief Risk Officer updated us on the Group's risk situation. We discussed and approved the financial planning for 2025, as presented by the Board of Management. Furthermore, the Board presented us with the Group human resources report, and explained the focal points of human resources work within the Group. What is more, we received updates on the Group's investment strategy, also concerning sustainable investments.

By way of a resolution adopted by written consent in January, we defined a further assessment basis for the multi-year bonus for 2024 to 2027. Another resolution adopted by written consent was used in October to decide, based on a recommendation by the Audit Committee, to select KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) to be proposed to the Annual General Meeting as the (Group) auditor for the 2026 financial year.

Work of the committees

There are six Supervisory Board committees. These are assigned certain matters for resolution, and also prepare the topics which are to be addressed and decided upon by the full Supervisory Board. At each Supervisory Board meeting, detailed information about the work of the committees was provided to the full Supervisory Board by the respective chairs of the committees.

Details of the tasks of the committees and their composition are included in the Statement on Corporate Governance and on our website at www.munichre.com/supervisory-board.

The Personnel Committee met twice, both times in person, during the reporting period. The Committee essentially prepared the resolutions on matters involving the Board of Management, unless these fell under the remit of the Remuneration Committee. One focus of the Personnel Committee's work was on preparing the confirmation of fitness and propriety required to reappoint a current Board of Management member. In addition, it approved the assumption of mandates on supervisory, advisory and similar boards by members of the Board of Management. Taking diversity aspects into account, the Personnel Committee also addressed succession planning for Board of Management positions.

The Remuneration Committee held six meetings: four times in person, one virtual meeting and one hybrid meeting. In particular, it prepared resolutions on matters involving the Board of Management – as already mentioned above when reporting on the work of the full Supervisory Board – as far as these resolutions concerned the determination of the target overall remuneration, the establishment of the assessment basis for variable remuneration and the corresponding evaluation, fringe benefits and remuneration in kind, as well as the sections of the Board members' contracts relating to remuneration. The Committee adopted the proposal to be made to the full Supervisory Board regarding the approval of the remuneration report of the Board of Management and the Supervisory Board for presentation at the Annual General Meeting. A significant focus of the Committee's work in the second half of the year was the discussion and preparation of the proposal for the full Supervisory Board on the adjustments to the Board of Management remuneration system that are to apply as of 1 January 2026 and are to be submitted to the Annual General Meeting for approval in 2025.

The Praesidium and Sustainability Committee held five in-person meetings at which it made preparations for each Supervisory Board meeting and, in particular, addressed topics of corporate governance and sustainability strategy. The Committee prepared, among other items, the assessment of the effectiveness of the Supervisory Board as a whole and its committees (self-assessment). It also approved the resolution passed by the Board of Management on implementation of the 2024/2025 share buy-back programme. Relevant sustainability issues were also addressed. In addition, the Praesidium and Sustainability Committee assessed related-party transactions in an internal procedure as per Section 111a(2) of the Stock Corporation Act (AktG). The Chair of the Board of Management regularly provided information to the Committee about the shareholder structure and the current share buy-back programme.

In the reporting period, the Audit Committee held seven meetings, with all meetings being held in person. The external auditor attended six meetings as part of its work. At a meeting held on 26 February 2024, the Audit Committee dealt with the preliminary year-end figures as at 31 December 2023 and also discussed capital management issues, particularly with regard to the dividend payment and share buy-backs. On 12 March 2024, the Audit Committee took an in-depth look at the Munich Reinsurance Company and Group financial statements, the combined management report and the auditor's reports.

In the reporting period, the Committee also discussed in detail the quarterly statements for the first and third quarters of 2024, and reviewed both the 2024 Half-Year Financial Report and the findings of the external auditor's review. At these meetings, the Audit Committee also heard regular reports on the key Solvency II figures and discussed the quarterly reporting to the supervisory authority. Other key tasks of the Audit Committee consisted in monitoring the Group's risk situation and risk management on an ongoing basis, and deliberating on the risk strategy. In addition to the Group Chief Risk Officer's quarterly written reports, the Committee also obtained detailed verbal information from the Group CRO on several occasions. The Head of the Actuarial Function reported on the "Group Actuarial Function Report 2023" at the meeting held on 7 August 2024. There were regular discussions about the internal control system and compliance topics – particularly individual compliance violations that were presented to the Audit Committee. The Group Chief Auditor comprehensively informed the members of the Committee about the outcome of the audits for 2023 and, throughout the year, reported on the results of the 2024 audits and on the audit planning for 2024 and 2025. Without the Board of Management in attendance, Committee members took the opportunity to regularly confer amongst themselves – or with the Group Chief Auditor, the Group Chief Compliance Officer, the Group Chief Risk Officer, or the external auditor. The Chair of the Audit Committee also held one meeting to conduct a bilateral discussion with the Group Chief Auditor.

In addition, the Audit Committee and the external auditor exchanged views on selected topics on an ad-hoc basis between meetings. The Chair of the Audit Committee, Maximilian Zimmerer, also consulted with the auditor on a regular basis between meetings. The Chair discussed, among other things, the progress of the audit with the auditor, and then reported to the Committee.

The Audit Committee also addressed the latest sustainability reporting developments, such as the implementation of the Corporate Sustainability Reporting Directive and the materiality assessment in accordance with the European Sustainability Reporting Standards (ESRS).

The Audit Committee closely reviewed and monitored the auditor's independence. It regularly called for reports on the auditor's non-audit activities and on the utilisation of the statutory limit for awarding such contracts. Moreover, the Audit Committee and the auditor discussed the assessment of audit risk, the audit strategy, audit planning and the audit findings. The auditor also presented the Audit Committee with explanations of the key audit matters for the 2024 financial year. The Audit Committee regularly assessed the quality of the audit. The Committee is satisfied with the qualifications and integrity of the persons on the audit team of EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (EY). Within this context, Munich Re and EY discuss the composition of the audit team at least once a year. In addition, the Audit Committee prepared for the full Supervisory Board a proposal that the Annual General Meeting appoint the external auditor. Following a resolution adopted at the Annual General Meeting, the Chair of the Committee commissioned EY, Munich with the audit for the 2024 financial year and also commissioned EY to conduct the auditor's review of the 2024 Half-Year Financial Report. The Audit Committee also defined focal points of the audits and set the auditor's fee.

In the 2024 financial year, following intensive preparations, the Company conducted a procedure for selecting the future external auditor for the 2026 financial year in accordance with the European legislation. After careful consideration of the candidates, the Audit Committee submitted a substantiated recommendation to the Supervisory Board for two candidates, indicating a preference for KPMG, in line with the resolution adopted by written consent in October 2024.

The Nomination Committee held one meeting in the reporting period. This took place as an in-person meeting on 13 March. After having already dealt intensively with succession planning for the Supervisory Board in 2023, the Nomination Committee handled the re-election of six shareholder representatives and the election of four new candidates to the Supervisory Board in preparation for the Supervisory Board elections to be held at the 2024 Annual General Meeting. It also discussed the re-election of the Chair of the Supervisory Board and the Chair of the Audit Committee, and addressed proposals to be made to the full Supervisory Board regarding the election of shareholder representatives to the committees.

As in previous years, there was no need to convene the Conference Committee in the 2024 financial year.

Corporate governance and Declaration of Conformity

The Supervisory Board works to ensure good corporate governance. Further information on corporate governance and the Declaration of Conformity can be found in the Statement on Corporate Governance.

In accordance with their own assessment, all ten shareholder representatives are independent within the meaning of the German Corporate Governance Code.

The Supervisory Board also met regularly without the Board of Management.

The members of the Supervisory Board were again invited to participate in an information event for further training purposes in 2024. Nearly all members took the opportunity to learn more about Munich Re's internal model and about underwriting topics. An introductory event for new members of the Supervisory Board was also conducted in July. This event, which was attended by almost all new Supervisory Board members, presented the Munich Re Group in terms of its strategy, business models and risk management in particular.

The Company also provided the members of the Supervisory Board with extensive digital training material for self-study, focusing on underwriting, risk management, accounting, investment, controlling, sustainability, digitalisation, etc. The new Supervisory Board members received specific information material to help them prepare for their role.

In my role as Chair of the Supervisory Board, I held discussions on topics relevant to the Supervisory Board with investors and proxy advisors as part of an ongoing dialogue with investors, as I do every year in the lead-up to the Annual General Meeting. The talks held at the end of the year focused on the planned changes to Board of Management remuneration to be presented to the 2025 Annual General Meeting. I reported to the full Supervisory Board on these talks.

Changes on the Supervisory Board

Ruth Brown left the Supervisory Board effective 2 January upon the transfer of the British DAS companies to ARAG SE. Her successor is Andrea Maier, who was appointed by a court of law.

The term of office of the Supervisory Board members expired at the end of the Annual General Meeting on 25 April. The shareholder representatives Ann-Kristin Achleitner, Ursula Gather, Gerd Häusler and Karl-Heinz Streibich left the Supervisory Board, as did the employee representatives Stephan Eberl, Frank Fassin, Angelika Judith Herzog, Andrea Maier, Manfred Rassy and Markus Wagner.

The Supervisory Board would like to thank all departing members for their expert and constructive advice, with which they accompanied and supervised Munich Re in a committed manner, in some cases over many years.

The Annual General Meeting elected Roland Busch, Julia Jäkel, Victoria E. Ossadnik and Jens Weidmann as new Supervisory Board members. On the basis of the Co-Determination Agreement, the new members Matthias Beier, Grzegorz Czlowiekowski, Martina Grundler, Anita Stocker-Napravnik, Susanne Terhoeven and Jens-Jürgen Vogel were elected to the Supervisory Board by the bodies responsible.

The periods of office of the new and re-elected members of the Supervisory Board commenced at the end of the Annual General Meeting.

Company and Group financial statements for 2024 and non-financial information

The external auditor EY duly audited the annual financial statements of Munich Reinsurance Company, the Group financial statements and the combined management report (excluding the combined non-financial statement) as at 31 December 2024, and issued them with an unqualified auditor's opinion. The combined non-financial statement, which includes the Group sustainability statement as per the ESRS, was subject to a separate limited assurance engagement, also by EY. The lead auditor for both audits is Dr. Peter Ott.

These reports and the Board of Management's proposal for appropriation of the net retained profits were submitted to the members of the Supervisory Board. On 25 February 2025, the Audit Committee thoroughly discussed the preliminary year-end figures as at 31 December 2024, along with issues related to capital management, in particular regarding the dividend distribution and share buy-backs. At its meeting on 25 February 2025, the Supervisory Board also intensively discussed the preliminary year-end figures as at 31 December 2024, along with the capital repatriation policy.

On 17 March 2025, the Audit Committee prepared the Supervisory Board's resolution on the adoption of the Company financial statements and the approval of the Group financial statements. To this end, the Audit Committee examined in advance the Company and Group financial statements, the combined management report and the Board of Management's proposal for appropriation of the net retained profits. The Committee also examined the non-financial statement included in the combined management report, which includes the Group sustainability statement as per the ESRS, including information regarding the EU Taxonomy. The Audit Committee discussed both documents at length with the external auditor present at the meeting, and addressed the auditor's reports in detail. The Audit Committee paid particular attention to the key audit matters described in the auditor's report, including audit activity. The Chair of the Audit Committee briefed the full Supervisory Board about the outcome of its consultations. In its March meeting, the Audit Committee discussed the preliminary key figures under Solvency II reporting – and the Solvency II ratio in particular – and reported on this to the full Supervisory Board.

The full Supervisory Board also checked the financial statements of Munich Reinsurance Company and the Group, and the combined management report (including the combined non-financial statement, which includes the Group sustainability statement as per the ESRS, and information regarding the EU Taxonomy), as well as the Board of Management's proposal for appropriation of the net retained profits. The auditor's reports were available to all members of the Supervisory Board and were discussed in detail at the meeting of the Supervisory Board on 18 March 2025 in the presence of the external auditor. The outcome of the audit of the combined non-financial statement, which includes the Group sustainability statement as per the ESRS, was also taken into account by the Supervisory Board. The external auditor reported on the scope, the main points, and the key findings of the audit – and went into particular detail on both the key audit matters and the audit activity. There were no reports of material weaknesses in the internal control system or the risk management system.

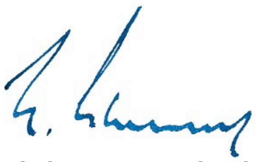
More information on the internal control system and the risk management system can be found in the risk report and in the combined non-financial statement.

On the basis of this comprehensive examination, the Supervisory Board raised no objections concerning the outcome of the external audit. It approved the Company and Group financial statements on 18 March 2025. The financial statements were thus adopted. Having carefully weighed all relevant aspects, the Supervisory Board supported the Board of Management's proposal for appropriation of the net retained profits. Also on 18 March 2025, the Praesidium and Sustainability Committee approved the resolution passed by the Board of Management on implementation of the 2025/2026 share buy-back programme following a discussion.

Words of thanks to the Board of Management and employees
The Supervisory Board wishes to thank all members of the Board of Management and staff worldwide. Through their hard work and commitment, they have contributed to a very gratifying result for Munich Re.

Munich, 18 March 2025

For the Supervisory Board



Nikolaus von Bomhard
Chair

Attendance of Supervisory Board members at meetings of the Supervisory Board of Munich Reinsurance Company and its committees in 2024

Member of the Supervisory Board	Supervisory Board	Participation rate Supervisory Board	Personnel Committee	Remuneration Committee	Praesidium and Sustainability Committee	Audit Committee	Nomination Committee
Nikolaus von Bomhard	7/7	100%	2/2		5/5	7/7	1/1
Anne Horstmann	7/7	100%			5/5		
Ann-Kristin Achleitner	3/3	100%		3/3		2/2	1/1
Matthias Beier	4/4	100%					
Clement Booth	7/7	100%					
Ruth Brown	0/0	n.a.					
Roland Busch	3/4	75%			2/3		
Grzegorz Czlowiekowski	4/4	100%					
Stephan Eberl	3/3	100%	1/1	3/3	2/2		
Frank Fassin	3/3	100%					
Ursula Gather	3/3	100%					
Martina Grundler	4/4	100%					
Gerd Häusler	3/3	100%			2/2		
Angelika Judith Herzog	3/3	100%					
Julia Jäkel	4/4	100%					
Renata Jungo Brüngger	7/7	100%	2/2	6/6			
Stefan Kaindl	7/7	100%				7/7	
Carinne Knoche-Brouillon	7/7	100%					
Andrea Maier	3/3	100%					
Gabriele Mücke	7/7	100%					
Victoria E. Ossadnik	4/4	100%				5/5	
Ulrich Plottke	7/7	100%				7/7	
Manfred Rassy	3/3	100%					
Carsten Spohr	7/7	100%					
Anita Stocker-Napravnik	4/4	100%	1/1	3/3	3/3		
Karl-Heinz Streibich	3/3	100%					
Susanne Terhoeven	4/4	100%					
Jens-Jürgen Vogel	4/4	100%					
Markus Wagner	3/3	100%					
Jens Weidmann	4/4	100%		3/3			
Maximilian Zimmerer	7/7	100%			5/5	7/7	1/1
Participation rate (average)		**99.3%**	**100%**	**100%**	**96.0%**	**100%**	**100%**

Statement on Corporate Governance pursuant to Section 289f and Section 315d of the German Commercial Code (HGB)[1]

Pursuant to Section 289f and Section 315d of the German Commercial Code (HGB), Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (Munich Reinsurance Company Joint-Stock Company in Munich) has issued the following Statement on Corporate Governance and Group Statement on Corporate Governance. This Statement also contains the disclosures and explanatory notes as recommended in the German Corporate Governance Code of 28 April 2022 (published on 27 June 2022). More information on corporate governance can be found at www.munichre.com/cg-en.

We apply the highest standards to our operations and activities and therefore comply with all but one of the recommendations and proposals of the German Corporate Governance Code. There are no overriding statutory provisions that render the recommendations and suggestions of the German Corporate Governance Code not applicable to Munich Reinsurance Company.

Declaration of Conformity by the Board of Management and Supervisory Board of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act

Since the last Declaration of Conformity in November 2023, Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München ("Company") has fulfilled all recommendations of the German Corporate Governance Code of 28 April 2022 (published on 27 June 2022, "GCGC") and will continue to do so in future. An exception applies to recommendation C.5.

Recommendation C.5 GCGC: Number of supervisory board mandates

In accordance with recommendation C.5, members of the management board of a listed company shall not have, in aggregate, more than two supervisory board mandates in non-group listed companies or comparable functions, and shall not accept the chairmanship of a supervisory board in a non-group listed company.

The Supervisory Board member Renata Jungo Brüngger sits on the Board of Management of Mercedes-Benz Group AG. Following restructuring measures, Ms. Jungo Brüngger has accepted two supervisory board memberships at companies that, in the view of Mercedes-Benz Group AG, are to be classified as non-group companies: Firstly, she is a supervisory board member of Daimler Truck AG. Secondly, she is a supervisory board member of the listed company Daimler Truck Holding AG, which holds all shares in Daimler Truck AG.

The Supervisory Board has satisfied itself that Ms. Jungo Brüngger will continue to have enough time to fulfil her tasks at the Company.

Munich, November 2024

The Board of Management   The Supervisory Board

Corporate legal structure

Munich Reinsurance Company has three governing bodies: the Annual General Meeting, the Board of Management, and the Supervisory Board. Their functions and powers are defined by law, the Articles of Association, the Co-Determination Agreement applicable to Munich Reinsurance Company, and by rules of procedure and internal guidelines. Employee co-determination on the Supervisory Board is governed by the Co-Determination Agreement concluded pursuant to the German Act on the Co-Determination of Employees in Cross-Border Mergers (MgVG). The principle of parity co-determination on the Supervisory Board has been strengthened by taking into account staff employed in the European Union and in the European Economic Area (EU/EEA).

1 The Statement on Corporate Governance is part of the combined management report and was not audited.

Additional corporate governance requirements are set out in the regulatory requirements for (re)insurance companies, especially the German Insurance Supervision Act (VAG) and the European supervisory regulations (Solvency II). They include specific and supplementary rules on various issues such as business organisation or the qualifications and remuneration of members of the Board of Management, Supervisory Board members and other individuals.

The Annual General Meeting

The Annual General Meeting decides on the appropriation of net retained profits, the approval of the actions of the Board of Management and Supervisory Board, the election of the auditor, the election of shareholder representatives to the Supervisory Board, amendments to the Articles of Association and capital measures, among other things.

The principle of "one share, one vote" applies at the Annual General Meeting of Munich Reinsurance Company. Shareholders may cast their votes by postal vote (also via electronic means of communication). In addition, shareholders may cast or change their postal votes on the day of the Annual General Meeting.

Shareholders may also have their voting rights exercised at the Annual General Meeting by one of the proxies nominated by Munich Reinsurance Company. These proxies will exercise the voting rights solely in accordance with the received instructions. Power of attorney and instructions may also be granted or issued to the Company proxies via electronic means of communication. Shareholders may grant, issue, change or revoke power of attorney or instructions on the day of the Annual General Meeting. Shareholders may watch the whole Annual General Meeting live on the internet. In addition, the opening of the Annual General Meeting by the meeting chair and the address by the Chair of the Board of Management were broadcast live online.

The documents required by law for the Annual General Meeting, including the Annual Report, and the agenda will be available on the Munich Re website with effect from the day the Annual General Meeting is called.

The Annual General Meeting was held on 25 April 2024.

Board of Management

As at 31 December 2024, the Board of Management of Munich Reinsurance Company comprised ten members, including two women.

Responsibilities of the members of the Board of Management and their memberships of statutory supervisory boards and comparable bodies[1]

Member of the Board of Management/Responsibilities	Memberships of statutory supervisory boards	Memberships of comparable bodies of German and foreign business enterprises
Dr. Joachim Wenning Chair of the Board of Management Strategy & Innovation Group Communications Group Audit Economics, Sustainability & Public Affairs[3] Group Executive Affairs Group Compliance and Legal	ERGO Group AG[2] (Chair)	–
Dr. Thomas Blunck Data and Analytics Internet of Things Corporate Underwriting Claims Accounting, Controlling and Central Reserving for Reinsurance Information Technology	ERGO Group AG[2] ERGO International AG[2]	–
Nicholas Gartside Chief Investment Officer Group Investments Third Party Asset Management	MEAG MUNICH ERGO AssetManagement GmbH[2] (Chair)	–
Stefan Golling Global Clients and North America Capital Partners	–	Munich Re America Corporation, USA[2] (Chair)
Dr. Christoph Jurecka Chief Financial Officer Financial and Regulatory Reporting Corporate Finance and Performance Integrated Risk Management Group Taxation Investor and Rating Agency Relations	ERGO Group AG[2] MEAG MUNICH ERGO AssetManagement GmbH[2]	–
Dr. Achim Kassow Labour Relations Director Asia Pacific and Africa Human Resources Central Procurement Global Real Estate and Services	ERGO International AG[2]	–
Michael Kerner Global Specialty Insurance	Great Lakes Insurance SE[2] (Chair)	American Modern Property and Casualty Insurance Company, USA[2] (Chair) The Hartford Steam Boiler Inspection and Insurance Company, USA[2] (Chair) Munich Re America Corporation, USA[2] Munich Re America Services Inc., USA[2] (Chair) Munich Reinsurance America, Inc., USA[2] (Chair)
Clarisse Kopff Europe and Latin America	–	–
Mari-Lizette Malherbe Life and Health	–	–
Dr. Markus Rieß Primary Insurance/ERGO	ERGO Deutschland AG[2] (Chair) ERGO International AG[2] (Chair) ERGO Technology & Services Management AG[2] (Chair)	Next Insurance, Inc., USA

1 As at 31 December 2024.
2 Position held within the Munich Re Group.
3 Including responsibility for ESG issues.

The Board of Management is responsible for managing the Company, in particular for setting the Company's objectives and determining strategy. It is bound to act in the Company's best interests. It should take account of the interests of shareholders, employees, and other stakeholders of Munich Reinsurance Company, with the objective of sustainable value creation. The Board of Management is responsible for effecting adequate risk management and risk control. It must ensure that statutory requirements and internal Company rules are observed, and works to ensure compliance by Group companies and their staff members.

Working procedures of the Board of Management

The work of the Board of Management, in particular the allocation of responsibilities among the individual Board members, matters reserved for the full Board of Management, and the majority required to pass resolutions, is regulated by rules of procedure issued by the Supervisory Board. The full Board of Management decides on all matters that, either by law, or according to the Articles of Association or rules of procedure, require a resolution of the Board of Management. In particular, it is responsible for matters requiring the approval of the Supervisory Board, for items which have to be submitted to the Annual General Meeting, for tasks which constitute management functions or are of exceptional importance, and for significant personnel measures.

Meetings of the Board of Management take place as required, but generally at least once a month, and are presided over by the Chair of the Board of Management. The adoption of a resolution requires the majority of votes cast; in the event of a tie, the Chair has the casting vote. The members of the Board of Management cooperate closely for the benefit of the Company. On an ongoing basis, they inform each other about all important business transactions.

Composition and working procedures of the Board of Management committees

Three Board of Management committees ensure efficient work by the Board of Management: the Group Committee, the Reinsurance Committee, and the Strategy Committee.

Composition of the Board of Management committees[1]

Group Committee	Dr. Joachim Wenning (Chair) Dr. Christoph Jurecka
Reinsurance Committee	Dr. Thomas Blunck (Chair) Stefan Golling Dr. Achim Kassow Michael Kerner Clarisse Kopff Mari-Lizette Malherbe Chief Financial Officer for the reinsurance field of business[2]
Strategy Committee	Dr. Joachim Wenning (Chair) Dr. Thomas Blunck Nicholas Gartside Dr. Christoph Jurecka Dr. Markus Rieß

1 As at 31 December 2024.
2 No voting rights.

Group Committee

The Group Committee is the central management committee of the Group. It decides in particular on fundamental issues concerning the strategic and financial management of the Group for all fields of business, and on the principles of general business policy and organisation within the Group. The Committee also makes decisions on all matters of fundamental importance relating to the divisions headed by its voting members. In addition, it serves as an executive committee with responsibility for important ongoing issues, in particular the approval of significant individual transactions.

Reinsurance Committee

The Reinsurance Committee is the central management committee for the reinsurance field of business. It decides on all matters of fundamental importance for this field of business, except investments.

Strategy Committee

The Strategy Committee is the central management committee for fundamental strategic matters in the fields of business (reinsurance, primary insurance). It makes decisions on all strategic matters of fundamental importance for the fields of business, including own investments and administered (third-party) funds.

The following applies to all Board of Management committees: Where decisions within the sphere of responsibility of a committee relate to issues reserved for the full Board of Management, the respective committee will prepare these matters for decision. Committee meetings are held regularly, and as required. Only members of the Board of Management have voting rights on the committees. The committees are further governed by their respective rules of procedure, as adopted by the full Board of Management.

Subcommittees of the Board of Management committees

All three Board committees have set up subcommittees. Specifically, the Group Committee has established the Group Risk Committee; the Reinsurance Committee has set up the Global Underwriting and Risk Committee as well as the Board Committee IT Investments; and the Strategy

Committee has established the ESG Committee. These subcommittees also include senior executives from Munich Reinsurance Company and the Group who do not have voting rights.

Subcommittees of the Board of Management committees[1]

Group Risk Committee	Dr. Christoph Jurecka (Chair) Dr. Joachim Wenning Chief Risk Officer (Group)[2]
Global Underwriting and Risk Committee	Dr. Thomas Blunck (Chair) Stefan Golling Mari-Lizette Malherbe Chief Financial Officer for the reinsurance field of business[2] Chief Risk Officer (Group)[2] Head of Investment Strategies[2] Head of CU (Corporate Underwriting)[2]
ESG Committee	Dr. Joachim Wenning (Chair) Dr. Thomas Blunck Nicholas Gartside Dr. Christoph Jurecka Dr. Markus Rieß Head of Economics, Sustainability and Public Affairs[2]
Board Committee IT Investments	Dr. Thomas Blunck (Chair) Stefan Golling Dr. Achim Kassow Michael Kerner Chief Financial Officer for the reinsurance field of business[2]

1 As at 31 December 2024.
2 No voting rights.

The work of these subcommittees is governed by their own written rules of procedure. Both the Group Risk Committee and the Global Underwriting and Risk Committee deal with risk management issues, albeit with different emphases. The Board Committee IT Investments is responsible for IT investments. The ESG Committee is the central management committee for fundamental, ESG-related strategic matters in the Group.

Remuneration of the members of the Board of Management

The remuneration system for members of the Board of Management is determined by the Supervisory Board and the Annual General Meeting is asked to endorse the system upon any material change and at least every four years. This was most recently the case on 28 April 2021. The remuneration report contains detailed information on the remuneration paid to the members of the Board of Management.

The remuneration system for members of the Board of Management and the remuneration report (which must be submitted to the Annual General Meeting for approval once a year) along with the Auditor's opinion are available at www.munichre.com/board-of-management.

Collaboration between Board of Management and Supervisory Board

The Board of Management and the Supervisory Board work together closely and in a spirit of trust for the benefit of the Company.

The Board of Management determines the strategic direction of the Company in conjunction with the Supervisory Board. The Board of Management reports regularly and as needed to the Supervisory Board about all questions relevant to the Company. The Chair of the Supervisory Board maintains regular contact with the Board of Management between meetings – in particular with the Chair of the Board of Management – in order to discuss issues of strategy, planning, business development, the risk situation, risk management and Company compliance. The Supervisory Board has defined the Board of Management's information and reporting obligations in detail. The Supervisory Board's consent is required before the Board of Management can conduct specific types of transactions, which include the following: annual financial planning, certain investments and divestments, the implementation of share buy-back programmes, the conclusion of inter-company agreements, and the execution of corporate restructurings in which the Company holds a stake. The Supervisory Board's approval is also required for sideline activities assumed by members of the Board of Management and for material related-party transactions as defined in Section 111b(1) of the German Stock Corporation Act (AktG).

Supervisory Board

Pursuant to the Articles of Association, the Supervisory Board of Munich Reinsurance Company comprises twenty members; half are shareholder representatives and are elected by the Annual General Meeting. The other ten members are elected employee representatives from Group companies in the EU and EEA.

Members of the Supervisory Board and their mandates on statutory supervisory boards and comparable bodies[1]

Member of the Supervisory Board	Memberships of statutory supervisory boards	Memberships of comparable bodies of German and foreign business enterprises
Dr. Nikolaus von Bomhard (Chair) Chair of the Supervisory Board of Munich Reinsurance Company Member since 30 April 2019	Deutsche Post AG (Chair)[4]	–
Dr. Anne Horstmann[2] (Deputy Chair) Employee of ERGO Group AG Member since 30 April 2014	ERGO Group AG[3]	–
Prof. Dr. Dr. Dr. h.c. Ann-Kristin Achleitner Member of the Board of Directors of Linde plc, Ireland Member from 3 January 2013 until 25 April 2024	–	Lazard Ltd., USA[4] Linde plc, Ireland[4] Luxembourg Investment Company 261 S.à r.l., Luxembourg[5]
Matthias Beier[2] Union secretary at ver.di in North Rhine-Westphalia, Germany Member since 25 April 2024	ERGO Group AG[3]	
Clement B. Booth Member of the Board of Directors of Howden Group Holdings Limited, United Kingdom Member since 27 April 2016	Howden Deutschland AG[6, 7]	Howden Group Holdings Limited, United Kingdom
Ruth Brown[2] Foreign Services Specialist at DAS Legal Expenses Insurance, United Kingdom Member from 30 April 2019 until 2 January 2024	–	–
Dr. Roland Busch Chair of the Board of Management of Siemens AG Member since 25 April 2024	Siemens Healthineers AG[4, 8] Siemens Mobility GmbH (Chair)[8]	
Grzegorz Czlowiekowski[2] Team Leader Internal Audit Office at ERGO Hestia, Poland Member since 25 April 2024	–	–
Stephan Eberl[2] Member of the Works Council of Munich Reinsurance Company Member from 30 April 2019 until 25 April 2024	–	–
Frank Fassin[2] Independent consultant regardig matters of tariff policy Member from 22 April 2009 until 25 April 2024	–	–
Prof. Dr. Dr. h.c. Ursula Gather Chair of the Board of Trustees of the Alfried Krupp von Bohlen und Halbach Foundation Member from 30 April 2014 until 25 April 2024	thyssenkrupp AG[4]	–
Martina Grundler[2] Secretary of ver.di trade union's federal administration, Berlin; federal unit on insurance Member since 25 April 2024	–	–
Gerd Häusler Member of the Supervisory Board of Auto1 Group SE Member from 30 April 2014 until 25 April 2024	Auto1 Group SE[4]	–
Angelika Judith Herzog[2] Chair of the Works Council of ERGO Direkt AG Member from 1 July 2021 until 25 April 2024	–	–
Julia Jäkel Member of the Supervisory Board of Verlagsgruppe Georg von Holtzbrinck Gesellschaft mit beschränkter Haftung Member since 25 April 2024	–	Universitätsklinikum Hamburg Eppendorf (UKE), Körperschaft des öffentlichen Rechts Verlagsgruppe Georg von Holtzbrinck Gesellschaft mit beschränkter Haftung dpa Deutsche Presse-Agentur GmbH

See the end of the table for footnotes.

Member of the Supervisory Board	Memberships of statutory supervisory boards	Memberships of comparable bodies of German and foreign business enterprises
Renata Jungo Brüngger Member of the Board of Management of Mercedes-Benz Group AG Member since 3 January 2017	Daimler Truck Holding AG[4, 9] Daimler Truck AG	–
Stefan Kaindl[2] Head of Department at Munich Reinsurance Company Member since 30 April 2019	–	–
Dr. Carinne Knoche-Brouillon Member of the Supervisory Board of Munich Reinsurance Company Member since 28 April 2021	–	–
Andrea Maier[2] Employee of Munich Re of Malta p.l.c., Malta Member from 2 February 2024 until 25 April 2024	–	–
Gabriele Mücke[2] Chair of the Board of Management of Neue Assekuranz Trade Union – NAG Member since 30 April 2019	–	–
Dr. Victoria E. Ossadnik Member of the Board of Management of E.ON SE Member since 25 April 2024	E.ON Digital Technology GmbH (Chair)[10]	Linde plc., Ireland[4]
Ulrich Plottke[2] Employee of ERGO Group AG Member since 30 April 2014	–	–
Manfred Rassy[2] Member of the Works Council of Munich Reinsurance Company Member from 30 April 2019 until 25 April 2024	–	–
Carsten Spohr Chair of the Board of Management of Deutsche Lufthansa AG Member since 29 April 2020	–	–
Anita Stocker-Napravnik[2] Consultant at Munich Reinsurance Company Member since 25 April 2024	–	–
Karl-Heinz Streibich Deputy Chair of the Supervisory Board of Siemens Healthineers AG Member from 30 April 2019 until 25 April 2024	Siemens Healthineers AG[4] Deutsche Telekom AG[4]	–
Susanne Terhoeven[2] Chair of the Central Works Council of ITERGO Informationstechnologie GmbH Member since 25 April 2024	–	–
Jens-Jürgen Vogel[2] Data Protection Counsel at Munich Reinsurance Company Member since 25 April 2024	–	–
Markus Wagner[2] Employee of ERGO Beratung und Vertrieb AG Member from 1 February 2022 until 25 April 2024	ERGO Beratung und Vertrieb AG[3]	–
Prof. Dr. Jens Weidmann Chair of the Supervisory Board of Commerzbank AG Member since 25 April 2024	Commerzbank AG (Chair)[4]	–
Dr. Maximilian Zimmerer Member of the Supervisory Board of Munich Reinsurance Company Member since 4 July 2017	Deutsche Beteiligungs AG[4]	KfW Capital GmbH & Co. KG

1 As at 31 December 2024; departed members: as at the date of departure (25 April 2024; in the case of Ruth Brown: 2 January 2024).
2 Employee representative.
3 Mandate within the Munich Re Group.
4 Listed on the stock exchange.
5 Membership of a non-statutory supervisory board.
6 Company with fewer than 500 employees.
7 Mandate within Howden Group Holdings Limited.
8 Mandate within Siemens Group.
9 Daimler Truck Holding AG holds all shares in Daimler Truck AG.
10 Mandate within E.ON Group.

The Supervisory Board advises the Board of Management and monitors the management of the Company, but it is not authorised to take management action in place of the Board of Management.

Working procedures of the Supervisory Board

The Supervisory Board has its own rules of procedure, which specify responsibilities, work processes and further modalities for the adoption of resolutions. The Audit Committee also has its own rules of procedure, which have been adopted by the full Supervisory Board.

The rules of procedure for the Supervisory Board and for the Audit Committee are available on the Munich Re website at www.munichre.com/supervisory-board.

The Supervisory Board normally meets at least six times during the financial year. Supervisory Board meetings are generally held with the members of the Supervisory Board personally present at the meeting (face-to-face meetings). If the Chair of the Supervisory Board so rules, meetings of the Supervisory Board may also be held using electronic media, and individual members of the Supervisory Board may attend meetings via electronic media. The members of the Board of Management attend the meetings of the Supervisory Board unless the Chair of the Supervisory Board decides otherwise. If the external auditor is consulted as an expert appraiser, the Board of Management does not attend this meeting unless the Supervisory Board considers the Board of Management's attendance to be necessary. The Supervisory Board also meets regularly without the Board of Management.

The Supervisory Board is quorate if all its members have been invited to the meeting or called upon to vote, and if fifteen members – or ten members including the Chair – participate in the vote. Supervisory Board resolutions are adopted by a majority of votes cast, unless the law or the Articles of Association require otherwise. In the event of a Supervisory Board vote being tied, should a second vote on the same motion also result in a tie, the Chair of the Supervisory Board has the casting vote. The Chair is authorised to make declarations for the Supervisory Board based on resolutions.

Self-assessment

The Supervisory Board and its committees regularly assess how effectively the Supervisory Board as a whole and also its individual committees perform their duties. Following preparations by the Praesidium and Sustainability Committee in 2024, the Supervisory Board conducted an internal self-assessment based on a questionnaire. The Supervisory Board discussed the findings of the self-assessment at its meeting on 24 October 2024. The self-assessment confirmed that the working relationships within the Supervisory Board and with the Board of Management are professional and constructive, and characterised by a high degree of trust and candour. In addition, the findings documented the efficient organisation and execution of meetings, as well as appropriate reporting by the Board of Management.

Composition and working procedures of the Supervisory Board committees

The Supervisory Board has set up six committees from among its members: the Praesidium and Sustainability Committee, the Personnel Committee, the Remuneration Committee, the Audit Committee, the Nomination Committee and the Conference Committee.

The committees adopt decisions by the majority of votes cast. With the exception of the Conference Committee, the chair of the committee has the casting vote in case of a tie. The full Supervisory Board is regularly informed about the work of the committees by their respective chairs.

Composition of the Supervisory Board committees[1]

Praesidium and Sustainability Committee	Dr. Nikolaus von Bomhard (Chair) Dr. Roland Busch Dr. Anne Horstmann Anita Stocker-Napravnik Dr. Maximilian Zimmerer
Personnel Committee	Dr. Nikolaus von Bomhard (Chair) Renata Jungo Brüngger Anita Stocker-Napravnik
Remuneration Committee	Renata Jungo Brüngger (Chair) Anita Stocker-Napravnik Prof. Dr. Jens Weidmann
Audit Committee	Dr. Maximilian Zimmerer (Chair) Dr. Nikolaus von Bomhard Stefan Kaindl Dr. Victoria E. Ossadnik Ulrich Plottke
Nomination Committee	Dr. Nikolaus von Bomhard (Chair) Julia Jäkel Dr. Maximilian Zimmerer
Conference Committee	Dr. Nikolaus von Bomhard (Chair) Martina Grundler Dr. Anne Horstmann Dr. Maximilian Zimmerer

1 As at 31 December 2024.

Further details of the work of the Supervisory Board committees can be found in the > Report of the Supervisory Board and at www.munichre.com/supervisory-board.

The main responsibilities of the committees are as follows:

Praesidium and Sustainability Committee

The Praesidium and Sustainability Committee prepares meetings of the Supervisory Board, unless another committee is responsible for doing so. It decides on matters of Company business requiring the Supervisory Board's consent, unless the full Supervisory Board or another committee is responsible. In addition, the Praesidium and Sustainability Committee is responsible for an internal procedure – as per Section 111a(2) of the Stock Corporation Act (AktG) – that assesses related-party transactions. The Committee regularly deals with sustainability issues (ESG), except in cases where other committees are responsible. The Praesidium and Sustainability Committee also prepares the Report of the Supervisory Board to the Annual General Meeting, the Declaration of Conformity with the German Corporate Governance Code pursuant to Section 161 of the Stock Corporation Act (AktG), and the Statement on Corporate Governance for the Supervisory Board. Moreover, the Praesidium and Sustainability Committee prepares the annual self-assessment of the effectiveness of the Supervisory Board as a whole and its individual committees with regard to the performance of their duties. Further details about the self-assessment in the past financial year are provided in the section > Self-assessment and in the > Report of the Supervisory Board.

Personnel Committee

The Personnel Committee prepares the appointment of members to the Board of Management. It also prepares the long-term succession planning together with the Board of Management, including setting targets for the number of women on the Board of Management. In addition, the Personnel Committee represents the Company in matters concerning the members of the Board of Management, and is responsible for personnel matters involving members of the Board of Management, unless these are issues that are the responsibility of the full Supervisory Board or the Remuneration Committee. This Committee approves loan transactions between the Company and members of the Board of Management and their related parties. The Personnel Committee also decides whether to approve sideline activities of members of the Board of Management, particularly memberships of supervisory boards or similar committees.

Remuneration Committee

The Remuneration Committee is responsible for preparing the Supervisory Board's resolutions on determining, amending, and regularly reviewing the remuneration system for the Board of Management; this Committee also determines and reviews the total remuneration of the individual members of the Board of Management. In addition, the Remuneration Committee prepares the Supervisory Board's resolutions regarding determination of the level of variable remuneration components, determination of the performance criteria and objectives for variable remuneration, the assessment of objectives, and the determination of the variable remuneration to be granted to the individual Board of Management members.

The Personnel Committee may be involved in this assessment. Where sustainability (ESG) issues are concerned, the Praesidium and Sustainability Committee may be involved in determining and assessing the performance criteria and objectives for variable remuneration. The Remuneration Committee is also responsible for preparing the Supervisory Board's resolutions regarding remuneration components of the employment contracts of members of the Board of Management, and for remuneration reporting with regard to the remuneration of members of the Board of Management and the Supervisory Board.

Audit Committee

The Audit Committee prepares Supervisory Board resolutions on the adoption of the Company's annual financial statements and approval of the consolidated financial statements. It discusses the Half-Year Financial Report and the material information underlying the quarterly statements, and receives the audit reports, other reports and statements by the external auditor. The Audit Committee also discusses the essential components of the Solvency II reporting with the Board of Management.

This Committee monitors accounting and the financial reporting process. It also monitors the adequacy and effectiveness of the risk management, internal control, compliance, actuarial function and internal audit systems. In addition, the Audit Committee is responsible for handling material compliance incidents and for examining potential claims for breach of duty against members of the Board of Management.

The Audit Committee prepares the procedure for selecting the external auditor, in particular the Supervisory Board's proposal to the Annual General Meeting. The Audit Committee is responsible for assessing performance and monitoring the independence of the external auditor; it also monitors and assesses the quality of the audit and any additional services provided by the external auditor. In particular, it hires the external auditor for the Company and Group financial statements as well as for any voluntary external assurance of the combined non-financial statement. The Audit Committee also defines focal points of the audits and agrees the auditor's fee for the annual audits; the same applies to the review of the Half-Year Financial Report, the audit of any additional interim financial information, and the audit of the solvency balance sheets. Beyond this, the Committee handles the approval and monitoring of non-audit services.

The Audit Committee also prepares the annual discussion of the risk strategy by the Supervisory Board, and discusses any changes to or deviations from the risk strategy with the Board of Management during the year.

In this connection, the Audit Committee hears reports not only from the Board of Management but also directly from the General Counsel & Group Chief Compliance Officer, the Group Chief Auditor, the Group Chief Risk Officer, and the Head of the Actuarial Function. Through the Chair of the Audit Committee, every member of the Audit Committee may obtain information from the heads of the central divisions responsible for the accounting process, the internal control system, the risk management system, the internal audit system and the audit of financial statements. Through its Chair, the Audit Committee maintains a regular dialogue with the auditor also in between meetings. The Chair of the Audit Committee regularly discusses the progress of the audit with the auditor and reports thereon to the Audit Committee. The Audit Committee consults with the auditor on a regular basis without the Board of Management.

Nomination Committee

The Nomination Committee is made up exclusively of shareholder representatives.

This Committee provides the Supervisory Board with names of suitable candidates that the latter can nominate for election at the Annual General Meeting. As a basis for this, the shareholder representatives have developed and adopted a list of criteria for the selection of suitable candidates for the Supervisory Board. The Nomination Committee also proposes suitable candidates to the Supervisory Board for the election of shareholder representatives to Supervisory Board committees and as chairs of the respective committees.

Conference Committee

If the first round of voting concerning the appointment or dismissal of members of the Board of Management does not result in the required two-thirds majority, the matter will be addressed by the Conference Committee before a second vote is held on the Supervisory Board.

Remuneration of Supervisory Board members

The remuneration of the members of the Supervisory Board is laid down in the Articles of Association. The remuneration report contains detailed information on the remuneration paid to the members of the Supervisory Board. The resolution of the Annual General Meeting on 25 April 2024 regarding the system of remuneration for members of the Supervisory Board effective from 1 January 2025, and the remuneration report (including the Auditor's opinion), are available at www.munichre.com/supervisory-board.

Other corporate governance practices

Compliance

We understand compliance to mean acting in accordance with the law, administrative regulations and internal rules – particularly all requirements that apply to the operation of an insurance and investment business. The Board of Management of Munich Reinsurance Company has established a Group-wide, risk-based compliance management system (CMS), which is the responsibility of Group Compliance and Legal at Group level. A separate

Tax CMS, which the Group Taxation division is responsible for at Group level, is used for tax compliance. Please refer to the > Combined non-financial statement and the > Risk report for details on the CMS and our whistleblowing portal, a platform that enables internal and external whistleblowers to report potential misconduct.

Group-wide internal rules and the Munich Re Code of Conduct help to ensure compliance.

Further information on compliance at Munich Re can be found at www.munichre.com/en/compliance.

Munich Re Code of Conduct

Our business activities are embedded in a compliance culture based on our ethical principles. Our Munich Re Code of Conduct defines our guidelines for responsible and compliant behaviour.

More specifically, the Munich Re Code of Conduct describes our standards for fair and responsible behaviour – by preventing corruption, for instance – to foster an inclusive and diverse working environment as well as a culture of trust and transparency. In addition, the Munich Re Code of Conduct lays out our commitment to sustainability and human rights, in alignment with the principles of the UN Global Compact.

Further information can be found on our website at www.munichre.com/code-of-conduct.

Voluntary initiatives

To make clear our understanding of important values inside and outside our Group, Munich Re joined the United Nations Global Compact in 2007. In addition, we apply other frameworks to guide our activities on a voluntary basis.

The Principles for Sustainable Insurance (PSI) – which Munich Re committed to as one of the first signatories – reflect our commitment to anchoring environmental, social and governance (ESG) aspects in our core business.

Munich Re was also one of the first signatories of the Principles for Responsible Investment (PRI) and joined the Net-Zero Asset Owner Alliance (NZAOA) in 2020.

More information on these initiatives and how we take them into account can be found in the > Combined non-financial statement, in particular in the sections on climate change under > Insurance activities, > Investment, and > Human rights and working conditions.

Equal participation of men and women in management positions

As at 31 December 2024, the percentage of women on the Board of Management was 20%; with 16.0% at the first management level and 31.7% at the second management level. The targets set as part of implementing the German Act on Equal Participation of Men and Women in Private-Sector and Public-Sector Management Positions (FüPoG) – 25% at Board of Management level and 35% at the second management level, all to be achieved by 31 December 2025 – have thus not yet been met. The target of 15% at the first management level has now been reached. At the second management level, the percentage has continued to increase.

The management levels are defined as follows: A manager at the first management level reports to a member of the Board of Management. A manager at the second management level reports to a manager at the first management level. For these purposes, only staff members with disciplinary responsibility are categorised as managers. This includes the corresponding staff members in our business units and representative offices of Munich Reinsurance Company abroad – the head of a business unit or representative office always belongs to the first management level.

We aim to increase female representation in management positions by taking targeted measures and providing a variety of offerings. These include women’s networks, mentoring, training and coaching programmes, career counselling, and childcare as well as part-time and parental leave offerings. The share of women in management positions is monitored on a quarterly basis throughout the Group, with a special focus on the process of staffing management positions at the first and second management levels, in order to keep track of developments and identify potential issues.

To make the pool of female candidates for management positions as large as possible, we take care to ensure that women and men are equally represented in our talent programmes. Women make up 43% of the Group Management Platform (the top Group-wide talent programme). Moreover, 44% of Hydrogen and 51% of Oxygen participants are women (talent programmes in reinsurance). And women constitute 46% of people in Grow (ERGO), and 44% in MEAG’s new DRIVE programme (as at 31 December 2024).

The share of women came to 39.5% as at 31 December 2024, on a par with 31 December 2023. This is due to the inclusion of other companies – with slightly lower shares of women – in the HR reporting (further information can be found in the > Combined non-financial statement in the Working conditions section). The companies that were already part of the HR reporting in 2023, on the other hand, reported higher shares of women than in the previous year. This means that there are 0.5 percentage points separating us from our commitment to achieving a 40% share of women across all management levels worldwide by the end of 2025.

Moreover, in accordance with legislation and the objectives concerning the composition of the Supervisory Board, at least 30% of seats on the Supervisory Board of Munich Reinsurance Company must be filled by women, and at least 30% by men.

In accordance with the Co-Determination Agreement, the employee and shareholder representatives ensure separate compliance with the statutory gender quotas on the Supervisory Board.

On 31 December 2024, 55% of seats on the Supervisory Board of Munich Reinsurance Company were occupied by men and 45% by women – four women were shareholder representatives and five were employee representatives. The minimum requirements are thus met by both sets of representatives on the Supervisory Board.

Diversity concepts for the Board of Management and Supervisory Board

Diversity is taken into account when filling management positions in the Company and in the composition of the Board of Management and the Supervisory Board. In addition, diversity is an important part of the Munich Re Group's corporate culture.

Diversity concept for the Board of Management

When appointing members of the Board of Management, the Supervisory Board is mindful of diversity in terms of professional and educational background, internationality, age, and gender. The aim is to ensure that the Board's composition is as diverse as possible, complementary, and strong as a whole. Gender diversity is described in the section > Equal participation of men and women in management positions.

Members of the Board of Management bear individual responsibility for the divisions they head, and joint responsibility for overall management of the Company. In addition to the specific knowledge and experience required for each division, all members of the Board of Management must have a sufficiently broad range of knowledge and experience to adequately bear the Board of Management's overall responsibility.

All members of the Board of Management must meet the supervisory "fit and proper" standards. To implement the requirements of Solvency II, the Board of Management and Supervisory Board have adopted a Fit and Proper Policy; this policy sets out fitness and propriety requirements for Board members and other function holders. Accordingly, it must be ensured that the members of the Board of Management have the necessary qualifications in their respective individual areas of responsibility. The policy also requires the Board of Management overall to have appropriate qualifications, experience and knowledge in the following areas as a minimum: business, economic and market environment (insurance and financial markets); business strategy and business model of Munich Reinsurance Company; system of governance; financial and actuarial analysis; regulatory framework and requirements; internal model (risk model) and management (management experience).

The differences between the business models within the Group and between divisions in the reinsurance field of business require that the Board of Management have a broad professional and educational background.

In its current composition, the Board of Management shows a diverse range of professional training and education. It includes graduates of various degrees and vocational training (e.g. business and economics, mathematics, physics, and political science). The CVs of the individual members of the Board of Management have different focuses – in operative business, in certain markets, or in specialist areas. The diverse careers and personalities within the Board of Management express the versatility of our business model, and reflect the complex requirements faced by the Board.

The internationality of the Board is also taken into account. The global business activities of Munich Re mean that all members of the Board of Management have international management experience.

The average age of the members of the Board of Management at the end of the 2024 financial year was 53; the youngest Board member was 40, and the oldest was 59. The age limit for membership of the Board of Management is 67; members of the Board of Management must leave the Board no later than the end of the calendar year in which they turn 67. The requirements for age limits are thus met.

First-time appointments of members of the Board of Management are as a rule for a period of three years. A reappointment more than one year before the end of the appointment period with simultaneous cancellation of the current appointment will only be made in special circumstances. With the exception of aspects relating to remuneration, which are dealt with by the Remuneration Committee, preparation for the appointment of members of the Board of Management is the responsibility of the Personnel Committee of the Supervisory Board, which provides suggestions for suitable candidates to the full Supervisory Board. The Personnel Committee is guided by the Fit and Proper Policy, the specific requirements of the relevant function, and the above-mentioned diversity considerations. In conjunction with the Board of Management, the Personnel Committee is also responsible for succession planning. Succession planning for the Board of Management is systematic and geared to the strategic objectives and future challenges of the Group. A new and uniform Group-wide process was launched in 2023 to help identify particularly talented senior managers. This approach provides a comprehensive strategic overview of all talented staff throughout the Group; it also fosters the mobility of talented people, while ensuring a robust, diverse and sustainable talent pipeline. Our new process has given rise to the Top Talent Pool, which provides a starting point for Board of Management succession planning.

The CVs of the members of the Board of Management are updated regularly and can be found at www.munichre.com/board-of-management.

Diversity concept for the Supervisory Board/Objectives of the Supervisory Board concerning its composition, competence profile and sets of criteria

The composition of the Supervisory Board also follows a concept of diversity with regard to its members' professional and educational backgrounds, internationality, ethnicity, age and gender. Gender diversity is described in the section > Equal participation of men and women in management positions. The aim of the diversity concept is to bring a pluralistic wealth of experience to the Supervisory Board through the interaction of members that have different professional and educational backgrounds and are diverse in terms of internationality, ethnicity, age and gender, thereby enhancing the Board's efficiency for the benefit of the Company.

Just like the members of the Board of Management, the members of the Supervisory Board of Munich Reinsurance Company must meet fitness and propriety requirements. Overseeing the Company professionally and competently and actively accompanying its development demands an appropriate level of diversity on the Supervisory Board in terms of qualifications, knowledge and relevant experience.

The Supervisory Board has set itself specific objectives concerning its composition and has defined requirements regarding the competences of the Supervisory Board as a whole. In addition, there are sets of criteria for employee representatives and shareholder representatives, respectively.

In accordance with the competence profile for the Supervisory Board as a whole and both sets of criteria, it must be ensured that – in terms of the professional and educational backgrounds of its members – the Supervisory Board as a whole has adequate knowledge, skills and experience with regard to the markets, business processes, competition and the requirements of reinsurance, primary insurance and investment in order to perform its duties properly. Appropriate knowledge of the following fields is also required: risk management, accounting, auditing, controlling and internal audit, asset-liability management, law, regulatory supervision, compliance, tax, human resources management and sustainability matters of significance to the Company. The competence profile also includes a good overall understanding of the business model. The members of the Supervisory Board must collectively be familiar with the sector in which the Company operates.

Any additional requirements for specific duties will be defined on a case-by-case basis, in particular taking into account legal requirements and the competence profile. At least one member of the Audit Committee must have expertise in the field of accounting and at least one other member of the Audit Committee must have expertise in the field of auditing. The expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance.

When proposing candidates for election to the Supervisory Board, the Supervisory Board generally only considers nominees aged 70 or under (target age limit). The Supervisory Board has deliberately opted for a flexible target age limit, which provides sufficient room for manoeuvre for assessing the circumstances of the individual case. This expands the pool of potential candidates and allows in particular for the re-election of members of the Supervisory Board with many years of experience. Future nominations of candidates for election to the Supervisory Board should also take into account that at the time of election no candidate should already have been on the Supervisory Board for a continuous period of more than ten years. Normally, Supervisory Board members should not serve on the Board for a continuous period of more than twelve years.

The competence profile also includes other personal qualities of Supervisory Board members, such as entrepreneurial and international experience, having sufficient availability to devote to the role, a strong commitment to corporate governance, commitment to the sustainable, long-term value-creating orientation of the Company and its business policy, a solution-oriented approach, strategic expertise and the competence to effect change. As many members as possible of the Supervisory Board must have no relevant (material and not only temporary) conflicts of interest.

The Nomination Committee of the Supervisory Board selects candidates for the shareholder representatives – based on the objectives concerning the composition of the Supervisory Board, the competence profile and the set of criteria for the shareholder representatives – and prepares the Supervisory Board's election proposals to the Annual General Meeting. This Committee draws up a requirements profile to be used in the selection process. Shareholders receive the detailed CVs of the respective candidates when the Annual General Meeting is convened. When selecting candidates, care is taken to achieve diversity in terms of the composition of the Supervisory Board to ensure that the Supervisory Board as a whole fits the required competence profile.

Half of the members of the Supervisory Board are elected representatives of Group employees in the EU/EEA. The employee representatives on the Supervisory Board are governed by special co-determination rules under the Co-Determination Agreement. The Co-Determination Agreement also specifies a corresponding set of diversity criteria for the employee representatives, which serves as a basis for electing employee representatives to the Supervisory Board. The bodies responsible for making election nominations under the Co-Determination Agreement should take these criteria into account within the limits prescribed by applicable regulations to ensure that the diversity criteria and other requirements are met.

In its current composition, the Supervisory Board demonstrates diversity of professional training and education, and also has the overall knowledge, expertise and professional experience necessary for the proper performance of its duties. Members have diverse professional and educational focuses, including law, economics, social sciences, mathematics, natural sciences (in particular physics), engineering, and commercial and insurance-specific training. The Supervisory Board members also have management experience in various sectors (such as finance and insurance, media, automotive, aviation, pharmaceutical industry), and expertise in the political realm.

Above all, the Chair of the Audit Committee, Maximilian Zimmerer, and Nikolaus von Bomhard as a member of the Audit Committee possess recognised expertise in accounting (special knowledge and experience in the application of accounting principles and internal control and risk management systems) and auditing (special knowledge and experience in the auditing of financial statements). This expertise also includes sustainability reporting and its audit and assurance. In addition, the Audit Committee member Stefan Kaindl has special expertise in the field of accounting (including sustainability reporting). Maximilian Zimmerer, Nikolaus von Bomhard and Stefan Kaindl thus qualify as financial experts within the meaning of Section 100(5) of the German Stock Corporation Act (AktG) and recommendation D.3 GCGC.

Maximilian Zimmerer has gained his expertise in accounting and auditing during his many years on the Board of Management of Allianz SE, by chairing the Boards of Management of Allianz Lebensversicherungs-AG and Allianz Private Krankenversicherungs-AG, and by being a member of various supervisory boards. Nikolaus von Bomhard possesses the requisite knowledge and experience in accounting and auditing due to his thirteen years as Chair of the Board of Management of Munich Reinsurance Company and his many years as Chair of the Supervisory Board of Deutsche Post AG. Stefan Kaindl has gained his accounting expertise during his professional career in the areas of auditing, corporate consultancy and at Munich Reinsurance Company, as well as by completing relevant further training measures. In addition, Maximilian Zimmerer (since 2019; attended meetings as a guest in 2018), Nikolaus von Bomhard (since 2019) and Stefan Kaindl (since 2019) have expanded and deepened their relevant expertise during their many years as members of the Committee. They keep track of current developments in the fields of accounting and sustainability reporting and, in the case of Maximilian Zimmerer and Nikolaus von Bomhard, also in the field of auditing.

In addition, the shareholder representatives on the Praesidium and Sustainability Committee – Nikolaus von Bomhard, Roland Busch and Maximilian Zimmerer – possess recognised sustainability expertise.

Qualification matrix of the members of the Supervisory Board[1]

		von Bomhard	Horstmann	Beier	Booth	Busch
Tenure	Joined Board in	2019	2014	2024	2016	2024
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	✓	n.a.	n.a.	✓	✓
	No overboarding[2]	✓	✓	✓	✓	✓
Diversity	Gender	Male	Female	Male	Male	Male
	Year of birth	1956	1970	1980	1954	1964
	Nationality	German	German	German	British/German	German
	International experience	✓	–	–	✓	✓
	Educational background	Lawyer	Lawyer	Medical orderly	Economist	Physicist
Professional suitability	Actuarial experience[3]	✓	–	✓	✓	–
	Investment management[4]	✓	✓	–	✓	–
	Accounting[5]	✓	✓	–	–	–
	Auditing	✓	✓	–	–	–
	Risk management[6]	✓	✓	–	✓	✓
	Internal model[7]	✓	–	–	✓	–
	Corporate governance and control[8]	✓	✓	–	✓	✓
	Human resources	✓	✓	–	✓	✓
	Sustainability	✓	✓	–	✓	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	✓	–	–	–	–
	Accounting expert	✓	–	–	–	–
	Audit expert	✓	–	–	–	–
	Digital transformation/ Information technology	–	–	–	–	✓
	Cyber security and information security	–	–	–	–	✓
	Climate change/ Climate risks	✓	–	–	✓	✓
	Natural sciences	–	–	–	–	✓
	Engineering	–	–	–	–	✓

See the end of the table for footnotes.

→		Czlowiekowski	Grundler	Jäkel	Jungo Brüngger	Kaindl
Tenure	Joined Board in	2024	2024	2024	2017	2019
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	n.a.	n.a.	✓	✓	n.a.
	No overboarding[2]	✓	✓	✓	–	✓
Diversity	Gender	Male	Female	Female	Female	Male
	Year of birth	1976	1962	1971	1961	1969
	Nationality	Polish	German	German	Swiss	German
	International experience	✓	–	✓	✓	✓
	Educational background	Economist and social scientist	Biology studies	M Phil in International Relations	Lawyer	Mathematician
Professional suitability	Actuarial experience[3]	✓	✓	–	✓	✓
	Investment management[4]	✓	✓	–	✓	✓
	Accounting[5]	✓	✓	–	✓	✓
	Auditing	✓	✓	✓	✓	✓
	Risk management[6]	✓	✓	✓	✓	✓
	Internal model[7]	✓	–	–	✓	✓
	Corporate governance and control[8]	✓	✓	✓	✓	✓
	Human resources	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	✓	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	–	–	–	–	✓
	Accounting expert	–	–	–	–	✓
	Audit expert	–	–	–	–	–
	Digital transformation/ Information technology	✓	✓	✓	✓	–
	Cyber security and information security	✓	–	✓	–	–
	Climate change/ Climate risks	–	–	✓	–	–
	Natural sciences	–	✓	–	–	–
	Engineering	–	–	–	–	–

See the end of the table for footnotes.

→		Knoche-Brouillon	Mücke	Ossadnik	Plottke	Spohr
Tenure	Joined Board in	2021	2019	2024	2014	2020
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	✓	n.a.	✓	n.a.	✓
	No overboarding[2]	✓	✓	✓	✓	✓
Diversity	Gender	Female	Female	Female	Male	Male
	Year of birth	1965	1953	1968	1962	1966
	Nationality	French/ German	German	German	German	German
	International experience	✓	–	✓	–	✓
	Educational background	Pharmacist	Legal assistant	Physicist	Graduate in insurance business administration	Engineer
Professional suitability	Actuarial experience[3]	–	✓	–	✓	✓
	Investment management[4]	✓	✓	–	✓	✓
	Accounting[5]	✓	✓	✓	✓	✓
	Auditing	✓	✓	✓	✓	✓
	Risk management[6]	✓	✓	✓	✓	✓
	Internal model[7]	✓	–	–	✓	–
	Corporate governance and control[8]	✓	✓	✓	✓	✓
	Human resources	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	–	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	–	–	–	–	–
	Accounting expert	–	–	–	–	–
	Audit expert	–	–	–	–	–
	Digital transformation/ Information technology	✓	✓	✓	–	✓
	Cyber security and information security	–	–	✓	–	✓
	Climate change/ Climate risks	✓	✓	✓	–	✓
	Natural sciences	✓	–	✓	–	–
	Engineering	–	–	✓	–	✓

See the end of the table for footnotes.

→		Stocker-Napravnik	Terhoeven	Vogel	Weidmann	Zimmerer
Tenure	Joined Board in	2024	2024	2024	2024	2017
Personal suitability	Regulatory requirement (Fit & Proper)	✓	✓	✓	✓	✓
	Independence[2]	n.a.	n.a.	n.a.	✓	✓
	No overboarding[2]	✓	✓	✓	✓	✓
Diversity	Gender	Female	Female	Male	Male	Male
	Year of birth	1975	1966	1969	1968	1958
	Nationality	German	German	German	German	German
	International experience	✓	✓	✓	✓	✓
	Educational background	Economist	Legal assistant	Master's degree in geography	Economist	Lawyer
Professional suitability	Actuarial experience[3]	✓	✓	–	–	✓
	Investment management[4]	✓	–	–	✓	✓
	Accounting[5]	✓	–	–	✓	✓
	Auditing	✓	–	–	✓	✓
	Risk management[6]	✓	✓	✓	✓	✓
	Internal model[7]	–	–	–	–	✓
	Corporate governance and control[8]	✓	✓	✓	✓	✓
	Human resources	✓	✓	✓	✓	✓
	Sustainability	–	–	✓	✓	✓
Special expertise[9]	Financial expert per Section 100(5) AktG	–	–	–	–	✓
	Accounting expert	–	–	–	–	✓
	Audit expert	–	–	–	–	✓
	Digital transformation/ Information technology	–	✓	✓	–	✓
	Cyber security and information security	–	✓	✓	–	–
	Climate change/ Climate risks	–	–	✓	✓	✓
	Natural sciences	–	–	–	–	–
	Engineering	–	–	–	–	–

1 As at 31 December 2024; ✓ = Fitness: Evaluation as part of the annual self-assessment of the Supervisory Board with "good" or "sound knowledge". On a scale of A to E, this corresponds to an evaluation of at least B.
2 In conformity with the GCGC.
Recommendations on independence relate to shareholder representatives only. The members of the Supervisory Board have no relevant (material and not only temporary) conflicts of interest.
3 Skills and experience with regard to the markets, business processes, competition and the requirements of reinsurance and primary insurance (life and non-life).
4 Investment, asset-liability management.
5 Accounting, controlling.
6 Risk management (including internal control processes).
7 Internal model: For calculation of the solvency capital requirement under Solvency II.
8 Law, regulatory supervision, compliance, internal audit, tax.
9 Result of a supplementary query (without a rating scale) as part of the annual self-assessment.

The different personalities within the Supervisory Board and their individual careers reflect the wide range of duties of the Supervisory Board and meet the associated requirements.

Most of the members of the Supervisory Board also have international experience. The members of the Supervisory Board come from a number of different countries, which reflects the Company's international activities.

The average age of members of the Supervisory Board at the end of the 2024 financial year was 58; the youngest Board member was 44, and the oldest was 71. There is therefore a sufficient age mix on the Supervisory Board. The European Electoral Board availed itself of the flexible target age limit in the case of Supervisory Board member Gabriele Mücke.

The CVs of the members of the Supervisory Board are updated once a year and can be found at www.munichre.com/supervisory-board.

Independence[1]

The shareholder representatives on the Supervisory Board aim to ensure that, as far as possible, all candidates whom they propose to the Annual General Meeting for election are independent.

In implementing the German Corporate Governance Code, the shareholder representatives have set themselves the objective of having at least eight independent shareholder representatives on the Supervisory Board.

Taking into account the ownership structure, the shareholder representatives are of the opinion that all ten shareholder representatives meet the independence criteria of the German Corporate Governance Code. Specifically, the Chair of the Supervisory Board, the Chair of the Audit Committee, and the Chair of the committee that addresses the remuneration of the Board of Management are thus independent within the meaning of the GCGC. In their assessment, the shareholder representatives took into particular account whether the member of the Supervisory Board or a close relative of the member of the Supervisory Board (i) is related to a member of the Board of Management, (ii) was a member of the Board of Management of the Company in the two years preceding the appointment to the Supervisory Board, (iii) may derive benefits that are influenceable by the Board of Management as a consequence of their membership on the Supervisory Board (for instance through a consultancy contract), (iv) represents in particular a specific group that pursues individual or special interests, (v) holds a major direct or indirect stake in the Company or represents a shareholder/group that holds such a stake or its interests, (vi) held a board or consultancy function in the year preceding the appointment, in particular for competitors, clients, suppliers or creditors of the Company or for an entity dependent on these which might lead to a relevant, i.e. material and not only temporary, conflict of interest in their view or in the view of the Company, (vii) has been a partner or employee of the auditor during the past three years and/or (viii) has been a member of the Supervisory Board for more than 12 years.

1 Information on independence in accordance with the ESRS can be found in the > Combined non-financial statement > Governance > Independence.

Consolidated financial statements and notes

Consolidated balance sheet as at 31 December 2024

Assets[1]

	Notes	31.12.2024		Prev. year	Change	
		€m	€m	€m	€m	%
A. Intangible assets						
I. Goodwill	(8)	3,443		3,184	259	8.1
II. Other intangible assets	(9)	819		900	–81	–9.0
			4,262	**4,084**	**178**	**4.4**
B. Reinsurance contracts held that are assets	**(10)**		**4,123**	**4,014**	**109**	**2.7**
C. Insurance contracts issued that are assets	**(26)**		**7,208**	**7,193**	**16**	**0.2**
D. Investments						
I. Non-financial investments						
1. Investment property	(11)	10,189		9,384	805	8.6
2. Property, plant and equipment	(12)	405		511	–106	–20.8
3. Intangible assets	(13)	74		128	–54	–42.5
4. Biological assets	(14)	1,202		828	374	45.1
5. Inventories		12		0	12	0.0
6. Investments in affiliated companies, associates and joint ventures	(15)	5,266		6,895	–1,630	–23.6
Thereof: Associates and joint ventures accounted for using the equity method		4,701		6,409	–1,708	–26.7
		17,147		17,747	–600	–3.4
II. Financial investments	(16)	213,569		200,715	12,854	6.4
			230,716	**218,462**	**12,254**	**5.6**
E. Investments for unit-linked life insurance	**(17)**		**9,186**	**8,280**	**906**	**10.9**
F. Insurance-related financial instruments	**(18)**		**9,563**	**9,872**	**–308**	**–3.1**
G. Receivables						
I. Current tax receivables		690		1,920	–1,230	–64.1
II. Financial receivables	(19)	4,204		3,841	363	9.4
III. Other receivables	(20)	1,703		1,382	321	23.2
			6,597	**7,143**	**–547**	**–7.7**
H. Cash and cash equivalents	**(21)**		**6,116**	**5,595**	**521**	**9.3**
I. Deferred tax assets	**(22)**		**2,664**	**2,743**	**–79**	**–2.9**
J. Other assets	**(23)**		**5,304**	**5,962**	**–658**	**–11.0**
K. Non-current assets held for sale	**(5)**		**774**	**446**	**328**	**73.5**
Total assets			**286,515**	**273,793**	**12,722**	**4.6**

1 You can download this information as an Excel file; please refer to the Financial Supplement under www.munichre.com/results-reports.

Equity and liabilities[1]

	Notes	31.12.2024		Prev. year	Change	
		€m	€m	€m	€m	%
A. Equity	**(24)**					
I. Issued capital and capital reserve		7,422		7,424	–2	0.0
II. Retained earnings[2]		19,137		17,906	1,232	6.9
III. Other reserves[2]		397		–286	683	–
IV. Net result attributable to Munich Reinsurance Company equity holders		5,685		4,606	1,079	23.4
V. Non-controlling interests		104		122	–18	–14.4
			32,746	**29,772**	**2,973**	**10.0**
B. Subordinated liabilities	**(25)**		**6,321**	**4,713**	**1,608**	**34.1**
C. Reinsurance contracts held that are liabilities	**(10)**		**523**	**436**	**86**	**19.8**
D. Insurance contracts issued that are liabilities	**(26)**					
I. Liability for remaining coverage	(27)	132,588		132,979	–392	–0.3
II. Liability for incurred claims	(28)	89,702		81,167	8,535	10.5
III. Other technical liabilities		7		7	0	6.8
			222,297	**214,153**	**8,144**	**3.8**
E. Other provisions	**(29)**		**2,760**	**2,766**	**–6**	**–0.2**
F. Liabilities	**(30)**					
I. Derivatives		1,274		1,379	–105	–7.6
II. Non-derivative financial liabilities		4,099		4,161	–62	–1.5
III. Current tax liabilities		2,179		2,657	–478	–18.0
IV. Other liabilities		12,320		11,242	1,078	9.6
			19,872	**19,438**	**433**	**2.2**
G. Deferred tax liabilities	**(22)**		**1,973**	**2,241**	**–268**	**–12.0**
H. Liabilities related to non-current assets held for sale	**(5)**		**23**	**274**	**–250**	**–91.5**
Total equity and liabilities			**286,515**	**273,793**	**12,722**	**4.6**

1 You can download this information as an Excel file; please refer to the Financial Supplement under www.munichre.com/results-reports.
2 Previous year's figures restated due to an adjustment to the allocation of insurance contracts measured using the variable fee approach. This resulted in reclassification from retained earnings to other reserves.

Consolidated income statement for the 2024 financial year[1]

	Notes	2024	Prev. year		Change
		€m	€m	€m	%
1. Insurance revenue from insurance contracts issued	(32)	60,830	57,884	2,945	5.1
2. Insurance service expenses from insurance contracts issued					
Claims expenses		–43,036	–41,481	–1,554	–3.7
Changes from underlying items		546	48	498	>1,000.0
Administration and acquisition costs		–8,968	–8,617	–351	–4.1
Other insurance service expenses		0	0	0	–
	(33)	–51,458	–50,051	–1,407	–2.8
3. Insurance service result from insurance contracts issued (1+2)		**9,372**	**7,834**	**1,538**	**19.6**
4. Insurance revenue ceded from reinsurance contracts held	(32)	–1,666	–1,577	–89	–5.7
5. Income from reinsurance contracts held	(33)	486	788	–302	–38.4
6. Insurance service result from reinsurance contracts held (4+5)		**–1,181**	**–789**	**–392**	**–49.6**
7. Insurance service result (3+6)		**8,191**	**7,045**	**1,146**	**16.3**
8. Result from insurance-related financial instruments	(34)	727	501	227	45.3
9. Total technical result (7+8)		**8,918**	**7,545**	**1,373**	**18.2**
10. Investment result	(35)	7,191	5,374	1,817	33.8
Thereof:					
Interest revenue		5,858	5,029	830	16.5
Income from associates and joint ventures accounted for using the equity method		129	356	–227	–63.9
11. Currency result		175	–292	467	–
12. Investment result for unit-linked life insurance	(36)	941	816	126	15.4
13. Insurance finance income or expenses from insurance contracts issued	(37)	–7,217	–5,490	–1,727	–31.4
14. Insurance finance income or expenses from reinsurance contracts held	(37)	107	99	8	7.7
15. Insurance finance income or expenses (13+14)		**–7,110**	**–5,391**	**–1,719**	**–31.9**
16. Net financial result (10+11+12+15)		**1,198**	**507**	**691**	**136.3**
17. Other operating income	(38)	1,432	1,316	116	8.8
18. Other operating expenses	(38)	–3,579	–3,667	88	2.4
19. Operating result (9+16+17+18)		**7,969**	**5,702**	**2,268**	**39.8**
20. Net finance costs	(39)	–207	–168	–40	–23.5
21. Taxes on income	(40)	–2,091	–936	–1,154	–123.3
22. Net result (19+20+21)		**5,671**	**4,597**	**1,074**	**23.4**
Thereof:					
Attributable to Munich Reinsurance Company equity holders		5,685	4,606	1,079	23.4
Attributable to non-controlling interests		–14	–9	–5	–51.1
		€	€	€	%
Earnings per share	**(66)**	**42.78**	**33.88**	**8.90**	**26.3**

1 You can download this information as an Excel file; please refer to the Financial Supplement under www.munichre.com/results-reports.

Consolidated statement of comprehensive income for the 2024 financial year

€m	2024	Prev. year
Net result	**5,671**	**4,597**
Foreign currency translation		
Gains (losses) recognised in equity	1,092	–433
Recognised in profit or loss	0	0
Unrealised gains and losses on financial investments		
Gains (losses) recognised in equity	–492	4,110
Recognised in profit or loss	1,004	804
Change resulting from cash flow hedges		
Gains (losses) recognised in equity	1	2
Recognised in profit or loss	0	0
Change resulting from equity method measurement		
Gains (losses) recognised in equity	39	27
Recognised in profit or loss	0	0
Change resulting from reinsurance contracts held		
Gains (losses) recognised in equity	–165	–774
Recognised in profit or loss	0	0
Change resulting from insurance contracts issued		
Gains (losses) recognised in equity	–784	–2,631
Recognised in profit or loss	0	0
I. Items where income and expenses recognised in other comprehensive income are reclassified to profit or loss	**695**	**1,105**
Remeasurement of defined benefit plans	22	–111
II. Items where income and expenses recognised in other comprehensive income are not reclassified to profit or loss	**22**	**–111**
Income and expenses recognised in other comprehensive income (I+II)	**718**	**994**
Total comprehensive income	**6,389**	**5,591**
Thereof:		
Attributable to Munich Reinsurance Company equity holders	6,401	5,600
Attributable to non-controlling interests	–13	–9

Consolidated statement of changes in equity for the 2024 financial year

€m	Issued capital	Capital reserve
Balance at 1.1.2023	**577**	**6,845**
Allocation to retained earnings	0	0
Net result	0	0
Income and expenses recognised in other comprehensive income	0	0
Foreign currency translation	0	0
Unrealised gains and losses on financial investments	0	0
Change resulting from cash flow hedges	0	0
Change resulting from equity method measurement	0	0
Change resulting from reinsurance contracts held	0	0
Change resulting from insurance contracts issued	0	0
Remeasurement of defined benefit plans	0	0
Total comprehensive income	**0**	**0**
Other changes	0	0
Dividend payments	0	0
Purchase and retirement of own shares	2	0
Balance at 31.12.2023	**580**	**6,845**
Allocation to retained earnings	0	0
Net result	0	0
Income and expenses recognised in other comprehensive income	0	0
Foreign currency translation	0	0
Unrealised gains and losses on financial investments	0	0
Change resulting from cash flow hedges	0	0
Change resulting from equity method measurement	0	0
Change resulting from reinsurance contracts held	0	0
Change resulting from insurance contracts issued	0	0
Remeasurement of defined benefit plans	0	0
Total comprehensive income	**0**	**0**
Other changes	0	0
Dividend payments	0	0
Purchase and retirement of own shares	–2	0
Balance at 31.12.2024	**577**	**6,845**

1 Figures from the previous year's opening balance sheet restated due to an adjustment to the allocation of insurance contracts measured using the variable fee approach. This resulted in reclassification from retained earnings to other reserves.

					Equity attributable to Munich Reinsurance Company equity holders	Non-controlling interests	Total equity
Retained earnings[1]				Other reserves	Net result		
	Fair value measurement	Measurement of insurance contracts[1]	Currency translation	Hedging relationships			
15,302	**–14,519**	**11,586**	**1,587**	**0**	**5,313**	**151**	**26,842**
3,730	0	0	0	0	–3,730	0	0
0	0	0	0	0	4,606	–9	4,597
–66	4,904	–3,405	–431	–8	0	0	994
0	0	0	–431	0	0	–3	–433
0	4,911	0	0	0	0	2	4,914
0	0	0	0	2	0	0	2
46	–8	0	0	–10	0	0	27
0	0	–774	0	0	0	0	–774
0	0	–2,632	0	0	0	0	–2,631
–112	0	0	0	0	0	0	–111
3,664	4,904	–3,405	–431	–8	877	–9	5,591
–16	–16	0	0	16	0	–18	–34
0	0	0	0	0	–1,583	–2	–1,585
–1,044	0	0	0	0	0	0	–1,041
17,906	**–9,631**	**8,181**	**1,156**	**8**	**4,606**	**122**	**29,772**
2,600	0	0	0	0	–2,600	0	0
0	0	0	0	0	5,685	–14	5,671
33	537	–949	1,091	4	0	1	718
0	0	0	1,091	0	0	1	1,092
0	511	0	0	0	0	1	512
0	0	0	0	1	0	0	1
11	26	0	0	2	0	0	39
0	0	–165	0	0	0	0	–165
0	0	–784	0	0	0	0	–784
22	0	0	0	0	0	0	22
2,633	537	–949	1,091	4	3,085	–13	6,389
33	0	0	0	0	0	–3	31
0	0	0	0	0	–2,006	–2	–2,008
–1,435	0	0	0	0	0	0	–1,437
19,137	**–9,094**	**7,232**	**2,247**	**12**	**5,685**	**104**	**32,746**

Consolidated cash flow statement for the 2024 financial year

€m	2024	Prev. year
Net result	**5,671**	**4,597**
Net change in reinsurance contracts held	268	–92
Net change in insurance contracts issued	1,653	101
Change in non-financial investments	–2,010	–1,629
Change in financial investments	–6,642	–3,286
Change in investments for unit-linked life insurance	–38	–53
Change in insurance-related financial instruments	323	–290
Change in receivables and liabilities (excluding bonds and notes issued and liabilities to credit institutions)	661	–79
Change in other provisions	19	–59
Change in other balance sheet items	27	90
Fair-value changes recognised in profit or loss	2,732	2,594
Depreciation/amortisation, impairment losses, reversals of impairment losses, and changes in expected credit losses	375	317
Gains/losses resulting from the disposal of consolidated subsidiaries, other intangible assets, and property, plant and equipment	24	13
Other non-cash income and expenses	81	321
I. Cash flows from operating activities	**3,143**	**2,543**
Inflows from losing control of consolidated subsidiaries	47	19
Outflows from obtaining control of consolidated subsidiaries	–340	–48
Inflows from the sale of other intangible assets	89	4
Outflows from the acquisition of other intangible assets	–149	–198
Inflows from the sale of property, plant and equipment	13	36
Outflows from the acquisition of property, plant and equipment	–167	–148
Inflows and outflows from other investing activities	1	5
II. Cash flows from investing activities	**–505**	**–329**
Inflows from increases in capital and from non-controlling interests	0	0
Dividend payments	–2,006	–1,583
Purchase of own shares	–1,437	–1,041
Inflows from the issue of subordinated liabilities	1,487	0
Outflows from interest and the redemption of subordinated liabilities	–141	–134
Inflows and outflows from other financing activities	–130	–225
III. Cash flows from financing activities	**–2,228**	**–2,983**
Cash flows for the financial year (I+II+III)[1]	**410**	**–770**
Effect of exchange-rate changes on cash and cash equivalents	122	–47
Cash at 1 January	5,595	6,439
Cash at 31 December	6,128	5,621
Thereof:		
Cash not attributable to disposal group	6,116	5,595
Cash attributable to disposal group	11	26
Restricted cash	66	95
Additional information		
Income tax paid (net) – included in the cash inflows from operating activities	–864	51
Dividends received	353	419
Interest received	7,095	6,030
Interest paid	–286	–366

1 Cash mainly comprises cash at banks.

Notes to the consolidated financial statements

Basis of preparation

Application of IFRS Accounting Standards

Munich Re's consolidated financial statements have been prepared on the basis of the IFRS Accounting Standards, as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e(1) of the German Commercial Code (HGB).

Presentation of figures

Munich Re's presentation currency is the euro (€). Amounts are rounded to million euros. As a result, there may be minor deviations in totals and percentages. Figures in brackets refer to the comparative period. We only add plus or minus signs where it is not clear from the context whether the amount is an expense/outflow or income/inflow.

Comparative information

The comparative information was calculated on the same basis as in the 2024 financial year.

Accounting policies

Use of judgements and estimates in recognition and measurement

In preparing the consolidated financial statements, preparers must use their judgement in applying accounting policies, and make certain estimates and assumptions that affect the items shown in the consolidated balance sheet, the consolidated income statement and the disclosures on contingent liabilities.

Our internal processes are geared to determining amounts as accurately as possible, taking into account all the relevant information to the best of the management's knowledge. Nevertheless, it is in the nature of estimates that they may have to be adjusted in the course of time to take account of new knowledge.

Discretionary judgements and estimates are of significance for the following items in particular. Further information can be found in the relevant disclosures under > Consolidation, > Overarching accounting policies, > Assets, > Equity and liabilities, and under > Explanatory information > Notes to the financial instruments and fair value disclosures on assets and liabilities.

Discretionary judgements

Determining the basis of consolidation
When determining whether an entity should be included in the consolidated group, we assess whether Munich Re exercises control or a significant influence, or has joint control, over that entity.

An investor is deemed to control an investee if the following three criteria are met:

- power over the investee;
- exposure on account of rights to variable returns from involvement with the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns.

An assessment of these criteria requires that a certain degree of judgement be exercised. Aside from considering the purpose and design of the investee, we must also analyse in particular what its relevant activities are, how decisions about those activities are made and whether our existing rights give us the current ability to direct the relevant activities. In addition to our share of the voting rights in the investee, we also consider other circumstances and facts, the assessment of which in turn often requires the application of judgement. This is particularly the case when evaluating contractual rights and, when assessing the need to consolidate shares in investment funds, the degree of variability in the remuneration of the fund manager, removal rights, and the role of the investors in committees and bodies of the investment fund. In addition, in assessing whether control exists for structured entities, we take into account factors including the agency relationships between the parties.

Classification and impairment of financial assets
The classification of financial assets is based on the business model in which the financial assets are managed, and on the contractual cash flow characteristics (SPPI test). The business model is determined based on several factors, such as the risks that affect the performance of the business model and the way in which those risks are managed as well as how the performance is evaluated and reported to management. In some instances, determining the business model under which certain financial assets are managed requires the exercise of judgement. In addition, when assessing whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding and are compatible with a basic lending arrangement, depending on the structure of the financial asset, such an assessment also requires the use of judgement.

The recognition of loss allowances under the expected credit-loss model requires that criteria be defined to determine whether the credit risk on a financial asset has increased significantly since initial recognition. The definition of such criteria relies on a certain degree of judgement.

Classification of insurance contracts

In the course of conducting our risk transfer test, we assess whether contracts transfer a significant insurance risk. In cases where it is found that a significant insurance risk is transferred, the contracts are accounted for in accordance with the provisions of IFRS 17, Insurance Contracts. Otherwise, the contracts usually represent financial instruments which fall under the scope of IFRS 9, Financial Instruments. We regularly exercise judgement when performing the risk transfer test and when assessing whether it is necessary to separate certain contractual components (investment components, non-insurance service components and embedded derivatives).

Measurement of insurance contracts

Insurance contracts falling under the scope of IFRS 17 are measured at the level of groups of insurance contracts. To a certain extent, judgement is exercised when identifying portfolios and defining groups of insurance contracts based on the profitability of those contracts. In addition, determining the procedures to set the discount rates and the risk adjustment for non-financial risks requires the use of judgement. Furthermore, a certain degree of judgement must be exercised when systematically allocating certain fixed and variable overheads to groups of insurance contracts and establishing coverage units.

Estimates and assumptions

Impairment of intangible assets

For certain intangible assets, the assessment as to whether there is indication of impairment is performed at the level of the cash-generating unit. This relates in particular to goodwill impairment testing. Value in use, which serves as the basis for calculating the recoverable amount of the cash-generating units, is determined based on estimated distributable target results, taking into account a number of assumptions. The cost-of-equity rate, derived from the capital asset pricing model (CAPM), is used as the discount rate. The valuation is thus based on the risk-free rate, the beta factor, and a market risk premium – and an additional risk premium, if necessary.

Impairment of financial instruments

The key parameters for calculating expected credit losses are the probability of default, the loss given default and the exposure at default.

The probability of default is used as the basis for allocation to a stage of the impairment model. In addition, the probability of default is considered whenever expected credit losses are calculated. During our internal rating process, the probability of default is calculated on the basis of historical data, current market conditions, and assumptions about the future.

The loss given default is derived from the recovery and default studies published by rating agencies. The exposure at default corresponds to the gross carrying amount as at the reporting date.

Measurement of insurance contracts

The measurement of insurance contracts is subject to substantial estimates based on the assumptions used. In particular, estimates are made when determining the fulfilment cash flows. This is particularly the case when it comes to determining the future cash flows which will arise when the insurance contracts are fulfilled, as well as when determining discount rates and the risk adjustment for non-financial risks.

Estimates of future cash flows are based on reasonable and supportable information that is available without undue cost or effort. Internal and external sets of historical data as well as current conditions are considered when forming expectations as to future developments. The purpose of estimating future cash flows is to determine the expected value (probability-weighted mean) for the entire range of potential events. Estimates of future cash flows are made on the basis of assumptions such as those with regard to mortality, disability, policyholder behaviour and participation, as well as claims payments and settlement costs.

Estimates of future cash flows are discounted to reflect the time value of money. The discount rates selected must be as consistent as possible with the overall cash flow characteristics of the groups of insurance contracts. We determine discount rates by using a bottom-up approach, with the Solvency II interest-rate curves published by the supervisory authority EIOPA (European Insurance and Occupational Pensions Authority) serving as the starting point for risk-free interest rates. If relevant, we factor in the effect of illiquidity premiums on the interest-rate curves to take account of the differences in liquidity between the insurance liabilities and the liquid reference instruments used in determining risk-free interest rates.

In order to account for the uncertainty arising from non-financial risk pertaining to the amount and the timing of cash flows, the estimate of the present value of future expected cash flows is subject to an explicit risk adjustment to reflect non-financial risk. We determine the risk adjustment for non-financial risk using a cost-of-capital method and on the basis of our internal risk model, taking into account Group-wide risk diversification. More specifically, we apply a cost-of-capital rate of 6% to the amount of capital required as at each future reporting date on a going-concern basis, and we discount the result using the risk-free rates adjusted for illiquidity.

Calculation of fair values of assets and liabilities
The calculation of fair values of assets and liabilities is based on estimates and assumptions, in particular in cases where unobservable inputs are included in, and have a significant impact on, the market valuation (Level 3 of the fair value hierarchy). The inputs used reflect the assumptions regarding the factors that market participants would consider in their pricing.

Provisions for post-employment benefits
The measurement of provisions for post-employment benefits requires that assumptions be made as to future developments and is therefore subject to estimation uncertainty. In the measurement, recognised biometric assumptions are applied, particularly with respect to life expectancy, together with further actuarial assumptions. These above all concern the actuarial interest rate, future entitlement and salary increases, and future pension and cost trends.

Deferred tax assets
Deferred tax assets are recognised with respect to temporary differences between the amounts reported in the consolidated balance sheet and the tax accounts. Also included are tax assets deriving from tax loss carry-forwards. Deferred tax assets are recognised if there are sufficient taxable temporary differences which are expected to reverse in the same period as the deductible temporary differences. For any additional deductible temporary differences, deferred tax assets are only recognised if it is considered probable that future profits will be available in the same period in which the deductible temporary differences are expected to reverse. This means that estimates and assumptions as to the future availability of profits must be made when accounting for deferred tax assets.

Contingent liabilities
In the case of contingent liabilities, judgements and estimates are necessary for assessing whether a present obligation exists, an outflow of resources is regarded as probable, and whether it is possible to make a sufficiently reliable estimate for an obligation. Such an assessment needs to be made if there is an ongoing legal dispute, for example.

Consolidation

Consolidation principles

Fully consolidated entities
The consolidated financial statements include Munich Reinsurance Company and all the entities over which Munich Reinsurance Company directly or indirectly exercises control (subsidiaries).

Munich Reinsurance Company directly or indirectly holds all, or a clear majority of, the voting rights in most of the entities included in the consolidated group.

We include a small number of entities in the consolidated group on the basis that contractual rights are taken into consideration that result in determination of control over the relevant business activities. In assessing the need to consolidate shares in investment funds, we take particular account of the degree of variability in the remuneration of the fund manager, of removal rights, and of the role of the investors in committees and bodies of the investment fund. As a result, an assessment that we do exercise control sometimes occurs even though the shareholding is below 50%.

In assessing whether control exists for structured entities, we focus our analysis on the remaining decisions within the corresponding unit and on the agency relationships between the parties. For structured entities used by us to issue catastrophe bonds, we focus above all on our relationship to the trustees and our possibilities to influence their decision-making. Generally, we do not control such structured entities, even if we hold their bonds.

A list of all our shareholdings can be found under > List of shareholdings as at 31 December 2024 pursuant to Section 313(2) of the German Commercial Code (HGB).

Associates and joint ventures
Entities and special funds are considered associates if we are able to significantly influence their financial and operating policies. We regularly operate on this assumption if we hold between 20% and 50% of the voting power or similar rights, unless the financial and operating policies of the entity or special fund are largely pre-determined.

Entities and special funds are considered joint ventures if we are able to determine their relevant operations solely by unanimous consent of all parties entitled to joint control, and we only have rights to their net assets.

Joint operations
A joint operation exists if its relevant operations can only be determined by unanimous consent of all parties entitled to joint control, and these parties – due to the legal form of the joint operation, contractual provisions or other circumstances – have rights to assets and obligations for the liabilities of the joint operation, instead of rights to net assets.

We recognise our share of assets, liabilities, income and expenses of joint operations in which we have joint control in the balance sheet in accordance with the relevant IFRS Accounting Standards.

General remarks on structured entities

Structured entities are entities that have been conceived in a way that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant business activities are directed by means of contractual arrangements.

Overarching accounting policies

Financial instruments

Our financial instruments are presented under the following items in the consolidated balance sheet:

- Financial assets: D.II. Financial investments, E. Investments for unit-linked life insurance, F. Insurance-related financial instruments, G.II. Financial receivables, and H. Cash and cash equivalents

- Financial liabilities: B. Subordinated liabilities, F.I. Derivatives, F.II. Non-derivative financial liabilities, and F.IV. Other liabilities (primarily consists of financial instruments)

For information on specific items, please refer to > Assets and to > Equity and liabilities.

Financial assets

Recognition and derecognition
We recognise a financial asset in the consolidated balance sheet at the time when we become a party to the contractual provisions of the financial instrument.

When the contractual rights to receive the cash flows from a financial asset have expired, we derecognise that asset. If a financial asset is transferred, we evaluate whether the derecognition requirements of IFRS 9 are met. In this process, we take into account the extent to which we retain the risks and rewards of ownership of the financial asset and – if applicable – whether we retain control. Depending on the outcome of this evaluation, we derecognise the financial asset, or we continue to recognise it in full or to the extent of our continuing involvement. Financial assets are recognised and derecognised as at the trade date.

Classification
For the purpose of subsequent measurement, financial assets are classified as measured at "amortised cost", "fair value through other comprehensive income" or "fair value through profit or loss".

The classification is determined on the basis of the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets (SPPI test).

Business model
An entity's business model refers to how the entity manages the financial assets in order to generate cash flows. The business model is determined by management at the level of groups of financial assets; it is based on several factors, such as the risks that affect the performance of the business model and the way in which those risks are managed as well as how the performance is evaluated and reported to management.

A distinction is made between the following business models:

In the business model "hold to collect", the financial assets are managed with the objective to collect contractual cash flows. The sale of financial assets is not part of the management strategy, but is, under certain circumstances, not incompatible with the application of this business model, for example if there is an increase in the financial asset's credit risk.

The objective of the business model "hold to collect and sell" is achieved by both collecting contractual cash flows and selling financial assets. The sale of assets is a key aspect of the management of the portfolio.

The business model "other" applies to financial assets that are managed neither under the "hold to collect" nor under the "hold to collect and sell" business models. This is the case, for example, if the objective of the business model is in particular to realise cash flows by selling assets, or if a group of financial assets is managed on the basis of their fair value.

Contractual cash flow characteristics
If financial assets are held within the business model "hold to collect" or "hold to collect and sell", an additional assessment as to whether they pass the solely payments of principal and interest (SPPI) test is necessary for the classification for subsequent measurement.

Contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are consistent with a basic lending arrangement and pass the SPPI test. In a basic lending arrangement, compensation for the time value of money and for the credit risk are typically the most significant elements of interest. In addition, interest may include compensation for other basic lending risks (such as the liquidity risk) and costs (such as administration costs) as well as an appropriate profit margin consistent with a basic lending arrangement.

Measurement

Measurement on initial recognition

On initial recognition at the trade date, financial assets are recognised at the transaction price or fair value. For financial assets that are not subsequently measured at fair value through profit or loss, directly attributable transaction costs must be included in addition.

Subsequent measurement

The measurement of a financial asset after initial recognition is based on the classification in accordance with the business model and the result of the SPPI test.

Financial assets managed within the business model "hold to collect" that pass the SPPI test are measured at amortised cost. At Munich Re, this includes in particular financial receivables and cash and cash equivalents.

Financial assets subject to the business model "hold to collect and sell" that pass the SPPI test are measured at fair value through other comprehensive income. This is the case for the bulk of our financial investments. They are mostly used to back insurance liabilities and are managed as part of our asset-liability management on the basis of their duration and risk profile. This means that the management strategy is aimed at both collecting contractual cash flows and selling financial assets.

Financial assets that are managed under the business model "other" or that do not pass the SPPI test are measured at fair value through profit or loss. In view of the business model, at Munich Re, this includes in particular the investments for unit-linked life insurance and the insurance-related financial instruments – such as insurance contracts that do not transfer significant insurance risk.

Derivatives and equity instruments are generally measured at fair value through profit or loss. Munich Re does not make use of the option to designate equity instruments as measured at fair value through other comprehensive income. We present investments in affiliated companies, associates and joint ventures that are not consolidated because they are immaterial, or that are measured using the equity method, under non-financial investments and, in the interest of simplicity, measure them in the same way as equity instruments – namely at fair value through profit or loss.

Contracts with embedded derivatives where the host contract is not a financial asset within the scope of IFRS 9 may under certain circumstances be designated as measured at "fair value through profit or loss". Munich Re uses this fair value option especially for certain insurance contracts with embedded derivatives (which themselves are not insurance contracts within the scope of IFRS 17). These contracts are presented under insurance-related financial instruments. The fair value option is not used for insurance contracts with embedded derivatives – unless the derivatives do not significantly change the contractual cash flows, or if separation of the embedded derivatives would not be permissible.

In addition, financial assets may be irrevocably designated as "measured at fair value through profit or loss" on initial recognition if this eliminates or significantly reduces accounting mismatches. This is of minor significance for Munich Re.

Impairment

IFRS 9 calls for using an expected credit loss model to recognise impairment losses, under which expected credit losses are anticipated before they arise and must be recognised as an expense. These impairment requirements primarily affect financial assets measured at amortised cost or at fair value through other comprehensive income, as well as lease receivables.

A three-stage impairment model is used to recognise and measure impairment losses on financial assets.

Stage 1: On initial recognition, financial instruments are always assigned to Stage 1 of the impairment model and they remain at Stage 1 if their credit risk has not increased significantly since they were initially recognised. The loss allowance is measured at an amount equal to the 12-month expected credit losses, which represents the expected credit losses that result from default events that may occur within 12 months of the reporting date.

Stage 2: If the credit risk of a financial instrument has increased significantly since initial recognition but there is no objective evidence of impairment, the loss allowance at Stage 2 of the impairment model is measured at an amount equal to the lifetime expected credit loss.

Stage 3: If in addition to a significant increase in credit risk, there is objective evidence of impairment, the instrument is allocated to Stage 3 of the impairment model (credit-impaired financial assets). As in Stage 2, the loss allowance is measured at an amount equal to the lifetime expected credit losses. Interest revenue is calculated by applying the effective interest method – unlike in Stage 1 and Stage 2 – on the basis of the net carrying amount of the financial asset (i.e. after deducting the loss allowance).

As a matter of principle, a significant increase in credit risk is assumed if this risk (measured in terms of the probability of default) has increased by more than two percentage points since the financial instrument was initially recognised.

We assume that the credit risk of a financial instrument has not increased significantly if it has low credit risk as at the reporting date (low credit risk exception).

For financial instruments with an internal MEAG rating, we generally assume that changes in the risk of a default occurring over the next 12 months are a reasonable approximation of the changes in the lifetime risk of a default occurring. If there are indications that only an assessment based on the entire lifetime of the financial instrument is appropriate, such an assessment is made.

We generally make use of the rebuttable presumption that the credit risk has increased significantly since initial recognition if a contractual payment is more than 30 days past due, unless we have evidence to the contrary.

Objective evidence of credit impairment resulting in allocation to Stage 3 includes but is not limited to:

- significant financial difficulty of the borrower;
- a breach of contract (such as a default or past due event);
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for the financial asset because of financial difficulties.

To measure expected credit losses, we use the probability of default, the loss given default and the exposure at default. In particular, a default refers to a scenario in which contractually agreed cash flows fail to materialise either in full or in part.

Expected credit losses are equal to the discounted product of these three components. The calculation includes probability-weighted scenarios that take account of reasonable and supportable information that is available without disproportionate cost or effort as at the reporting date and incorporates past events, current conditions and forecasts of future economic conditions.

Financial assets are written off if, based on a reasonable assessment, it must be assumed that these assets are not recoverable. Indicators for this include a debtor lacking sufficient assets to service their debts or failing to commit to a repayment schedule. Upon completion of insolvency proceedings against a debtor, the financial assets are likewise deemed to be no longer recoverable and are fully derecognised. Such write-offs do not have an impact on profit or loss since the amounts are reflected in the loss allowance and therefore have already been recognised previously through profit or loss.

Our investment guidelines do not provide for the acquisition of purchased or originated credit-impaired financial assets.

We do not exercise the option to measure loss allowances on lease receivables using the simplified approach, i.e. at an amount equal to lifetime expected credit losses.

Financial liabilities

Recognition and derecognition

We recognise financial liabilities in the consolidated balance sheet at the time when we become a party to the contractual provisions of the financial instrument.

We derecognise financial liabilities when they are extinguished, i.e. when the obligations specified in the contract are discharged, are cancelled, or expire. Financial liabilities are recognised and derecognised as at the trade date.

Classification

For subsequent measurement, IFRS 9 specifies that financial liabilities must be classified as “measured at amortised cost” or “measured at fair value through profit or loss”.

Measurement

Measurement on initial recognition

On initial recognition on the trade date, financial liabilities are recognised at the transaction price or fair value. For financial liabilities that are not subsequently measured at fair value through profit or loss, directly attributable transaction costs must also be included.

Subsequent measurement

Most of our financial liabilities are measured at amortised cost using the effective interest method. This includes primarily the subordinated liabilities reported separately in the consolidated balance sheet and bonds as well as liabilities to credit institutions presented under non-derivative financial liabilities.

The category “at fair value through profit or loss” at Munich Re includes predominantly the derivative liabilities reported separately in the consolidated balance sheet. In addition, we have made loan commitments to a small extent. Since the financial instruments arising from these loan commitments are subsequently measured at fair value, we recognise the loan commitments at fair value through profit or loss.

Moreover, most financial liabilities resulting from insurance contracts that do not transfer significant insurance risk are managed on a fair value basis. Changes in fair value are considered when evaluating the performance of these contracts, which then serves as the basis for reporting to management. For these contracts, we exercise the option to designate them as measured at fair value through profit or loss.

In addition, contracts with embedded derivatives where the host contract is not a financial asset within the scope of IFRS 9 may under certain circumstances be designated as measured at fair value through profit or loss. The resulting liabilities are reported as insurance-related liabilities under “Other liabilities”. Munich Re uses this fair value option especially for certain insurance contracts with embedded derivatives which themselves are not insurance contracts within the scope of IFRS 17 unless they do not significantly change the contractual cash flows or separation of the embedded derivatives would not be permissible.

Embedded derivatives

In financial assets within the scope of IFRS 9, embedded derivatives are not separated from the host contract. Instead, the financial asset is classified on the basis of the entire hybrid contract and in accordance with the general rules based on the business model and SPPI criteria.

Some of our insurance contracts and financial liabilities contain embedded derivatives. In these cases, the embedded derivatives are assessed at initial recognition of the instruments and separated from the host contract if:

- their economic characteristics and risks are not closely related to those of the host contract;
- a separate instrument with the same terms would meet the definition of a derivative; and
- the hybrid contract is not measured at fair value through profit or loss.

If embedded derivatives are separated from the host contract, they are measured at fair value through profit or loss.

Offsetting of financial assets and liabilities

Provided that we have a legally enforceable right to offset – and we intend to both realise the affected financial assets and concurrently to settle the associated liabilities, or instead to settle on a net basis – we offset the affected financial assets and liabilities.

We chiefly offset derivatives. Our other business transactions generally do not meet the requirements for offsetting.

Additional information can be found under > Explanatory information > Notes to the financial instruments and fair value disclosures on assets and liabilities > (45) Offsetting of financial assets and liabilities.

Transfers of financial assets

We assess the recognition of our repurchase agreements and our securities lending transactions in line with the requirements for the derecognition of financial assets and liabilities.

Under repurchase agreements we, as the repurchase buyer, acquire securities with the obligation to sell them back to the repurchase seller at a later date. As the risks and rewards from the securities remain with the repurchase seller, the securities are not posted in our accounts. Instead, the amounts paid are presented under financial receivables as a receivable from the repurchase seller. Interest income from these transactions is recognised in the investment result. Similarly, securities sold by us as the repurchase seller are not derecognised, and the amount received from the repurchase buyer is shown as a liability in our accounts.

Securities that we lend by way of securities lending continue to be recognised in our consolidated balance sheet, as the main risks and rewards remain with Munich Re; securities that we have borrowed are accordingly not recognised in the consolidated balance sheet. Fees from securities lending are recognised in the investment result.

Hedge accounting
Hedge accounting is of minor significance for Munich Re.

Munich Re enters into cash flow hedges to a small extent, hedging in particular the cash flow risk from variable interest payments. In this process, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income. The ineffective portion of the hedge, on the other hand, is recognised in profit or loss. In the period in which the hedged cash flows affect profit or loss, the cumulated amount recognised in other comprehensive income is reclassified to the consolidated income statement. Munich Re mainly uses interest-rate swaps for this type of hedging.

Additional information can be found under > Explanatory information > Notes to the financial instruments and fair value disclosures on assets and liabilities > (47) Hedge accounting.

Fair value

IFRS 13, Fair Value Measurement, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All financial instruments and other assets and liabilities that are recognised at fair value – and such financial instruments and other items for which fair values are disclosed in the Notes to the consolidated financial statements – are allocated to one of the three fair value hierarchy levels of IFRS 13.

The allocation of an instrument to a level indicates the extent to which observable market inputs helped to measure the instrument. If market prices are available, these constitute the most objective yardstick for measurement at fair value and are to be used. If measurement is carried out using a model, any available inputs observable in the market are used first. If necessary, these inputs are supplemented with unobservable inputs.

In the case of Level 1, valuation is based on quoted prices in active markets for identical financial instruments which Munich Re can refer to at the valuation date. The financial instruments we have allocated to this level mainly comprise equities, equity funds and exchange-traded derivatives.

Assets allocated to Level 2 are valued using models based on observable market data. The inputs used for valuation must be observable throughout the instrument’s contract period. In addition, Level 2 includes assets and liabilities for which valuation and the market data required for valuation are provided by price quoters, but for which it is not possible to completely determine to which extent the data used is observable in the market. The financial instruments we have allocated to Level 2 mainly comprise bearer bonds, bond funds, promissory note loans, covered bonds, subordinated securities, specified credit structures, derivatives not traded on the stock market and subordinated liabilities. Moreover, we have allocated a majority of our financial receivables and liabilities to Level 2.

We allocate to Level 3 assets and liabilities for which unobservable market inputs have a significant impact on valuation. The inputs used reflect Munich Re’s assumptions regarding the factors which market participants would consider in their pricing. To this end, we use the best available market information, supplemented with internal company data. The assets allocated to this level of the fair value hierarchy largely comprise investment property, owner-occupied property, and real estate funds. Funds that mainly invest in theoretically valued instruments, and investments in infrastructure and in private equity are also allocated to Level 3, along with investments in subsidiaries, associates and joint ventures measured at fair value, and the majority of insurance-related financial instruments.

In the case of instruments not traded on an active market, we determine on a case-by-case basis to which level of the fair value hierarchy to allocate the respective fair values.

Additional information on measurement models and measurement processes can be found under > Explanatory information > Notes to the financial instruments and fair value disclosures on assets and liabilities > (43) Fair value hierarchy for assets and liabilities.

Insurance contracts

Our insurance contracts are presented under the following items at a portfolio level in the consolidated balance sheet:

- Assets: B. Reinsurance contracts held that are assets, and C. Insurance contracts issued that are assets
- Liabilities: C. Reinsurance contracts held that are liabilities, and D. Insurance contracts issued that are liabilities

For information on specific items, please refer to > Assets and to > Equity and liabilities.

Classification as an insurance contract

A contract is classified as an insurance contract within the scope of IFRS 17 if it transfers significant insurance risk. We make this assessment as part of risk transfer testing. We classify an insurance risk as significant if an insured event could cause the payment of additional amounts that are significant in any single scenario, excluding scenarios that have no commercial substance, and there is a possibility of a loss on a present-value basis. Alternatively, we classify contracts as insurance contracts if they transfer to the reinsurer substantially all the insurance risk relating to the reinsured portions of the underlying insurance contracts. Contracts that do not transfer significant insurance risk are generally financial instruments and are accounted for in accordance with IFRS 9 requirements. An exception here are investment contracts with discretionary participation features, which fall under the scope of IFRS 17.

Separation of components

Insurance contracts can contain one or more of the following components:

- embedded derivatives;
- investment components;
- non-insurance services.

If an insurance contract contains embedded derivatives that are themselves not contracts within the scope of IFRS 17, IFRS 9 requirements are applied when assessing the obligation to separate components and accounting for the given derivative. We refer to the comments in this chapter under > Financial instruments > Embedded derivatives.

Distinct investment components and distinct non-insurance services are separated from the insurance contract and accounted for in accordance with IFRS 9 and/or IFRS 15 requirements. Munich Re has not identified any significant distinct investment components or non-insurance services to date.

Level of aggregation

Recognition and measurement occur at the level of groups of insurance contracts. We begin by including insurance contracts in a portfolio that are subject to similar risks and managed together. If there are insurance contracts in different currencies but with similar risk profiles, these can be in the same portfolio and in the same group of insurance contracts if they are managed together. In a second step, we assign each portfolio – based on its profitability – to one of the following three groups of insurance contracts:

- group of contracts that are onerous at initial recognition;
- group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- group of the remaining contracts in the portfolio.

We classify an insurance contract as onerous at initial recognition if the risk-adjusted present value of all the expected cash flows for contract fulfilment results in a net cash outflow. Due to changes in estimates relating to future service, a group of insurance contracts can become onerous upon subsequent measurement. This nevertheless does not affect the classification into different groups at initial recognition. In other words, the composition of the groups is not reassessed. We also ensure that all the contracts within a group were issued within one year.

Recognition

A group of insurance contracts issued is recognised from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due; or
- for a group of onerous contracts, when the group becomes onerous.

Measurement

IFRS 17 provides a consistent accounting model for all insurance contracts. The basic approach consists in applying the general measurement model (GMM), which is mainly used in life reinsurance and in parts of property-casualty primary insurance business. In view of the GMM's high complexity, IFRS 17 provides the option of using – primarily for short-term contracts – a simplified measurement model known as the premium allocation approach (PAA). We apply this simplified measurement approach for almost all of our property-casualty reinsurance business and for a substantial part of our property-casualty primary insurance business. IFRS 17 also provides for a modified measurement model, the variable fee approach (VFA), for certain participating primary insurance contracts. We apply the VFA for eligible life and health primary insurance contracts.

For all measurement models, there is a distinction between a pre-claims stage (liability for remaining coverage – LRC) and a claims stage after the occurrence of an insured event (liability for incurred claims – LIC). Please see below for more detailed explanations of the starting points for the valuation approaches.

General Measurement Model (GMM)

Procedure

The GMM is based on a building block approach that consists of four blocks. The expected future cash flows for contract fulfilment form the basis for measuring our assets and liabilities from insurance business (building block 1). Cash flows are discounted in order to reflect the time value of money and the financial risks (building block 2). Comparing the present value of expected cash inflows against the present value of expected cash outflows results in the present value of the net cash flows relevant for the measurement. This present value is subjected to a risk adjustment to reflect the uncertainty arising from non-financial risk pertaining to the amount and the timing of cash flows (building block 3). For groups of insurance contracts classified as profitable at initial recognition, we recognise a contractual service margin which represents the unearned profit (building block 4). The latter is recognised over time as insurance contract services are provided over the coverage period.

By contrast, for groups of insurance contracts where the sum of the present value of future cash outflows and the risk adjustment for non-financial risk exceeds the present value of expected future cash inflows, a loss component that reflects the expected loss on initial recognition is recognised directly as an expense.

For subsequent measurement of the LRC, building blocks 1, 2 and 3 are remeasured using updated assumptions and inputs. The contractual service margin is adjusted to reflect changes in non-financial assumptions of future coverage and new business margins, among other things, and is amortised as insurance contract services are provided over time. The carrying amount of the LRC is – at the end of each reporting period – the sum of the present value of expected future net cash flows, the risk adjustment for non-financial risk and the contractual service margin.

Cash flows (building block 1)

The starting point for measuring groups of insurance contracts is based on a current estimate of all cash flows required to fulfil the contract within the contract boundary.

Cash flows that need to be taken into account include premium payments, expenses for claims and benefits, acquisition and administration costs, and loss adjustment expenses. The cash flows included in the measurement model reflect our current estimates and expectations regarding the fulfilment of our insurance obligations at each reporting date. All cash inflows from the insurance contracts are included irrespective of the payment method, i.e. also if they are received indirectly via an intermediary. We include in the cash flows an allocation of certain fixed and variable overheads that can be directly attributed to the fulfilment of insurance contracts.

Discounting (building block 2)

Under the GMM, future cash flows are discounted using current discount rates. Measurement thus considers the time value of money, so that cash flows expected to occur at different times are made comparable. In this context, we select discount rates that are as consistent as possible with the overall cash flow characteristics of the groups of insurance contracts, and make use of observable market inputs wherever possible. Discount rates are determined using a bottom-up approach, with the Solvency II interest-rate curves published by the European Insurance and Occupational Pensions Authority (EIOPA) serving as the starting point for risk-free interest rates. We ensure that credit spreads have no effect on the discounting of the cash flows or the risk adjustment for non-financial risk. The discount rates we use do not take into consideration any type of default risk. But if relevant, an illiquidity premium may be added to the discount-rate curve to take account of the differences in liquidity between the insurance liabilities and the liquid reference instruments used in determining the risk-free interest rate. We do this for the relevant portfolios in life primary insurance business, in particular.

At each reporting date, the fulfilment cash flows for the LRC and LIC are remeasured using current discount rates. IFRS 17 provides for the option, applied at portfolio level, to recognise the impact of changes in discount rates and financial risk in other comprehensive income rather than in the consolidated income statement. We make use of this option for the majority of our insurance portfolio, irrespective of the measurement model used. In the general measurement model, we present changes to the financial inputs in full in the liability for remaining coverage, excluding the loss component.

Risk adjustment for non-financial risk (building block 3)

Cash flows arising from insurance contracts usually involve a high degree of uncertainty regarding the point in time an insured event occurs and the amount of a claim. In addition, there may be changes to the assumptions made about the insurance business as a result of changes in policyholder behaviour, e.g. related to exercising available options. To take this uncertainty into consideration, IFRS 17 provides for a third building block: an explicit risk adjustment for non-financial risk that represents compensation for bearing the risk. The sum of the risk adjustment for non-financial risk and the present value of net cash flows represents the fulfilment cash flows specific to a party that are relevant for measurement.

The risk adjustment for non-financial risk is determined in accordance with our internal risk model, taking Group-wide risk diversification into account. We apply a cost-of-capital method for determining the risk adjustment for non-financial risk. More specifically, we apply a cost-of-capital rate of 6% to the amount of capital required as at each future reporting date on a going-concern basis, and we discount the result using the risk-free rates adjusted for illiquidity. The level of risk adjustment for non-financial risk used by Munich Re corresponds to a confidence level of 87% (88%) over a one-year period. Like the present value of the cash flows, the risk adjustment for non-financial risk is reviewed at each reporting date and updated to reflect the current conditions.

IFRS 17 provides for the option of splitting the change in risk adjustment for non-financial risk into insurance service result and insurance finance income or expenses. We report the full change in risk adjustment for non-financial risk as part of the insurance service result unless it is due to changes in the time value of money.

Contractual service margin (building block 4)
The contractual service margin represents the unearned profit at initial recognition that is spread over the coverage period as insurance contract services are provided. If at initial recognition the present value of expected inflows exceeds the present value of expected outflows plus the risk adjustment for non-financial risk, the expected profit from the insurance cover is initially recognised as a contractual service margin, and taken into account when measuring the liability for remaining coverage. The initial recognition of profitable groups of insurance contracts thus does not affect profit or loss. If additional profitable contracts are added to a group of insurance contracts within an annual cohort over time, the expected profit from the new business is added to the contractual service margin at initial recognition. On subsequent measurement, the change in the contractual service margin is recognised in the consolidated income statement as part of insurance revenue. The amount of the contractual service margin to be recognised in profit or loss for each period is determined by coverage units. These are used to determine the quantity of services provided for the in-force insurance contracts in the current reporting period in relation to the expected total insurance contract services provided over the whole of the coverage period. For all of our insurance business, we define the coverage units in such a way as to ensure that they reflect the services provided as accurately as possible. We generally use volume-based coverage units such as the sum insured, which may be adjusted to reflect the specific characteristics of the (re)insurance business concerned.

By contrast, if we expect a loss at initial recognition, we identify a corresponding portion of the present value of the expected net cash flows plus the risk adjustment for non-financial risk as a loss component. We recognise the expected loss in the consolidated income statement at initial recognition of the group of contracts, or as soon as we become aware that the group of insurance contracts is onerous. When aggregating insurance contracts into groups, we ensure that onerous insurance contracts are not combined with profitable ones. At subsequent measurement, our control procedures are also designed to identify at an early stage any groups of insurance contracts that are to be classified as onerous in terms of future coverage. A loss component will always reflect the expected loss from the insurance contract services still to be provided at a given point in time. We systematically amortise the loss component based on the remaining cash flows and the risk adjustment for non-financial risk until the end of the coverage period.

An initially profitable group of insurance contracts within an annual cohort may become onerous on subsequent measurement. In this case, a loss component has to be recognised. Conversely, a group of insurance contracts classified as onerous can become profitable on subsequent measurement, giving rise to a contractual service margin. In both instances, the loss component and the contractual service margin have been completely amortised in profit or loss by the end of the coverage period.

Premium Allocation Approach (PAA)

Scope of application
We use the PAA for all groups of insurance contracts that meet the requirements for applying the simplified measurement model. This is always the case if the coverage period of such contracts is one year or less – or, if the coverage period is longer, it can be reasonably expected that applying the simplified measurement model will produce a measurement of the LRC for the group that would not differ materially from the measurement that would result from applying the requirements of the GMM. The length of the coverage period is mainly determined by the concept of contract boundaries. At present, we largely apply the PAA for our property-casualty reinsurance business. One exception relates to groups of insurance contracts for which the coverage period had expired as at the IFRS 17 transition date and which are in the settlement period. The GMM is applied to such groups of insurance contracts. While there was no valuation difference between the GMM and the PAA at the transition date, it was no longer possible to verify the applicability of the PAA to insurance contracts that were initially recognised in the distant past.

In addition to our property-casualty reinsurance business, we generally also use the PAA for a substantial part of our property-casualty primary insurance business and for health primary insurance contracts not similar to life insurance.

Procedure
On initial recognition of a group of insurance contracts, we recognise an LRC, equal to the premiums received less acquisition costs paid. For business classified as profitable, neither the present value of the future net cash flows nor the risk adjustment for non-financial risk nor the contractual service margin is explicitly determined and recognised. If the coverage period of the contracts in the group is one year or less, any acquisition costs incurred may be recognised directly as an expense. We use this option for a substantial part of our property-casualty primary insurance business.

If we are aware of any indications that contracts should be classified as onerous under the GMM, we compare the insurance liability determined under the PAA with the result of the measurement under the GMM. If the comparison shows that the carrying amount of the LRC (fulfilment cash flows) under the GMM exceeds the carrying amount determined under the PAA, we directly recognise the balance as an expense in the form of a loss component. To this end, we explicitly calculate the present value of the net cash flows and the risk adjustment for non-financial risk to facilitate a comparison with the GMM. Our onerosity testing is geared to identifying onerous contracts as soon as possible and ensures adequate reserving at all times.

For subsequent measurement of a profitable group of insurance contracts, the carrying amount of the LRC is updated as follows. First, the carrying amount is either increased with no impact on profit or loss by adding the further premium payments received, or decreased by subtracting directly attributable acquisition costs paid – provided that we do not make use of the option to recognise the acquisition costs as an expense. The LRC is reduced by the amount of insurance revenue earned as insurance contract services are provided. We earn the insurance revenue by spreading the expected total premium for the coverage period within the contract boundaries over the accounting periods in a risk-commensurate manner. Again, for subsequent measurement of profitable groups of insurance contracts, the present value of the net cash flows, the risk adjustment for non-financial risk and the contractual service margin are not explicitly determined, so that the PAA provides for effective simplification. By contrast and consistent with the GMM, we explicitly determine risk-adjusted net cash flows for onerous groups of insurance contracts, and following the occurrence of an insured event.

Also for the PAA, a distinction is made between the LRC and the LIC. Likewise, a risk adjustment for non-financial risk needs to be determined for the LIC when using the PAA.

IFRS 17 provides for utilisation of the PAA to simplify the discounting of future cash flows when compared to the GMM. If there is no significant financing component or if, at initial recognition, it is expected that the time between providing each part of the services and the due date of the related premium is no more than a year, the liability for remaining coverage does not have to be discounted. Likewise, the liability for incurred claims does not have to be discounted if claims are expected to be settled in one year or less from the date they are incurred. We currently do not make use of either simplification. In order to provide for maximum transparency and comparability in measuring our business, we consistently consider the time value of money also when using the PAA.

Insurance contracts with direct participation features measured using the variable fee approach (VFA)

Scope of application
Under an insurance contract, the insurer may not only be liable to pay for a claim after the occurrence of an insured event, but may also have to give policyholders a share in the profits.

Contracts with direct participation features are chiefly measured using the VFA. Contracts fall within the VFA scope if they provide for policyholder participation in the performance of a reference value for the underlying items. This is the case for our German participating life and health primary insurance business and a substantial part of our international life and health primary insurance contracts. Unit-linked life insurance is another case for application of the VFA. However, both reinsurance contracts held and reinsurance contracts issued are excluded from the scope of this measurement approach.

As with the GMM, we also ensure that the groups of contracts under the VFA only include contracts issued within one year. We thus do not make use of the option of exempting groups of insurance contracts measured under the VFA from the annual cohort requirement (annual cohort exemption in accordance with Regulation (EU) 2021/2036 of 19 November 2021).

Procedure
Because of the special characteristics of insurance contracts with direct participation features, we consider our share of the income from the underlying items to be a variable fee, which we recognise in accordance with the requirements of the VFA. This variable fee comprises our share of the fair value of the underlying items, and is our compensation for administering and managing them.

While the initial measurement of participating contracts is the same as under the GMM, special rules apply under IFRS 17 for subsequent measurement. For example, we offset against the contractual service margin any and all effects that have an impact on the fair value of the underlying items and consequently on our variable fee.

For German life and health (similar to life) primary insurance business, profit participation provides for policyholders essentially sharing in the investment result, risk result and cost result. The value of the underlying items is based on this profit participation, and reflects the present value of both future payments and payments made in current and prior periods. We use the fair values of the net assets covering our liabilities, including the assets covering equity, to measure the fair value of the underlying items. Because of the mechanics of German profit participation in particular, all financial and insurance effects and assumption changes have an impact on profit participation – and thus also on our variable fee. As a result, developments such as changes in the fair value of assets backing our liabilities, current loss experience, effects related to policyholder lapse behaviour and other changes in financial and non-financial assumptions are initially offset against the contractual service margin.

The fulfilment cash flows for German life primary insurance business and health primary insurance business (similar to life insurance) are determined on a market-consistent basis in line with the contractual options and guarantees, applying a risk-neutral measurement where risk-free interest rates only can be generated under the no-arbitrage principle. The actual returns generated from the underlying items are usually higher, and the company's share in any excess return over the risk-neutral measurement is included in the contractual service margin under the VFA. The recognition of the contractual service margin takes account of the effects resulting from the expected excess return from the performance of the underlying items attributable to the reporting period. This achieves the appropriate recognition of services provided under insurance contracts over the coverage period and accounts for the fact that the underlying items tend to generate higher returns than based on a risk-neutral perspective. The assumptions regarding the expected excess return are based on requirements taken from corporate planning before the beginning of the financial year. For participating contracts, we take into account that we provide not only insurance services, but also investment-related services in managing the assets backing our liabilities.

Another difference compared with the GMM relates to the option of recognising the effect of changes in financial inputs on the measurement either in profit or loss in the consolidated income statement or directly in equity in other comprehensive income. Under the VFA, because of the special link to the asset side, the result of the underlying item recognised in profit or loss for the liability side is mirrored in the consolidated income statement. A positive investment result is offset by corresponding finance expenses from insurance contracts issued. Changes in the fair value of assets that are part of the underlying items and do not have an impact on profit or loss are recognised as insurance finance income or expenses directly in other comprehensive income. This value corresponds to the amounts recognised for the investments in other comprehensive income plus off-balance-sheet valuation reserves.

Measurement at the transition date

We apply IFRS 17 retrospectively, with effect from 1 January 2023. Initial application was made in accordance with the transition requirements of IFRS 17. Depending on the availability of the information required, we used one of the following three transition approaches for the initial application of IFRS 17 to our in-force business.

We applied the full retrospective approach to remeasure insurance contracts to the extent that this was practicable based on the information available as at the transition date. To this end, we identified and measured groups of contracts as if IFRS 17 had always been applied, without making use of transition simplifications. The information used for the full retrospective approach was primarily based on existing regular processes and internal reporting.

Where it was impracticable to apply the full retrospective approach, i.e. information required for the full retrospective approach was not fully available, or could not be made available without undue cost or effort, we applied the modified retrospective approach or the fair value approach to transition the contracts in force as at 1 January 2022 to the new accounting regime.

The aim of the modified retrospective approach is to achieve the outcome that is as close as possible to the full retrospective approach using reasonable and supportable information. Under the modified retrospective approach, we used the simplifications and modifications specified in the standard only to the extent that the information required for a full retrospective approach was not available without undue cost or effort. In particular, this applied to simplifications used in identifying and classifying groups of insurance contracts, determining the contractual service margin or the loss component, and determining insurance finance income or expenses.

For certain existing contracts in property-casualty business in both primary insurance and reinsurance as well as for certain parts of our life reinsurance business, we applied the full retrospective approach for the transition to IFRS 17; otherwise, we used the modified retrospective approach or the fair value approach.

In life reinsurance, if the available historical information was insufficient to use the full retrospective approach, we mostly used the fair value approach to measure our insurance contracts, aiming to ensure market consistency as much as possible. In addition, the fair value approach was also used to measure certain contracts in property-casualty reinsurance business – particularly groups of insurance contracts for which the coverage period had expired as at the transition date and which were in the settlement period – and in primary insurance in Germany. Among other things, we relied on market analyses to validate the cost of capital used. In terms of the net insurance liabilities as at the transition date, the modified retrospective approach and the fair value approach made up over 90%.

The cumulative amounts contained in other comprehensive income from insurance contracts measured as at the transition date by applying the modified retrospective and fair value approaches came to −€566m. At the end of the financial year, these amounts stood at €1,393m (€1,436m). We have made changes to the methodology for calculating the estimated tax effect as against the information shown in the Group Annual Report 2023. The cumulative amounts contained in other comprehensive income from investments measured at fair value that are essentially to be allocated to the insurance contracts mentioned above came to €3,741m. At the end of the financial year, these amounts stood at −€2,457m (−2,569m). The cumulative amounts of other comprehensive income relating to financial assets include all changes arising from additions and disposals of financial assets in the financial year and at the end of the previous year.

Foreign currency translation

Our subsidiaries largely recognise differences resulting from the translation into their respective functional currencies in profit or loss. The thus converted net assets of foreign subsidiaries whose functional currency is not the euro are translated using the year-end exchange rates, and results using quarterly average exchange rates. Any exchange differences arising in the process are recognised in equity.

For groups of insurance contracts that include cash flows in several currencies, we calculate the fulfilment cash flows and the contractual service margin in different currencies within the group. Changes in exchange rates for the different currencies result in adjustments to the individual fulfilment cash flows and to the contractual service margin at Group level; these adjusted figures are then translated into the functional currency of the Group company concerned.

Assets

A Intangible assets

Goodwill

Goodwill resulting from the first-time consolidation of subsidiaries is tested for impairment at least annually. We carry out additional impairment tests during the year if there are indications of impairment.

For impairment testing, the goodwill is allocated to the cash-generating units that derive benefit from the synergies of the business combinations. At the same time, the unit to which the goodwill is allocated represents the lowest level at which goodwill is monitored for internal management purposes. Goodwill is allocated in reinsurance to divisions, and in primary insurance to the ERGO segment Property-casualty Germany, and to legal entities. We regard amounts of 10% or more of total Group goodwill as significant.

Other intangible assets

Other intangible assets largely include software assets, as well as acquired distribution networks and client bases.

Software assets are carried at cost and are amortised on a straight-line basis over a useful life of three to five years. Amortisation is recognised in other operating expenses in the consolidated income statement. If necessary, impairment losses on the assets are recognised or reversed up to a maximum of the amortised cost.

Client bases and distribution networks are carried at cost and are generally amortised on a straight-line basis over their useful life. If necessary, impairment losses are recognised or reversed up to a maximum of the amortised cost.

Intangible assets related to our investments in infrastructure and renewable energies are reported separately under non-financial investments. We refer to the notes in this chapter under > D Investments > Non-financial investments.

B Reinsurance contracts held that are assets

The recognition and measurement of reinsurance contracts held generally follows the requirements for insurance contracts issued. For details, please refer to the information under > Overarching accounting policies > Insurance contracts. Significant differences to the recognition and measurement requirements for insurance contracts issued are set out below.

A group of reinsurance contracts held is recognised from the earlier of the following:

- the beginning of the coverage period of the group of contracts; or
- the date when an onerous group of underlying insurance contracts is recognised.

With respect to a group of reinsurance contracts held that provide proportionate coverage (for example proportional reinsurance contracts), the group is not recognised until the date on which any underlying insurance contract is recognised – if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

We apply the PAA for most of our reinsurance contracts held in property-casualty business, and the GMM in life and health business. Conversely, the VFA is not applied to reinsurance contracts held.

The estimates of future cash flows and their discounting are determined at the reporting date on the basis of current assumptions, which are in line with the assumptions we made for measuring the underlying insurance contracts issued.

We determine the risk adjustment for non-financial risk of reinsurance contracts held as the proportion of the risks that is effectively transferred to the reinsurer, with the net risk capital after reinsurance held serving here as the basis. We ensure in this context the best possible consistency when determining the risk adjustment for non-financial risk as regards the underlying gross business.

In contrast to insurance contracts issued, the contractual service margin for reinsurance contracts held can be positive or negative. Within this context, a positive contractual service margin is referred to as a net gain and a negative contractual service margin as a net cost. In the case of prospective reinsurance coverage, it is necessary upon purchasing reinsurance to defer both a net gain and a net cost over the coverage period. We offset against the contractual service margin any changes in the fulfilment cash flows, provided that the changes relate to future service. However, if the changes in estimates are attributable to changes that do not adjust the contractual service margin of the group of reinsured insurance contracts, we recognise their impact on the measurement of the reinsurance contract held in profit or loss. In this way, we achieve a consistent presentation of gross business and reinsurance contracts held. As part of subsequent measurement, the contractual service margin is spread out over the remaining coverage period on the basis of the coverage units.

In the case of retroactive reinsurance contracts held, which provide coverage against adverse development of claims after the occurrence of an insured event, we recognise the net cost of purchasing reinsurance as an expense in profit or loss. Conversely, an expected net gain is spread over the settlement period of the underlying contracts in a contractual service margin on the basis of coverage units.

If a loss is recognised for an onerous group of underlying insurance contracts, we set up a loss-recovery component. In proportion to the anticipated recoveries, we thus match the loss component of the underlying gross business recognised as an expense with a loss-recovery component recognised as income. As a consequence, effective reinsurance coverage is thus offset in the financial statements and only the effects of losses from the underlying gross business that are not covered by reinsurance are recognised in profit or loss in the respective period. Reversals of the loss-recovery component adjust the contractual service margin, provided that the reversals are not changes in the fulfilment cash flows of the group of reinsurance contracts held.

The loss-recovery component is calculated by multiplying the recognised loss by the percentage of claims on the underlying insurance contracts that are expected to be recoverable. Upon subsequent measurement, the loss-recovery component is adjusted to reflect the changes in the underlying loss component of the underlying insurance contracts. The loss-recovery component is of minor significance for Munich Re.

C Insurance contracts issued that are assets

Insurance contracts issued that are recognised as assets under the accounting policies are presented separately from the liabilities at a portfolio level in the consolidated balance sheet.

The recognition and measurement of insurance contracts issued that are assets follows the same procedure as for insurance contracts issued that are liabilities. Please refer to the information found under > Overarching accounting policies > Insurance contracts, and under > Equity and liabilities > D Insurance contracts issued that are liabilities.

D Investments

Non-financial investments

Investment properties are measured using the cost model or – if they are held as underlying items for insurance contracts with direct participation features under the VFA – in accordance with the fair value model.

When measurement is based on the cost model, structural measures equivalent to 5% or more of the historical cost of a building are generally assessed with regard to whether they have to be capitalised. Buildings are depreciated on a straight-line basis in accordance with the component approach, depending on the weighted useful life for their specific building class. The underlying weighted-average useful life amounts to around 39 years. If the recoverable amount of land and buildings falls below their carrying amount, the carrying amount is written down to the recoverable amount. Maintenance expenses are recognised as an expense.

If investment properties are held as underlying items for insurance contracts with direct participation features under the VFA, we recognise these properties at fair value. These properties cover underwriting liabilities whose amount is determined directly by the fair value of the properties. The properties are measured at cost, including incidental expenses, on initial recognition. Subsequent measurement is at fair value, recording any changes in value in the net result.

The **property, plant and equipment** reported under non-financial investments include, in particular, our investments in renewable energies and are measured at amortised cost. They are usually depreciated on a straight-line basis over a useful life of 20–30 years, with a majority being depreciated over a useful life of 20 years. Based on the annual impairment test, impairment losses are recognised or reversed up to a maximum of the amortised cost.

Intangible assets related to our investments in infrastructure and renewable energies are generally accounted for as described in this chapter under > A Intangible assets > Other intangible assets – in the paragraph on client bases and distribution networks. These assets relate primarily to licences, concessions and right-of-use assets relating to the operation of investments in renewable energies.

We report our forestry investments under **biological assets**. These investments are measured at fair value less costs of disposal, with impact on profit or loss.

Investments in affiliated companies, associates and joint ventures that are not material for assessing the Group's financial position are generally accounted for at fair value. We report any changes in the fair value in the consolidated income statement. For the consolidated financial statements, material investments in associates and joint ventures are measured using the equity method, i.e. with our share of their equity. Our share in the earnings is included in the investment result. As a rule, the equity and annual result from the most recent individual or consolidated financial statements of the associate or joint venture are used. In the case of financial statements of important associates or joint ventures, appropriate adjustments are made to ensure they conform with Munich Re's accounting policies, and significant transactions or other events are recognised in the same reporting period.

Financial investments

Financial investments make up the majority of our financial assets. Their classification for the purposes of subsequent measurement is determined on the basis of the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

Financial investments are mostly used to back insurance liabilities and are managed as part of our asset-liability management on the basis of their duration and risk profile. This means that the management strategy is aimed at both collecting contractual cash flows and selling financial assets. As a result, these financial investments are managed within the business model "hold to collect and sell".

If the investments managed within the business model "hold to collect and sell" pass the SPPI test, they are measured at fair value through other comprehensive income. This is the case for the bulk of our financial investments. These investments include bonds and loans in particular.

By contrast, bonds and loans that do not pass the SPPI test are measured at fair value through profit or loss just like equities, investment fund units and derivatives.

Deposits with banks are managed within the business model "hold to collect" and pass the SPPI test, meaning that they are measured at amortised cost. For further details on the classification and measurement of financial investments, including impairment, please refer to > Overarching accounting policies > Financial instruments.

E Investments for unit-linked life insurance

Investments for unit-linked life insurance are managed within the business model "other", meaning they are measured at fair value through profit or loss.

For further details on classification and measurement and other overarching accounting policies, please refer to > Overarching accounting policies > Financial instruments.

F Insurance-related financial instruments

Insurance-related financial instruments are not utilised for asset-liability management. Instead, they are managed based on their fair value within the business model "other", meaning they are measured at fair value through profit or loss.

In particular, insurance-related financial instruments include insurance derivatives, derivative components of variable annuities, derivatives for hedging variable annuity contracts and loans. In the case of loans, contractual wording largely waives the right to reimbursement triggered by the occurrence of insurance events. The item also includes financial instruments directly linked to insurance business that are similar in nature to equity instruments. Insurance-linked derivatives include retrocessions in the form of derivatives, individually structured insurance-linked derivatives and derivative components which are separated from their host insurance contract. Insurance-related financial instruments also include insurance contracts that do not transfer significant insurance risk.

For further details on classification and measurement and other overarching accounting policies, please refer to > Overarching accounting policies > Financial instruments.

G Receivables

The receivables included in this item comprise current tax receivables, financial receivables and other receivables.

Current tax receivables are accounted for in accordance with local tax regulations and other receivables at amortised cost. Current tax receivables comprise current taxes on income of the individual companies, based on their respective national taxation. Other tax receivables are shown under "Other receivables".

The financial receivables are financial instruments. As they are managed within the business model "hold to collect", they are measured at amortised cost provided they pass the SPPI test. In such cases, they are subject to the IFRS 9 impairment model. Otherwise, they are subsequently measured at fair value through profit or loss. For further details on classification and measurement and other overarching accounting policies, please refer to > Overarching accounting policies > Financial instruments.

The impairment test of our non-financial receivables that are not carried at fair value in subsequent periods is performed in a two-stage process, firstly at the level of individual items, and then on the basis of groups of similar receivables. The impairment is recognised as an expense. If, in a subsequent period, the reasons for the impairment cease to apply, the impairment is reversed, with impact on the income statement. The resultant carrying amount may not exceed the cost.

H Cash and cash equivalents

Cash and cash equivalents are financial instruments and are managed within the business model "hold to collect". As a result, they are measured at amortised cost, or at their nominal value due to their short-term nature. If they do not pass the SPPI test, they are measured at fair value through profit or loss. For further details on classification and measurement and other overarching accounting policies, please refer to > Overarching accounting policies > Financial instruments.

I Deferred tax assets

Deferred tax assets must be recognised in cases where asset items have to be valued lower, or liability items higher, in the consolidated balance sheet than in the tax accounts of the Group company concerned and these differences will be eliminated at a later date with a corresponding effect on taxable income (temporary differences). Also included are deferred tax assets deriving from tax loss carry-forwards. Deferred tax assets are recognised if there are sufficient taxable temporary differences which are expected to reverse in the same period as the deductible temporary differences. For any additional deductible temporary differences, deferred tax assets are only recognised if it is considered probable that future profits will be available in the same period in which the deductible temporary differences are expected to reverse. As a rule, a five-year forecast period is considered. We take into account the tax rates of the countries concerned and the consolidated company's respective tax situation; in some cases, for purposes of simplification, we use uniform tax rates for individual circumstances or subsidiaries. Changes in tax rates and tax legislation that have already been adopted by the government at the balance sheet date are taken into account.

Deferred tax assets and deferred tax liabilities are reported on a net basis, provided that they refer to the same taxable entity and the same tax authority. Netting out is done here if it is generally possible to offset the underlying tax assets and tax liabilities.

J Other assets

Other assets mainly include property, plant and equipment not related to our investments in infrastructure and renewable energies (in particular owner-occupied property) and are generally measured at amortised cost (cost model). Depreciations mainly occur on a straight-line basis; the weighted-average useful life of the owner-occupied buildings is about 48 years. Impairment losses are recognised for owner-occupied land and buildings, operating and office equipment accounted for using the cost model if the recoverable amount has fallen below the carrying amount on the reporting date. If necessary, impairment losses are reversed up to a maximum of the amortised cost.

If owner-occupied land and buildings are held as underlying items for insurance contracts with direct participation features under the VFA, we recognise these using the fair value model. They are measured at cost, including incidental expenses, on initial recognition. Subsequent measurement is at fair value, recording any changes in value in the net result.

Right-of-use assets are also reported under other assets. These comprise lease liabilities, lease payments made at the time or before the asset is made available for use, initial direct costs, and restoration obligations. Right-of-use assets are depreciated on a straight-line basis over the term of the lease.

K Non-current assets held for sale

Non-current assets held for sale are assets that can be sold in their current condition and whose sale is highly probable. The item may comprise individual assets or groups of assets. Non-current assets held for sale are recognised at the lower of the carrying amount and fair value less costs to sell. They are no longer depreciated. Measurement of financial instruments remains unchanged; the only difference is how they are disclosed.

Equity and liabilities

A Equity

The item **Issued capital and capital reserve** contains the amounts that the equity holders of Munich Reinsurance Company have paid in on shares.

Under **Retained earnings**, we show the profits which consolidated companies have earned and retained since becoming part of Munich Re. In addition, the adjustment amount resulting from changes in accounting policies for earlier periods not included in the consolidated financial statements is recognised in the opening balance of the retained earnings for the earliest prior period reported. Retained earnings also include the effects from remeasurement of defined benefit plans.

Own shares are deducted from equity. The purchase, sale or retirement of these shares is recognised in equity items, without impact on profit or loss.

We use the item **Other reserves** to report unrealised gains and losses resulting from the measurement of financial investments at fair value through other comprehensive income. In addition, they include unrealised gains and losses from the measurement of associates and joint ventures using the equity method. We report insurance finance income or expenses for the majority of our insurance portfolio in "Other reserves", under the changes from the measurement of insurance contracts. This is to recognise the impact of changes in discount rates and other financial inputs. Differences resulting from the currency translation of foreign subsidiaries' figures, and remeasurement gains/losses from hedging relationships are also presented under "Other reserves".

B Subordinated liabilities

Subordinated liabilities are liabilities which, in the event of liquidation or insolvency, are only satisfied after the claims of other creditors. They are measured at amortised cost using the effective interest method.

For further details on classification and measurement and other overarching accounting policies, please refer to > Overarching accounting policies > Financial instruments.

C Reinsurance contracts held that are liabilities

Reinsurance contracts held that are recognised as liabilities due to application of the accounting policies are presented separately from the assets at a portfolio level in the consolidated balance sheet.

The recognition and measurement of reinsurance contracts held that are liabilities follows the same procedure as for reinsurance contracts held that are assets. Please refer to the information under > Assets > B Reinsurance contracts held that are assets.

D Insurance contracts issued that are liabilities

In the case of insurance contracts issued that are liabilities, we present the following items separately in the consolidated balance sheet: the LRC, the LIC, and other technical liabilities. The section below describes how the individual items are reported based on the various measurement models. The general accounting policies for insurance contracts issued that are liabilities are set out in > Overarching accounting policies > Insurance contracts.

Liability for remaining coverage

The LRC comprises the payment obligations for insured events that have not yet occurred and for other insurance contract services that have not yet been provided. Under the GMM, the LRC is the sum of the present value of the risk-adjusted future cash flows (fulfilment cash flows – consisting of building blocks 1, 2 and 3) and the contractual service margin (building block 4). For detailed explanations of the building blocks and their measurement, please refer to > Overarching accounting policies > Insurance contracts. We remeasure the estimated present value of the future cash flows and the risk adjustment for non-financial risk at each reporting date on the basis of updated assumptions. In addition, we recognise the expected profit attributable to the provision of insurance coverage for a group of insurance contracts as a contractual service margin, and thus explicitly as part of the liability for remaining coverage. We adjust the contractual service margin for any changes in fulfilment cash flows relating to future services, or establish a loss component and recognise it as an expense as soon as the contractual service margin has been depleted.

Under the PAA, in the case of profitable business the LRC is recognised upon initial measurement in a simplified way as the sum of premiums received less the acquisition cash flows paid, provided that the latter are not recognised directly as an expense. In other words, neither the present value of the future cash flows nor a risk adjustment for non-financial risk nor a contractual service margin is determined. Conversely, in the case of onerous groups of insurance contracts a loss component is recognised in line with the GMM and recognised under this balance sheet item. As part of subsequent measurement, we consider the time value of money and consequently achieve the greatest possible consistency with the application of the GMM. The liability for remaining coverage is adjusted on the basis of historical yield curves as determined on initial recognition.

The LRC for groups of insurance contracts measured under the VFA consists of the sum of the present value of the risk-adjusted future cash flows and the contractual service margin. The determination of both the present value of the future cash flows and the risk adjustment for non-financial risk at initial measurement generally follows the requirements under the GMM. Special rules apply under IFRS 17 for subsequent measurement as per the VFA; please refer to > Overarching accounting policies > Insurance contracts.

Liability for incurred claims

The LIC comprises the payment obligations for incurred claims that have not yet been settled, and for other insurance contract services already provided. It is measured by applying the first three building blocks of the GMM, i.e. by calculating the present value of the risk-adjusted future cash flows. We start by determining, based on our actuarial estimate, the requisite present value of the cash outflows expected to occur by the time the insured event has been definitively settled. The present value of the cash outflows reflects both the expected payments to the policyholder as well as our claims settlement expenses and administration costs. We add a risk adjustment for non-financial risk to the present value of the cash outflows to account for any remaining uncertainty as to the ultimate amount of claims or their payout dates.

In the context of estimates and in line with the LRC, we consider past experience and assumptions about future developments, including social, economic or technological factors. By applying our actuarial projection methods, we ensure appropriate reserving for incurred claims at all times, near the upper end of adequate expected values.

We use current discount rates when discounting future risk-adjusted cash outflows and use the option to recognise the effect of changes in financial inputs on measurement in "Other comprehensive income" in equity. When determining the fulfilment cash flows for the liability for incurred claims using the general measurement model and when using the PAA, we use the discount rates at the date of the incurred claim. However, we base subsequent measurement on different discount rates depending on the measurement model used. Under the general measurement model, changes to the financial inputs for the liability for incurred claims compared to the ones used at initial recognition of the liability for remaining coverage are presented in "Other comprehensive income". Under the PAA, changes to the financial inputs for the liability for incurred claims compared to the ones used at initial recognition of the liability for incurred claims are presented in "Other comprehensive income". When applying the PAA, we do not make use of the option to refrain from discounting under certain circumstances. The date of loss needs to be estimated because cedants use aggregated claims data. We prepare these estimates on a quarterly basis.

Changes in the measurement of the LIC arising from updated actuarial estimates or updated costs are recognised in profit or loss.

Particularly for participating life and health primary insurance business, the LIC primarily concerns payments to customers. We do not distinguish in our balance sheet presentation of technical liabilities between unit-linked life insurance contracts and other insurance contracts in the VFA scope.

Other technical liabilities

Under the balance sheet item "Other technical liabilities" we present measurement components regarding groups of insurance contracts for which the recognition criteria have not yet been met. This mainly includes premiums received before the first payment due date and the beginning of the coverage period.

E Other provisions

This item includes provisions for post-employment benefits and similar obligations. Under defined contribution plans, the companies pay fixed contributions to an insurer or a pension fund. This fully covers the companies' obligations. Under defined benefit plans, the staff member is promised a particular level of retirement benefit either by companies or by pension funds. The companies' contributions needed to finance this are not fixed in advance. If pension obligations are covered by assets held by a legally separate entity (e.g. a fund or a contractual trust arrangement in the form of a two-way trust) – assets that may only be used to cover the pension commitments given and are not accessible to creditors – the pension obligations are shown less the amount of these plan assets. If the fair value of the assets exceeds the related outsourced pension commitments, this reimbursement right must be recognised and is presented under "Other receivables".

Pension obligations are recognised in accordance with IAS 19, Employee Benefits, using the projected unit credit method. The calculation includes not only the pension entitlements and current pensions known at the end of the reporting period, but also their expected future development. The assumptions for the future development are determined on the basis of the circumstances in the individual countries.

The discount rate applied to the pension obligations is based on the yields for long-term, high-quality corporate bonds.

The item also includes miscellaneous provisions, which we establish in the amount of the probable requirement. Such amounts are not discounted if the interest-rate effect is insignificant.

F Liabilities

Liabilities include derivatives, non-derivative financial liabilities, current tax liabilities and other liabilities.

The derivatives, non-derivative financial liabilities and the bulk of other liabilities are financial instruments. The latter include insurance-related liabilities. The general accounting policies for financial liabilities are set out in > Overarching accounting policies > Financial instruments.

Lease liabilities are included in "Non-derivative financial liabilities". The lease liability represents the present value of the payment obligations entered into. As a rule, lease payments are discounted at the incremental borrowing rate. Lease payments are discounted at the interest rate on which the lease is based, provided that this rate can be determined.

Current tax liabilities comprise current taxes on income of the individual companies, based on their respective national taxation. Other tax liabilities are shown under "Other liabilities".

G Deferred tax liabilities

Deferred tax liabilities must be recognised if asset items have to be valued higher, or liabilities items lower, in the consolidated balance sheet than in the tax accounts of the reporting company, and these differences will be eliminated at a later date with a corresponding impact on taxable income (temporary differences); see > Assets > I Deferred tax assets.

H Liabilities related to non-current assets held for sale

Liabilities to be transferred together with disposal groups are recognised in this item, see > Assets > K Non-current assets held for sale.

Consolidated income statement

A Insurance service result

Insurance revenue is defined so as to facilitate comparisons with revenue in other industries; it also distinguishes between various sources of revenue with respect to the GMM and the VFA. Insurance revenue is the consideration we expect to receive for the insurance contract services we provide; moreover, insurance revenue excludes investment components. An investment component is the amount that an insurance contract requires us to repay to the policyholder in all circumstances – regardless of whether an insured event occurs, e.g. either as a claims payment or as a participation in profit. An investment component is not recognised as insurance revenue; the repayment of this amount is recognised with no impact on profit or loss. Particularly surrender values in primary insurance as well as performance-related or fixed commissions and profit commissions in reinsurance are investment components in our business. Excluding investment components from insurance revenue does not affect the insurance service result, as there are corresponding reductions in the insurance service expenses.

When applying the PAA, we recognise as insurance revenue the amount of expected premium receipts allocated to the period, while excluding any investment components and adjusted to reflect the time value of money. We allocate the expected premium receipts to each period on the basis of the expected pattern of release of risk during the coverage period.

The insurance service expenses comprise claims expenses in particular (without repayment of any investment components). We present administration and acquisition costs separately under "Insurance service expenses" in the consolidated income statement. Acquisition costs are recognised in insurance service expenses in the same amount as used to determine insurance revenue based on systematic allocation to the appropriate periods of the coverage period. We furthermore present changes in the underlying items separately under "Insurance service expenses" when applying the VFA.

Within the insurance service result, income or expenses from reinsurance contracts held are presented separately (insurance revenue ceded from reinsurance contracts held and income from reinsurance contracts held) and thus separately from insurance revenue and the insurance service expenses from insurance contracts issued.

B Result from insurance-related financial instruments

The result from insurance-related financial instruments includes regular income and expenses, changes in the fair value of financial instruments, expenses for the management of investments, and other income and expenses.

C Investment result

The investment result comprises regular income; income from write-ups; gains and losses on the disposal of investments; other income; expected credit losses on financial investments not measured at fair value through profit or loss; write-downs of, and impairment losses on, non-financial investments; management expenses; interest charges; and other expenses. Regular income and expenses from financial investments not measured at fair value through profit or loss are calculated using the effective interest method, i.e. any premiums or discounts are amortised over the period of maturity, with impact on profit or loss.

The interest revenue recognised separately in the consolidated income statement relates to our financial assets measured at fair value through other comprehensive income; this interest revenue is calculated using the effective interest method.

D Investment result for unit-linked life insurance

The gains or losses from changes in the fair value of investments for unit-linked life insurance are included in the investment result for unit-linked life insurance. They are matched by corresponding changes from the measurement of the LRC for unit-linked life insurance that are included in insurance finance income or expenses.

E Insurance finance income or expenses

Insurance finance income or expenses include the effect from the accretion of interest on the present value of the net cash flows, the risk adjustment for non-financial risk and the contractual service margin. Conversely, we recognise the impact of changes in interest rates in "Other comprehensive income" in equity for the majority of our insurance portfolio.

Changes in accounting policies and other adjustments

Standards to be applied for the first time

The application of recognition, measurement and disclosure methods generally follows the principle of consistency.

It became mandatory to apply the following amended IFRS Accounting Standards as of the 2024 financial year:

- Amendments to IAS 1, Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (rev. 1/2020); Deferral of Effective Date of these Amendments (rev. 7/2020)
- Amendments to IAS 1, Presentation of Financial Statements (rev. 10/2022) – Non-current Liabilities with Covenants
- Amendments to IAS 7, Statement of Cash Flows, and to IFRS 7, Financial Instruments: Disclosures (rev. 5/2023) – Supplier Finance Arrangements
- Amendments to IFRS 16, Leases (rev. 9/2022) – Lease Liability in a Sale and Leaseback

The amendments listed above either have no significance or are of minor significance for Munich Re.

New standards and amendments to standards that are not yet effective

Unless otherwise stated, Munich Re intends to initially apply all new standards or amendments to standards that are not yet effective as at the mandatory effective date for entities whose registered office is in the European Union. The International Accounting Standards Board (IASB) has published the following standards and amendments to standards that have not yet been adopted into European law, with the exception of the amendments to IAS 21:

- Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates (rev. 8/2023) – Lack of Exchangeability
- Amendments to IFRS 9, Financial Instruments, and to IFRS 7, Financial Instruments: Disclosures (rev. 5/2024) – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to IFRS 9, Financial Instruments, and to IFRS 7, Financial Instruments: Disclosures (rev. 12/2024) – Contracts Referencing Nature-dependent Electricity

- Amendments published under the project "Annual Improvements to IFRS Accounting Standards – Volume 11" (rev. 7/2024): Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards; IFRS 7, Financial Instruments: Disclosures; IFRS 9, Financial Instruments; IFRS 10, Consolidated Financial Statements; IAS 7, Statement of Cash Flows
- IFRS 18, Presentation and Disclosure in Financial Statements (4/2024)
- IFRS 19, Subsidiaries without Public Accountability: Disclosures (5/2024)

The amendments to IAS 21 will enter into force in 2025, with the amendments to IFRS 9 and IFRS 7, as well as those from the "Annual Improvements to IFRS Accounting Standards – Volume 11" project, coming into force in 2026. IFRS 18 and IFRS 19 will enter into force in 2027.

The impact that IFRS 18 will have on Munich Re is currently being investigated. Based on a preliminary assessment, adjustments are expected to be made to the structure of the consolidated income statement in particular. In future, the items in the consolidated income statement will be split into four categories – operating activities, investing activities, financing activities and taxes on income – and aggregated using new subtotals. In some cases, income and expenses will be allocated to different categories than in the past. Shares in the profit or loss of associates and joint ventures accounted for using the equity method, for example, will be assigned to the investing category in the future, meaning that they no longer form part of the operating result. The consolidated cash flow statement will also be adjusted. In particular, cash flows from operating activities will be calculated based on the operating result as opposed to the net result. Additional disclosures will also have to be made in the notes to the financial statements. These relate primarily to disclosures on the consolidated income statement for those expenses that are broken down by functional area within the operating result. These disclosures will have to show the amounts included in the relevant item for specific expense types required under IFRS 18 (for example depreciation and amortisation, impairment losses and reversals of impairment losses). IFRS 18 also requires extended disclosures in the notes for management-defined performance measures.

All of the other standards and amendments listed above are expected either to have no significance or to be of minor significance for Munich Re.

Explanatory information

Consolidation

1 Business combinations

Munich Re obtained control of Nam Seng Insurance Public Co., Ltd. (NSI), Bangkok, in the 2023 financial year. The valuation of NSI's net assets related to insurance business was still provisional at 31 December 2023 and was completed in Q1 2024. Unlike the provisional valuation as at 31 December 2023, the completed valuation resulted in a negative consolidation difference of €1m, which was released directly to profit or loss and recognised in "Other operating income".

On 31 January 2024 – via its subsidiaries TS Texas II LP, Wilmington, Delaware, and TS Louisiana II LP, Wilmington, Delaware – Munich Re acquired 44,000 hectares of forest in Texas and Louisiana from an institutional investor and concluded a forest management contract. The forests will be managed professionally and sustainably so as to ensure long-term cash inflows for Munich Re by means of logging and systematic reforestation. The purchase price for the forest properties totalled €230m: €117m for TS Texas II LP and €113m for TS Louisiana II LP, settled in cash. The fair values of the assets and liabilities at the acquisition date comprised non-financial investments of €230m, of which €220m was attributable to biological assets and properties. No contingent liabilities existed at the acquisition date.

On 2 April 2024, via its subsidiary ERGO International AG, Düsseldorf, Munich Re acquired an additional 50% of the voting shares in ERGO Forsikring AS (EF), Oslo – formerly Storebrand Helseforsikring AS. Munich Re thereby increased its total shareholding to 100%, and thus obtained control of EF. EF had been a 50/50 joint venture between ERGO and Storebrand ASA, Lysaker. The purchase price for the additional 50% shareholding amounted to €112m and was settled in cash.

EF is a leading provider of health insurance in Norway and Sweden. The stable and profitable health insurance markets in Scandinavia and elsewhere are a priority in ERGO's international growth strategy. By acquiring the other 50% share from its former joint venture partner and leveraging an exclusive, long-term sales alliance, ERGO is poised to further expand its presence and competitive edge in the Scandinavian market.

The fair value of Munich Re's equity interest in EF immediately prior to the acquisition was €112m. A profit of €89m from the remeasurement of this interest was recognised in the investment result. The transaction resulted in provisional goodwill of €157m and intangible assets amounting to €35m. The goodwill is based on expected synergies and growth attributable to the bundling of resources and know-how for ERGO's activities in the Nordic countries.

The valuation of EF's net assets related to insurance business was not yet completed at the reporting date.

The provisional fair values of EF's assets and liabilities at the acquisition date were as follows: investments of €75m; cash at banks, cheques and cash in hand of €4m; receivables of €36m; other asset items of €1m; insurance liabilities and other liabilities of €75m; and other liability items of €2m. The fair value of the receivables acquired as part of the transaction largely corresponded to the carrying amount. There were no significant bad debts and no contingent liabilities at the acquisition date.

For Munich Re, EF's contributions to the Group's revenue and net result are of secondary importance.

2 Changes due to obtaining and losing control

Cash flows and net assets from obtaining and losing control of consolidated subsidiaries or other operations are shown in the following tables:

Cash flows arising from obtaining control

€m	2024	Prev. year
Total consideration for obtaining control		
Non-cash consideration for obtaining control	0	0
Cash consideration for obtaining control	–344	–61
	–344	**–61**
Cash over which control was obtained	**4**	**13**
Total	**–340**	**–48**

Net assets acquired

€m	31.12.2024	Prev. year
Goodwill/Negative consolidation difference	157	13
Other intangible assets	35	15
Investments	306	87
Cash	4	13
Other assets	38	53
Insurance contracts issued and reinsurance contracts held (net)	0	0
Other liabilities	–79	–101
Total	**462**	**80**

Cash flows arising from losing control

€m	2024	Prev. year
Total consideration for losing control		
Non-cash consideration for losing control	0	0
Cash consideration for losing control	73	27
	73	**27**
Cash over which control was lost	**–26**	**–8**
Total	**47**	**19**

Net assets disposed of

€m	31.12.2024	Prev. year
Goodwill	0	0
Other intangible assets	0	–1
Investments	–173	–48
Cash	–26	–8
Other assets	–182	–8
Insurance contracts issued and reinsurance contracts held (net)	226	18
Other liabilities	134	14
Total	**–20**	**–32**

The sale of DAS UK Holdings Limited, Bedwas, together with its subsidiaries DAS Services Limited, DAS Legal Expenses Insurance Company Limited and DAS Law Limited, was completed in Q1 2024. The disposal had a positive impact of €7.5m on the net result.

The subsidiary American Digital Title Insurance Company, Brighton, Colorado, was sold and deconsolidated in Q4 2024. The loss on disposal totalled €0.9m.

Gains or losses from the disposal of the other subsidiaries sold and deconsolidated in 2024 did not have any material impact on the net result.

3 Associates and joint ventures

By way of a dissolution agreement concluded on 1 July 2024 and a spin-off agreement dated 12 August 2024, Joint HR MR Private Equity GmbH, Munich, was spun off and dissolved with effect from 1 July 2024. A private equity portfolio of around €1.9bn was added in the context of this transaction and is reported under the “Financial investments” line item.

4 Structured entities

Munich Re has interests both in consolidated and in unconsolidated structured entities.

Munich Re classifies unconsolidated structured entities as either investment funds or securitisation vehicles on the basis of the type of structured entity.

A distinction is made between investment funds in which Munich Re invests on its own behalf within the framework of its investment activities and investment funds in which Munich Re invests as part of its insurance-related financial instruments and investments for unit-linked life insurance. Investment funds are mainly financed by issuing redeemable shares or units. Some of the investment funds are managed by MEAG, others by fund managers outside the Group. In the table below, we also report under “Investment funds” all investments in infrastructure, forestry, private equity and other investments.

Munich Re invests in asset-backed securities that are issued by securitisation vehicles which are not set up by Munich Re. Furthermore, Munich Re uses securitisation vehicles to issue catastrophe bonds, and it also invests in third-party catastrophe bonds. Securitisation vehicles are self-financed by issuing securities.

In order to protect its own portfolio, Munich Re uses alternative risk transfer in addition to traditional retrocession. Under this process, underwriting risks are transferred to the capital markets with the assistance of securitisation vehicles.

Munich Re also invests in the area of catastrophe risks, for example in various securities whose repayment and interest is generally linked to the occurrence of natural catastrophes. The securities are issued by securitisation vehicles which as a matter of general policy are not set up by Munich Re.

For investment funds, including investments in infrastructure, forestry, private equity and other investments, as well as insurance-related financial instruments and investments for unit-linked life insurance, the carrying amount gives an indication of the size of the structured entity. For asset-backed securities and the securitisation of underwriting risks, the issued volume (nominal value) is used as an indicator for measuring the size of the structured entity. The size of the funds refers to both the issued volume of the securitisation vehicles set up by Munich Re and that of those securitisation vehicles in which Munich Re has invested.

With the exception of investment funds relating to investments for unit-linked life insurance, the maximum exposure to loss is the carrying amount of the respective items on the asset side. Therefore, for the items on the asset side, there is usually no difference between the carrying amount of interests in unconsolidated structured entities and the maximum exposure to loss. The maximum exposure to loss for underwriting risks is the carrying amount, unless the aggregation of insurance contracts results in the recognition of negative carrying amounts which were netted against positive carrying amounts. In instances where the recognised carrying amount is negative, the maximum exposure to loss is set at zero. Because of this, the maximum exposure to loss for the securitisation vehicles for underwriting risks can be greater overall than the carrying amounts of each of the respective asset and liability items on the consolidated balance sheet.

Normally, the maximum exposure to loss for investments for unit-linked life insurance is also the carrying amount of the interests. However, this investment is held for the benefit of policyholders who bear the investment risk.

MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH also manages fund assets for private clients and institutional investors, for which it receives a management fee. The management fees are recognised as income in the consolidated income statement.

The maximum exposure to loss relates to the loss of future management fees. Fund management activities generated income of €60m (53m) in the financial year. The value of fund assets under management provides information about the size of the unconsolidated structured entities. As at 31 December 2024, the managed fund assets amounted to €5,616m (5,007m), and Munich Re itself also holds a small interest in these funds.

Unconsolidated structured entities

						2024
			Investment funds		Securitisation vehicles	Total
€m	Munich Re investments	Investments for unit-linked life insurance	Insurance-related financial instruments	Asset-backed securities	Under-writing risks	
Reinsurance contracts held that are assets	0	0	0	0	77	77
Insurance contracts issued that are assets	0	0	0	0	0	0
Investments – Financial investments	7,972	0	0	5,270	0	13,242
Investments for unit-linked life insurance	0	9,180	0	0	0	9,180
Insurance-related financial instruments	0	0	333	0	134	466
Non-current assets held for sale	0	0	0	0	0	0
Total assets	**7,972**	**9,180**	**333**	**5,270**	**210**	**22,965**
Reinsurance contracts held that are liabilities	0	0	0	0	0	0
Insurance contracts issued that are liabilities[1]	0	0	0	0	–923	–923
Liabilities – Derivatives	0	0	0	0	0	0
Total equity and liabilities	**0**	**0**	**0**	**0**	**–923**	**–923**
Size of structured entities	7,972	9,180	333	130,708	10,012	158,205

1 The recognition of groups of insurance contracts in accordance with IFRS 17 results in the recognition of a negative figure here.

Unconsolidated structured entities

						Prev. year
			Investment funds		Securitisation vehicles	Total
€m	Munich Re investments	Investments for unit-linked life insurance	Insurance-related financial instruments	Asset-backed securities	Under-writing risks	
Reinsurance contracts held that are assets	0	0	0	0	128	128
Insurance contracts issued that are assets	0	0	0	0	0	0
Investments – Financial investments	7,343	0	0	5,357	0	12,700
Investments for unit-linked life insurance	0	8,943	0	0	0	8,943
Insurance-related financial instruments	0	0	351	0	161	512
Non-current assets held for sale	14	0	0	0	0	14
Total assets	**7,357**	**8,943**	**351**	**5,357**	**289**	**22,297**
Reinsurance contracts held that are liabilities	0	0	0	0	0	0
Insurance contracts issued that are liabilities[1]	0	0	0	0	–872	–872
Liabilities – Derivatives	0	0	0	0	0	0
Total equity and liabilities	**0**	**0**	**0**	**0**	**–872**	**–872**
Size of structured entities	7,357	8,943	351	121,593	7,863	146,107

1 The recognition of groups of insurance contracts in accordance with IFRS 17 results in the recognition of a negative figure here.

5 Non-current assets and disposal groups held for sale or sold during the reporting period

Composition of the non-current assets and disposal groups held for sale

€m	31.12.2024	Prev. year
Non-financial investments	740	130
Thereof: Investment property	608	130
Financial investments	2	182
Other assets of the disposal group	32	135
Total assets	**774**	**446**
Insurance contracts issued that are liabilities	0	231
Other liabilities of the disposal group	23	43
Total liabilities	**23**	**274**

In Q4 2024, real estate in Hanover, Hamburg, Düsseldorf and Stuttgart was classified as held for sale. Further properties that are part of the special fund OIK Mediclin, Wiesbaden were also classified as held for sale. We expect the properties to be sold in the first half of 2025.

A property in Karlsruhe that we had classified as held for sale in Q3 2024 was disposed of in Q4 2024. The properties in Cologne, Hamburg and Bonn that we had classified as held for sale in H2 2023 and Q1 2024 had been disposed of as at the reporting date.

No value adjustments resulted from the classification as held for sale.

The sale of one property unit in London that we had classified as held for sale in Q4 2023 did not materialise. As there is currently no intention to sell the property, it was reclassified in Q2 2024.

In Q4 2024, we classified the following subsidiaries as held for sale: Cornwall Power (Polmaugan) Limited, London; Countryside Renewables (Forest Heath) Limited, London; KS SPV 23 Limited, London; and Lynt Farm Solar Limited, London. No value adjustments were required. We expect to sell them in the first half of 2025.

In Q3 2024, we classified the following subsidiaries as held for sale: MR Rent UK Investment Limited, London; Bagmoor Holdings Limited, London; Bagmoor Wind Limited, London; Scout Moor Group Limited, London; Scout Moor Wind Farm Limited, London; Tir Mostyn and Foel Goch Limited, London; and UK Wind Holdings Limited, London. No value adjustments were required. We expect to sell them in the first half of 2025.

In Q2 2024, DKV Pflegedienste & Residenzen GmbH, Cologne, was classified as held for sale. No value adjustments were required. We expect it to be sold in the first half of 2025.

In Q2 2023, we classified DAS UK Holdings Limited, Bedwas – with its subsidiaries DAS Services Limited, DAS Legal Expenses Insurance Company Limited, and DAS Law Limited – as held for sale. The disposal took place in Q1 2024.

The subsidiary American Digital Title Insurance Company, Brighton, Colorado – which was classified as held for sale in Q4 2022 – was sold in Q4 2024.

Further information on disposals due to losing control can be found in this chapter under > Consolidation.

The “Other reserves” of Group equity include €4m for disposal groups attributable to unrealised gains from currency translation. Properties classified as held for sale and pledged as security and other restrictions on title totalled €484m.

How the non-current assets held for sale or disposal groups are allocated between the segments is disclosed in our segment reporting. Transactions between the disposal group and the Group’s continuing operations continued to be fully eliminated.

Segment disclosures

6 Segment reporting

In accordance with the management approach, the segmentation of our business operations is based on the way in which Munich Re's business is managed internally.

We have identified five reportable segments:

- Life and health reinsurance (global life and health reinsurance business)
- Property-casualty reinsurance (global property-casualty reinsurance business)
- ERGO Life and Health Germany (German life and health primary insurance business and global travel insurance business)
- ERGO Property-casualty Germany (German property-casualty primary insurance business)
- ERGO International (ERGO's primary insurance business outside Germany)

Certain primary insurers whose business requires special solution-finding competence are coupled to reinsurance as the risk carrier. We therefore transact their business from within reinsurance and consequently allocate them to the reinsurance segments.

The IFRS result contributions are the basis of planning and strategy in all segments, hence the IFRS segment result is the uniform assessment basis for internal management.

Assets and liabilities in connection with intra-Group loans are presented on an unconsolidated basis in the segment balance sheet in accordance with the way they are managed internally, and income and expenses from such loans are likewise presented on an unconsolidated basis in the segment income statement. All other items are presented after elimination of intra-Group transactions and shareholdings.

Segment reporting will be adjusted in the 2025 financial year in accordance with modifications made to internal reporting and business management from 1 January 2025. Global Specialty Insurance (GSI), which is currently part of the property-casualty reinsurance segment, will be presented as its own segment in the reinsurance field of business. Regular reporting on ERGO, both internally and thus externally, will in future primarily address two aggregated segments (segments), ERGO Germany and ERGO International. Going forward, only selected metrics will be published for the reportable segments (reporting segments) ERGO Life and Health Germany, ERGO Property-casualty Germany, ERGO Life and Health International and ERGO Property-casualty International. This change will not impair the value of goodwill.

Segment assets[1]

	Reinsurance			
	Life and health		Property-casualty	
€m	31.12.2024	Prev. year	31.12.2024	Prev. year
A. Intangible assets	285	292	2,253	2,129
B. Reinsurance contracts held that are assets	722	667	2,480	2,518
C. Insurance contracts issued that are assets	6,261	6,473	307	116
D. Investments	20,785	20,882	80,984	69,505
Thereof: Associates and joint ventures accounted for using the equity method	0	0	2,747	4,610
E. Investments for unit-linked life insurance	0	0	0	0
F. Insurance-related financial instruments	8,426	8,598	785	862
G. Non-current assets held for sale	12	0	150	22
H. Other segment assets	3,034	4,340	10,100	9,592
Total segment assets	**39,524**	**41,251**	**97,059**	**84,743**

Segment equity and liabilities[1]

	Reinsurance			
	Life and health		Property-casualty	
€m	31.12.2024	Prev. year	31.12.2024	Prev. year
A. Subordinated liabilities	518	483	5,790	4,217
B. Reinsurance contracts held that are liabilities	188	112	92	148
C. Insurance contracts issued that are liabilities				
I. Liability for remaining coverage	8,483	10,659	–1,973	–1,799
II. Liability for incurred claims	8,016	6,724	69,864	63,504
III. Other technical liabilities	0	0	0	0
	16,499	17,383	67,891	61,705
D. Other provisions	163	163	635	638
E. Liabilities related to non-current assets held for sale	2	0	21	1
F. Other segment liabilities	6,086	6,017	8,929	8,767
Total segment liabilities	**23,457**	**24,159**	**83,358**	**75,476**

1 You can download this information as an Excel file; please refer to the Financial Supplement under www.munichre.com/results-reports.

	ERGO						Total	
	Life and Health Germany		Property-casualty Germany		International			
	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
	49	62	1,288	1,388	387	212	4,262	4,084
	17	16	411	381	493	431	4,123	4,014
	282	287	279	264	79	53	7,208	7,193
	103,794	103,719	8,630	8,133	16,523	16,224	230,716	218,462
	642	563	89	72	1,222	1,163	4,701	6,409
	6,430	5,778	0	0	2,756	2,502	9,186	8,280
	353	412	0	0	0	0	9,563	9,872
	613	137	0	5	0	282	774	446
	4,961	4,843	1,245	1,360	1,341	1,309	20,682	21,443
	116,499	**115,254**	**11,854**	**11,532**	**21,579**	**21,013**	**286,515**	**273,793**

	ERGO						Total	
	Life and Health Germany		Property-casualty Germany		International			
	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
	0	0	0	0	13	13	6,321	4,713
	7	2	106	96	130	78	523	436
	113,100	111,195	328	609	12,648	12,315	132,588	132,979
	1,995	1,900	6,534	5,983	3,294	3,056	89,702	81,167
	0	0	0	0	7	7	7	7
	115,095	113,095	6,863	6,592	15,949	15,378	222,297	214,153
	813	845	776	786	373	333	2,760	2,766
	0	0	0	0	0	273	23	274
	1,305	1,800	3,169	2,812	2,356	2,284	21,845	21,680
	117,220	**115,742**	**10,913**	**10,287**	**18,822**	**18,358**	**253,769**	**244,021**
Equity							**32,746**	**29,772**
Total equity and liabilities							**286,515**	**273,793**

Segment income statement[1]

	Reinsurance			
	Life and health		Property-casualty	
€m	2024	Prev. year	2024	Prev. year
1. Insurance revenue from insurance contracts issued	11,767	10,725	28,267	27,061
2. Insurance service expenses from insurance contracts issued				
Claims expenses	–9,876	–9,174	–18,229	–18,595
Changes from underlying items	0	0	0	0
Administration and acquisition costs	–436	–434	–4,304	–4,002
Other insurance service expenses	0	0	0	0
	–10,312	–9,608	–22,533	–22,598
3. Insurance service result from insurance contracts issued (1+2)	**1,455**	**1,117**	**5,734**	**4,464**
4. Insurance revenue ceded from reinsurance contracts held	–124	–246	–1,175	–1,025
5. Income from reinsurance contracts held	76	202	216	410
6. Insurance service result from reinsurance contracts held (4+5)	**–48**	**–44**	**–959**	**–615**
7. Insurance service result (3+6)	**1,408**	**1,073**	**4,775**	**3,849**
8. Result from insurance-related financial instruments	696	360	54	119
9. Total technical result (7+8)	**2,104**	**1,433**	**4,830**	**3,968**
10. Investment result	475	608	2,698	1,824
11. Currency result	–42	–53	201	–142
12. Investment result for unit-linked life insurance	0	0	0	0
13. Insurance finance income or expenses from insurance contracts issued	–160	–133	–2,249	–1,682
14. Insurance finance income or expenses from reinsurance contracts held	2	2	89	88
15. Insurance finance income or expenses (13+14)	**–159**	**–131**	**–2,160**	**–1,594**
16. Net financial result (10+11+12+15)	**274**	**424**	**739**	**88**
17. Other operating income	332	305	597	533
18. Other operating expenses	–481	–476	–1,439	–1,538
19. Operating result (9+16+17+18)	**2,228**	**1,686**	**4,727**	**3,052**
20. Net finance costs	17	3	–193	–139
21. Taxes on income	–563	–261	–1,336	–465
22. Net result (19+20+21)	**1,681**	**1,428**	**3,199**	**2,448**

1 You can download this information as an Excel file; please refer to the Financial Supplement under www.munichre.com/results-reports.

Other segment disclosures

	Reinsurance			
	Life and health		Property-casualty	
€m	2024	Prev. year	2024	Prev. year
Interest revenue	1,345	1,188	2,385	1,755
Interest expenses	–74	–35	–231	–215
Depreciation and amortisation	–62	–31	–189	–159
Income from associates and joint ventures accounted for using the equity method	0	0	46	262

	ERGO						Total	
	Life and Health Germany		Property-casualty Germany		International			
	2024	**Prev. year**	**2024**	**Prev. year**	**2024**	**Prev. year**	**2024**	**Prev. year**
	10,090	9,942	4,661	4,539	6,045	5,618	60,830	57,884
	−8,396	−7,681	−2,814	−2,677	−3,720	−3,354	−43,036	−41,481
	557	52	−1	−2	−10	−2	546	48
	−1,322	−1,307	−1,321	−1,335	−1,586	−1,539	−8,968	−8,617
	0	0	0	0	0	0	0	0
	−9,161	−8,936	−4,135	−4,015	−5,317	−4,894	−51,458	−50,051
	929	**1,006**	**526**	**524**	**728**	**723**	**9,372**	**7,834**
	−21	−9	−100	−68	−246	−229	−1,666	−1,577
	12	4	65	39	116	133	486	788
	−9	**−5**	**−35**	**−29**	**−130**	**−96**	**−1,181**	**−789**
	920	**1,001**	**491**	**495**	**598**	**627**	**8,191**	**7,045**
	−21	23	0	0	−2	−2	727	501
	898	**1,024**	**491**	**495**	**596**	**625**	**8,918**	**7,545**
	3,207	2,323	327	209	485	410	7,191	5,374
	67	−71	−32	−11	−18	−15	175	−292
	702	565	0	0	240	250	941	816
	−4,058	−2,983	−127	−66	−623	−627	−7,217	−5,490
	0	−1	3	2	12	9	107	99
	−4,058	**−2,984**	**−123**	**−64**	**−611**	**−618**	**−7,110**	**−5,391**
	−83	**−167**	**172**	**134**	**96**	**28**	**1,198**	**507**
	203	191	119	109	181	179	1,432	1,316
	−801	−851	−354	−341	−503	−461	−3,579	−3,667
	217	**197**	**428**	**397**	**369**	**370**	**7,969**	**5,702**
	83	53	−67	−49	−48	−36	−207	−168
	−70	−67	−102	−96	−20	−48	−2,091	−936
	230	**183**	**260**	**252**	**301**	**286**	**5,671**	**4,597**

	ERGO						Total	
	Life and Health Germany		Property-casualty Germany		International			
	2024	**Prev. year**	**2024**	**Prev. year**	**2024**	**Prev. year**	**2024**	**Prev. year**
	2,832	2,733	248	209	402	362	7,212	6,246
	−57	−82	−75	−74	−60	−52	−496	−458
	−20	−16	−117	−91	−79	−68	−467	−365
	26	40	0	22	56	32	129	356

Non-current assets by country[1]

€m	31.12.2024	Prev. year
Germany	7,857	8,637
United States	6,239	4,880
France	580	580
Netherlands	557	464
United Kingdom	513	557
Sweden	298	316
Canada	288	303
Finland	277	86
Spain	264	271
Belgium	261	290
Poland	252	259
Australia	247	207
Austria	242	235
Norway	190	0
Denmark	150	139
New Zealand	146	67
Portugal	140	109
Switzerland	130	95
Italy	129	145
Thailand	71	83
Others	222	225
Total	**19,055**	**17,948**

1 The non-current assets mainly comprise intangible assets; investment property; property, plant and equipment; and biological assets.

Investments in non-current assets per segment[1]

€m	2024	Prev. year
Reinsurance – Life and health	108	128
Reinsurance – Property-casualty	1,099	370
ERGO Life and Health Germany	897	327
ERGO Property-casualty Germany	60	144
ERGO International	264	133
Total	**2,428**	**1,102**

1 The non-current assets mainly comprise intangible assets; investment property; property, plant and equipment; and biological assets.

Insurance revenue from insurance contracts issued[1]

€m	2024	Prev. year
Europe		
Germany	15,887	17,554
United Kingdom	8,373	7,072
Poland	2,326	2,007
Spain	1,571	1,469
Belgium	1,031	1,018
Others	3,941	3,605
	33,128	**32,725**
North America		
USA	16,929	14,714
Canada	1,999	1,933
	18,927	**16,647**
Asia and Australasia		
Australia	1,794	1,923
China	1,014	1,012
India	804	955
Japan	577	587
Others	1,487	1,166
	5,675	**5,644**
Africa, Middle East		
United Arab Emirates	544	489
South Africa	538	475
Others	581	618
	1,663	**1,583**
Latin America	**1,436**	**1,285**
Total	**60,830**	**57,884**

1 Revenue is generally allocated according to the location of the risks insured.

7 Alternative performance measures

In addition to IFRS metrics, Munich Re uses alternative performance measures to assess its financial performance. These alternative performance measures are not defined or set out in the IFRS Accounting Standards but provide useful information about our financial position and performance and contribute to the comprehensibility of our results. They serve to supplement, not replace, the metrics defined in the IFRS Accounting Standards. Similarly named alternative performance measures published by other companies have potentially been calculated differently and might therefore not be comparable, or be comparable only to a limited extent.

Gross premiums written

Gross premiums written comprise all premium income due for payment in a financial year. Under IFRS 17, however, the reporting metric is insurance revenue, which is calculated based on the services provided from the groups of insurance contracts. Insurance revenue is substantially lower than gross premiums written because premium amounts that are repaid to policyholders under all circumstances, regardless of whether an insured event occurs (investment components), are not recognised as insurance revenue. This relates in particular to commissions and profit commissions in reinsurance business. Differences also arise from the recognition of insurance revenue based on services provided over the reporting period and adjustments for financing effects, among other factors. In the interest of comparability, we disclose gross premiums written as an alternative performance measure. Gross premiums written are no longer used as a performance indicator for corporate growth or as a corporate management tool.

Comparison of gross premiums written and insurance revenue

	Reinsurance				ERGO	
	Life and health		Property-casualty		Life and Health Germany	
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year
Gross premiums written	14,689	13,249	36,436	35,872	10,456	10,349
Insurance revenue from insurance contracts issued	11,767	10,725	28,267	27,061	10,090	9,942

Comparison of gross premiums written and insurance revenue

→	ERGO				Total	
	Property-casualty Germany		International			
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year
Gross premiums written	4,691	4,383	6,535	5,960	72,807	69,814
Insurance revenue from insurance contracts issued	4,661	4,539	6,045	5,618	60,830	57,884

Combined ratio

The combined ratio is a regularly used metric for property-casualty business. It is calculated as the percentage ratio of the insurance service expenses and insurance revenue, both of which on a net basis, i.e. after reinsurance cessions. Given that the combined ratio takes into account the time value of money and the uncertainty of future cash flows, it can also be used to assess economic profitability. It is only of limited suitability for comparing the financial performance of competitors owing to differing calculation methods and portfolio mixes.

Notes on determining the combined ratio

		Reinsurance		ERGO			
		Property-casualty		Property-casualty Germany		International[1]	
€m		31.12.2024	Prev. year	31.12.2024	Prev. year	31.12.2024	Prev. year
Insurance revenue (net)							
Insurance revenue from insurance contracts issued		28,267	27,061	4,661	4,539	4,859	4,426
Insurance revenue ceded from reinsurance contracts held		−1,175	−1,025	−100	−68	−232	−195
		27,092	**26,036**	**4,561**	**4,471**	**4,626**	**4,231**
Insurance service expenses (net)							
Insurance service expenses from insurance contracts issued		−22,533	−22,598	−4,135	−4,015	−4,360	−3,937
Income from reinsurance contracts held		216	410	65	39	110	124
		−22,317	**−22,187**	**−4,070**	**−3,976**	**−4,250**	**−3,813**
Combined ratio	%	**82.4**	**85.2**	**89.2**	**88.9**	**91.9**	**90.1**

1 Property-casualty business, travel insurance business and short-term health insurance business (excluding health insurance conducted like life insurance).

Return on equity (RoE)

The return on equity (RoE) is an important profitability KPI, which is of relevance in particular in the medium term. It is calculated on the basis of the Group's IFRS net result in relation to the average IFRS equity at the beginning and end of the year. IFRS equity is adjusted in particular for the fair value reserve, the foreign currency translation reserve, the insurance finance reserve (from the measurement of insurance contracts) and the reserve from hedging relationships. Further adjustments are made to eliminate distortions attributable to intra-Group transactions. IFRS equity is affected by profits as well as by capital measures such as dividend payments and share buy-backs, in particular. The RoE is disclosed for the Group and for the reinsurance and ERGO fields of business.

Notes on determining the return on equity (RoE) for the year 2024

	Reinsurance		ERGO		Total	
€m	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Segment assets	136,583	125,994	149,932	147,799	286,515	273,793
Segment liabilities	106,815	99,634	146,954	144,387	253,769	244,021
Adjustments used in the calculation of equity						
Other reserves – Fair value measurement, measurement of insurance contracts, currency translation, hedging relationships[1]	1,087	189	–690	–475	397	–286
Adjustment item for material asset transfers between reinsurance and ERGO	1,094	940	–1,094	–940	0	0
Adjusted equity	**27,587**	**25,231**	**4,762**	**4,827**	**32,349**	**30,059**
	2024		2024		2024	
Average adjusted equity	26,409		4,795		31,204	
Net result	4,880		791		5,671	
Return on equity (RoE) %	**18.5**		**16.5**		**18.2**	

1 Figures as at 31 December 2023 restated due to an adjustment to the allocation of insurance contracts measured using the variable fee approach. This resulted in reclassification from retained earnings to other reserves.

Notes on determining the return on equity (RoE) for the year 2023

	Reinsurance		ERGO		Total	
€m	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Segment assets	125,994	127,087	147,799	142,304	273,793	269,391
Segment liabilities	99,634	102,950	144,387	139,196	244,021	242,146
Adjustments used in the calculation of equity						
Other reserves – Fair value measurement, measurement of insurance contracts, currency translation, hedging relationships[1]	189	417	–475	–1,129	–286	–711
Adjustment item for material asset transfers between reinsurance and ERGO	940	976	–940	–976	0	0
Adjusted equity	**25,231**	**22,743**	**4,827**	**5,213**	**30,059**	**27,956**
	2023		2023		2023	
Average adjusted equity	23,987		5,020		29,008	
Net result	3,876		721		4,597	
Return on equity (RoE) %	**16.2**		**14.4**		**15.8**	

1 Figures as at 31 December 2023 and 31 December 2022 restated due to an adjustment to the allocation of insurance contracts measured using the variable fee approach. This resulted in reclassification from retained earnings to other reserves. As a consequence, the RoE for the year 2023 changed from 15.7% to 15.8% for the Group and from 13.5% to 14.4% for the ERGO field of business.

Notes to the consolidated balance sheet – Assets

8 Goodwill

Changes in goodwill

€m	2024	Prev. year
Gross carrying amount at 1 January	4,747	4,803
Accumulated impairment losses at 1 January	–1,563	–1,563
Carrying amount at 1 January	**3,184**	**3,240**
Currency translation differences	126	–65
Additions	157	13
Disposals	–14	–5
Reclassifications	0	0
Impairment losses	–10	0
Carrying amount at 31 December	**3,443**	**3,184**
Accumulated impairment losses at 31 December	–1,573	–1,563
Gross carrying amount at 31 December	5,016	4,747

Impairment tests for cash-generating units to which a significant portion of the goodwill was allocated are based on the assumptions shown below.

Cash-generating units	Global Clients and North America division in the property-casualty reinsurance segment	Global Specialty Insurance division in the property-casualty reinsurance segment	ERGO Property-casualty Germany segment
Allocated goodwill at 31 Dec. 2024 in €m	1,165	921	929
Basis for calculating the recoverable amount	Value in use	Value in use	Value in use
Key assumptions regarding the planning calculation (at the time of planning)	For the detailed planning phase (2 years), we expected a slight decline in insurance revenue and a stable combined ratio if major losses remained firm. Our general assumption was that there would be moderate upward movement on the equity markets and a stable interest-rate level.	For the detailed planning phase (2 years), we expected a rise in insurance revenue and a stable combined ratio if major losses remained firm. Our general assumption was that there would be moderate upward movement on the equity markets and a stable interest-rate level.	For the detailed planning phase (2 years), we expected a moderate rise in insurance revenue and a stable combined ratio. Our general assumption was that there would be moderate upward movement on the equity markets and a stable interest-rate level.
Growth rates after the detailed planning phase	1.0%	1.0%	1.0%
Discount rates	10.3%	10.2%	10.9%

The calculation of these values in use is based on distributable target results derived from the current market environment and the latest corporate planning approved by management. Prepared in an interactive process involving the operational units, the responsible controlling units and the Board of Management, the corporate plans are reviewed and updated at least every quarter. The target results were determined based on the assumption that the Ukraine war and current economic situation would not significantly affect the earnings prospects of our business models on a permanent basis. The climate risks inherent in our business model for our insurance business have been taken into account in the distributable target results.

The aforementioned key assumptions regarding insurance revenue development and combined ratios derive from the aggregation of the corporate plans of the individual companies of a cash-generating unit. The key assumptions regarding developments in the equity market and interest-rate level are defined on the basis of the current market environment.

The detailed planning phase is based on the Munich Re Group Ambition 2025. After the detailed planning phase, we estimate the target results to be achievable in the long term on the basis of the last adjusted planning year and taking into account growth rates and RoI derived from macroeconomic forecasts.

Cost-of-equity rates derived using the capital asset pricing model (CAPM) were used as discount rates. When deriving discount rates based on capital market data, we assume that the climate risks expected by the capital markets are included in their return expectations. Calculations were made after consideration of normalised taxes. In the above table, for disclosure purposes, a corresponding discount rate before tax is given in each case. Sensitivity analyses were performed for the discount rates, growth rates and distributable target results. No impairment was identified.

9 Other intangible assets

Development of other intangible assets

	Software			
	Internally developed		Other	
€m	2024	Prev. year	2024	Prev. year
Gross carrying amount at 1 January	653	628	2,060	1,936
Accumulated amortisation and impairment losses at 1 January	–611	–587	–1,361	–1,259
Carrying amount at 1 January	**41**	**41**	**700**	**676**
Currency translation differences	–1	1	6	3
Additions				
Business combinations	0	1	20	0
Other	31	39	117	158
Disposals				
Loss of control	0	0	0	–1
Other	–6	0	–92	–4
Reclassifications	1	0	–1	–1
Impairment losses reversed	0	0	23	0
Amortisation	–26	–18	–148	–121
Impairment losses	–1	–23	0	–11
Carrying amount at 31 December	**40**	**41**	**625**	**700**
Accumulated amortisation and impairment losses at 31 December	–646	–611	–1,448	–1,361
Gross carrying amount at 31 December	686	653	2,073	2,060

→	Acquired brand names		Acquired distribution networks/client bases		Acquired licences/ patents	
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year
Gross carrying amount at 1 January	231	233	765	763	80	332
Accumulated amortisation and impairment losses at 1 January	–207	–192	–687	–676	–43	–163
Carrying amount at 1 January	**25**	**41**	**78**	**88**	**37**	**169**
Currency translation differences	1	0	0	–1	2	0
Additions						
Business combinations	0	0	16	15	0	0
Other	0	0	0	0	1	1
Disposals						
Loss of control	0	0	0	0	0	0
Other	0	–1	0	0	0	0
Reclassifications	0	0	0	–1	0	–133
Impairment losses reversed	0	0	0	0	0	0
Amortisation	–2	–2	–21	–19	0	–1
Impairment losses	0	–14	0	–3	0	0
Carrying amount at 31 December	**24**	**25**	**73**	**78**	**39**	**37**
Accumulated amortisation and impairment losses at 31 December	–213	–207	–737	–687	–43	–43
Gross carrying amount at 31 December	237	231	810	765	82	80

€m	Miscellaneous 2024	Miscellaneous Prev. year	Total 2024	Total Prev. year
Gross carrying amount at 1 January	32	42	3,821	3,935
Accumulated amortisation and impairment losses at 1 January	–12	–14	–2,921	–2,892
Carrying amount at 1 January	**20**	**28**	**900**	**1,043**
Currency translation differences	0	0	10	3
Additions			0	
Business combinations	0	0	35	16
Other	0	0	149	198
Disposals			0	
Loss of control	0	0	0	–1
Other	0	0	–97	–5
Reclassifications	0	–6	0	–141
Impairment losses reversed	0	0	23	0
Amortisation	–2	–2	–200	–163
Impairment losses	0	0	–1	–51
Carrying amount at 31 December	**18**	**20**	**819**	**900**
Accumulated amortisation and impairment losses at 31 December	–12	–12	–3,099	–2,921
Gross carrying amount at 31 December	30	32	3,918	3,821

Intangible assets pledged as security and other restrictions on title amounted to €0m (0m). Commitments to acquire intangible assets totalled €11m (8m).

10 Reinsurance contracts held

We apply the general measurement model to life and health reinsurance contracts held because the coverage period tends to be long. We measure the majority of our property-casualty reinsurance contracts held in accordance with the premium allocation approach.

The following tables present the changes during the financial year, broken down by asset components, for reinsurance contracts held that are measured using the general measurement model and the premium allocation approach. The reconciliation tables thus show the changes from opening to closing balances for the assets for remaining coverage and the assets for the recovery of incurred claims. The assets for remaining coverage are broken down further into assets with and without a loss-recovery component. We present net carrying amounts of insurance portfolios that are assets or liabilities because a breakdown by asset components for insurance portfolios that are liabilities is of minor significance owing to their volume. An explanation of the above-mentioned items and the effects on the consolidated income statement can be found under > Notes to the consolidated income statement.

Development of reinsurance contracts held, broken down by asset components

				2024
	Assets for remaining coverage		Assets for the recovery of incurred claims	Total
€m	Excl. loss-recovery component	Loss-recovery component		
Carrying amount at 1 January (net)	**–28**	**0**	**3,606**	**3,577**
Insurance service result				
Insurance revenue ceded				
Expected recoveries of incurred claims and other insurance service expenses in the reporting period	–221			–221
Expected release of risk adjustment for non-financial risk for the reporting period	–11			–11
Net cost/gain for the service received in the reporting period	–69			–69
Experience adjustments for premiums and related cash flows	21			21
Expenses for short-term reinsurance contracts held	–1,387			–1,387
	–1,666			**–1,666**
Income from reinsurance contracts held for claims incurred				
Recoveries of incurred claims and other insurance service expenses			831	831
Changes that relate to past service			–345	–345
Changes that relate to future service resulting from changes in contracts issued		0	0	0
		0	**486**	**486**
Subtotal	**–1,666**	**0**	**486**	**–1,181**
Investment components	**–175**		**175**	**0**
Insurance finance income or expenses from reinsurance contracts held				
Accretion of interest	24	0	83	107
Effects of changes in interest rates	0		0	0
	24	**0**	**83**	**107**
Other effects				
Effects from derecognition and changes in consolidated group	7	0	4	11
Effects of currency exchange differences	–56	0	143	87
	–49	**0**	**147**	**99**
Changes recognised in other comprehensive income				
Effects from changes in market variables	10		1	11
Effects from derecognition due to changes in consolidated group	0	0	0	0
	9	**0**	**1**	**10**
Cash flows				
Premiums paid	1,671			1,671
Recoveries received for incurred claims and other insurance service expenses			–654	–654
Other cash flows	0		–21	–21
	1,671		**–675**	**997**
IFRS 5 reclassification	**–5**	**0**	**–4**	**–9**
Carrying amount at 31 December (net)	**–219**	**0**	**3,819**	**3,600**

				Prev. year
	Assets for remaining coverage		Assets for the recovery of incurred claims	Total
€m	Excl. loss-recovery component	Loss-recovery component		
Carrying amount at 1 January (net)	**−102**	**0**	**3,732**	**3,630**
Insurance service result				
Insurance revenue ceded				
Expected recoveries of incurred claims and other insurance service expenses in the reporting period	−328			−328
Expected release of risk adjustment for non-financial risk for the reporting period	−10			−10
Net cost/gain for the service received in the reporting period	−67			−67
Experience adjustments for premiums and related cash flows	32			32
Expenses for short-term reinsurance contracts held	−1,204			−1,204
	−1,577			**−1,577**
Income from reinsurance contracts held for claims incurred				
Recoveries of incurred claims and other insurance service expenses			882	882
Changes that relate to past service			−94	−94
Changes that relate to future service resulting from changes in contracts issued		0	0	0
		0	**788**	**788**
Subtotal	**−1,577**	**0**	**788**	**−789**
Investment components	**−10**		**10**	**0**
Insurance finance income or expenses from reinsurance contracts held				
Accretion of interest	28	0	72	100
Effects of changes in interest rates	0		0	0
	27	**0**	**72**	**99**
Other effects				
Effects from derecognition and changes in consolidated group	0	0	0	0
Effects of currency exchange differences	−48	0	−45	−93
	−48	**0**	**−45**	**−93**
Changes recognised in other comprehensive income				
Effects from changes in market variables	15		71	86
Effects from derecognition due to changes in consolidated group	0	0	0	0
	15	**0**	**71**	**86**
Cash flows				
Premiums paid	1,665			1,665
Recoveries received for incurred claims and other insurance service expenses			−1,026	−1,026
Other cash flows	0		−13	−13
	1,665		**−1,039**	**626**
IFRS 5 reclassification	**0**	**0**	**18**	**18**
Carrying amount at 31 December (net)	**−28**	**0**	**3,606**	**3,577**

The tables below show the changes in the measurement components of reinsurance contracts held in the financial year that are measured using the general measurement model and the premium allocation approach. The measurement components include all elements of reinsurance contracts held that are measured using the general measurement model. In this reconciliation, the present value of the future net cash flows and the risk adjustment for non-financial risk for our insurance portfolios measured using the premium allocation approach only includes the assets for the recovery of incurred claims. The liability for remaining coverage for reinsurance contracts held which were measured using the premium allocation approach is shown separately. We present net carrying amounts of insurance portfolios that are assets or liabilities because a breakdown by measurement components for insurance portfolios that are liabilities is of minor significance owing to their volume.

Development of reinsurance contracts held, broken down by measurement components

					2024
€m	Present value of expected net cash flows	Risk adjustment	Net cost/gain	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)	**3,372**	**127**	**293**	**–215**	**3,577**
Insurance service result					
Changes that relate to service provided in the reporting period					
Net cost/gain for service in the reporting period			–69		–69
Changes in risk adjustment for non-financial risk for the reporting period		–9			–9
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		–11			–11
Other changes in risk adjustment for non-financial risk		2			2
Experience adjustments	1				1
Premiums from short-term contracts attributable to the reporting period				–1,387	–1,387
Recoveries of incurred claims and other insurance service expenses from short-term contracts	628	1			628
	628	**–8**	**–69**	**–1,387**	**–836**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	–64	3	62		0
Changes in the estimates reflected in the net cost/gain	0	0	0		0
Changes in the estimates not reflected in the net cost/gain				0	0
	–64	**3**	**62**	**0**	**0**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	–343	–3			–345
	–343	–3			–345
Subtotal	**212**	**–8**	**–7**	**–1,387**	**–1,181**
Investment components from short-term contracts	**2**			**–2**	**0**
Insurance finance income or expenses from reinsurance contracts held					
Accretion of interest	80	1	5	21	107
Effects of changes in interest rates	0	0			0
	80	**1**	**5**	**21**	**107**
Other effects					
Effects from derecognition and changes in consolidated group	11	0	–1	0	11
Effects of currency exchange differences	118	–3	–2	–26	87
	129	**–3**	**–2**	**–26**	**98**
Changes recognised in other comprehensive income					
Effects from changes in market variables	14	–3			10
Effects from derecognition due to changes in consolidated group	0	0			0
	14	**–3**			**10**
Cash flows					
Premiums paid	501			1,170	1,671
Recoveries received for incurred claims and other insurance service expenses	–654				–654
Other cash flows	–21			0	–21
	–174			**1,170**	**997**
IFRS 5 reclassification	**–9**	**0**	**1**	**0**	**–9**
Carrying amount at 31 December (net)	**3,625**	**110**	**303**	**–438**	**3,600**

Prev. year

€m	Present value of expected net cash flows	Risk adjustment	Net cost/gain	Liability for remaining coverage (premium allocation approach)	Total
Carrying amount at 1 January (net)	**3,294**	**122**	**376**	**–162**	**3,630**
Insurance service result					
Changes that relate to service provided in the reporting period					
Net cost/gain for service in the reporting period			–67		–67
Change in risk adjustment for non-financial risk for the reporting period		–13			–13
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		–10			–10
Other changes in risk adjustment for non-financial risk		–3			–3
Experience adjustments	–11				–11
Premiums from short-term contracts attributable to the reporting period				–1,205	–1,205
Recoveries of incurred claims and other insurance service expenses from short-term contracts in the reporting period	600	0			599
	589	**–13**	**–67**	**–1,204**	**–695**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	–48	3	45	0	0
Changes in the estimates reflected in the net cost/gain	27	19	–46		0
Changes in the estimates not reflected in the net cost/gain				0	0
	–21	**22**	**–1**	**0**	**0**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	–95	1			–94
	–95	**1**			**–94**
Subtotal	**474**	**10**	**–68**	**–1,204**	**–789**
Investment components from short-term contracts	**–1**			**1**	**0**
Insurance finance income or expenses from reinsurance contracts held					
Accretion of interest	68	1	5	26	100
Effects of changes in interest rates	0	0			0
	67	**1**	**5**	**26**	**99**
Other effects					
Effects from derecognition and changes in consolidated group	0	0	0	0	0
Effects of currency exchange differences	–61	–9	–20	–3	–93
	–61	**–9**	**–20**	**–3**	**–93**
Changes recognised in other comprehensive income					
Effects from changes in market variables	83	3			86
Effects from derecognition due to changes in consolidated group	0	0			0
	83	**3**			**86**
Cash flows					
Premiums paid	533			1,132	1,665
Recoveries received for incurred claims and other insurance service expenses	–1,026			0	–1,026
Other cash flows	–13			0	–13
	–506			**1,132**	**626**
IFRS 5 reclassification	**23**	**0**	**–1**	**–5**	**18**
Carrying amount at 31 December (net)	**3,372**	**127**	**293**	**–215**	**3,577**

Written and acquired reinsurance contracts held, initially recognised in the financial year and measured using the GMM, broke down as follows:

Reinsurance contracts held recognised in the reporting period for the first time

€m	Reinsurance contracts held (written) 2024	Reinsurance contracts held (acquired) 2024	Total 2024
Estimated present value of future cash outflows	–266	–2	–268
Estimated present value of future cash inflows	202	2	203
Risk adjustment for non-financial risks	3	0	3
Net cost/gain	61	0	62
Total	**0**	**0**	**0**

€m	Reinsurance contracts held (written) Prev. year	Reinsurance contracts held (acquired) Prev. year	Total Prev. year
Estimated present value of future cash outflows	–239	0	–239
Estimated present value of future cash inflows	191	0	191
Risk adjustment for non-financial risks	3	0	3
Net cost/gain	45	0	45
Total	**0**	**0**	**0**

The following table presents our forecast of the recognition in profit or loss of the net cost/gain for reinsurance contracts held that are measured using the general measurement model.

Forecast of the recognition in profit or loss of the net cost/gain for reinsurance contracts held

€m	2024	Prev. year
Carrying amount at 31 December	**303**	**293**
Expected amounts recognised in profit or loss		
Year 1 change	32	28
Year 2 change	24	23
Year 3 change	19	18
Year 4 change	17	17
Year 5 change	19	16
Year 6 change	15	14
Year 7 change	13	13
Year 8 change	12	12
Year 9 change	11	11
Year 10 change	10	10
Year 11 and subsequent change	131	130

The following table presents the effects on the net cost/gain resulting from the initial measurement of reinsurance contracts held that were measured at the transition date applying the full retrospective, modified retrospective and fair value approaches. Insurance revenue is also broken down by the type of transition approach applied.

Breakdown of insurance revenue ceded and reconciliation of net cost/gain by type of transition approach applied

				2024
€m	Contracts measured using the full retrospective approach[1]	Contracts measured using the modified retrospective approach	Contracts measured using the fair value approach	Total
Insurance revenue ceded	**–49**	**–16**	**–104**	**–169**
Carrying amount at 1 January – Net cost/gain	**–1**	**25**	**216**	**239**
Net cost/gain for service in the reporting period	–1	–7	–5	–14
Changes in the estimates reflected in the net cost/gain	1	2	6	9
Effects of contracts initially recognised in the reporting period	0	0	0	0
Insurance finance income or expenses from reinsurance contracts held	0	1	1	2
Other effects	0	0	–4	–4
Carrying amount at 31 December – Net cost/gain	**–1**	**21**	**213**	**233**

				Prev. year
€m	Contracts measured using the full retrospective approach[1]	Contracts measured using the modified retrospective approach	Contracts measured using the fair value approach	Total
Insurance revenue ceded	**–70**	**–42**	**–202**	**–314**
Carrying amount at 1 January – Net cost/gain	**2**	**49**	**272**	**322**
Net cost/gain for service in the reporting period	–1	–29	–11	–41
Changes in the estimates reflected in the net cost/gain	–3	3	–27	–26
Effects of contracts initially recognised in the reporting period	0	0	0	0
Insurance finance income or expenses from reinsurance contracts held	0	2	1	3
Other effects	0	0	–19	–18
Carrying amount at 31 December – Net cost/gain	**–1**	**25**	**216**	**239**

1 This only shows groups of insurance contracts in force at the transition date. With regard to the groups of insurance contracts recognised after the transition date for the first time, the net cost/gain amounted to €70m (54m).

11 Investment property

The development of investment property measured using the cost model was as follows:

Development of investment property (measured using the cost model)

€m	2024	Prev. year
Gross carrying amount at 1 January	4,696	4,499
Accumulated depreciation and impairment losses at 1 January	–925	–797
Carrying amount at 1 January	**3,772**	**3,702**
Currency translation differences	102	–59
Additions		
Subsequent acquisition costs	59	45
Business combinations	0	0
Other	991	250
Disposals		
Loss of control	0	0
Other	–6	–5
Reclassifications	–14	–22
Reversal of impairment losses	1	1
Depreciation	–79	–80
Impairment losses	–130	–61
Carrying amount at 31 December	**4,697**	**3,772**
Accumulated depreciation and impairment losses at 31 December	–1,150	–925
Gross carrying amount at 31 December	5,847	4,696

The main addition was the high-rise office building at 320 Park Avenue in New York City, amounting to €659m. This addition resulted from the acquisition of a further 75% of the shares in the real estate company 320 Park Avenue Holdings LLC, Wilmington, Delaware; as a result, Munich Re is now the sole shareholder and controls the company.

Impairment losses concerned real estate in Hamburg; Washington, D.C.; and New York.

The development of investment property measured using the fair value model was as follows:

Development of investment property (measured using the fair value model)

€m	2024	Prev. year
Carrying amount at 1 January	**5,613**	**5,917**
Currency translation differences	16	5
Additions		
Subsequent acquisition costs	5	7
Business combinations	140	0
Other	491	218
Disposals		
Loss of control	0	0
Other	–47	–95
Reclassifications	–501	–131
Fair value change	–224	–309
Other changes	0	0
Carrying amount at 31 December	**5,492**	**5,613**

The amounts reported under "Additions" resulting from business combinations include forest land assets. The acquisition of buildings in Berlin, in Munich, and near Rotterdam are shown under "Other".

The reclassifications primarily involved properties that we classified as held for sale.

The negative change in fair values was influenced by the difficult conditions on the real estate markets, due above all to high interest rates, high construction costs, sustained high core inflation and, especially in Germany, weak economic growth. While the residential real estate market stabilised somewhat, the commercial real estate market remained under pressure due to the combination of online retail and many people working from home. These factors, which are key drivers of both supply and demand on the commercial real estate market, coupled with the low transaction volume, triggered further price drops (albeit more moderate ones than in the previous year) and, as a result, led to lower market values in this asset class.

The decarbonisation of our investment portfolio is part of our climate strategy. ESG aspects and risks related to climate change are taken into account when determining the fair values used to measure properties. The impact on the carrying amounts was low in the reporting year.

Investment property pledged as security and other restrictions on title totalled €2,599m (3,146m). Contractual commitments to acquire property amounted to €54m (29m).

12 Property, plant and equipment

Expenditure on property, plant and equipment primarily comprised investments in renewable energies:

Development of investments in renewable energies

€m	2024	Prev. year
Gross carrying amount at 1 January	773	767
Accumulated depreciation and impairment losses at 1 January	–329	–287
Carrying amount at 1 January	**444**	**480**
Currency translation differences	3	4
Additions		
Business combinations	0	0
Other	0	1
Disposals		
Loss of control	–1	0
Other	–2	–2
Reclassifications	–75	0
Reversal of impairment losses	2	1
Depreciation	–35	–37
Impairment losses	0	–3
Carrying amount at 31 December	**337**	**444**
Accumulated depreciation and impairment losses at 31 December	–228	–329
Gross carrying amount at 31 December	564	773

The cumulative expenditures recognised in the carrying amount for assets in the course of construction totalled €0m (30m) for renewable energy investments.

The investments in renewable energies included items pledged as security, and other restrictions on title, amounting to €5m (40m). Commitments to acquire investments in renewable energies amounted to €0m (0m).

13 Intangible assets

Development of intangible assets related to investments in infrastructure and renewable energies

€m	2024	Prev. year
Gross carrying amount at 1 January	267	0
Accumulated amortisation and impairment losses at 1 January	–139	0
Carrying amount at 1 January	**128**	**0**
Currency translation differences	3	0
Additions		0
Business combinations	9	0
Other	1	0
Disposals		0
Loss of control	0	0
Other	0	0
Reclassifications	–54	141
Reversal of impairment losses	0	0
Amortisation	–13	–13
Impairment losses	0	0
Carrying amount at 31 December	**74**	**128**
Accumulated amortisation and impairment losses at 31 December	–72	–139
Gross carrying amount at 31 December	146	267

Intangible assets pledged as security and other restrictions on title amounted to €0m (55m). Commitments to acquire intangible assets totalled €2m (0m).

14 Biological assets

Development of forestry investments

€m	2024	Prev. year
Carrying amount at 1 January	**828**	**735**
Currency translation differences	44	–23
Additions		
Business combinations	88	0
Acquisitions	201	110
Disposals		
Loss of control	0	0
Sales	–37	–36
Change in fair value less costs to sell	74	45
Other changes	3	–3
Carrying amount at 31 December	**1,202**	**828**

The additions relate primarily to approximately 33,000 hectares of forest in Finland, resulting from the acquisition of 100% of the shares in UB Nordic Forest Fund II KY, which was renamed Mielikki Silva KY subsequent to the acquisition.

Commitments to acquire biological assets totalled €7m (36m).

15 Investments in affiliated companies, associates and joint ventures

Reversed impairment losses with respect to associates and joint ventures amounted to €14m (2m) and are almost entirely attributable to property-casualty reinsurance.

Impairment losses with respect to these companies amounted to €115m (54m). They are distributed between the following segments: Property-casualty reinsurance €109m (53m), ERGO Life and Health Germany €5m (1m) and ERGO Property-casualty Germany €1m (0m).

In the financial year, shares of losses of associates and joint ventures amounting to €0m (0m) were not recognised in the balance sheet. Overall, losses not recognised in the balance sheet totalled €16m (20m).

Aggregated financial information on investments in associates and joint ventures accounted for using the equity method and individually considered immaterial

€m	31.12.2024	Prev. year
Overall result for the year after tax from continued operations	102	133
Result after tax from discontinued operations	0	1
Income and expenses recognised in other comprehensive income	22	–20
Total comprehensive income	**124**	**114**

Further information about affiliated companies, associates and joint ventures can be found under > Other information > (62) Contingent liabilities, other financial commitments; > (63) Significant restrictions; and in the > List of shareholdings as at 31 December 2024 pursuant to Section 313(2) of the German Commercial Code (HGB).

16 Financial investments

Our financial assets are generally managed on the basis of their asset class as defined by our Asset Liability Management unit. For explanatory purposes, financial investments are divided into three classes – those subject to equity risk, those subject to interest-rate and credit risk, and alternative investments. For a breakdown of financial investments by asset class, please refer to > Notes to the financial instruments and fair value disclosures on assets and liabilities > (41) Carrying amounts and categories of financial instruments.

The following table provides an overview of the product groups that come under financial investments:

Breakdown of financial investments

€m	31.12.2024	Prev. year
Fixed-interest securities and loans	185,028	174,106
Deposits with banks	3,155	2,975
Equities	10,382	11,461
Investment funds	4,026	3,959
Derivatives	1,429	1,459
Other financial investments	9,549	6,756
Total	**213,569**	**200,715**

Approximately 65% of the fixed-interest securities and loans are covered bonds, government bonds or government-guaranteed securities. The remaining portfolio is composed of bonds issued by banks and state central savings banks, as well as by companies outside the banking sector, and asset-backed securities/mortgage-backed securities. Any single investment accounts for less than 1% of the total investment portfolio. The asset-backed securities and mortgage-backed securities are largely rated A or better. Securities and loans with a carrying amount of €35,101m (27,348m) have a term of less than one year.

We have securities known as green bonds in our portfolio with a fair value of €4,452m (3,633m). We also hold bonds with ESG characteristics with a carrying amount of €212m (190m); the interest rates of these securities and loans will rise if pre-defined ESG targets are not met. With the exception of credit risk and interest-rate risk, there are no further risk types associated with ESG characteristics. On the contrary, additional interest income would offset the elevated credit risks triggered by a failure to meet ESG targets. We manage bonds with ESG characteristics within the business model "hold to collect and sell". Most of these bonds pass the SPPI test and are therefore measured at fair value through other comprehensive income. With regard to accounting for climate risks and other ESG risks when we determine our fair values, please refer to > Notes to the financial instruments and fair value disclosures on assets and liabilities > (43) Fair value hierarchy for assets and liabilities.

Fixed-interest securities and loans pledged as security and other restrictions on title amounted to €9,910m (8,506m). €3,441m (3,201m) of the securities reported were transferred to third parties, but with us retaining substantially all risks and rewards. As a result, these securities have not been derecognised.

Assets pledged as security and other restrictions on title amounted to €35m (68m) for deposits with banks. Deposits with banks include receivables with a carrying amount of €143m (65m) from repurchase sellers under repurchase agreements that have been booked by us as the repurchase buyer. For these receivables, the repurchase seller provided collateral of €149m (73m) in Munich Re's favour. Of the amounts held on deposit with banks, €3,102m (2,884m) was due within one year.

Derivatives are used by Munich Re to manage and hedge against interest-rate, currency, and other market risks. Given the daily collateral-adjustment process, the risk of default can essentially be disregarded in the case of products traded on the stock exchange and for centrally cleared and secured over-the-counter (OTC) derivatives. In order to also minimise the risk of default for OTC derivatives not cleared via a central clearing organisation, Munich Re only conducts such business with counterparties of high creditworthiness and exchanges collateral on the basis of current fair values.

As at 31 December 2024, Munich Re held collateral for derivatives in the form of cash collateral and securities with a rating of at least AA. The collateral received is subject to a title transfer collateral arrangement, but is only re-sold or pledged to a limited extent.

Fixed-interest securities with a carrying amount of €177,365m (167,254m) were measured at fair value through other comprehensive income because they passed the SPPI test. The other fixed-interest securities and loans were measured at fair value through profit or loss. Equities, investment fund units, derivatives and other financial investments were all measured at fair value through profit or loss. Deposits with banks were measured at amortised cost due to the "hold to collect" business model.

Net unrealised gains and losses attributable to financial investments measured at fair value through other comprehensive income amounted to −€12,103m (−12,876m). These included expected credit losses from financial investments measured at fair value through other comprehensive income in the amount of €297m (545m). −€8,833m (−9,344m) was recognised in equity (other reserves) after deduction of deferred taxes, non-controlling interests, and consolidation and currency-translation effects.

The increase in value of the fixed-interest securities was chiefly attributable to cash inflows, currency developments (primarily involving the US dollar) and lower spreads. The decrease in value of equities was particularly due to the restructuring of portfolios and redeployment of capital to other asset classes.

Further explanatory information on our financial investments can be found in > Notes to the financial instruments and fair value disclosures on assets and liabilities.

17 Investments for unit-linked life insurance

Breakdown of investments for unit-linked life insurance

€m	31.12.2024	Prev. year
Non-consolidated investments for unit-linked life insurance	8,935	8,056
Consolidated investments for unit-linked life insurance	252	224
Total	**9,186**	**8,280**

18 Insurance-related financial instruments

Breakdown of insurance-related financial instruments

€m	31.12.2024	Prev. year
Variable annuities		
Derivative components of variable annuities	197	120
Derivatives for hedging variable annuities	1,301	1,119
	1,498	**1,238**
Insurance-linked derivatives	249	285
Insurance-related instruments subject to equity risk	43	211
Insurance-related loans	514	351
Insurance-related bonds and catastrophe bonds	1,034	659
Insurance contracts that do not transfer significant insurance risk	6,226	7,127
Total	**9,563**	**9,872**

Insurance-related financial instruments are instruments that are directly linked to insurance business in our respective business units. They relate to derivative and parametric contracts, which are included in the derivative components of variable annuities as well as in the insurance-linked derivatives. Insurance-linked derivatives also include separately recognised embedded derivatives in insurance contracts and insurance contracts designated as measured at fair value through profit or loss.

The insurance-related instruments subject to equity risk include contracts that do not fall within the scope of IFRS 17 and are like equity instruments in nature, as well as investments in intermediaries related to insurance contracts. Insurance-related loans involve financing issued in connection with insurance contracts. The insurance-related bonds and catastrophe bonds include securitised catastrophe risks, as well as registered bonds from insurance companies that we have acquired in insurance transactions. Insurance contracts that do not transfer significant insurance risk are outside the scope of IFRS 17, and as such are also presented under insurance-related financial instruments.

We measure insurance-related financial instruments at fair value through profit or loss as per IFRS 9. All expected incoming payments and outgoing payments regarding a given financial instrument are accounted for when determining the fair value of the financial instrument and are generally presented as asset items.

Insurance-related financial instruments with a term of less than one year amounted to €2,009m (3,293m).

19 Financial receivables

Financial receivables totalled €4,204m (3,841m), essentially consisting of receivables from cash collateral – mainly for derivative transactions.

Financial receivables with a term of less than one year amounted to €2,211m (2,221m).

Expected credit losses from financial receivables recognised in the consolidated income statement stood at €3m (4m).

Other financial receivables pledged as security and other restrictions on title came to €14m (19m).

20 Other receivables

Other receivables amounting to €1,703m (1,382m) included non-financial receivables from advance payments of salary components, prepaid pension expenses, and receivables connected with our pension plan. Other receivables with a term of less than one year amounted to €1,017m (811m).

21 Cash and cash equivalents

We present cash at its nominal value and cash equivalents at their nominal value, provided they are recognised at amortised cost. If cash equivalents do not pass the SPPI test, they are measured at fair value through profit or loss.

22 Deferred tax

The deferred tax assets and liabilities recognised in the consolidated balance sheet concern the following balance sheet items:

Deferred tax

	31.12.2024		Prev. year	
€m	Assets	Liabilities	Assets	Liabilities
Assets				
A. Intangible assets	16	44	16	42
D. Investments	11,217	8,961	11,500	8,874
E. Investments for unit-linked life insurance	5	0	2	0
F. Insurance-related financial instruments	288	825	346	743
G. Receivables	239	186	195	208
J. Other assets	40	562	39	600
	11,805	**10,578**	**12,098**	**10,467**
Equity and liabilities				
C. Reinsurance contracts held (net)	3,471	2,051	3,336	1,693
D. Insurance contracts issued (net)	10,174	13,730	8,822	13,244
E. Other provisions	1,131	369	1,162	356
F. Liabilities	348	80	399	61
	15,124	**16,230**	**13,719**	**15,354**
Loss carry-forwards and tax credits	**570**	**0**	**506**	**0**
Total before netting	**27,499**	**26,808**	**26,323**	**25,821**
Netting amount	–24,835	–24,835	–23,580	–23,580
Total	**2,664**	**1,973**	**2,743**	**2,241**

No deferred taxes were posted for temporary differences of €191m (250m) in connection with investments in subsidiaries and associates. No deferred tax assets were recognised on deductible temporary differences of €158m (229m) due to lack of recoverability. In the case of tax losses in the current financial year or in the previous year, an excess of deferred tax assets is recognised only if tax planning calculations provide substantial evidence that the Group companies in question are likely to generate sufficient taxable profits in future. Deferred tax assets amounting to €1,014m (1,054m) were posted on the basis of the evidence provided.

The available tax loss carry-forwards and tax credits are broken down as follows:

Tax loss carry-forwards and tax credits

€m	For which deferred tax assets are recognised	For which deferred tax assets are not recognised	Total 31.12.2024	For which deferred tax assets are recognised	For which deferred tax assets are not recognised	Total Prev. year
Corporation tax loss carry-forwards						
Expiring in up to three years	44	0	44	34	5	39
Expiring in over three years and up to ten years	306	40	346	431	60	491
Expiring in over ten years	87	7	94	110	6	116
Not expiring	936	2,300	3,236	1,004	2,589	3,593
	1,373	**2,347**	**3,720**	**1,579**	**2,660**	**4,239**
Trade tax loss carry-forwards						
Not expiring	415	249	664	462	372	834
	415	**249**	**664**	**462**	**372**	**834**
Tax loss carry-forwards from capital losses						
Expiring in up to three years	0	0	0	0	0	0
Expiring in over three years and up to ten years	25	48	73	22	19	41
Expiring in over ten years	0	0	0	0	0	0
Not expiring	0	1	1	0	1	1
	25	**49**	**74**	**22**	**20**	**42**
Tax credits						
Expiring in up to three years	0	0	0	55	0	55
Expiring in over three years and up to ten years	0	4	4	42	1	43
Expiring in over ten years	0	0	0	0	0	0
Not expiring	198	0	198	1	0	1
	198	**4**	**202**	**98**	**1**	**99**

23 Other assets

Other assets included €1,384m (1,383m) in owner-occupied property measured using the cost model, and €841m (914m) in owner-occupied property measured at fair value through profit or loss. The latter are held as underlying items for insurance contracts with direct participation features under the variable fee approach in accordance with IFRS 17. A total of €248m (230m) was attributable to operating and office equipment. Payments already made which, in accordance with IFRS 17, had not yet been included in the cash flows allocated to a portfolio of insurance contracts amounted to €2,084m (2,677m). Other deferred assets recognised in other assets came to €285m (272m).

Development of property, plant and equipment

€m	Owner-occupied property (measured using the cost model) 2024	Prev. year	Operating and office equipment 2024	Prev. year	Total 2024	Prev. year
Gross carrying amount at 1 January	2,242	2,167	1,044	1,034	3,286	3,201
Accumulated depreciation and impairment losses at 1 January	–858	–806	–814	–817	–1,672	–1,623
Carrying amount at 1 January	**1,383**	**1,361**	**230**	**217**	**1,613**	**1,578**
Currency translation differences	12	–2	2	1	14	–1
Additions						
Business combinations	0	25	0	0	0	25
Other	43	37	124	111	167	148
Disposals						
Loss of control	0	0	0	0	0	0
Other	–5	–27	–12	–16	–17	–44
Reclassifications	14	33	–1	0	13	33
Reversal of impairment losses	0	0	0	5	0	5
Depreciation	–45	–37	–95	–85	–140	–122
Impairment losses	–19	–7	0	–2	–19	–9
Carrying amount at 31 December	**1,384**	**1,383**	**248**	**230**	**1,632**	**1,613**
Accumulated depreciation and impairment losses at 31 December	–912	–858	–859	–814	–1,771	–1,672
Gross carrying amount at 31 December	2,296	2,242	1,107	1,044	3,403	3,286

Development of owner-occupied property (measured at fair value)

€m	2024	Prev. year
Carrying amount at 1 January	**914**	**992**
Currency translation differences	0	0
Additions		
Business combinations	0	0
Other	1	1
Disposals		
Loss of control	0	0
Other	–1	–8
Reclassifications	–36	–13
Fair value change	–38	–57
Other changes	0	0
Carrying amount at 31 December	**841**	**914**

The expenditures recognised in the carrying amount for assets in the course of construction totalled €25m (22m) for property, of which €25m (22m) was attributable to property measured using the cost model and €0m (0m) was attributable to property measured at fair value through profit or loss. Owner-occupied property pledged as security and other restrictions on title totalled €0m (36m). €14m (13m) of the expenditures recognised in the carrying amount for assets in the course of construction related to operating and office equipment. Commitments to acquire property totalled €24m (11m) and commitments to acquire operating and office equipment €6m (5m).

We present right-of-use assets totalling €361m (416m) under other assets. These mainly comprise right-of-use assets for property of €329m (390m). Additions to right-of-use assets in the financial year amounted to €41m (192m). The depreciation expense totalled €81m (84m).

Notes to the consolidated balance sheet – Equity and liabilities

24 Equity

The total share capital of €587,725,396.48 at 31 December 2024 was divided into 133,760,287 no-par-value registered shares, each fully paid up and carrying one vote. The number of shares in circulation was as follows:

Development of shares in circulation

Number	2024	Prev. year
Balance at 1 January	**134,599,807**	**137,643,183**
Reductions		
Acquired for retirement (share buy-back programme)	–3,193,396	–3,043,376
Balance at 31 December	**131,406,411**	**134,599,807**

On 31 December 2024, a total of 2,353,876 Munich Reinsurance Company shares with a calculated nominal value of around €10.3m were held by Group companies. This represents around 1.8% of the share capital.

In the financial year, Munich Re bought back 3,193,396 shares as part of the 2023/2024 share buy-back programme completed on 9 April 2024 and the 2024/2025 share buy-back programme, which was approved by the Board of Management on 26 February 2024. It provides for the acquisition of shares up to a value of €1.5bn before the 2025 Annual General Meeting.

The acquisition costs of all Munich Re shares in the possession of Group companies at the end of the financial year totalled €1,097,293,509.72.

A total of €2,006m was distributed to Munich Reinsurance Company's equity holders for the 2023 financial year in the form of a dividend of €15.00 per dividend-bearing share.

Authorised and contingent capital

€m	31.12.2024
Authorised capital 2021 (until 27 April 2026)	118
Contingent capital 2020 (until 28 April 2025)	117

The table below shows the taxes relating to components of the income and expenses recognised in other comprehensive income:

Tax effects in the income and expenses recognised in other comprehensive income

			2024			Prev. year
€m	Before tax	Taxes	After tax	Before tax	Taxes	After tax
Foreign currency translation	1,092	0	1,092	–433	0	–433
Unrealised gains and losses on financial investments	847	–335	512	6,865	–1,951	4,914
Change resulting from cash flow hedges	2	–1	1	2	0	2
Change resulting from equity method measurement	37	2	39	28	–1	27
Change resulting from reinsurance contracts held	10	–174	–165	–826	52	–774
Change resulting from insurance contracts issued	–1,443	659	–784	–4,032	1,401	–2,631
Remeasurement of defined benefit plans	34	–12	22	–151	40	–111
Income and expenses recognised in other comprehensive income	**578**	**139**	**718**	**1,453**	**–459**	**994**

The taxes of €139m (–459m) recognised in other comprehensive income comprise deferred taxes amounting to €167m (–438m), and current taxes on unrealised gains and losses from financial investments and insurance contracts of –€28m (–21m).

25 Subordinated liabilities

The table below provides an overview of the subordinated bonds we have issued:

Breakdown of subordinated liabilities

€m	Fitch	S&P	31.12.2024	Prev. year
Munich Reinsurance Company, Munich, 4.250% until 2034, thereafter floating, €1,500m, Bonds 2024/2044	A	A+	1,523	0
Munich Reinsurance Company, Munich, 5.875% until 2032, thereafter floating, US$ 1,250m, Bonds 2022/2042	A	A+	1,208	1,132
Munich Reinsurance Company, Munich, 1.00% until 2032, thereafter floating, €1,000m, Bonds 2021/2042	A	A+	1,000	999
Munich Reinsurance Company, Munich, 1.25% until 2031, thereafter floating, €1,250m, Bonds 2020/2041	A	A+	1,249	1,247
Munich Reinsurance Company, Munich, 3.25% until 2029, thereafter floating, €1,250m, Bonds 2018/2049	A	–	1,268	1,266
ERGO Versicherung Aktiengesellschaft, Vienna, secondary market yield on federal government bonds (Austria) +70 BP, €6m, Registered bonds 2001/perpetual	–	–	6	6
ERGO Versicherung Aktiengesellschaft, Vienna, secondary market yield on federal government bonds (Austria) +70 BP, €7m, Registered bonds 1998/perpetual	–	–	7	7
HSB Group Inc., Dover, Delaware, SOFR +117.161 BP, US$ 67m, Bonds 1997/2027	–	–	61	56
Total			**6,321**	**4,713**

A majority of the above-mentioned subordinated liabilities mature in more than one year.

26 Insurance contracts issued

Due to the extended coverage periods, we use the general measurement model for our (re)insurance contracts issued in the life and health reinsurance segment. We measure our property-casualty insurance contracts issued in accordance with the premium allocation approach if they meet the applicable requirements. This applies to the majority of our property-casualty business. For large parts of the German and some parts of the international participating life and health primary insurance business, the variable fee approach is used. Since both property-casualty as well as life and health primary insurance contracts are issued in the ERGO International segment, all three measurement models of IFRS 17 are used in this segment.

The tables below show the changes in carrying amounts of the insurance contracts issued by the life and health reinsurance, property-casualty reinsurance, ERGO Life and Health Germany, ERGO Property-casualty Germany and ERGO International segments in the past financial year, broken down by liability component. The reconciliation tables therefore show the changes between the opening and closing balances for the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage is split into the liability for remaining coverage excluding the loss component and the loss component. An explanation of the above-mentioned items and the effects on the consolidated income statement can be found under > Notes to the consolidated income statement.

Changes in insurance contracts issued by liability component – Life and health reinsurance segment

				2024
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	10,397	–27	–3,897	6,473
Carrying amount at 1 January – Insurance portfolios that are liabilities	–10,464	–195	–6,724	–17,383
	–67	**–222**	**–10,621**	**–10,910**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	10,278			10,278
Expected release of risk adjustment for non-financial risk for the reporting period	312			312
Contractual service margin for services provided in the reporting period	1,043			1,043
Portion of premium that relates to the amortisation of acquisition costs	1			1
Experience adjustments for premium receipts and related cash flows	133			133
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	–1			–1
	11,767			**11,767**
Insurance service expenses				
Incurred claims and other insurance service expenses			–10,580	–10,580
Changes that relate to past service			287	287
Changes that relate to future service		–17		–17
Changes from underlying items that relate to future service	0			0
Amortisation of acquisition costs	–1			–1
	–1	**–17**	**–10,293**	**–10,312**
Subtotal	**11,766**	**–17**	**–10,293**	**1,455**
Investment components	**2,732**		**–2,732**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–100	–5	–64	–168
Effects of changes in interest rates	8		0	8
Changes in the fair value of the underlying items	0			0
	–92	**–5**	**–64**	**–160**
Other effects				
Effects from derecognition and changes in consolidated group	0	0	0	0
Effects of currency exchange differences	147	2	–347	–198
	147	**2**	**–347**	**–198**
Changes presented in other comprehensive income				
Effects from changes in market variables	–301		–25	–326
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0			0
	–301	**0**	**–25**	**–326**
Cash flows				
Premiums received	–13,245			–13,245
Acquisition costs	3			3
Incurred claims and other insurance service expenses			13,144	13,144
Other cash flows	0		0	0
	–13,242		**13,144**	**–98**
IFRS 5 reclassification	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	9,209	–25	–2,923	6,261
Carrying amount at 31 December – Insurance portfolios that are liabilities	–8,266	–218	–8,016	–16,499
	944	**–243**	**–10,939**	**–10,238**

				Prev. year
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	10,422	–11	–4,938	5,473
Carrying amount at 1 January – Insurance portfolios that are liabilities	–11,880	–179	–5,685	–17,744
	–1,458	**–190**	**–10,623**	**–12,271**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	9,239			9,239
Expected release of risk adjustment for non-financial risk for the reporting period	254			254
Contractual service margin for services provided in the reporting period	914			914
Portion of premium that relates to the amortisation of acquisition costs	0			0
Experience adjustments for premium receipts and related cash flows	317			317
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	1			1
	10,725			**10,725**
Insurance service expenses				
Incurred claims and other insurance service expenses			–9,604	–9,604
Changes that relate to past service			35	35
Changes that relate to future service		–38		–38
Changes from underlying items that relate to future service	0			0
Amortisation of acquisition costs	0			0
	0	**–38**	**–9,570**	**–9,608**
Subtotal	**10,724**	**–38**	**–9,570**	**1,117**
Investment components	**2,628**		**–2,628**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–78	–2	–57	–138
Effects of changes in interest rates	5		0	5
Changes in the fair value of the underlying items	0			0
	–73	**–2**	**–57**	**–133**
Other effects				
Effects from derecognition and changes in consolidated group	65	0	2	67
Effects of currency exchange differences	110	8	272	390
	175	**8**	**273**	**456**
Changes presented in other comprehensive income				
Effects from changes in market variables	235		–55	180
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0			0
	235	**0**	**–55**	**180**
Cash flows				
Premiums received	–12,269			–12,269
Acquisition costs	–29			–29
Incurred claims and other insurance service expenses			12,041	12,041
Other cash flows	0		0	0
	–12,299		**12,041**	**–257**
IFRS 5 reclassification	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	10,397	–27	–3,897	6,473
Carrying amount at 31 December – Insurance portfolios that are liabilities	–10,464	–195	–6,724	–17,383
	–67	**–222**	**–10,621**	**–10,910**

Changes in insurance contracts issued by liability component – Property-casualty reinsurance segment

				2024
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	1,661	–1	–1,544	116
Carrying amount at 1 January – Insurance portfolios that are liabilities	2,372	–573	–63,504	–61,705
	4,033	**–574**	**–65,049**	**–61,589**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	57			57
Expected release of risk adjustment for non-financial risk for the reporting period	1			1
Contractual service margin for services provided in the reporting period	60			60
Portion of premium that relates to the amortisation of acquisition costs	2			2
Experience adjustments for premium receipts and related cash flows	4			4
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	28,143			28,143
	28,267			**28,267**
Insurance service expenses				
Incurred claims and other insurance service expenses			–21,611	–21,611
Changes that relate to past service			1,754	1,754
Changes that relate to future service		–1		–1
Changes from underlying items that relate to future service	0			0
Amortisation of acquisition costs	–2,670			–2,670
	–2,670	**–1**	**–19,857**	**–22,528**
Subtotal	**25,597**	**–1**	**–19,857**	**5,740**
Investment components	**3,087**		**–3,089**	**–2**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–431	0	–1,817	–2,249
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	0			0
	–431	**0**	**–1,817**	**–2,249**
Other effects				
Effects from derecognition and changes in consolidated group	–1	0	0	0
Effects of currency exchange differences	532	–13	–2,968	–2,449
	532	**–13**	**–2,968**	**–2,450**
Changes presented in other comprehensive income				
Effects from changes in market variables	–5		–38	–43
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0			0
	–5	**0**	**–38**	**–43**
Cash flows				
Premiums received	–30,901			–30,901
Acquisition costs	2,737			2,737
Incurred claims and other insurance service expenses			21,174	21,174
Other cash flows	0		0	0
	–28,164		**21,174**	**–6,989**
IFRS 5 reclassification	**0**	**0**	**–1**	**–1**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	2,093	–4	–1,781	307
Carrying amount at 31 December – Insurance portfolios that are liabilities	2,557	–584	–69,864	–67,891
	4,649	**–588**	**–71,645**	**–67,584**

				Prev. year
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	200	0	–168	32
Carrying amount at 1 January – Insurance portfolios that are liabilities	4,286	–542	–60,682	–56,937
	4,486	**–542**	**–60,850**	**–56,906**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	18			18
Expected release of risk adjustment for non-financial risk for the reporting period	0			0
Contractual service margin for services provided in the reporting period	18			18
Portion of premium that relates to the amortisation of acquisition costs	1			1
Experience adjustments for premium receipts and related cash flows	–13			–13
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	27,038			27,038
	27,061			**27,061**
Insurance service expenses				
Incurred claims and other insurance service expenses			–21,618	–21,618
Changes that relate to past service			1,554	1,554
Changes that relate to future service		–39		–39
Changes from underlying items that relate to future service	0			0
Amortisation of acquisition costs	–2,494			–2,494
	–2,494	**–39**	**–20,064**	**–22,598**
Subtotal	**24,567**	**–39**	**–20,064**	**4,464**
Investment components	**2,501**		**–2,500**	**2**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–323	0	–1,358	–1,682
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	0			0
	–323	**0**	**–1,358**	**–1,682**
Other effects				
Effects from derecognition and changes in consolidated group	1	0	–2	–1
Effects of currency exchange differences	–289	7	1,526	1,243
	–289	**7**	**1,524**	**1,242**
Changes presented in other comprehensive income				
Effects from changes in market variables	0		–1,396	–1,396
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0			0
	0	**0**	**–1,396**	**–1,396**
Cash flows				
Premiums received	–29,396		0	–29,396
Acquisition costs	2,486		0	2,486
Incurred claims and other insurance service expenses	0		19,596	19,596
Other cash flows	0		0	0
	–26,909		**19,596**	**–7,314**
IFRS 5 reclassification	**0**		**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	1,661	–1	–1,544	116
Carrying amount at 31 December – Insurance portfolios that are liabilities	2,372	–573	–63,504	–61,705
	4,033	**–574**	**–65,049**	**–61,589**

Changes in insurance contracts issued by liability component – ERGO Life and Health Germany segment

				2024
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	291	–1	–4	287
Carrying amount at 1 January – Insurance portfolios that are liabilities	–111,176	–19	–1,900	–113,095
	–110,885	**–19**	**–1,903**	**–112,808**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	7,072			7,072
Expected release of risk adjustment for non-financial risk for the reporting period	33			33
Contractual service margin for services provided in the reporting period	768			768
Portion of premium that relates to the amortisation of acquisition costs	210			210
Experience adjustments for premium receipts and related cash flows	2			2
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	2,005			2,005
	10,090			**10,090**
Insurance service expenses				
Incurred claims and other insurance service expenses			–8,994	–8,994
Changes that relate to past service			114	114
Changes that relate to future service		0		0
Changes from underlying items that relate to future service	557			557
Amortisation of acquisition costs	–654			–654
	–96	**0**	**–8,879**	**–8,976**
Subtotal	**9,993**	**0**	**–8,879**	**1,114**
Investment components	**2,697**		**–2,697**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–34	–1	–9	–43
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	–4,015			–4,015
	–4,048	**–1**	**–9**	**–4,058**
Other effects				
Effects from derecognition and changes in consolidated group	0	0	0	0
Effects of currency exchange differences	–46	2	3	–41
	–46	**2**	**3**	**–41**
Changes presented in other comprehensive income				
Effects from changes in market variables	0		–2	–2
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	–878			–878
	–878	**0**	**–2**	**–880**
Cash flows				
Premiums received	–10,595			–10,595
Acquisition costs	972			972
Incurred claims and other insurance service expenses			11,484	11,484
Other cash flows	0		0	0
	–9,623		**11,484**	**1,861**
IFRS 5 reclassification	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	292	–1	–9	282
Carrying amount at 31 December – Insurance portfolios that are liabilities	–113,082	–18	–1,995	–115,095
	–112,790	**–19**	**–2,004**	**–114,813**

				Prev. year
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	246	0	–8	239
Carrying amount at 1 January – Insurance portfolios that are liabilities	–107,900	–26	–1,868	–109,794
	–107,654	**–26**	**–1,876**	**–109,556**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	6,912			6,912
Expected release of risk adjustment for non-financial risk for the reporting period	35			35
Contractual service margin for services provided in the reporting period	819			819
Portion of premium that relates to the amortisation of acquisition costs	202			202
Experience adjustments for premium receipts and related cash flows	–3			–3
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	1,976			1,976
	9,942			**9,942**
Insurance service expenses				
Incurred claims and other insurance service expenses			–8,401	–8,401
Changes that relate to past service			220	220
Changes that relate to future service		5		5
Changes from underlying items that relate to future service	52			52
Amortisation of acquisition costs	–637			–637
	–585	**5**	**–8,181**	**–8,761**
Subtotal	**9,356**	**5**	**–8,181**	**1,180**
Investment components	**2,934**		**–2,934**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–25	–1	–8	–33
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	–2,950			–2,950
	–2,975	**–1**	**–8**	**–2,983**
Other effects				
Effects from derecognition and changes in consolidated group	–24	2	–12	–35
Effects of currency exchange differences	3	1	–2	2
	–21	**2**	**–15**	**–33**
Changes presented in other comprehensive income				
Effects from changes in market variables	–3		–3	–6
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	–3,095			–3,095
	–3,097	**0**	**–3**	**–3,100**
Cash flows				
Premiums received	–10,406			–10,406
Acquisition costs	978			978
Incurred claims and other insurance service expenses			11,113	11,113
Other cash flows	0		0	0
	–9,428		**11,113**	**1,685**
IFRS 5 reclassification	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	291	–1	–4	287
Carrying amount at 31 December – Insurance portfolios that are liabilities	–111,176	–19	–1,900	–113,095
	–110,885	**–19**	**–1,903**	**–112,808**

Changes in insurance contracts issued by liability component – ERGO Property-casualty Germany segment

				2024
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	177	–2	89	264
Carrying amount at 1 January – Insurance portfolios that are liabilities	–419	–190	–5,983	–6,592
	–243	**–192**	**–5,893**	**–6,328**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	1,513			1,513
Expected release of risk adjustment for non-financial risk for the reporting period	13			13
Contractual service margin for services provided in the reporting period	434			434
Portion of premium that relates to the amortisation of acquisition costs	613			613
Experience adjustments for premium receipts and related cash flows	30			30
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	2,058			2,058
	4,661			**4,661**
Insurance service expenses				
Incurred claims and other insurance service expenses			–3,160	–3,160
Changes that relate to past service			36	36
Changes that relate to future service		78		78
Changes from underlying items that relate to future service	–1			–1
Amortisation of acquisition costs	–711			–711
	–711	**78**	**–3,124**	**–3,757**
Subtotal	**3,950**	**78**	**–3,124**	**904**
Investment components	**85**		**–85**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–44	–1	–69	–113
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	–13			–13
	–57	**–1**	**–69**	**–127**
Other effects				
Effects from derecognition and changes in consolidated group	0	0	0	0
Effects of currency exchange differences	31	0	–37	–6
	31	**0**	**–37**	**–6**
Changes presented in other comprehensive income				
Effects from changes in market variables	–13		–125	–138
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	3			3
	–10	**0**	**–125**	**–134**
Cash flows				
Premiums received	–4,456			–4,456
Acquisition costs	686			686
Incurred claims and other insurance service expenses			2,878	2,878
Other cash flows	0		0	0
	–3,770		**2,878**	**–892**
IFRS 5 reclassification	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	214	–15	79	279
Carrying amount at 31 December – Insurance portfolios that are liabilities	–228	–100	–6,534	–6,863
	–14	**–115**	**–6,455**	**–6,584**

				Prev. year
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	131	–12	55	174
Carrying amount at 1 January – Insurance portfolios that are liabilities	–278	–287	–5,319	–5,884
	–147	**–299**	**–5,265**	**–5,711**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	1,564			1,564
Expected release of risk adjustment for non-financial risk for the reporting period	11			11
Contractual service margin for services provided in the reporting period	352			352
Portion of premium that relates to the amortisation of acquisition costs	691			691
Experience adjustments for premium receipts and related cash flows	84			84
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	1,837			1,837
	4,539			**4,539**
Insurance service expenses				
Incurred claims and other insurance service expenses			–2,933	–2,933
Changes that relate to past service			–79	–79
Changes that relate to future service		107		107
Changes from underlying items that relate to future service	–2			–2
Amortisation of acquisition costs	–771			–771
	–773	**107**	**–3,011**	**–3,677**
Subtotal	**3,766**	**107**	**–3,011**	**862**
Investment components	**66**		**–66**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–31	0	–20	–51
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	–15			–15
	–46	**0**	**–20**	**–66**
Other effects				
Effects from derecognition and changes in consolidated group	0	0	–1	–1
Effects of currency exchange differences	1	0	–1	0
	1	**0**	**–2**	**0**
Changes presented in other comprehensive income				
Effects from changes in market variables	–58		–202	–260
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	–8			–8
	–66	**0**	**–202**	**–267**
Cash flows				
Premiums received	–4,440			–4,440
Acquisition costs	622			622
Incurred claims and other insurance service expenses			2,673	2,673
Other cash flows	0		0	0
	–3,818		**2,673**	**–1,145**
IFRS 5 reclassification	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	177	–2	89	264
Carrying amount at 31 December – Insurance portfolios that are liabilities	–419	–190	–5,983	–6,592
	–243	**–192**	**–5,893**	**–6,328**

Changes in insurance contracts issued by liability component – ERGO International segment

				2024
	Liability for remaining coverage		Liability for incurred claims	Total
€m	Excluding loss component	Loss component		
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	79	0	–26	53
Carrying amount at 1 January – Insurance portfolios that are liabilities	–12,037	–279	–3,056	–15,372
	–11,958	**–279**	**–3,082**	**–15,319**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	2,625			2,625
Expected release of risk adjustment for non-financial risk for the reporting period	14			14
Contractual service margin for services provided in the reporting period	431			431
Portion of premium that relates to the amortisation of acquisition costs	553			553
Experience adjustments for premium receipts and related cash flows	28			28
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	2,393			2,393
	6,045			**6,045**
Insurance service expenses				
Incurred claims and other insurance service expenses			–4,302	–4,302
Changes that relate to past service			144	144
Changes that relate to future service		23		23
Changes from underlying items that relate to future service	–10			–10
Amortisation of acquisition costs	–559			–559
	–569	**23**	**–4,158**	**–4,704**
Subtotal	**5,476**	**23**	**–4,158**	**1,341**
Investment components	**828**		**–828**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–158	–8	–72	–238
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	–385			–385
	–543	**–8**	**–72**	**–623**
Other effects				
Effects from derecognition and changes in consolidated group	–11	4	163	157
Effects of currency exchange differences	1	–2	–61	–63
	–10	**2**	**101**	**94**
Changes presented in other comprehensive income				
Effects from changes in market variables	–68		–13	–81
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	9			9
	–59	**0**	**–13**	**–72**
Cash flows				
Premiums received	–6,583			–6,583
Acquisition costs	625			625
Incurred claims and other insurance service expenses			4,891	4,891
Other cash flows	0		0	0
	–5,959		**4,891**	**–1,067**
IFRS 5 reclassification	**–50**	**–4**	**–163**	**–217**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	109	–2	–28	79
Carrying amount at 31 December – Insurance portfolios that are liabilities	–12,384	–264	–3,294	–15,942
	–12,276	**–266**	**–3,322**	**–15,864**

Prev. year

€m	Liability for remaining coverage – Excluding loss component	Liability for remaining coverage – Loss component	Liability for incurred claims	Total
Carrying amount at 1 January (net)				
Carrying amount at 1 January – Insurance portfolios that are assets	68	–1	–7	60
Carrying amount at 1 January – Insurance portfolios that are liabilities	–11,647	–319	–2,729	–14,694
	–11,579	**–320**	**–2,735**	**–14,634**
Insurance service result				
Insurance revenue				
Expected claims incurred and other expenses in the reporting period	1,985			1,985
Expected release of risk adjustment for non-financial risk for the reporting period	18			18
Contractual service margin for services provided in the reporting period	362			362
Portion of premium that relates to the amortisation of acquisition costs	478			478
Experience adjustments for premium receipts and related cash flows	5			5
Tax specifically chargeable to the policyholder	0			0
Insurance revenue from short-term insurance contracts issued	2,769			2,769
	5,618			**5,618**
Insurance service expenses				
Incurred claims and other insurance service expenses			–3,963	–3,963
Changes that relate to past service			145	145
Changes that relate to future service		58		58
Changes from underlying items that relate to future service	–2			–2
Amortisation of acquisition costs	–483			–483
	–485	**58**	**–3,819**	**–4,245**
Subtotal	**5,133**	**58**	**–3,819**	**1,372**
Investment components	**799**		**–799**	**0**
Insurance finance income or expenses from insurance contracts issued				
Accretion of interest	–151	–7	–56	–214
Effects of changes in interest rates	0		0	0
Changes in the fair value of the underlying items	–413			–413
	–564	**–7**	**–56**	**–627**
Other effects				
Effects from derecognition and changes in consolidated group	0	3	3	6
Effects of currency exchange differences	18	–14	–123	–118
	19	**–11**	**–120**	**–112**
Changes presented in other comprehensive income				
Effects from changes in market variables	–55		–108	–163
Effects from derecognition due to changes in consolidated group	0	0	0	0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	–227			–227
	–281	**0**	**–108**	**–389**
Cash flows				
Premiums received	–6,095			–6,095
Acquisition costs	541			541
Incurred claims and other insurance service expenses			4,516	4,516
Other cash flows	0		0	0
	–5,554		**4,516**	**–1,039**
IFRS 5 reclassification	**70**	**2**	**40**	**111**
Carrying amount at 31 December (net)				
Carrying amount at 31 December – Insurance portfolios that are assets	79	0	–26	53
Carrying amount at 31 December – Insurance portfolios that are liabilities	–12,037	–279	–3,056	–15,372
	–11,958	**–279**	**–3,082**	**–15,319**

The tables below show how the measurement components that make up the liability for remaining coverage and the liability for incurred claims changed during the financial year. The reconciliations are prepared separately for our life and health reinsurance, property-casualty reinsurance, ERGO Life and Health Germany, ERGO Property-casualty Germany and ERGO International segments and show the changes from the opening to the closing balances for the measurement components of the present value of the expected net cash flows, risk adjustment for non-financial risk and the contractual service margin. Consequently, the tables reveal which changes arose in the present values of expected net cash flows and in the risk adjustment for non-financial risk during the year and how these changes affected the contractual service margin.

The measurement components include the entire liability from insurance contracts issued which were measured using the general measurement model and the variable fee approach, and the liability for incurred claims for insurance contracts issued which were measured using the premium allocation approach.

The liability for remaining coverage for insurance contracts issued which were measured using the premium allocation approach is shown separately. When applying the premium allocation approach, neither the present value of expected net cash flows nor a risk adjustment for non-financial risk or a contractual service margin for the liability for remaining coverage are explicitly determined.

Changes in insurance contracts issued by measurement component – Life and health reinsurance segment

€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	2024 Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	13,301	–1,447	–5,384	2	6,473
Carrying amount at 1 January – Insurance portfolios that are liabilities	–8,098	–2,140	–7,146	1	–17,383
	5,203	**–3,587**	**–12,530**	**3**	**–10,910**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			1,043		1,043
Change in risk adjustment for non-financial risk in the reporting period		314			314
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		312			312
Other changes in risk adjustment for non-financial risk		2			2
Experience adjustments	–102				–102
Premiums from short-term contracts attributable to the reporting period				–1	–1
Incurred claims and other insurance service expenses from short-term contracts	0	0		0	0
	–102	**314**	**1,043**	**–1**	**1,254**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	2,770	–461	–2,317		–7
Changes in estimates adjusting the contractual service margin	91	57	–147		0
Changes in estimates not adjusting the contractual service margin	–76	–2		0	–78
	2,785	**–406**	**–2,464**	**0**	**–85**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	288	–2			287
	288	**–2**			**287**
Subtotal	**2,971**	**–94**	**–1,421**	**–1**	**1,455**

Investment components from short-term contracts	**0**			**0**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	290	–98	–360	0	–168
Effects of changes in interest rates	8	0			8
Changes in the fair value of the underlying items	0		0		0
	298	**–98**	**–360**	**0**	**–160**
Other effects					
Effects from derecognition and changes in consolidated group	0	0	0	0	0
Effects of currency exchange differences	316	–119	–395	0	–198
	316	**–119**	**–395**	**0**	**–198**
Changes presented in other comprehensive income					
Effects from changes in market variables	–530	204			–326
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0				0
	–530	**204**			**–326**
Cash flows					
Premiums received	–13,243			–2	–13,245
Acquisition costs	3			0	3
Claims and other insurance service expenses	13,144			0	13,144
Other cash flows	0			0	0
	–96			**–2**	**–98**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	11,151	–1,061	–3,829	0	6,261
Carrying amount at 31 December – Insurance portfolios that are liabilities	–2,989	–2,634	–10,877	1	–16,499
	8,162	**–3,695**	**–14,706**	**1**	**–10,238**

					Prev. year
€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	10,527	–1,016	–4,038	0	5,473
Carrying amount at 1 January – Insurance portfolios that are liabilities	–8,497	–1,993	–7,256	2	–17,744
	2,031	**–3,009**	**–11,294**	**2**	**–12,271**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			914		914
Change in risk adjustment for non-financial risk in the reporting period		258			258
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		254			254
Other changes in risk adjustment for non-financial risk		4			4
Experience adjustments	3				3
Premiums from short-term contracts attributable to the reporting period				1	1
Incurred claims and other insurance service expenses from short-term contracts	0	0		0	0
	3	**258**	**914**	**1**	**1,176**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	2,482	–381	–2,108		–7
Changes in estimates adjusting the contractual service margin	559	–402	–158		0
Changes in estimates not adjusting the contractual service margin	–86	–1		0	–86
	2,956	**–783**	**–2,266**	**0**	**–93**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	37	–2			35
	37	**–2**			**35**
Subtotal	**2,995**	**–527**	**–1,351**	**0**	**1,117**

Investment components from short-term contracts	**0**			**0**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	111	–55	–193	0	–138
Effects of changes in interest rates	5	0			5
Changes in the fair value of the underlying items	0		0		0
	116	**–55**	**–193**	**0**	**–133**
Other effects					
Effects from derecognition and changes in consolidated group	2	0	0	65	67
Effects of currency exchange differences	–11	91	309	0	390
	–9	**91**	**309**	**65**	**456**
Changes presented in other comprehensive income					
Effects from changes in market variables	266	–86			180
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0				0
	266	**–86**			**180**
Cash flows					
Premiums received	–11,844			–425	–12,269
Acquisition costs	–29			0	–29
Claims and other insurance service expenses	11,678			364	12,041
Other cash flows	0			0	0
	–196			**–61**	**–257**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	13,301	–1,447	–5,384	2	6,473
Carrying amount at 31 December – Insurance portfolios that are liabilities	–8,098	–2,140	–7,146	1	–17,383
	5,203	**–3,587**	**–12,530**	**3**	**–10,910**

Changes in insurance contracts issued by measurement component – Property-casualty reinsurance segment

					2024
€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	–1,474	–6	–54	1,649	116
Carrying amount at 1 January – Insurance portfolios that are liabilities	–62,922	–403	–34	1,654	–61,705
	–64,395	**–409**	**–88**	**3,303**	**–61,589**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			60		60
Change in risk adjustment for non-financial risk in the reporting period		0			0
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		1			1
Other changes in risk adjustment for non-financial risk		–1			–1
Experience adjustments	23				23
Premiums from short-term contracts attributable to the reporting period				28,143	28,143
Incurred claims and other insurance service expenses from short-term contracts	–21,489	–84		–2,668	–24,241
	–21,466	**–84**	**60**	**25,475**	**3,986**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	150	–2	–148		0
Changes in estimates adjusting the contractual service margin	88	–1	–88		0
Changes in estimates not adjusting the contractual service margin	0	0		–1	–1
	238	**–2**	**–236**	**–1**	**–1**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	1,645	109			1,754
	1,645	**109**			**1,754**
Subtotal	**–19,583**	**23**	**–175**	**25,474**	**5,740**

Investment components from short-term contracts	**–3,089**			**3,087**	**–2**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	–1,796	–15	–7	–431	–2,249
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	0		0		0
	–1,796	**–15**	**–7**	**–431**	**–2,249**
Other effects					
Effects from derecognition and changes in consolidated group	0	0	0	–1	0
Effects of currency exchange differences	–2,790	–16	–3	359	–2,449
	–2,790	**–16**	**–3**	**359**	**–2,450**
Changes presented in other comprehensive income					
Effects from changes in market variables	–42	–1			–43
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0				0
	–42	**–1**			**–43**
Cash flows					
Premiums received	–91			–30,810	–30,901
Acquisition costs	1			2,736	2,737
Claims and other insurance service expenses	21,174			0	21,174
Other cash flows	0			0	0
	21,084			**–28,074**	**–6,989**
IFRS 5 reclassification	**–1**	**0**	**0**	**0**	**–1**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	–1,775	–7	0	2,089	307
Carrying amount at 31 December – Insurance portfolios that are liabilities	–68,837	–412	–272	1,630	–67,891
	–70,611	**–418**	**–272**	**3,719**	**–67,584**

					Prev. year
€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	–166	0	0	198	32
Carrying amount at 1 January – Insurance portfolios that are liabilities	–60,279	–349	0	3,690	–56,937
	–60,445	**–349**	**0**	**3,889**	**–56,906**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			18		18
Change in risk adjustment for non-financial risk in the reporting period		0			0
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		0			0
Other changes in risk adjustment for non-financial risk		0			0
Experience adjustments	–4				–4
Premiums from short-term contracts attributable to the reporting period				27,038	27,038
Incurred claims and other insurance service expenses from short-term contracts	–21,572	–94		–2,485	–24,151
	–21,576	**–94**	**18**	**24,553**	**2,900**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	60	–1	–60		0
Changes in estimates adjusting the contractual service margin	45	–1	–44		0
Changes in estimates not adjusting the contractual service margin	0	0	0	–39	–39
	106	**–2**	**–104**	**–39**	**–39**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	1,554	49			1,602
	1,554	**49**			**1,602**
Subtotal	**–19,916**	**–47**	**–86**	**24,514**	**4,464**

Investment components from short-term contracts	**–2,500**	**0**	**0**	**2,501**	**2**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	–1,345	–12	–1	–323	–1,682
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	0		0		0
	–1,345	**–12**	**–1**	**–323**	**–1,682**
Other effects					
Effects from derecognition and changes in consolidated group	–3	0	0	2	–1
Effects of currency exchange differences	1,060	8	0	175	1,243
	1,057	**8**	**0**	**177**	**1,242**
Changes presented in other comprehensive income					
Effects from changes in market variables	–1,387	–9			–1,396
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	0				0
	–1,387	**–9**			**–1,396**
Cash flows					
Premiums received	137			–29,532	–29,396
Acquisition costs	0			2,486	2,486
Claims and other insurance service expenses	20,004			–408	19,596
Other cash flows	0			0	0
	20,141			**–27,454**	**–7,314**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	–1,474	–6	–54	1,649	116
Carrying amount at 31 December – Insurance portfolios that are liabilities	–62,922	–403	–34	1,654	–61,705
	–64,395	**–409**	**–88**	**3,303**	**–61,589**

Changes in insurance contracts issued by measurement component – ERGO Life and Health Germany segment

					2024
€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	343	–14	–51	8	287
Carrying amount at 1 January – Insurance portfolios that are liabilities	–103,042	–525	–9,518	–9	–113,095
	–102,699	**–539**	**–9,569**	**–1**	**–112,808**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			768		768
Change in risk adjustment for non-financial risk in the reporting period		32			32
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		33			33
Other changes in risk adjustment for non-financial risk		–1			–1
Experience adjustments	15				15
Premiums from short-term contracts attributable to the reporting period				2,005	2,005
Incurred claims and other insurance service expenses from short-term contracts	–1,270	0		–444	–1,714
	–1,255	**32**	**768**	**1,562**	**1,106**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	172	–7	–182		–17
Changes in estimates adjusting the contractual service margin	698	–134	–582		–18
Changes in estimates not adjusting the contractual service margin	–2	0		–4	–7
	867	**–142**	**–763**	**–4**	**–42**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	48	2			50
	48	**2**			**50**
Subtotal	**–339**	**–109**	**4**	**1,557**	**1,114**

Investment components from short-term contracts	**0**			**0**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	−11	0	0	−32	−43
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	−4,015		0		−4,015
	−4,026	**0**	**0**	**−32**	**−4,058**
Other effects					
Effects from derecognition and changes in consolidated group	0	0	0	0	0
Effects of currency exchange differences	−62	1	1	19	−41
	−62	**1**	**1**	**19**	**−41**
Changes presented in other comprehensive income					
Effects from changes in market variables	−2	0			−2
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	−878				−878
	−880	**0**	**0**	**0**	**−880**
Cash flows					
Premiums received	−8,521			−2,073	−10,595
Acquisition costs	467			504	972
Claims and other insurance service expenses	11,484			0	11,484
Other cash flows	0			0	0
	3,430			**−1,569**	**1,861**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	334	−8	−73	29	282
Carrying amount at 31 December – Insurance portfolios that are liabilities	−104,911	−639	−9,491	−54	−115,095
	−104,577	**−647**	**−9,564**	**−26**	**−114,813**

					Prev. year
€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	247	−15	7	0	239
Carrying amount at 1 January – Insurance portfolios that are liabilities	−98,712	−565	−10,456	−62	−109,794
	−98,464	**−580**	**−10,449**	**−62**	**−109,556**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			819		819
Change in risk adjustment for non-financial risk in the reporting period		35			35
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		35			35
Other changes in risk adjustment for non-financial risk		0			0
Experience adjustments	−30				−30
Premiums from short-term contracts attributable to the reporting period				1,976	1,976
Incurred claims and other insurance service expenses from short-term contracts	−1,187	−1		−435	−1,623
	−1,217	**34**	**819**	**1,541**	**1,177**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	141	−8	−154		−21
Changes in estimates adjusting the contractual service margin	−261	15	214		−32
Changes in estimates not adjusting the contractual service margin	−8	0		1	−7
	−127	**6**	**60**	**1**	**−60**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	62	1			63
	62	**1**			**63**
Subtotal	**−1,282**	**41**	**879**	**1,542**	**1,180**

Investment components from short-term contracts	**0**			**0**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	–9	0	0	–24	–33
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	–2,950		0		–2,950
	–2,959	**0**	**0**	**–24**	**–2,983**
Other effects					
Effects from derecognition and changes in consolidated group	12	0	1	–48	–35
Effects of currency exchange differences	–2	0	0	4	2
	10	**0**	**1**	**–44**	**–33**
Changes presented in other comprehensive income					
Effects from changes in market variables	–6	0			–6
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	–3,095				–3,095
	–3,100	**0**			**–3,100**
Cash flows					
Premiums received	–8,471			–1,935	–10,406
Acquisition costs	502			476	978
Claims and other insurance service expenses	11,065			48	11,113
Other cash flows	0			0	0
	3,096			**–1,411**	**1,685**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	343	–14	–51	8	287
Carrying amount at 31 December – Insurance portfolios that are liabilities	–103,042	–525	–9,518	–9	–113,095
	–102,699	**–539**	**–9,569**	**–1**	**–112,808**

Changes in insurance contracts issued by measurement component – ERGO Property-casualty Germany segment

€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	2024 Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	152	0	–2	114	264
Carrying amount at 1 January – Insurance portfolios that are liabilities	–6,117	–83	–383	–10	–6,592
	–5,964	**–83**	**–385**	**105**	**–6,328**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			434		434
Change in risk adjustment for non-financial risk in the reporting period		12			12
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		13			13
Other changes in risk adjustment for non-financial risk		–1			–1
Experience adjustments	–24				–24
Premiums from short-term contracts attributable to the reporting period				2,058	2,058
Incurred claims and other insurance service expenses from short-term contracts	–1,482	1		–98	–1,579
	–1,505	**13**	**434**	**1,960**	**902**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	350	–11	–377		–38
Changes in estimates adjusting the contractual service margin	43	–1	–43		0
Changes in estimates not adjusting the contractual service margin	–12	0		0	–12
	381	**–12**	**–420**	**0**	**–51**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	37	0			36
	37	**0**			**36**
Subtotal	**–1,087**	**1**	**15**	**1,959**	**904**

Investment components from short-term contracts	**–8**			**8**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	–61	–1	–16	–35	–113
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	–13		0		–13
	–74	**–1**	**–16**	**–35**	**–127**
Other effects					
Effects from derecognition and changes in consolidated group	0	0	0	0	0
Effects of currency exchange differences	93	0	0	–83	–6
	93	**0**	**0**	**–83**	**–6**
Changes presented in other comprehensive income					
Effects from changes in market variables	–135	–3			–138
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	3				3
	–132	**–3**			**–134**
Cash flows					
Premiums received	–2,536			–1,919	–4,456
Acquisition costs	555			131	686
Claims and other insurance service expenses	2,878			0	2,878
Other cash flows	0			0	0
	896			**–1,789**	**–892**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	165	–1	–1	117	279
Carrying amount at 31 December – Insurance portfolios that are liabilities	–6,442	–85	–385	49	–6,863
	–6,277	**–86**	**–386**	**166**	**–6,584**

€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Prev. year Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	158	0	−5	22	174
Carrying amount at 1 January – Insurance portfolios that are liabilities	−5,485	−67	−369	36	−5,884
	−5,327	**−68**	**−374**	**58**	**−5,711**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			352		352
Change in risk adjustment for non-financial risk in the reporting period		3			3
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		11			11
Other changes in risk adjustment for non-financial risk		−8			−8
Experience adjustments	205				205
Premiums from short-term contracts attributable to the reporting period				1,837	1,837
Incurred claims and other insurance service expenses from short-term contracts	−1,340	1		−79	−1,418
	−1,134	**3**	**352**	**1,758**	**979**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	253	−8	−278		−34
Changes in estimates adjusting the contractual service margin	81	−4	−77		0
Changes in estimates not adjusting the contractual service margin	−17	−1		14	−5
	316	**−14**	**−355**	**14**	**−39**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	−75	−4			−79
	−75	**−4**			**−79**
Subtotal	**−893**	**−14**	**−3**	**1,771**	**862**

Investment components from short-term contracts	**–8**			**8**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	–16	0	–8	–27	–51
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	–15		0		–15
	–31	**0**	**–8**	**–27**	**–66**
Other effects					
Effects from derecognition and changes in consolidated group	–1	0	0	0	–1
Effects of currency exchange differences	–1	0	0	1	0
	–2	**0**	**0**	**1**	**0**
Changes presented in other comprehensive income					
Effects from changes in market variables	–258	–1			–260
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	–8				–8
	–266	**–1**			**–267**
Cash flows					
Premiums received	–2,626			–1,814	–4,440
Acquisition costs	537			85	622
Claims and other insurance service expenses	2,652			21	2,673
Other cash flows	0			0	0
	563			**–1,708**	**–1,145**
IFRS 5 reclassification	**0**	**0**	**0**	**0**	**0**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	152	0	–2	114	264
Carrying amount at 31 December – Insurance portfolios that are liabilities	–6,117	–83	–383	–10	–6,592
	–5,964	**–83**	**–385**	**105**	**–6,328**

Changes in insurance contracts issued by measurement component – ERGO International segment

€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total 2024
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	129	–4	–84	12	53
Carrying amount at 1 January – Insurance portfolios that are liabilities	–11,767	–192	–2,784	–628	–15,372
	–11,638	**–196**	**–2,868**	**–617**	**–15,319**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			431		431
Change in risk adjustment for non-financial risk in the reporting period		22			22
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		14			14
Other changes in risk adjustment for non-financial risk		7			7
Experience adjustments	–58				–58
Premiums from short-term contracts attributable to the reporting period				2,393	2,393
Incurred claims and other insurance service expenses from short-term contracts	–1,535	–1		–5	–1,541
	–1,593	**21**	**431**	**2,388**	**1,247**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	470	–15	–471	0	–16
Changes in estimates adjusting the contractual service margin	–65	45	27		7
Changes in estimates not adjusting the contractual service margin	–29	0		0	–29
	375	**30**	**–443**	**0**	**–37**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	133	–2			131
	133	**–2**			**131**
Subtotal	**–1,084**	**50**	**–12**	**2,388**	**1,341**

Investment components from short-term contracts	**0**			**0**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	−122	−4	−46	−69	−238
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	−385		0		−385
	−507	**−4**	**−46**	**−69**	**−623**
Other effects					
Effects from derecognition and changes in consolidated group	97	2	18	40	157
Effects of currency exchange differences	−59	−1	−4	4	−63
	38	**0**	**14**	**44**	**94**
Changes presented in other comprehensive income					
Effects from changes in market variables	−77	−4			−81
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	9				9
	−68	**−4**	**0**	**0**	**−72**
Cash flows					
Premiums received	−4,125			−2,458	−6,583
Acquisition costs	625			0	625
Claims and other insurance service expenses	4,891			0	4,891
Other cash flows	0			0	0
	1,391			**−2,458**	**−1,067**
IFRS 5 reclassification	**−156**	**−2**	**−18**	**−42**	**−217**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	169	−5	−96	10	79
Carrying amount at 31 December – Insurance portfolios that are liabilities	−12,194	−151	−2,835	−763	−15,942
	−12,025	**−156**	**−2,931**	**−752**	**−15,864**

Prev. year

€m	Present value of expected net cash flows	Risk adjustment	Contractual service margin	Liability for remaining coverage (Premium allocation approach)	Total
Carrying amount at 1 January (net)					
Carrying amount at 1 January – Insurance portfolios that are assets	125	–4	–90	28	60
Carrying amount at 1 January – Insurance portfolios that are liabilities	–10,694	–214	–3,193	–594	–14,694
	–10,569	**–218**	**–3,282**	**–565**	**–14,634**
Insurance service result					
Changes that relate to service provided in the reporting period					
Contractual service margin for services provided in the reporting period			362		362
Change in risk adjustment for non-financial risk in the reporting period		21			21
Thereof: Expected release of risk adjustment for non-financial risk in connection with services provided in the reporting period		18			18
Other changes in risk adjustment for non-financial risk		3			3
Experience adjustments	–42				–42
Premiums from short-term contracts attributable to the reporting period				2,769	2,769
Incurred claims and other insurance service expenses from short-term contracts	–1,864	5		–5	–1,865
	–1,906	**26**	**362**	**2,764**	**1,246**
Changes that relate to future service					
Effects of contracts initially recognised in the reporting period	368	–13	–362		–7
Changes in estimates adjusting the contractual service margin	–469	28	448		7
Changes in estimates not adjusting the contractual service margin	–14	0		2	–13
	–115	**14**	**86**	**2**	**–13**
Changes that relate to past service					
Changes in fulfilment cash flows relating to incurred claims	141	–2			139
	141	**–2**			**139**
Subtotal	**–1,880**	**38**	**448**	**2,766**	**1,372**

Investment components from short-term contracts	**−19**			**19**	**0**
Insurance finance income or expenses from insurance contracts issued					
Accretion of interest	−105	−3	−37	−68	−214
Effects of changes in interest rates	0	0			0
Changes in the fair value of the underlying items	−413		0		−413
	−518	**−3**	**−37**	**−68**	**−627**
Other effects					
Effects from derecognition and changes in consolidated group	3	0	1	1	6
Effects of currency exchange differences	−117	0	−14	12	−118
	−114	**1**	**−13**	**14**	**−112**
Changes presented in other comprehensive income					
Effects from changes in market variables	−148	−14			−163
Effects from derecognition due to changes in consolidated group	0	0			0
Change in the present values of expected net cash flows due to change in the fair value of the underlying items	−227				−227
	−375	**−14**			**−389**
Cash flows					
Premiums received	−3,200			−2,895	−6,095
Acquisition costs	528			13	541
Claims and other insurance service expenses	4,480			36	4,516
Other cash flows	0			0	0
	1,808			**−2,846**	**−1,039**
IFRS 5 reclassification	**29**	**1**	**17**	**65**	**111**
Carrying amount at 31 December (net)					
Carrying amount at 31 December – Insurance portfolios that are assets	129	−4	−84	12	53
Carrying amount at 31 December – Insurance portfolios that are liabilities	−11,767	−192	−2,784	−628	−15,372
	−11,638	**−196**	**−2,868**	**−617**	**−15,319**

27 Liability for remaining coverage

In the following tables, we present the underwritten or acquired insurance contracts recognised in the financial year for the first time based on the segments in which the general measurement model or the variable fee approach is predominantly used in order to explain the change in the contractual service margin. The property-casualty reinsurance and ERGO Property-casualty Germany segments are not shown, as these insurance contracts issued are measured predominantly using the premium allocation approach, meaning that the contractual service margin is of minor importance in these segments.

The underwritten or acquired insurance contracts issued in the life and health reinsurance segment – and recognised in the financial year for the first time and measured under the general measurement model – had the following amounts:

Insurance contracts issued recognised in the reporting period for the first time – Life and health reinsurance segment

					2024
	Insurance contracts issued (written)		**Insurance contracts issued (acquired)**		**Total**
€m	**Non-onerous**	**Onerous**	**Non-onerous**	**Onerous**	
Estimated present value of future cash inflows	24,222	132	0	0	24,354
Estimated present value of future cash outflows					
Expected future claims, expenses and investment components	−21,445	−138	0	0	−21,583
Expected acquisition costs	0	0	0	0	0
	−21,445	**−139**	**0**	**0**	**−21,584**
Risk adjustment for non-financial risk	−460	0	0	0	−461
Contractual service margin	−2,317	0	0	0	−2,317
Total	**0**	**−7**	**0**	**0**	**−7**

	Insurance contracts issued (written)		Insurance contracts issued (acquired)		Prev. year Total
€m	Non-onerous	Onerous	Non-onerous	Onerous	
Estimated present value of future cash inflows	17,245	91	0	0	17,335
Estimated present value of future cash outflows					
Expected future claims, expenses and investment components	–14,756	–97	0	0	–14,853
Expected acquisition costs	0	0	0	0	0
	–14,756	**–97**	**0**	**0**	**–14,853**
Risk adjustment for non-financial risk	–381	0	0	0	–381
Contractual service margin	–2,108		0		–2,108
Total	**0**	**–7**	**0**	**0**	**–7**

The table below shows the components of the insurance contracts in the ERGO Life and Health Germany segment that were recognised in the reporting period for the first time, measured under the general measurement model and the variable fee approach:

Insurance contracts issued recognised in the reporting period for the first time – ERGO Life and Health segment

	Insurance contracts issued (written)		Insurance contracts issued (acquired)		2024 Total
€m	Non-onerous	Onerous	Non-onerous	Onerous	
Estimated present value of future cash inflows	2,843	50	0	0	2,893
Estimated present value of future cash outflows					
Expected future claims, expenses and investment components	–2,433	–23	0	0	–2,456
Expected acquisition costs	–221	–44	0	0	–265
	–2,654	**–67**	**0**	**0**	**–2,722**
Risk adjustment for non-financial risk	–7	0	0	0	–7
Contractual service margin	–182		0		–182
Total	**0**	**–17**	**0**	**0**	**–17**

	Insurance contracts issued (written)		Insurance contracts issued (acquired)		Prev. year Total
€m	Non-onerous	Onerous	Non-onerous	Onerous	
Estimated present value of future cash inflows	2,842	17	0	0	2,859
Estimated present value of future cash outflows					
Expected future claims, expenses and investment components	–2,438	–12	0	0	–2,450
Expected acquisition costs	–243	–25	0	0	–268
	–2,681	**–37**	**0**	**0**	**–2,718**
Risk adjustment for non-financial risk	–8	0	0	0	–8
Contractual service margin	–154		0		–154
Total	**–1**	**–20**	**0**	**0**	**–21**

The table below shows the components of the insurance contracts in the ERGO International segment that were recognised in the reporting period for the first time, measured under the general measurement model and the variable fee approach:

Insurance contracts issued recognised in the reporting period for the first time – ERGO International segment

					2024
	Insurance contracts issued (written)		Insurance contracts issued (acquired)		Total
€m	Non-onerous	Onerous	Non-onerous	Onerous	
Estimated present value of future cash inflows	3,490	238	60	0	3,789
Estimated present value of future cash outflows					
Expected future claims, expenses and investment components	–2,536	–105	–44	0	–2,686
Expected acquisition costs	–486	–148	0	0	–633
	–3,022	**–253**	**–44**	**0**	**–3,319**
Risk adjustment for non-financial risk	–13	–1	0	0	–15
Contractual service margin	–455		–15		–471
Total	**0**	**–16**	**0**	**0**	**–16**

					Prev. year
	Insurance contracts issued (written)		Insurance contracts issued (acquired)		Total
€m	Non-onerous	Onerous	Non-onerous	Onerous	
Estimated present value of future cash inflows	2,662	85	0	0	2,746
Estimated present value of future cash outflows					
Expected future claims, expenses and investment components	–1,812	–74	0	0	–1,886
Expected acquisition costs	–475	–18	0	0	–493
	–2,287	**–92**	**0**	**0**	**–2,379**
Risk adjustment for non-financial risk	–13	–1	0	0	–13
Contractual service margin	–362		0		–362
Total	**0**	**–7**	**0**	**0**	**–7**

The table below shows our forecast of the recognition in profit or loss of the contractual service margin for insurance contracts issued that are measured under the general measurement model or the variable fee approach, including the corresponding revenue recognised. The recognition of the contractual service margin in profit or loss will influence the amount of insurance revenue, and thus the insurance service result and the amount of the liability for remaining coverage, in subsequent reporting periods – particularly in the life and health reinsurance, ERGO Life and Health Germany and ERGO International segments.

Forecast of the recognition of the contractual service margin in profit or loss[1]

				2024				Prev. year
€m	Life and health reinsurance	ERGO Life and Health Germany	ERGO International	Total	Life and health reinsurance	ERGO Life and Health Germany	ERGO International	Total
Carrying amount at 31 December – Contractual service margin	**–14,706**	**–9,564**	**–2,931**	**–27,200**	**–12,530**	**–9,569**	**–2,868**	**–24,967**
Expected amounts recognised in profit or loss								
Year 1 change	–1,008	–509	–257	–1,774	–880	–518	–240	–1,638
Year 2 change	–893	–486	–151	–1,529	–755	–492	–152	–1,399
Year 3 change	–831	–465	–129	–1,425	–699	–473	–131	–1,304
Year 4 change	–774	–446	–113	–1,332	–654	–455	–116	–1,226
Year 5 change	–724	–428	–101	–1,253	–611	–437	–105	–1,152
Year 6 change	–669	–409	–93	–1,171	–563	–419	–95	–1,077
Year 7 change	–630	–392	–86	–1,108	–529	–400	–89	–1,017
Year 8 change	–592	–375	–80	–1,047	–498	–382	–83	–963
Year 9 change	–556	–358	–75	–989	–469	–364	–78	–911
Year 10 change	–518	–342	–71	–932	–440	–347	–73	–860
Year 11 and subsequent change	–7,511	–5,355	–1,775	–14,641	–6,433	–5,284	–1,705	–13,421

1 In the property-casualty reinsurance and ERGO Property-casualty Germany segments, measurement of the insurance contracts using the general measurement model results in a contractual service margin of –€659m (–472m), which is largely recognised in profit or loss within a period of five years.

The following tables present the effects on the contractual service margin resulting from the initial measurement of insurance contracts issued that were measured at the transition date applying the full retrospective, modified retrospective or fair value approaches. This disclosure is only relevant for insurance contracts measured under the general measurement model or the variable fee approach. The associated insurance revenue also takes into account insurance contracts issued measured as at the transition date by applying the premium allocation approach.

Breakdown of insurance revenue and reconciliation of the contractual service margin by type of transition approach applied

				2024				Prev. year
€m	Contracts measured using the full retro-spective approach[1]	Contracts measured using the modified retro-spective approach	Contracts measured using the fair value approach	Total	Contracts measured using the full retro-spective approach[1]	Contracts measured using the modified retro-spective approach	Contracts measured using the fair value approach	Total
Insurance revenue from insurance contracts issued	**1,286**	**8,419**	**8,950**	**18,656**	**4,493**	**8,687**	**8,900**	**22,080**
Carrying amount at 1 January – Contractual service margin from insurance contracts issued	**–199**	**–11,277**	**–9,008**	**–20,485**	**–243**	**–13,334**	**–9,842**	**–23,420**
Contractual service margin for services provided in the reporting period	59	833	629	1,521	77	1,209	701	1,987
Changes in estimates adjusting the contractual service margin	–8	–754	276	–487	–34	867	25	859
Effects of contracts initially recognised in the reporting period	0	–3	0	–3	0	2	0	2
Insurance finance income or expenses	–2	–18	–138	–158	–2	–19	–119	–140
Other effects	1	–1	–214	–214	3	–3	227	227
Carrying amount at 31 December – Contractual service margin from insurance contracts issued	**–149**	**–11,220**	**–8,456**	**–19,825**	**–199**	**–11,277**	**–9,008**	**–20,485**

1 This only shows groups of insurance contracts in force at the transition date. With regard to the groups of insurance contracts recognised after the transition date for the first time, the contractual service margin amounted to –€8,034m (–4,954m).

28 Liability for incurred claims

The tables below illustrate how claims and claims payments in the property-casualty business have changed over the past ten years.

We present this data on a net basis because the effects of claims (payments), including relief from reinsurance, are relevant for the net result.

Claims payments for the individual accident years (per calendar year, net)

€m	Accident year											
Calendar year	**≤ 2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
2014	13,853											
2015	7,060	5,000										
2016	5,058	2,739	5,345									
2017	2,050	1,379	2,599	4,988								
2018	1,935	832	1,734	4,403	5,603							
2019	1,528	424	831	2,046	4,594	4,847						
2020	1,408	509	525	1,475	2,564	5,387	5,286					
2021	939	451	384	656	1,190	2,484	5,373	5,736				
2022	893	282	404	678	857	1,514	2,695	6,384	6,539			
2023	922	170	267	468	662	1,226	1,518	3,530	7,266	6,533		
2024	798	203	216	417	521	888	1,045	1,768	4,277	7,371	6,987	24,490

Nominal liability for incurred claims for the individual accident years as at the respective reporting date (net)

€m	Accident year											
Calendar year	**≤ 2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
31.12.2014	45,086											
31.12.2015	36,603	8,779										
31.12.2016	30,135	6,128	9,373									
31.12.2017	27,390	4,549	6,603	13,234								
31.12.2018	23,354	3,521	4,917	8,851	12,622							
31.12.2019	19,814	2,946	3,913	6,701	8,806	14,287						
31.12.2020	16,724	2,327	3,043	5,148	6,631	9,470	17,354					
31.12.2021	14,644	1,718	2,546	4,194	5,363	7,131	12,342	18,963				
31.12.2022	13,575	1,334	2,125	3,152	4,155	5,469	9,125	12,846	21,676			
31.12.2023	12,055	1,053	1,797	2,609	3,329	3,770	6,960	8,956	15,251	22,792		
31.12.2024	11,056	695	1,496	2,179	2,840	2,861	5,481	6,659	10,693	15,567	23,644	83,172

Ultimate loss status as at the respective reporting date (net)

€m	Accident year											
Calendar year	**≤ 2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Total**
31.12.2014	58,939											
31.12.2015	57,516	13,779										
31.12.2016	56,105	13,867	14,719									
31.12.2017	55,411	13,668	14,548	18,222								
31.12.2018	53,310	13,471	14,596	18,241	18,225							
31.12.2019	51,297	13,321	14,423	18,137	19,002	19,134						
31.12.2020	49,615	13,211	14,078	18,060	19,391	19,705	22,639					
31.12.2021	48,475	13,053	13,965	17,761	19,313	19,849	23,000	24,698				
31.12.2022	48,299	12,951	13,947	17,397	18,961	19,700	22,479	24,965	28,214			
31.12.2023	47,701	12,840	13,887	17,323	18,798	19,228	21,832	24,605	29,055	29,325		
31.12.2024	47,500	12,685	13,802	17,310	18,830	19,206	21,398	24,076	28,775	29,472	30,630	263,683
Claim settlement result (net)	11,439	1,094	917	912	–605	–72	1,241	622	–561	–147	0	14,841
Changes 2023 to 2024	201	155	85	12	–32	22	434	529	280	–147	0	1,540

The ultimate loss for an accident year comprises all payments made for that accident year up to the reporting date, plus the nominal liability for incurred claims remaining as at that date. Given complete information regarding all losses incurred up to the end of the reporting period, the ultimate loss status for each accident-year period would remain the same. In practice, however, the ultimate loss status (based on estimates) is exposed to fluctuations that reflect the growth in knowledge about the claims. Changes in the consolidated group, especially new acquisitions, or the composition of reportable segments, can also have an influence on the ultimate loss status.

The run-off triangles are prepared on a currency-adjusted basis. To determine the effects of currency remeasurement, which are presented separately, all balances were translated from the respective local currency into the Group currency (euro) on the basis of the exchange rate applicable as at the reporting date.

The following table shows the reconciliation of the nominal property-casualty liability (net) to the liability for incurred claims recognised in the balance sheet. The liability for incurred claims recognised in the balance sheet (net) of €90,546m (82,942m) comprises the liability for incurred claims from insurance contracts issued in the amount of €94,365m (86,548m), less reinsurance contracts held in the amount of €3,819m (3,606m).

Reconciliation of the nominal property-casualty liability (net) to the liability for incurred claims recognised in the balance sheet (total, net)

€m	2024	Prev. year
Nominal liability for incurred claims (property-casualty)	83,172	76,119
Effect of discounting	–8,035	–7,655
Discounted provision for deposits retained as well as accounts receivable and payable	1,607	1,248
Risk adjustment for non-financial risk for incurred claims (property-casualty)	498	484
Discounted liability for incurred claims incl. risk adjustment for non-financial risk (life and health)	12,875	12,480
Other effects	429	267
Liability for incurred claims recognised in the balance sheet (net)	**90,546**	**82,942**

29 Other provisions

Breakdown of other provisions

€m	31.12.2024	Prev. year
Provisions for post-employment benefits and similar obligations	1,525	1,517
Miscellaneous provisions	1,235	1,249
Total	**2,760**	**2,766**

Provisions for post-employment benefits and similar obligations

Munich Re companies generally give pension commitments to their employees in the form of defined contribution plans or defined benefit plans. Special regional economic, legal and tax features are taken into account. The type of pension obligations is determined by the conditions of the respective pension plan. The pension commitments comprise obligations towards active members or deferred members with vested benefits, and current pension payments. Defined benefit plans are funded internally through provisions for post-employment benefits and externally through funds and insurance contracts concluded to cover the benefit obligations.

Expenses for defined contribution plans totalled €119m (107m) in the financial year, and expenses for contributions to state plans amounted to €135m (126m).

The present value of obligations under defined benefit pension plans amounted to €5,073m (5,013m), and the plan assets to be deducted totalled €4,182m (4,069m). Defined benefit plans comprise the following main plans:

Munich Reinsurance Company's pension obligations account for €1,346m (1,298m) of the present value of obligations under defined pension plans and €1,547m (1,514m) of plan assets. The obligations include disability and old-age pensions, and pensions for surviving dependants. The amount of the pensions generally depends on salary and length of service. The defined benefits granted up to 31 December 2007 are financed through a fund. New members on or after 1 January 2008 receive pension commitments in the form of defined contribution plans funded by means of insurance contracts securing the obligations under pension schemes. The fund and insurance contracts have been grouped in a contractual trust arrangement (CTA).

The ERGO Group's pension obligations account for €2,487m (2,476m) of the present value of obligations under defined benefit pension plans and €1,462m (1,421m) of plan assets. The obligations include disability and old-age pensions, and pensions for surviving dependants. The amount of the pensions generally depends on salary and length of service. The obligations are generally funded through pension provisions, although for ERGO significant portions have been funded through a pension fund since 1 April 2022. New members receive pension commitments in the form of defined contribution plans funded by means of intra-Group insurance contracts securing the obligations under pension schemes. There are also medical-care benefit obligations.

The pension obligations of Munich Reinsurance America, Inc. account for €578m (587m) of the present value of obligations under defined benefit plans, and €472m (469m) of plan assets. The obligations include pensions for employees and surviving dependants. The amount of the pensions generally depends on includable compensation and length of service.

The plan is funded through a fund and pension provisions. It was closed to new members effective 1 January 2006, and to all remaining members effective 31 December 2011. With effect from 1 January 2012, all members now receive pension commitments in the form of defined contribution plans. There are also retiree medical-care benefit obligations.

Change in the present value of the defined benefit obligations

€m	2024	Prev. year
Balance at 1 January	**5,013**	**4,609**
Currency translation differences	52	–16
Changes in consolidated group	0	2
Current service cost	114	106
Past service cost	8	11
Gains and losses from plan settlements	0	0
Employee contributions	2	2
Interest expense	173	176
Payments	–193	–175
Payments from plan settlements	–1	–1
Transfer of obligations	–1	–7
Actuarial gains/losses: change in demographic assumptions	–1	–4
Actuarial gains/losses: change in financial assumptions	–149	217
Actuarial gains/losses: experience adjustments	55	23
Others	–1	1
IFRS 5 reclassification	0	72
Balance at 31 December	**5,073**	**5,013**

The present value of medical-care benefit obligations amounted to €220m (212m) at the end of the reporting period.

The present value of the obligations under defined benefit plans breaks down as follows:

Breakdown of the present value of defined benefit obligations

%	31.12.2024	Prev. year
Active members	43	43
Deferred members	12	13
Pensioners	45	44
Total	**100**	**100**

Pension obligations are measured using assumptions about future developments. The consolidated companies used the following actuarial assumptions (weighted-average values):

Actuarial assumptions

%	2024	Prev. year
Discount rate	3.7	3.5
Future increases in entitlement/salary	1.6	1.7
Future pension increases	1.4	1.4
Medical cost trend rate	3.5	3.5

In the eurozone, the discount rate was 3.40% (3.20%) as at 31 December 2024. The actuarial gains from changes in financial assumptions amounting to €92m (previous year: losses of €195m) primarily arose from the increase in the discount rate.

Munich Re uses generally recognised biometric actuarial assumptions, adjusted as a rule to take account of company-specific circumstances. The average remaining life expectancy of a 65-year-old plan participant is 24.4 years for women and 23.4 years for men.

Change in the fair value of plan assets for defined benefit plans

€m	2024	Prev. year
Balance at 1 January	**4,069**	**3,759**
Currency translation differences	45	–8
Changes in consolidated group	0	0
Interest income	144	147
Return/expenses excluding interest income	–46	69
Contributions by the employer	78	134
Contributions by plan participants	2	2
Payments	–107	–98
Payments from plan settlements	0	0
Transfer of assets	0	0
Others	–3	–1
IFRS 5 reclassification	0	66
Balance at 31 December	**4,182**	**4,069**

Breakdown of the fair value of plan assets for defined benefit plans

%	31.12.2024	Prev. year
Quoted market price in an active market		
Fixed-interest securities	26	28
Non-fixed-interest securities		
Equities	3	2
Investment funds	14	14
Other	0	0
	17	**16**
Others	0	0
No quoted market price in an active market		
Cash and cash equivalents	0	0
Real estate	1	1
Fixed-interest securities	0	0
Non-fixed-interest securities		
Equities	0	0
Investment funds	1	2
Other	0	0
	1	**2**
Insurance contracts	54	52
Others	1	1

As in the previous year, the plan assets do not include any own shares.

There was an effect of €26m (17m) resulting from the asset ceiling on overfunded defined benefit plans.

Change in the reimbursement rights for defined benefit plans

€m	2024	Prev. year
Balance at 1 January	**310**	**291**
Changes in consolidated group	0	0
Interest income	10	10
Return/expenses excluding interest income	–9	–2
Contributions by the employer	22	21
Contributions by plan participants	0	0
Payments	–13	–11
Transfer of assets	0	0
Others	0	0
Balance at 31 December	**320**	**310**

The reimbursement rights derive from insurance concluded to cover the benefit obligations.

Transfers to plan assets and reimbursement rights totalling €103m (70m) are expected in 2025.

Funded status of defined benefit plans

€m	31.12.2024	Prev. year
Obligations funded through provisions		
Present value of defined benefit obligations	1,442	1,425
Others	0	0
IFRS 5 reclassification	0	0
Net balance sheet liability	**1,442**	**1,425**
Obligations funded through plan assets		
Present value of defined benefit obligations	3,631	3,516
Plan assets	–4,182	–4,004
Assets from defined benefit plan	606	554
Effect of asset ceiling	26	17
Others	3	2
IFRS 5 reclassification	0	6
Net balance sheet liability	**84**	**92**
Obligations independent of funded obligations		
Present value of defined benefit obligations	5,073	4,941
Plan assets	–4,182	–4,004
Assets from defined benefit plan	606	554
Effect of asset ceiling	26	17
Others	3	2
IFRS 5 reclassification	0	6
Net balance sheet liability	**1,525**	**1,517**

The plan assets have the exclusive purpose of fulfilling the defined benefit obligations to which they are allocated and making provision for future outflows. This is required by law in several countries, whilst in other countries plan assets are provided on a voluntary basis.

The relationship between the fair value of the plan assets and the present value of the defined benefit obligations is referred to as the funded status. If the present value of defined benefit obligations exceeds the fair value of the plan assets, this excess of liabilities over assets is financed by means of provisions for post-employment benefits.

If the fair value of the plan assets exceeds the present value of the defined benefit obligations, an asset arises out of the defined benefit plan. As each plan is analysed individually, this may give rise to both a provision for post-employment benefits and an asset from the defined benefit plan.

Market fluctuations may give rise to changes in the fair value of the plan assets over time. Adjustments to the actuarial assumptions (e.g. life expectancy, discount rate) or deviations in actual risk experience from the risk experience assumed may result in changes in the present value of the defined benefit obligations. Both factors may therefore lead to fluctuations in the funded status. To avoid these fluctuations wherever possible, care is taken, when choosing investments, that fluctuations in the fair value of the plan assets and in the present value of defined benefit obligations offset each other as far as possible whenever changes in certain influencing variables occur (asset-liability matching).

Changes in the provision for defined benefit plans

€m	2024	Prev. year
Balance at 1 January	**1,517**	**1,482**
Currency translation differences	11	–7
Change in consolidated group	0	2
Expenses	145	132
Payments	–86	–77
Payments from plan settlements	–1	–1
Capital transfer to plan assets	–80	–135
Transfer of assets	–1	–1
Transfer to other receivables	50	–51
Actuarial gains/losses recognised in other comprehensive income	–33	153
Others	3	13
IFRS 5 reclassification	0	8
Balance at 31 December	**1,525**	**1,517**

Breakdown of expenses recognised in the financial year

€m	2024	Prev. year
Net interest cost	20	19
Service cost	124	119
Others	1	–5
Total	**145**	**132**

The expenses are distributed between the functional areas and shown mainly under “Other operating income and expenses” in the consolidated income statement.

The actual return on plan assets amounted to €98m (217m), and the actual gains on reimbursements to €1m (8m).

Contractual period to maturity of pension obligations

€m	31.12.2024	Prev. year
≤ 1 year	218	206
> 1 year and ≤ 5 years	980	927
> 5 years and ≤ 10 years	1,350	1,306
> 10 years and ≤ 20 years	2,710	2,682
> 20 years	4,519	4,660
Total	**9,777**	**9,782**

The weighted average contractual period to maturity of our pension obligations is 14 (14) years.

An increase or decrease in the following essential actuarial assumptions has an impact on the present value of defined benefit obligations:

Sensitivity analysis

€m	31.12.2024	Prev. year
Increase in discount rate by 50 BP	–320	–341
Decrease in discount rate by 50 BP	360	384
Increase in salary/entitlement trends by 10 BP	6	7
Decrease in salary/entitlement trends by 10 BP	–6	–7
Increase in pension trends by 10 BP	30	31
Decrease in pension trends by 10 BP	–28	–30
Increase in medical cost trend rate by 100 BP	29	28
Decrease in medical cost trend rate by 100 BP	–25	–24
Increase in mortality rate by 10%	–114	–117
Decrease in mortality rate by 10%	121	125

The calculations for the actuarial assumptions classified as essential were carried out individually in order to display their effects separately.

Miscellaneous provisions

Miscellaneous provisions

€m	Prev. year	Additions	Withdrawals	Reversals	Other changes	31.12.2024
Restructuring	116	36	–25	–8	0	119
Commissions	288	2,264	–2,261	–6	–46	238
Multi-year variable remuneration	130	48	–49	0	6	135
Early-retirement benefits/semi-retirement	123	–3	–13	0	4	112
Salary obligations and other remuneration for desk and field staff	116	117	–109	–7	0	118
Anniversary benefits	86	6	–2	0	1	91
Other	389	292	–219	–35	–6	423
Total	**1,249**	**2,760**	**–2,678**	**–56**	**–40**	**1,235**

The provisions for restructuring mainly included €18m (20m) for the comprehensive restructuring of the ERGO sales organisations, and €88m (91m) for the "ERGO Strategy Programme". The provision for multi-year variable remuneration includes components for multi-year performance and for the incentive plans. The "Other" provisions comprise a large number of different items. The provisions for restructuring, early-retirement benefits/semi-retirement, anniversary benefits, multi-year performance and incentive plans are mainly long-term, whereas the provisions for commissions, salary obligations, other remuneration for desk and field staff, and the "Other" provisions are essentially short-term.

30 Liabilities

The table below provides an overview of our liabilities:

Breakdown of liabilities

€m	31.12.2024	Prev. year
Derivatives	1,274	1,379
Non-derivative financial liabilities	4,099	4,161
Current tax liabilities	2,179	2,657
Other liabilities	12,320	11,242
Total	**19,872**	**19,438**

The carrying amount of liabilities with a residual term of less than one year is €697m (733m) for derivatives, €2,781m (2,722m) for non-derivative financial liabilities and €2,586m (2,149m) for other liabilities.

Derivative financial instruments are used by Munich Re to manage and hedge against interest-rate, currency and other market risks. Derivatives with a negative market value are presented under liabilities. Economically, they are offset by the changes in fair value of the items for which the derivatives were entered into as hedges.

The non-derivative financial liabilities include a bond issued in an amount of €255m (266m), liabilities to credit institutions in an amount of €414m (912m), interest and rent liabilities in an amount of €3m (2m) and dividend and profit participation liabilities in an amount of €7m (17m). Of the amounts due to banks, €0m (9m) is attributable to bank borrowing by Group companies acquired by Munich Re under its infrastructure investment strategy.

Lease liabilities in an amount of €400m (437m) are also allocated to non-derivative financial liabilities. For more information on the interest paid for lease liabilities in the financial year, please refer to the > Notes to the consolidated income statement > (38) Other operating income and expenses. For further details on cash outflows for leases in the financial year, see this chapter under > (31) Liabilities from financing activities.

Non-derivative financial liabilities are normally measured at amortised cost, unless they are designated as measured at fair value under the fair value option; please refer to the > Notes to the financial instruments and fair value disclosures on assets and liabilities > (44) Disclosures on exercising the fair value option. The carrying amount of non-derivative financial liabilities measured at amortised cost was €3,668m (3,631m).

The table below summarises key information on the bond issued.

Ratings and carrying amount of bond issued

€m	A.M. Best	Fitch	S&P	31.12.2024	Prev. year
Munich Re America Corporation, Dover, Delaware, 7.45%, US$ 264m[1], Senior Notes 1996/2026	a	AA–	A	255	266
Total				**255**	**266**

1 The issuer executed partial redemptions in 2024, with a nominal volume totalling US$ 30m.

Other liabilities include, among other items, social security liabilities of €37m (33m), deferred income of €855m (865m) and non-financial liabilities of €2,183m (2,016m). In addition, the "Other liabilities" item is used to present insurance-related liabilities of €5,171m (4,820m), of which €471m (622m) is measured at amortised cost and €4,699m (4,197m) at fair value.

Insurance-related liabilities are contracts that are directly linked to insurance business in our respective business units. These include insurance contracts that do not transfer significant insurance risk totalling €1,300m (1,646m). Of this amount, liabilities of €599m (230m) are designated as measured at fair value through profit or loss; please refer to the > Notes to the financial instruments and fair value disclosures on assets and liabilities > (44) Disclosures on exercising the fair value option.

For information on the measurement of insurance-related liabilities in line with the measurement of insurance-related financial instruments at fair value, please refer to the information in the > Notes to the consolidated balance sheet – Assets > (18) Insurance-related financial instruments.

Insurance-related liabilities also comprise derivative components of variable annuities in an amount of €2,833m (2,450m) and other insurance-linked derivatives in an amount of €255m (232m). In addition to free-standing derivatives, insurance-linked derivatives also include separately recognised derivatives embedded in insurance contracts and insurance contracts designated as measured at fair value because of embedded derivatives; please refer to the > Notes to the financial instruments and fair value disclosures on assets and liabilities > (44) Disclosures on exercising the fair value option.

All remaining insurance-related liabilities totalling €783m (492m) are measured at fair value through profit or loss.

There is a bond with a nominal volume of US$ 818m (543m), recognised under insurance-related liabilities, that was pledged as collateral by Munich Re in connection with a life-reinsurance business transaction with non-significant risk transfer. In return we received from the counterparty a subordinated bond with an identical nominal volume, which is presented under insurance-related financial instruments.

31 Liabilities from financing activities

The table below shows the cash and non-cash changes in liabilities arising from financing activities in the reporting period. The cash changes are included in the consolidated cash flow statement as item III. "Cash flows from financing activities".

Change in liabilities from financing activities

	Current financial liabilities		Non-current financial liabilities		Lease liabilities		Liabilities from financing activities	
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year	2024	Prev. year
Balance at 1 January	**912**	**1,047**	**4,979**	**5,048**	**437**	**355**	**6,328**	**6,452**
Cash changes	–46	–121	1,346	–134	–84	–85	1,216	–340
Non-cash changes								
Currency translation differences	30	–14	98	–52	11	–3	139	–69
Changes in fair value	0	0	0	0	1	0	1	0
Changes in consolidated group/other	–483	0	153	117	36	170	–294	286
Balance at 31 December	**414**	**912**	**6,576**	**4,979**	**400**	**437**	**7,390**	**6,328**

Non-current financial liabilities include subordinated liabilities as well as bonds and notes issued.

Notes to the consolidated income statement

32 Insurance revenue

Insurance revenue from insurance contracts issued corresponds to the reversal of the liability for remaining coverage excluding the loss component to reflect the services we provided during the reporting period.

Insurance revenue in the life and health reinsurance segment is shown in the table below:

Insurance revenue – Life and health reinsurance segment

€m	31.12.2024	Prev. year
Insurance revenue from insurance contracts issued		
Expected claims incurred and other expenses in the reporting period	10,278	9,239
Expected reversal of risk adjustment for non-financial risk for the reporting period	312	254
Contractual service margin for services provided in the reporting period	1,043	914
Portion of premium that relates to the recovery of acquisition costs	1	0
Experience adjustments for premium receipts and related cash flows	133	317
Tax specifically chargeable to the policyholder	0	0
Insurance revenue from short-term contracts	–1	1
	11,767	**10,725**
Insurance revenue ceded from reinsurance contracts held	**–124**	**–246**

Insurance contracts issued and reinsurance contracts held in the life and health reinsurance segment are measured using the general measurement model.

The table below shows insurance revenue in the property-casualty reinsurance segment:

Insurance revenue – Property-casualty reinsurance segment

€m	31.12.2024	Prev. year
Insurance revenue from insurance contracts issued		
Expected claims incurred and other expenses in the reporting period	57	18
Expected reversal of risk adjustment for non-financial risk for the reporting period	1	0
Contractual service margin for services provided in the reporting period	60	18
Portion of premium that relates to the recovery of acquisition costs	2	1
Experience adjustments for premium receipts and related cash flows	4	–13
Tax specifically chargeable to the policyholder	0	0
Insurance revenue from short-term contracts	28,143	27,038
	28,267	**27,061**
Insurance revenue ceded from reinsurance contracts held	**–1,175**	**–1,025**

In the property-casualty reinsurance segment, we primarily use the premium allocation approach for measurement purposes, with the result being that the insurance revenue from insurance contracts issued (as calculated under this model) amounted to €28,143m (27,038m) in the financial year). Insurance revenue from insurance contracts issued which are measured using the general measurement model amounted to €124m in the financial year (23m).

All reinsurance contracts held in the property-casualty reinsurance segment are measured using the premium allocation approach.

The table below shows insurance revenue in the ERGO Life and Health Germany segment:

Insurance revenue – ERGO Life and Health Germany segment

€m	31.12.2024	Prev. year
Insurance revenue from insurance contracts issued		
Expected claims incurred and other expenses in the reporting period	7,072	6,912
Expected reversal of risk adjustment for non-financial risk for the reporting period	33	35
Contractual service margin for services provided in the reporting period	768	819
Portion of premium that relates to the recovery of acquisition costs	210	202
Experience adjustments for premium receipts and related cash flows	2	–3
Tax specifically chargeable to the policyholder	0	0
Insurance revenue from short-term contracts	2,005	1,976
	10,090	**9,942**
Insurance revenue ceded from reinsurance contracts held	**–21**	**–9**

In the ERGO Life and Health Germany segment, we generated insurance revenue in the amount of €8,085m (7,966m) in the financial year from insurance contracts issued measured using the variable fee approach or the general measurement model. Insurance revenue of €2,005m (1,976m) was attributable to insurance contracts measured using the premium allocation approach.

The reinsurance contracts held in the ERGO Life and Health Germany segment are measured primarily using the premium allocation approach.

The following table presents the insurance revenue of the ERGO Property-casualty Germany segment:

Insurance revenue – ERGO Property-casualty Germany segment

€m	31.12.2024	Prev. year
Insurance revenue from insurance contracts issued		
Expected claims incurred and other expenses in the reporting period	1,513	1,564
Expected reversal of risk adjustment for non-financial risk for the reporting period	13	11
Contractual service margin for services provided in the reporting period	434	352
Portion of premium that relates to the recovery of acquisition costs	613	691
Experience adjustments for premium receipts and related cash flows	30	84
Tax specifically chargeable to the policyholder	0	0
Insurance revenue from short-term contracts	2,058	1,837
	4,661	**4,539**
Insurance revenue ceded from reinsurance contracts held	**–100**	**–68**

In the ERGO Property-casualty Germany segment, insurance revenue from insurance contracts issued which are measured using the general measurement model amounted to €2,597m (2,693m). Another share of the insurance revenue generated during the financial year was attributable to insurance contracts issued which were measured using the premium allocation approach. This amounted to €2,058m (1,837m).

The reinsurance contracts held in the ERGO Property-casualty Germany segment are measured using the premium allocation approach and the general measurement model.

The insurance revenue of the ERGO International segment for the reporting period is shown in the table below:

Insurance revenue – ERGO International segment

€m	31.12.2024	Prev. year
Insurance revenue from insurance contracts issued		
Expected claims incurred and other expenses in the reporting period	2,625	1,985
Expected reversal of risk adjustment for non-financial risk for the reporting period	14	18
Contractual service margin for services provided in the reporting period	431	362
Portion of premium that relates to the recovery of acquisition costs	553	478
Experience adjustments for premium receipts and related cash flows	28	5
Tax specifically chargeable to the policyholder	0	0
Insurance revenue from short-term contracts	2,393	2,769
	6,045	**5,618**
Insurance revenue ceded from reinsurance contracts held	**–246**	**–229**

In the ERGO International segment, we generated insurance revenue in the amount of €3,651m (2,848m) in the financial year from insurance contracts issued measured using the general measurement model or the variable fee approach. Insurance revenue of €2,393m (2,769m) was attributable to insurance contracts measured using the premium allocation approach.

The reinsurance contracts held in the ERGO International segment are measured using the general measurement model and the premium allocation approach.

33 Insurance service expenses and income from insurance contracts

The following tables present the insurance service expenses and income from insurance contracts for each segment:

Insurance service expenses and income from insurance contracts – Life and health reinsurance segment

€m	31.12.2024	Prev. year
Insurance service expenses from insurance contracts issued		
Claims expenses	–9,876	–9,174
Changes from underlying items	0	0
Administration and acquisition costs	–436	–434
Other insurance service expenses	0	0
	–10,312	**–9,608**
Income from reinsurance contracts held	**76**	**202**

Insurance service expenses and income from insurance contracts – Property-casualty reinsurance segment

€m	31.12.2024	Prev. year
Insurance service expenses from insurance contracts issued		
Claims expenses	–18,229	–18,595
Changes from underlying items	0	0
Administration and acquisition costs	–4,304	–4,002
Other insurance service expenses	0	0
	–22,533	**–22,598**
Income from reinsurance contracts held	**216**	**410**

Insurance service expenses and income from insurance contracts – ERGO Life and Health Germany segment

€m	31.12.2024	Prev. year
Insurance service expenses from insurance contracts issued		
Claims expenses	–8,396	–7,681
Changes from underlying items	557	52
Administration and acquisition costs	–1,322	–1,307
Other insurance service expenses	0	0
	–9,161	**–8,936**
Income from reinsurance contracts held	**12**	**4**

Insurance service expenses and income from insurance contracts – ERGO Property-casualty Germany segment

€m	31.12.2024	Prev. year
Insurance service expenses from insurance contracts issued		
Claims expenses	–2,814	–2,677
Changes from underlying items	–1	–2
Administration and acquisition costs	–1,321	–1,335
Other insurance service expenses	0	0
	–4,135	**–4,015**
Income from reinsurance contracts held	**65**	**39**

Insurance service expenses and income from insurance contracts – ERGO International segment

€m	31.12.2024	Prev. year
Insurance service expenses from insurance contracts issued		
Claims expenses	–3,720	–3,354
Changes from underlying items	–10	–2
Administration and acquisition costs	–1,586	–1,539
Other insurance service expenses	0	0
	–5,317	**–4,894**
Income from reinsurance contracts held	**116**	**133**

34 Result from insurance-related financial instruments

Result from insurance-related financial instruments

€m	2024	Prev. year
Result		
Derivative components of variable annuities	159	144
Insurance-linked derivatives	34	116
Insurance-related instruments subject to equity risk	15	21
Insurance-related loans	42	31
Insurance-related bonds and catastrophe bonds	47	30
Insurance-related liabilities	12	22
Contracts that do not transfer significant insurance risk	630	317
	938	**681**
Expenses for management of insurance-related financial instruments	**–211**	**–181**
Total	**727**	**501**

35 Investment result

Investment result by type of investment

€m	2024	Prev. year
Result from non-financial investments		
Investment property	154	151
Property, plant and equipment	87	104
Intangible assets	–11	–13
Biological assets	98	75
Inventories	0	0
Investments in affiliated companies, associates and joint ventures	123	313
Thereof: Associates and joint ventures accounted for using the equity method	129	356
	451	**629**
Result from financial investments	**7,329**	**5,302**
Expenses for the management of investments and other expenses	**–589**	**–558**
Total	**7,191**	**5,374**

The result from investment property includes €675m (626m) in rental income. The expenses for the management of investments include running costs and expenses for repair and maintenance of property totalling €93m (89m).

Impairment losses on non-financial investments

€m	2024	Prev. year
Investment property	–130	–61
Investments in associates and joint ventures	–115	–54
Other	0	–2
Total	**–245**	**–117**

Reversals of impairment losses, and impairment losses, on financial investments in accordance with IFRS 9 amounted to €45m (–47m).

The improved result from financial investments can be traced back, in particular, to increased regular income in a year-on-year comparison. This is due to ongoing reinvestment at higher interest rates than those that applied to the investments that have been sold.

For detailed information about the result from financial instruments by category, please refer to the > Notes to the financial instruments and fair value disclosures on assets and liabilities > (42) Net result from financial instruments by measurement category.

36 Investment result for unit-linked life insurance

The investments for unit-linked life insurance generated regular income of €78m (70m). The change in fair value amounted to €867m (749m). The expenses incurred for managing these investments amounted to €3m (3m).

37 Insurance finance income or expenses

Insurance finance income or expenses comprise insurance finance income or expenses from insurance contracts issued and reinsurance contracts held.

Insurance finance income or expenses

€m	2024	Prev. year
Insurance finance income or expenses from insurance contracts issued		
Accrued interest from insurance contracts issued	–2,812	–2,118
Effects of changes in interest rates from insurance contracts issued	8	5
Change in the fair value of underlying items	–4,413	–3,378
	–7,217	**–5,490**
Insurance finance income or expenses from reinsurance contracts held		
Accrued interest from reinsurance contracts held	107	100
Effects of changes in interest rates from reinsurance contracts held	0	0
	107	**99**
Total	**–7,110**	**–5,391**

The impact of changes in interest rates is recognised in equity for the majority of our insurance portfolios; see > Accounting policies > Overarching accounting policies > Insurance contracts.

38 Other operating income and expenses

Other operating income and expenses

€m	2024	Prev. year
Other operating income	1,432	1,316
Thereof: Interest and similar income	236	217
Reversal of impairment losses on other assets	12	8
Other operating expenses	–3,579	–3,667
Thereof: Interest and similar expenses	–121	–128
Impairment losses on other assets	–16	–8

Other operating income mainly comprised income of €845m (785m) from services provided, and income of €47m (45m) from the reversal/reduction of provisions grouped under "Miscellaneous." Also included was income of €24m (23m) from owner-occupied property, some of which is also leased out.

Services provided also give rise to revenue within the meaning of IFRS 15, Revenue from Contracts with Customers, which essentially derives from technical engineering and inspection services, investment management services, and services in connection with the generation of electricity from renewable energy sources and with the provision of insurance-related software. The income from these services is largely recognised for the period in question. The magnitude of this revenue to be recognised under IFRS 15 is not material for Munich Re.

Other operating expenses mainly included expenses of €2,107m (2,200m) for Group functions, central tasks and projects, and expenses not directly attributable to a portfolio of insurance contracts or not forming part of cash flows within insurance contract boundaries. Also included were expenses of €897m (915m) for services provided and received, and other tax of €121m (110m). Interest and similar expenses amounting to €10m (8m) concerned interest charges from leases.

39 Net finance costs

Net finance costs include all interest income, interest expenses and other expenses directly attributable to strategic debt. Debt components have a strategic character for us if they do not have an original, direct link with our underwriting business.

Net finance costs by financing instrument

€m	2024	Prev. year
Subordinated liabilities of Munich Reinsurance Company, Munich	–180	–139
Senior notes of Munich Re America Corporation, Dover, Delaware	–21	–23
Subordinated liabilities of HSB Group Inc., Dover, Delaware	–5	–5
Other	–1	–1
Total	**–207**	**–168**

40 Taxes on income

This item shows the corporation tax and municipal trade earnings tax paid by the German consolidated companies (including solidarity surcharge) and the comparable taxes on earnings paid by the foreign consolidated companies in the Group. The determination of taxes on income includes the calculation of deferred taxes.

Main components of tax expenses/income

€m	2024	Prev. year
Current tax for the reporting year	–2,103	–1,510
Current tax for other periods	–31	736
Deferred tax resulting from the occurrence or reversal of temporary differences	41	–12
Deferred tax resulting from the occurrence or utilisation of loss carry-forwards/tax credits	25	–96
Valuation allowances for deferred taxes/loss carry-forwards	–23	–55
Effects of changes in tax rates on deferred tax	0	1
Taxes on income	**–2,091**	**–936**

The table below shows the reconciliation between the expected taxes on income and the tax on income actually shown. The expected tax expenses are calculated by multiplying the net result before taxes on income (after “other tax”) by the Group tax rate. The applicable Group tax rate amounts to 33%. This takes into account corporation tax including solidarity surcharge, and trade tax (Gewerbesteuer). The municipal trade tax multipliers range from 240% to 490%.

Reconciliation to effective tax income/expenses

€m	2024	Prev. year
Net result before taxes on income (after “other tax”)	7,762	5,534
Group tax rate in %	33	33
Derived taxes on income	–2,561	–1,826
Tax effect of:		
Tax rate differences	531	795
Tax-free income	149	238
Non-deductible expenses	–322	–123
Valuation allowances for deferred taxes/loss carry-forwards	–23	–55
Change in tax rates and tax legislation	0	1
Tax for prior years	221	159
Trade tax adjustments	–4	–3
Other effects	–82	–122
Taxes on income shown	**–2,091**	**–936**

The effective tax burden is the ratio between the “Taxes on income” shown and the “Net result before taxes on income (after “other tax”)”. In the 2024 financial year, the tax burden was 26.9% (previous year: 16.9%).

The German Minimum Tax Act (MinStG), which implements the Pillar Two rules in Germany, came into force with effect for the 2024 financial year. Statutory regulations relating to Pillar Two have also been implemented in numerous other countries where Munich Re does business. Munich Re is subject to the scope of application of this enacted tax legislation and has analysed the possible effects of the Pillar Two rules. Based on that analysis, the effective tax rates in the majority of countries in which the Group does business are over 15%. The additional tax expenditure resulting from the Pillar Two legislation for countries that have not implemented Pillar Two is immaterial. There is no material impact on Munich Re’s effective tax rate.

In line with IAS 12, Munich Re has not recognised any deferred tax assets or deferred tax liabilities in connection with Pillar Two.

Notes to the financial instruments and fair value disclosures on assets and liabilities

41 Carrying amounts and categories of financial instruments

We manage our financial assets depending on the nature and extent of the underlying risk parameters. For the purposes of these notes to the financial instruments, we have grouped our financial assets and liabilities into classes accordingly.

Financial investments comprise Munich Re's main economic asset classes. We distinguish between financial investments subject to equity risk, financial investments subject to interest-rate and credit risk, and alternative investments. Financial investments are largely managed within the business model "hold to collect and sell" and measured either at fair value through other comprehensive income or at fair value through profit or loss, depending on whether or not they pass the SPPI test. By contrast, deposits with credit institutions are managed within the business model "hold to collect" and – since they pass the SPPI test – are thus measured at amortised cost.

Investments for unit-linked life insurance and insurance-related financial instruments are managed within the business model "other" based on their fair value. They each constitute a class. Insurance-related financial instruments also include hybrid contracts with host insurance contracts that are designated as measured at fair value through profit or loss due to embedded derivatives that must be separated.

Financial receivables and cash and cash equivalents are managed within the business model "hold to collect" and – if they pass the SPPI test – are measured at amortised cost. If they do not, measurement is at fair value through profit or loss. We also assign lease receivables to the class of financial receivables; however, they do not fall into one of the IFRS 9 measurement categories.

Carrying amounts of financial assets by measurement category and asset class

€m	Amortised cost	Fair value through profit or loss – Mandatory	Fair value through profit or loss – Designated	Fair value through other comprehen-sive income	Hedge accounting	Lease receivables	31.12.2024 Total
Financial investments							
Instruments subject to equity risk	0	9,307	0	0	0	0	9,307
Instruments subject to interest-rate and credit risk	3,155	11,671	0	170,458	0	0	185,284
Alternative investments	0	12,072	0	6,907	0	0	18,979
	3,155	**33,050**	**0**	**177,365**	**0**	**0**	**213,569**
Investments for unit-linked life insurance	0	9,186	0	0	0	0	9,186
Insurance-related financial instruments	0	9,509	54	0	0	0	9,563
Financial receivables	4,158	0	0	0	0	46	4,204
Cash and cash equivalents	6,116	0	0	0	0	0	6,116
Total financial assets	**13,429**	**51,745**	**54**	**177,365**	**0**	**46**	**242,639**

€m	Amortised cost	Fair value through profit or loss – Mandatory	Fair value through profit or loss – Designated	Fair value through other comprehen-sive income	Hedge accounting	Lease receivables	Previous year Total
Financial investments							
Instruments subject to equity risk	0	10,820	0	0	0	0	10,820
Instruments subject to interest-rate and credit risk	2,975	10,786	0	160,735	0	0	174,496
Alternative investments	0	8,882	0	6,518	0	0	15,400
	2,975	**30,487**	**0**	**167,254**	**0**	**0**	**200,715**
Investments for unit-linked life insurance	0	8,280	0	0	0	0	8,280
Insurance-related financial instruments	0	9,835	36	0	0	0	9,872
Financial receivables	3,807	0	0	0	0	35	3,841
Cash and cash equivalents	5,595	0	0	0	0	0	5,595
Total financial assets	**12,376**	**48,602**	**36**	**167,254**	**0**	**35**	**228,303**

Our financial liabilities are included in the balance sheet items “Subordinated liabilities” and “Liabilities”. Subordinated liabilities constitute a class of their own, whereas liabilities are broken down into several classes. Derivatives and insurance-related liabilities each constitute a class of their own. Non-derivative financial liabilities are broken down into bonds and notes issued, liabilities to credit institutions, and other financial liabilities. Lease liabilities are also included under financial liabilities; however, they do not fall into one of the IFRS 9 measurement categories.

Carrying amounts of financial liabilities by measurement category and class

						31.12.2024
€m	Amortised cost	Fair value through profit or loss – Mandatory	Fair value through profit or loss – Designated	Hedge accounting	Lease liabilities	Total
Subordinated liabilities	**6,321**	**0**	**0**	**0**	**0**	**6,321**
Liabilities						
Derivatives	**0**	**1,269**	**0**	**5**	**0**	**1,274**
Non-derivative financial liabilities						
Bonds and notes issued	255	0	0	0	0	255
Liabilities to credit institutions	414	0	0	0	0	414
Other financial liabilities	2,999	0	30	0	400	3,430
	3,668	**0**	**30**	**0**	**400**	**4,099**
Other liabilities						
Insurance-related liabilities	471	2,719	1,980	0	0	5,171
Subtotal	**4,140**	**3,988**	**2,010**	**5**	**400**	**10,543**
Total financial liabilities	**10,461**	**3,988**	**2,010**	**5**	**400**	**16,864**

						Previous year
€m	Amortised cost	Fair value through profit or loss – Mandatory	Fair value through profit or loss – Designated	Hedge accounting	Lease liabilities	Total
Subordinated liabilities	**4,713**	**0**	**0**	**0**	**0**	**4,713**
Liabilities						
Derivatives	**0**	**1,371**	**0**	**8**	**0**	**1,379**
Non-derivative financial liabilities						
Bonds and notes issued	266	0	0	0	0	266
Liabilities to credit institutions	912	0	0	0	0	912
Other financial liabilities	2,452	0	93	0	437	2,982
	3,631	**0**	**93**	**0**	**437**	**4,161**
Other liabilities						
Insurance-related liabilities	622	2,990	1,207	0	0	4,820
Subtotal	**4,253**	**4,361**	**1,300**	**8**	**437**	**10,359**
Total financial liabilities	**8,966**	**4,361**	**1,300**	**8**	**437**	**15,072**

For further details on the measurement categories of financial liabilities under IFRS 9, please refer to > Accounting policies > Overarching accounting policies > Financial instruments.

42 Net result from financial instruments by measurement category

In the net result from financial instruments, we combine effects from regular income, from risk provisioning, from disposals recognised in profit or loss and from changes in the market value of financial instruments measured at fair value.

The following table provides an overview of the net result from financial assets and liabilities by measurement category.

Net result by IFRS 9 measurement category in accordance with IFRS 7.20

						2024
	Regular income	Effects from subsequent measurement recognised in profit or loss		Effects from subsequent measurement not recognised in profit or loss	Effects from disposals recognised in profit or loss	Total
€m		Fair value	Impairment loss	Fair value		
Fair value through profit or loss						
Designated	219	–19	0	0	0	200
Mandatory	2,081	1,948	0	0	0	4,029
	2,300	**1,929**	**0**	**0**	**0**	**4,229**
Fair value through other comprehensive income						
Designated	0	0	0	0	0	0
Mandatory	5,721	0	45	772	–1,091	5,447
	5,721	**0**	**45**	**772**	**–1,091**	**5,447**
At amortised cost						
Financial assets	241	0	–3	0	0	238
Financial liabilities	–231	0	0	0	0	–231
	10	**0**	**–3**	**0**	**0**	**7**

						Previous year
	Regular income	Effects from subsequent measurement recognised in profit or loss		Effects from subsequent measurement not recognised in profit or loss	Effects from disposals recognised in profit or loss	Total
€m		Fair value	Impairment loss	Fair value		
Fair value through profit or loss						
Designated	63	69	0	0	0	132
Mandatory	1,539	1,151	0	0	0	2,691
	1,602	**1,221**	**0**	**0**	**0**	**2,823**
Fair value through other comprehensive income						
Designated	0	0	0	0	0	0
Mandatory	4,896	0	–47	6,929	–980	10,798
	4,896	**0**	**–47**	**6,929**	**–980**	**10,798**
At amortised cost						
Financial assets	240	0	–4	0	0	236
Financial liabilities	–271	0	0	0	0	–271
	–31	**0**	**–4**	**0**	**0**	**–35**

Regular income includes interest and dividend payments from our financial instruments.

In addition to the results from the change in the fair value of financial instruments measured at fair value through profit or loss, the effects recognised in profit or loss include the change in risk provisions for the period.

In cases in which the fair value of financial instruments that is not based only on data from observable markets does not match the transaction price, the difference is to be deferred outside profit or loss upon initial recognition and is only to be recognised in profit or loss, namely in the net result, in the financial year to the extent that it arose from a change in a factor that market participants would take into account in pricing. Within this context, an amount of €12m was initially deferred outside profit or loss in the reporting year. By the balance sheet date, €6m of this amount had been reversed with recognition in profit or loss.

Depending on the underlying financial instrument, net results recognised in profit or loss are presented in the consolidated income statement either in the result from insurance-related financial instruments, in the investment result or in the investment result for unit-linked life insurance.

Results not recognised in profit or loss arise at Munich Re in particular from the subsequent measurement of debt instruments mandatorily measured at fair value through other comprehensive income. They are recognised in other comprehensive income as part of unrealised gains and losses.

The effects of disposals on profit or loss arise only for debt instruments mandatorily measured at fair value through other comprehensive income and financial instruments measured at amortised cost. The effects on profit or loss, if any, arising from the disposal of financial instruments measured at amortised cost are, however, immaterial due to the minor importance of this measurement category. In the case of instruments measured at fair value through profit or loss, the instrument is measured at fair value prior to disposal to ensure no gains/losses arise from the disposal of the instrument.

The gross interest result is attributable to financial instruments that are not measured at fair value through profit or loss. It is presented in the table below.

Gross interest result

€m	31.12.2024	Previous year
Gross interest income		
from financial assets measured at amortised cost	241	230
from financial assets measured at fair value through other comprehensive income	5,717	4,893
	5,958	**5,123**
Gross interest expense		
from financial liabilities measured at amortised cost	–226	–271

43 Fair value hierarchy for assets and liabilities

All assets and liabilities measured at fair value, or not measured at fair value in the consolidated balance sheet but for which a fair value has to be disclosed in the notes to the consolidated financial statements, are allocated to one of the fair value hierarchy levels set out in IFRS 13.

Information on the criteria for allocation to the individual levels of the fair value hierarchy can be found under > Accounting policies > Overarching accounting policies > Fair value.

The following table provides an overview of the valuation techniques and inputs used to measure the fair values of our assets and liabilities if quoted prices for these instruments are not available.

Valuation techniques for assets and liabilities

Bonds and notes	Pricing method	Inputs	Pricing model
Interest-rate risks			
Promissory note loans/ registered bonds	Theoretical price	Sector-, rating- or issuer-specific yield curve	Present-value method
RUB-denominated Russian government bonds	Theoretical price	Issuer-specific yield curve	Present-value method
Mortgage loans	Theoretical price	Sector-specific yield curve considering the profit margin included in the nominal interest rate	Present-value method

Derivatives	Pricing method	Inputs	Pricing model
Equity and index risks			
OTC stock options	Theoretical price	Listing of underlying Effective volatilities Money-market interest-rate curve Dividend yield	Black-Scholes (European) Cox, Ross and Rubinstein (American)
Equity forwards	Theoretical price	Listing of underlying Money-market interest-rate curve Dividend yield	Present-value method
Interest-rate risks			
Interest-rate swaps	Theoretical price	Swap and CSA curve[1]	Present-value method
Swaptions/interest-rate guarantee	Theoretical price	At-the-money volatility matrix and skew OIS/swap curve	Bachelier/ Normal Black
Interest-rate currency swaps	Theoretical price	Swap and CSA curve[1] Currency spot rates	Present-value method
Inflation swaps	Theoretical price	Zero-coupon inflation swap rates OIS curve	Present-value method
Bond forwards (forward transactions)	Theoretical price	Listing of underlying OIS curve	Present-value method
Currency risks			
Currency options	Theoretical price	Volatility skew Currency spot rates Money-market interest-rate curve	Garman-Kohlhagen (European)
Currency forwards	Theoretical price	Currency spot rates Currency forward rates/ticks Money-market interest-rate curve	Present-value method
Other transactions			
Insurance derivatives (natural and weather risks)	Theoretical price	Fair values of catastrophe bonds Historical event data Interest-rate curve	Present-value method
Insurance derivatives (variable annuities)	Theoretical price	Biometric rates and lapse rates Volatilities Interest-rate curve Currency spot rates	Present-value method
Credit default swaps	Theoretical price	Credit spreads Recovery rates CSA curve[1]	ISDA CDS Standard Model
Total return swaps on commodities	Theoretical price	Listing of underlying index	Index ratio calculation
Commodity options	Theoretical price	Listing of underlying Effective volatilities Money-market interest-rate curve Cost of carry	Black-Scholes (European) Cox, Ross and Rubinstein (American)

Bonds and notes with embedded derivatives	Pricing method	Inputs	Pricing model
Callable bonds	Theoretical price	Swap curve Issuer-specific spreads Volatility matrix	Hull-White
CMS floaters	Theoretical price	Swap curve Issuer-specific spreads Volatility matrix and skews	Replication model (Hagan), Stochastic volatility model, Hull-White
CMS floaters with variable cap	Theoretical price	Swap curve Issuer-specific spreads Volatility matrix and skews	Replication model (Hagan), Stochastic volatility model, Hull-White
Inverse CMS floaters	Theoretical price	Swap curve Issuer-specific spreads Volatility matrix and skews	Replication model (Hagan), Stochastic volatility model, Hull-White
CMS steepeners	Theoretical price	Swap curve Issuer-specific spreads Volatility matrix and skews Correlation matrix	Replication model (Hagan), Stochastic volatility model, Hull-White
Convergence bonds	Theoretical price	Swap curve Issuer-specific spreads Volatility matrix Correlation matrix	Replication model (Hagan), Stochastic volatility model
Multi-tranches	Theoretical price	At-the-money volatility matrix and skew Swap curve Sector-, rating- or issuer-specific yield curve	Bachelier/ Normal Black, Present-value method, Hull-White
FIS promissory note loans	Theoretical price	At-the-money volatility matrix and skew Swap curve Sector-, rating- or issuer-specific yield curve	Bachelier/ Normal Black, Present-value method
Swaption notes	Theoretical price	At-the-money volatility matrix and skew Swap curve Money-market interest-rate curve Sector-, rating- or issuer-specific yield curve	Bachelier/ Normal Black, Present-value method
Catastrophe bonds	Theoretical price	Fair values of catastrophe bonds Historical event data Interest-rate curve	Present-value method

Funds	Pricing method	Inputs	Pricing model
Real estate funds	–	–	Net asset value
Alternative investment funds (e.g. private equity, infrastructure, forestry)	–	–	Net asset value

Other	Pricing method	Inputs	Pricing model
Real estate	Theoretical market price	Interest-rate curve Market rents	Present-value method or valuation
Alternative direct investments (e.g. infrastructure, forestry)	Theoretical market price	Interest-rate curve (among others) Electricity price forecast and inflation forecast Timber price	Present-value method or valuation
Insurance contracts that do not transfer significant insurance risk	Theoretical market price	Biometric rates and lapse rates Historical event data Interest-rate curve Currency spot rates	Present-value method

1 The OIS curve is used if the quotation currency is the CSA currency.

The fair value of the loans and the bonds is based on established valuation techniques in line with the present-value principle and taking observable and, in some cases, unobservable inputs into account. The derivative components of catastrophe bonds are measured based on the values supplied by brokers for the underlying bonds, which is why the extent to which unobservable inputs were used cannot readily be assessed.

The fair value of derivative financial instruments is based on the present-value method or established option pricing models using mostly observable market inputs such as interest-rate curves, volatilities or exchange rates.

Insurance derivatives and insurance contracts that do not transfer significant insurance risk are mostly allocated to Level 3 of the fair value hierarchy, as observable market inputs are often not available. This is assessed on a case-by-case basis, taking into account the characteristics of the financial instrument concerned. In this case, exclusively observable market inputs are often unavailable, so that biometric rates (including lapse rates) and historical event data are used for valuation on the basis of the present-value method.

The inputs required in measuring variable annuities are derived either directly from market data (in particular volatilities, interest-rate curves and currency spot rates) or from actuarial data (especially biometric and lapse rates). The lapse rates used are modelled dynamically depending on the specific insurance product and current capital market situation. Mortality assumptions are based on client-specific data or published mortality tables, which are adjusted with regard to the target markets and the actuaries' expectations. The dependencies between different capital market inputs are modelled by correlation matrices. Where the valuation of these products is not based on observable inputs, which is usually the case, we allocate them to Level 3 of the fair value hierarchy.

The other financial investments allocated to Level 3 are mainly external fund units (in particular, private equity, real estate and funds that invest in a variety of assets that are subject to theoretical valuation). Since market quotes are not available on a regular basis, net asset values (NAVs) are provided by asset managers. The NAVs are determined by adding up all the fund assets and subtracting all the fund liabilities. The NAV per fund unit is calculated by dividing the NAV by the number of outstanding fund units. We thus do not perform our own valuations using unobservable inputs. We regularly subject the valuations supplied to plausibility tests on the basis of comparable investments.

We have implicitly taken climate risks and other ESG risks into account in our determination of fair values, first using the respective forward-looking valuation inputs, provided that they have an influence on the price of the relevant products in the capital markets, and second using estimates and assumptions based on unobservable inputs.

Among the associates and joint ventures accounted for using the equity method, there is only one investment for which a quoted market price is available. This price amounts to €40m (43m) and is allocated to Level 1 of the fair value hierarchy.

The fair value of investment property managed by Munich Re is measured by valuation experts within the Group, while the fair value of investment property managed by third parties is measured by external valuation experts. Property is allocated to Level 3 of the fair value hierarchy. The valuation is based on determining future expected income and expenses, taking into account the market conditions at the property location. The fair value is determined individually per item by discounting the future net cash inflows to the measurement date. Depending on the type of property and its individual risk/reward profile, discount rates of 1.5% to 5.0% are used for residential buildings, and 1.9% to 7.8% for office buildings and commercial property.

The measurement of subordinated liabilities for which quoted market prices are not available is performed using the present-value method and taking observable market inputs into account. For subordinated liabilities and the bond we have issued for which quoted market prices are available in each case, we use the quoted market prices of corresponding assets provided by price quoters to measure the fair value. The fair values of our liabilities to credit institutions are determined using the present-value method, in part exclusively using observable market inputs, and partly also taking into account unobservable inputs.

In the following table, we present the fair values of our assets at the reporting date for each level of the fair value hierarchy.

Allocation of assets to levels of the fair value hierarchy

				31.12.2024
€m	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments				
Instruments subject to equity risk	9,013	21	273	9,307
Instruments subject to interest-rate and credit risk	1,019	183,969	295	185,284
Alternative investments	0	672	18,306	18,979
	10,032	**184,663**	**18,874**	**213,569**
Investments for unit-linked life insurance	**8,111**	**1,075**	**0**	**9,186**
Insurance-related financial instruments	**0**	**1,592**	**7,971**	**9,563**
Financial receivables	**0**	**4,165**	**54**	**4,219**
Subtotal	**18,143**	**191,495**	**26,900**	**236,538**
Non-financial assets				
Non-financial investments and owner-occupied property				
Investment property	0	0	8,054	8,054
Investments in affiliated companies, associates and joint ventures	40	743	7,358	8,141
Other non-financial investments	137	11	1,613	1,761
Owner-occupied property	0	0	2,580	2,580
	177	**753**	**19,605**	**20,536**
Non-financial assets held as underlying items				
Investment property	0	0	5,492	5,492
Owner-occupied property	0	0	841	841
	0	**0**	**6,333**	**6,333**
Other receivables	**0**	**1,337**	**89**	**1,426**
Subtotal	**177**	**2,090**	**26,027**	**28,294**
Total	**18,321**	**193,585**	**52,927**	**264,833**

				Prev. year
€m	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments				
Instruments subject to equity risk	10,281	33	506	10,820
Instruments subject to interest-rate and credit risk	1,381	171,773	1,342	174,496
Alternative investments	1	620	14,779	15,400
	11,662	**172,427**	**16,626**	**200,715**
Investments for unit-linked life insurance	**7,151**	**1,129**	**0**	**8,280**
Insurance-related financial instruments	**0**	**1,264**	**8,610**	**9,873**
Financial receivables[1]	**0**	**3,785**	**70**	**3,855**
Subtotal	**18,813**	**178,605**	**25,306**	**222,724**
Non-financial assets				
Non-financial investments and owner-occupied property				
Investment property	0	0	7,151	7,151
Investments in affiliated companies, associates and joint ventures	43	757	8,821	9,621
Other non-financial investments	101	10	1,350	1,462
Owner-occupied property	0	0	2,613	2,613
	144	**767**	**19,935**	**20,846**
Non-financial assets held as underlying items				
Investment property	0	0	5,613	5,613
Owner-occupied property	0	0	914	914
	0	**0**	**6,526**	**6,526**
Other receivables	**0**	**1,170**	**40**	**1,211**
Subtotal	**144**	**1,938**	**26,502**	**28,583**
Total	**18,957**	**180,543**	**51,808**	**251,307**

1 The previous year's figures have been adjusted with regard to the level allocation.

The fair values of our liabilities at the reporting date for each level of the fair value hierarchy are presented in the following table.

Allocation of liabilities to levels of the fair value hierarchy

				31.12.2024
€m	Level 1	Level 2	Level 3	Total
Subordinated liabilities	**0**	**6,097**	**0**	**6,097**
Liabilities				
Derivatives	**245**	**993**	**37**	**1,274**
Non-derivative financial liabilities				
Bonds and notes issued	0	255	0	255
Liabilities to credit institutions	0	183	231	414
Other financial liabilities	0	3,516	240	3,756
	0	**3,954**	**471**	**4,425**
Other liabilities				
Insurance-related liabilities	31	1,853	3,288	5,171
Subtotal	**275**	**6,799**	**3,795**	**10,869**
Total	**275**	**12,897**	**3,795**	**16,967**

				Prev. year
€m	Level 1	Level 2	Level 3	Total
Subordinated liabilities	**0**	**4,298**	**0**	**4,298**
Liabilities				
Derivatives	**264**	**1,038**	**77**	**1,379**
Non-derivative financial liabilities				
Bonds and notes issued	0	266	0	266
Liabilities to credit institutions	0	223	690	912
Other financial liabilities	0	3,278	240	3,519
	0	**3,767**	**930**	**4,697**
Other liabilities				
Insurance-related liabilities	31	1,733	3,056	4,820
Subtotal	**294**	**6,538**	**4,063**	**10,895**
Total	**294**	**10,836**	**4,063**	**15,193**

At each reporting date, we assess whether the allocation of our assets and liabilities to the levels of the fair value hierarchy is still appropriate. If changes in the basis of valuation have occurred – for instance, if a market is no longer active or the valuation was performed using inputs requiring a different allocation – we make the necessary adjustments.

In the following tables, we present the assets transferred to a different level of the fair value hierarchy in the reporting period or the previous period. No transfers between the levels of the fair value hierarchy were carried out for liabilities in the current reporting period or the previous financial year.

Transfers between levels of the fair value hierarchy for assets

						31.12.2024
			Transfer from			Transfer to
€m	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Financial investments						
Instruments subject to equity risk	–5	0	0	0	1	5
Instruments subject to interest-rate and credit risk	0	–2	–51	0	51	2
Alternative investments	0	0	0	0	0	0
	–6	**–2**	**–51**	**0**	**51**	**7**
Investments for unit-linked life insurance	**0**	**0**	**0**	**0**	**0**	**0**
Insurance-related financial instruments	**0**	**0**	**0**	**0**	**0**	**0**
Subtotal	**–6**	**–2**	**–51**	**0**	**51**	**7**
Non-financial assets						
Non-financial investments and owner-occupied property						
Investment property	0	0	0	0	0	0
Investments in affiliated companies, associates and joint ventures	0	0	0	0	0	0
Other non-financial investments	0	0	0	0	0	0
Owner-occupied property	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
Non-financial assets held as underlying items						
Investment property	0	0	0	0	0	0
Owner-occupied property	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
Subtotal	**0**	**0**	**0**	**0**	**0**	**0**
Total	**–6**	**–2**	**–51**	**0**	**51**	**7**

						Prev. year
			Transfer from			Transfer to
€m	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Financial investments						
Instruments subject to equity risk	0	0	0	0	0	0
Instruments subject to interest-rate and credit risk	0	–3	–54	0	54	3
Alternative investments	0	–8	0	0	0	8
	0	**–11**	**–54**	**0**	**54**	**12**
Investments for unit-linked life insurance	**0**	**0**	**0**	**0**	**0**	**0**
Insurance-related financial instruments	**0**	**0**	**0**	**0**	**0**	**0**
Subtotal	**0**	**–11**	**–54**	**0**	**54**	**12**
Non-financial assets						
Non-financial investments and owner-occupied property						
Investment property	0	0	0	0	0	0
Investments in affiliated companies, associates and joint ventures	0	0	0	0	0	0
Other non-financial investments	0	0	0	0	0	0
Owner-occupied property	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
Non-financial assets held as underlying items						
Investment property	0	0	0	0	0	0
Owner-occupied property	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
Subtotal	**0**	**0**	**0**	**0**	**0**	**0**
Total	**0**	**–11**	**–54**	**0**	**54**	**12**

The following tables show a reconciliation of the fair values of assets and liabilities allocated to Level 3 of the fair value hierarchy broken down by class.

Reconciliation of the fair values of the assets allocated to Level 3

	Financial investments					
	Instruments subject to equity risk		Instruments subject to interest-rate and credit risk		Alternative investments	
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year
Fair value at 1 January	**506**	**962**	**1,342**	**1,537**	**14,779**	**11,802**
Gains and losses						
on derivative transactions	0	0	0	0	–1	–1
on non-derivative transactions	8	14	20	–47	632	–99
recognised in equity	0	0	15	43	56	593
	8	**14**	**36**	**–3**	**687**	**494**
Additions	7	298	221	115	3,443	4,776
Disposals	–27	–78	–1,334	–214	–2,664	–2,952
Transfer to Level 3	5	0	2	3	0	8
Transfer from Level 3	0	0	–51	–54	0	0
Other	–225	–691	79	–42	2,061	651
Fair value at 31 December	**273**	**506**	**295**	**1,342**	**18,306**	**14,779**

→	Investments for unit-linked life insurance		Insurance-related financial instruments	
€m	2024	Prev. year	2024	Prev. year
Fair value at 1 January	**0**	**0**	**8,610**	**8,107**
Gains and losses				
on derivative transactions	0	0	–37	–49
on non-derivative transactions	0	0	154	–272
recognised in equity	0	0	0	0
	0	**0**	**116**	**–321**
Additions	0	0	2,259	2,201
Disposals	0	0	–3,092	–1,344
Transfer to Level 3	0	0	0	0
Transfer from Level 3	0	0	0	0
Other	0	0	79	–33
Fair value at 31 December	**0**	**0**	**7,971**	**8,610**

→	Non-financial investments		Non-financial assets held as underlying items			
	Other non-financial investments[1]		Investment property		Owner-occupied property	
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year
Fair value at 1 January	**1,301**	**1,137**	**5,613**	**5,917**	**914**	**992**
Gains and losses						
on derivative transactions	0	27	0	0	0	0
on non-derivative transactions	18	–73	–178	–279	–73	–57
recognised in equity	0	2	0	0	0	0
	18	**–45**	**–178**	**–279**	**–73**	**–57**
Additions	394	245	756	664	29	1
Disposals	–76	–109	–294	–615	–42	–8
Transfer to Level 3	0	0	0	0	0	0
Transfer from Level 3	0	0	0	0	0	0
Other	118	72	–405	–73	13	–13
Fair value at 31 December	**1,756**	**1,301**	**5,492**	**5,613**	**841**	**914**

1 Including investments in affiliated companies, associates and joint ventures measured at fair value.

Reconciliation of the fair values of the liabilities allocated to Level 3

	Derivatives		Non-derivative financial liabilities		Other liabilities	
			Other financial liabilities		Insurance-related liabilities	
€m	2024	Prev. year	2024	Prev. year	2024	Prev. year
Fair value at 1 January	**77**	**218**	**93**	**0**	**2,949**	**2,492**
Gains and losses						
on derivative transactions	–1	–1	0	0	–37	–49
on non-derivative transactions	1	–60	4	1	223	–316
recognised in equity	0	0	0	0	0	0
	0	**–61**	**4**	**1**	**186**	**–364**
Additions	1	1	0	91	2,822	2,126
Disposals	–42	–81	–67	0	–2,795	–1,294
Transfer to Level 3	0	0	0	0	0	0
Transfer from Level 3	0	0	0	0	0	0
Other	0	0	0	0	21	–11
Fair value at 31 December	**37**	**77**	**30**	**93**	**3,181**	**2,949**

Other changes in alternative investments largely involve a private equity portfolio added in the context of the spin-off and liquidation of Joint HR MR Private Equity GmbH, Munich. The remaining other changes in the table are due primarily to reclassifications of individual financial instruments between these asset classes in accordance with our internal management.

Changes in fair value recognised in the consolidated income statement for assets allocated to Level 3 of the fair value hierarchy are presented in the result from insurance-related financial instruments, the investment result, or the investment result for unit-linked life insurance. Gains and losses on these assets recognised in equity are shown as part of unrealised gains and losses in other comprehensive income.

Changes in fair value recognised in the consolidated income statement for liabilities allocated to Level 3 of the fair value hierarchy are presented in the result from insurance-related financial instruments or the investment result. Where the impact of own credit risk of financial liabilities designated as at fair value through profit or loss is recognised in equity, we present it as part of unrealised gains and losses in other comprehensive income. When the financial liabilities designated as at fair value through profit or loss are derecognised, the amount of change in the fair value attributable to changes in the credit risk and recognised in other comprehensive income is transferred to retained earnings.

Sensitivity of unobservable inputs used to measure fair value

If the value of financial instruments is based on unobservable inputs, the value of these inputs at the reporting date is derived using a range of reasonably possible alternatives that are determined based on management judgement. The values we select for such unobservable inputs used to measure fair value are reasonable and commensurate with the prevailing market conditions and the respective measurement approach.

The following information sets out the significant unobservable inputs for financial assets and liabilities allocated to Level 3 of the fair value hierarchy, and subsequently illustrates the effect that a change in the inputs has on the fair value. The sensitivities presented have been calculated based on the assumption that only the inputs in question have changed. In reality, however, it is unlikely that changes in market conditions affect only one input. For that reason, the effects shown here on the fair values calculated may differ from the actual changes in fair value. It should also be noted that the disclosures are neither a prediction nor an indication of future changes in fair value.

Significant estimation uncertainties and judgements are involved in measuring instruments that are subject to credit risk if no issuer rating is available and it is not possible to access prices for traded financial instruments from the issuer. This usually applies to mortgage loans and infrastructure loans. In such cases, we use our internal rating model to estimate the issuer's credit risk and determine, on the basis of their operating sector, geographic location and creditworthiness, the interest-rate curve to apply to measure the fair value. If the interest-rate curve were to increase or decrease, it would lead to a decrease or increase in the fair value of interest-sensitive financial investments.

A significant share of the insurance-related financial instruments is comprised of annuity policies and life insurance contracts that do not transfer significant insurance risk. Here, actuarial data such as biometric data (mortality rates) and lapse rates are the underlying significant unobservable inputs. A decrease (or increase) in lapse rates, mortality rates or annuity claims would lead to a higher (or lower) fair value. In the case of contracts that provide high death benefits, the effect for lapse rate changes may be reversed. A decrease (or increase) in the exercising of withdrawal plans would lead to a lower (or higher) fair value. In the event of a change in these unobservable inputs, the resulting changes in the fair value of the insurance-related financial instruments would be immaterial, as these contracts do not transfer significant insurance risk.

Other instruments for which we used significant unobservable inputs to measure the fair value are unlisted fund investments, investments in private-equity companies and direct investments in non-listed companies. For these assets, the fair value is determined based on the net asset value of the investment. Any changes in the net asset value would lead to a corresponding adjustment of the fair value, i.e. a 10% increase (or decrease) in the net asset value would mean that the fair value would also increase (or decrease) by 10%.

44 Disclosures on exercising the fair value option

Financial assets

The following tables provide an overview of our financial assets that have been designated as measured at fair value through profit or loss, the influence of credit risk on their fair values and changes in the fair values of related credit derivatives.

Disclosures on financial assets designated as measured at fair value through profit or loss

						31.12.2024
	Maximum credit risk[1]		Changes in the fair value			
	As at the end of the reporting period	Reduction as a result of related derivatives and similar instruments	Of the financial instrument from changes in credit risk		Of related credit derivatives and similar instruments	
€m			During the reporting period	Accu-mulated	During the reporting period	Accu-mulated
Financial investments	0	0	0	0	0	0
Insurance-related financial instruments	54	0	0	0	0	0
Total	**54**	**0**	**0**	**0**	**0**	**0**

						Prev. year
	Maximum credit risk[1]		Changes in the fair value			
	As at the end of the reporting period	Reduction as a result of related derivatives and similar instruments	Of the financial instrument from changes in credit risk		Of related credit derivatives and similar instruments	
€m			During the reporting period	Accu-mulated	During the reporting period	Accu-mulated
Financial investments	0	0	0	0	0	0
Insurance-related financial instruments	36	0	0	0	0	0
Total	**36**	**0**	**0**	**0**	**0**	**0**

1 Corresponds to the current carrying amount.

The portion of fair value attributable to credit risk is determined by calculating the difference that results from deducting the fair value determined using only credit risk-free market inputs from the fair value of the instrument as a whole calculated using customary measurement methods and market inputs. For information on fair value measurement, please refer to this chapter under > (43) Fair value hierarchy for assets and liabilities.

To reduce the credit risk associated with these financial assets, we enter into contracts for the provision of collateral. These types of agreements also include a requirement to provide cash collateral or to issue guarantees.

Financial liabilities

When exercising the option to designate financial liabilities as measured at fair value through profit or loss, changes in value in relation to our own credit risk are recognised in other comprehensive income, unless such treatment would lead to an accounting mismatch or exacerbate an existing mismatch. We exercise the option for our insurance-related liabilities, since they are largely managed at fair value in the same way as insurance-related financial instruments. If the effect of changes in value due to a change in our credit risk was recognised separately in other comprehensive income, the offsetting effect of designating these instruments would be lower. Overall, given our excellent creditworthiness and the collateral agreed in the contracts, our credit risk and the resulting changes are of minor significance.

We determine the portion of fair value attributable to credit risk by calculating the difference that results from deducting the fair value determined using only credit risk-free market inputs from the fair value of the instrument as a whole calculated using customary measurement methods and market inputs.

The cumulative changes in value in relation to our own credit risk are reclassified from other comprehensive income to retained earnings when the corresponding liability is derecognised.

The following table shows our financial liabilities that we have designated as measured at fair value through profit or loss and for which changes in value resulting from our own credit risk are recognised in other comprehensive income.

Financial liabilities designated as measured at fair value through profit or loss, with changes in value resulting from credit risk recognised in other comprehensive income

			31.12.2024
€m	Cumulative change in fair value resulting from credit risk	Difference between carrying amount and the amount contractually due on maturity	Reclassifications of gains/losses within equity during the reporting period
Non-derivative financial liabilities	0	1	0
Insurance-related liabilities	0	0	0
Total	**0**	**1**	**0**

			Prev. year
€m	Cumulative change in fair value resulting from credit risk	Difference between carrying amount and the amount contractually due on maturity	Reclassifications of gains/losses within equity during the reporting period
Non-derivative financial liabilities	0	5	0
Insurance-related liabilities	0	0	0
Total	**0**	**5**	**0**

The following table shows our financial liabilities that we have designated as measured at fair value through profit or loss and for which changes in value resulting from our own credit risk are recognised in profit or loss.

Financial liabilities designated as measured at fair value through profit or loss, with changes in value resulting from credit risk recognised in the consolidated income statement

			31.12.2024
	Changes in fair value resulting from changes in credit risk		Difference between carrying amount and the amount contractually due on maturity
€m	During the reporting period	Accumulated	
Non-derivative financial liabilities	0	0	0
Insurance-related liabilities	0	0	–961
Total	**0**	**0**	**–961**

			Prev. year
	Changes in fair value resulting from changes in credit risk		Difference between carrying amount and the amount contractually due on maturity
€m	During the reporting period	Accumulated	
Non-derivative financial liabilities	0	0	0
Insurance-related liabilities	0	0	–534
Total	**0**	**0**	**–534**

45 Offsetting of financial assets and liabilities

Below, we present an overview of the financial assets and liabilities subject to legally enforceable master netting agreements or similar contractual arrangements. The overview contains instruments that satisfy the offsetting criteria and are therefore offset in the balance sheet, as well as those instruments that are subject to an enforceable netting agreement, but are not permitted to be offset in the balance sheet. The overview does not include off-balance-sheet securities lending transactions without cash collaterals.

Offsetting of financial assets

							31.12.2024
€m	Gross amount	Amounts set off	Net amount presented	Amounts not set off	Financial collaterals	Cash collaterals	Net amount
Derivatives	1,450	21	1,429	360	376	485	208
Repurchase agreements	143		143	0	143	0	0
Insurance-related financial instruments	9,698	134	9,563	1,099	0	326	8,138
Total	**11,290**	**155**	**11,135**	**1,459**	**519**	**811**	**8,346**

							Prev. year
€m	Gross amount	Amounts set off	Net amount presented	Amounts not set off	Financial collaterals	Cash collaterals	Net amount
Derivatives	1,467	9	1,459	481	386	484	109
Repurchase agreements	65		65	0	65	0	0
Insurance-related financial instruments	10,170	299	9,872	885	0	155	8,831
Total	**11,703**	**307**	**11,396**	**1,366**	**451**	**639**	**8,940**

Offsetting of financial liabilities

							31.12.2024
€m	Gross amount	Amounts set off	Net amount presented	Amounts not set off	Financial collaterals	Cash collaterals	Net amount
Derivatives	1,295	21	1,274	360	186	590	138
Repurchase agreements	0		0	0	0	0	0
Insurance-related liabilities	5,305	134	5,171	1,099	0	1,055	3,017
Total	**6,600**	**155**	**6,445**	**1,459**	**186**	**1,644**	**3,155**

€m	Gross amount	Amounts set off	Net amount presented	Amounts not set off	Financial collaterals	Cash collaterals	Prev. year Net amount
Derivatives	1,387	9	1,379	481	332	342	223
Repurchase agreements	0		0	0	0	0	0
Insurance-related liabilities	5,118	299	4,820	885	0	1,260	2,674
Total	**6,506**	**307**	**6,198**	**1,366**	**332**	**1,602**	**2,898**

For more information on collateral assets received and pledged, please refer to > Disclosures on risks from financial instruments and insurance contracts > (51) Disclosures on risks from financial instruments > Credit risk.

46 Transfers of financial assets

In the context of securities repurchase and securities lending, we transfer bonds and other securities. However, due to the structure of these agreements, we retain the risks and rewards of ownership of these financial assets arising from the credit, interest-rate and currency risk. This means that the requirements for derecognition are not met and the financial assets continue to be recognised in the consolidated balance sheet. The amount received from the repurchase buyer or securities borrower is, however, presented as a non-derivative financial liability. For securities repurchase transactions, the amount of this liability at the transaction date corresponds to the fair value of the securities transferred less a safety margin. When the instruments are transferred back upon the securities repurchase transaction reaching maturity, this amount, plus the agreed interest, is repaid to the repurchase buyer. Under the repurchase agreements in place as at the reporting date, we act exclusively as the repurchase buyer. In securities lending, the corresponding liability corresponds to the obligation to repay the cash collaterals received, which are repaid to the counterparty less the fees retained at the end of the lending period. As the securities lending transactions entered into are secured not with cash collateral but with securities that we do not recognise because the recognition criteria are not met, there are no corresponding liabilities within this context.

The following table shows, as at the reporting date, the carrying amounts and fair values of the assets transferred and the corresponding liabilities that continue to be recognised in our balance sheet.

Financial assets that continue to be recognised in full

€m	31.12.2024	Prev. year
Carrying amounts of assets transferred	3,441	3,201
Carrying amounts of liabilities associated with the transfer	0	0
Fair values		
of assets transferred	3,441	3,201
of liabilities associated with the transfer	0	0
Fair values (net)	**3,441**	**3,201**

47 Hedge accounting

We use derivative financial instruments to hedge interest-rate, currency and other market price risks. The decision to apply hedge accounting is made individually for each hedging transaction and is based on the decisions of our risk management. For further information on how risks are managed and monitored, please refer to > Disclosures on risks from financial instruments and insurance contracts.

Although we enter into derivative contracts only to manage and hedge against risks in general, we only designate a small volume of derivatives as hedges pursuant to IFRS 9. At present, the only hedging relationships we have are cash flow hedges. Future cash flows and the related income and expenses are hedged against the risk of changes in value. This primarily involves using interest-rate swaps to hedge against interest-rate risk. Hedge effectiveness is demonstrated using the cumulative dollar offset method.

As at 31 December 2024, the balance of our hedging reserve was −€5m (−8m). Hedging gains and losses recognised in OCI of €2m (4m) were allocated to the hedging reserve during the reporting period. There were no reclassifications from the hedging reserve to the consolidated income statement. The fair value change on the hedging instrument attributable to the ineffective portion of the hedge was negligible at the reporting date. The net fair value of the derivatives designated as hedges for hedging against interest-rate risk amounted to −€5m (−8m) as at 31 December 2024.

Notes on insurance contracts

48 Yield curves for major currencies

To discount cash flows from reinsurance contracts held and insurance contracts issued, we use the following yield curves for our most important currencies:

Yield curves for major currencies

					31.12.2024					Prev. year
	1 year	5 years	10 years	20 years	30 years	1 year	5 years	10 years	20 years	30 years
Yield curves excluding illiquidity premium										
Australian dollar	4.15	3.95	4.29	4.50	4.23	4.28	3.86	4.15	4.29	3.97
Euro	2.24	2.14	2.27	2.26	2.39	3.36	2.32	2.39	2.41	2.53
Canadian dollar	2.88	2.73	3.00	3.07	3.04	4.29	3.21	3.18	3.10	3.05
Pound sterling	4.46	4.04	4.07	4.30	4.23	4.74	3.36	3.28	3.43	3.35
Polish zloty	4.97	5.50	5.78	5.35	4.86	4.95	4.85	5.10	4.95	4.61
Swiss franc	0.05	0.17	0.38	0.90	1.26	1.17	1.05	1.16	1.50	1.74
US dollar	4.18	4.02	4.07	4.10	3.84	4.76	3.50	3.45	3.46	3.23
Japanese yen	0.52	0.77	1.05	1.69	1.98	0.07	0.45	0.85	1.39	1.51
Yuan renminbi	1.31	1.29	1.52	2.31	2.85	1.90	2.26	2.53	3.07	3.43
Yield curves including illiquidity premium										
Euro	2.47	2.37	2.50	2.49	2.58	3.55	2.51	2.58	2.60	2.69

All of the companies in the reinsurance group and all ERGO subsidiaries whose main business is property-casualty insurance use yield curves without an illiquidity premium.

Most subsidiaries whose core business is life and health insurance use yield curves with an illiquidity premium in the order of magnitude of the Solvency II volatility adjustment. These companies measure the bulk of their life and health primary insurance business using the variable fee approach.

49 Net financial result

The recognition of insurance finance income and expenses from reinsurance contracts held and insurance contracts issued in relation to investment income in the consolidated income statement and in other comprehensive income can be presented as follows:

Analysis of net financial result relating to recognition in the consolidated income statement and in other comprehensive income

						2024
	Reinsurance		ERGO			Total
€m	Life and health	Property-casualty	Life and Health Germany	Property-casualty Germany	International	
Investment income						
Interest revenue calculated using the effective interest method	734	2,121	2,435	217	351	5,858
Other finance income	–261	553	752	109	133	1,287
Impairment of financial assets	2	23	19	0	1	45
Amounts recognised in other comprehensive income	–273	465	515	70	–5	772
	202	**3,162**	**3,722**	**397**	**480**	**7,963**
Finance income or expenses from insurance contracts issued						
Accretion of interest	–168	–2,249	–43	–113	–238	–2,812
Effects of changes in interest rates	126	–434	–2	–138	–80	–529
Changes in the fair value of the underlying items	0	0	–4,893	–10	–376	–5,279
Currency exchange differences	–445	391	0	0	–1	–54
	–487	**–2,292**	**–4,938**	**–261**	**–695**	**–8,673**
Thereof:						
Recognised in the consolidated income statement	–160	–2,249	–4,058	–127	–623	–7,217
Recognised in other comprehensive income	–326	–43	–880	–134	–72	–1,456
Finance income or expenses from reinsurance contracts held						
Accretion of interest	2	89	0	3	12	107
Other	9	–1	0	3	–1	10
	11	**88**	**0**	**6**	**12**	**118**
Thereof:						
Recognised in the consolidated income statement	2	89	0	3	12	107
Recognised in other comprehensive income	9	–1	0	3	–1	11
Total	**–274**	**958**	**–1,216**	**143**	**–204**	**–593**
Thereof:						
Recognised in the consolidated income statement	316	538	–851	204	–126	81
Recognised in other comprehensive income	–590	420	–365	–61	–78	–674

	Reinsurance		ERGO			Prev. year Total
€m	Life and health	Property-casualty	Life and Health Germany	Property-casualty Germany	International	
Investment income						
Interest revenue calculated using the effective interest method	650	1,499	2,397	173	311	5,029
Other finance income	–45	337	–36	33	102	392
Impairment of financial assets	3	–12	–37	0	–2	–47
Amounts recognised in other comprehensive income	839	1,626	3,481	249	733	6,929
	1,447	**3,450**	**5,804**	**456**	**1,143**	**12,303**
Finance income or expenses from insurance contracts issued						
Accretion of interest	–138	–1,682	–33	–51	–214	–2,118
Effects of changes in interest rates	–206	–907	–6	–260	–159	–1,538
Changes in the fair value of the underlying items	0	0	–6,038	–22	–571	–6,631
Currency exchange differences	391	–489	0	0	–3	–101
	47	**–3,078**	**–6,077**	**–333**	**–947**	**–10,388**
Thereof:						
Recognised in the consolidated income statement	–133	–1,682	–2,983	–66	–627	–5,490
Recognised in other comprehensive income	180	–1,396	–3,094	–267	–320	–4,898
Finance income or expenses from reinsurance contracts held						
Accretion of interest	2	88	–1	2	9	100
Other	15	49	0	5	16	86
	17	**137**	**0**	**7**	**25**	**185**
Thereof:						
Recognised in the consolidated income statement	2	88	–1	2	9	99
Recognised in other comprehensive income	16	49	0	5	16	86
Total	**1,511**	**509**	**–274**	**130**	**221**	**2,100**
Thereof:						
Recognised in the consolidated income statement	477	230	–661	143	–208	–17
Recognised in other comprehensive income	1,034	279	387	–13	429	2,117

50 Underlying items for insurance contracts with direct participation features

The underlying item primarily includes non-financial and financial investments for which policyholders participate in performance as part of the variable fee approach. The fair value of all underlying items comes to €120,550m (119,768m). The variable fee approach is used primarily in the German life and health primary insurance business (similar to life insurance).

Disclosures on risks from financial instruments and insurance contracts

Munich Re's reporting is based on various legal provisions governing risks it is exposed to as a result of its business operations.

In the Notes to the consolidated financial statements, risks from financial instruments must be reported in accordance with IFRS 7 and risks from insurance contracts in accordance with IFRS 17. Further disclosures on risks are required in the > Combined management report > Risk report on the basis of Section 315(2) no. 1 of the German Commercial Code (HGB) and German Accounting Standard no. 20 (GAS 20) for management reports.

Since risk reporting concerns not only accounting but also the activities of integrated risk management (IRM) at Munich Re, information on risks is provided in the > Risk report and in the > Notes to the consolidated financial statements > Disclosures on risks from financial instruments and insurance contracts. Where necessary, we refer to the relevant information in the risk report and information on the respective items.

The disclosures in the risk report largely adopt a purely economic view. The risk report provides an account of the organisation of risk management and Munich Re's risk strategy, briefly outlines the main risks we are exposed to, and describes the economic risk capital calculated by means of our internal risk model. The report also contains information on specific risk complexes.

51 Disclosures on risks from financial instruments

A summary of the quantitative risks in accordance with IFRS 7 is available in the > Risk report, which is part of the combined management report.

Credit risk

When determining credit risk, we firstly use a portfolio model and secondly analyse the credit risk exposure of investments on a per-debtor basis.

If the credit risk also depends on other factors beyond the debtor's creditworthiness (such as subordination, guarantees or collateralisation), these are also taken into consideration. We use historical capital market data to determine the associated migration and default probabilities. Correlation effects between debtors are derived from the sectors and countries in which they operate. The assessment of the credit risk from other receivables is based on internal expert assessments.

Risk concentrations exist primarily in government bonds and corporate bonds, as well as in pfandbriefs and similar covered bonds.

A Group-wide counterparty limit system ensures the management and monitoring of Group-wide credit risks. With regard to country risks, we use both standard ratings and our own analyses, which also take climate change risks into account. The limits and measures derived from this are binding for investment decisions and the insurance of political risks.

In order to fulfil the requirements for monitoring and managing credit risks, the sensitivities are regularly checked against the most important input parameters.

In addition to monitoring credit risk under the internal model, we have implemented continuous monitoring of financial investments on the basis of internal and external credit ratings. We also use collateralisation to mitigate credit risk. For exchange-traded derivatives and derivatives subject to a clearing process, this is done through automated daily margining. For the majority of our OTC derivatives, we have agreed a similar process of adjusting the collateral on a daily basis. Unsecured OTC derivatives are entered into only with counterparties with good creditworthiness.

In the balance sheet, credit risk is accounted for by recognising expected credit losses as impairment losses on financial assets measured at fair value through other comprehensive income or at amortised cost. In addition, lease receivables are subject to the impairment requirements of IFRS 9. We calculate the expected credit losses by using a parameter-based approach. This involves measuring the expected credit losses on a per-transaction basis, using statistical risk parameters in accordance with our internal credit risk guidelines. The key parameters are probability of default, loss given default and exposure at default.

Probability of default is calculated on the basis of our internal rating model, which takes account of not only historical information, but also current market conditions and the relevant forward-looking information (such as forecast macroeconomic developments). Our internal rating categories are based on those of the leading international rating agencies. For financial assets allocated to Stage 1 of the impairment model, the probabilities of default are always calculated on the basis of the risk of default for the next 12 months. If the instrument's remaining maturity is less than one year, the probability is determined for this maturity.

Probabilities of default for maturities of more than one year used to determine lifetime expected credit losses at Stage 2 are determined by extrapolating migration matrices of default probabilities for the next 12 months. Financial assets allocated to Stage 3 of the impairment model are always analysed on a case-by-case basis.

The loss given default is calculated at 100% less the recovery rate. The recovery rates for the respective financial assets are derived from the recovery and default studies published by the rating agencies and adjusted by taking expert opinions into account.

The exposure at default corresponds to the gross carrying amount as at the reporting date.

Current financial receivables and lease receivables are not normally subject to material historical default. This means that it is not usually appropriate to calculate the impairment loss on the basis of this information. We therefore determine the credit losses on these types of receivables using a simplified formula. We base this process on a conservative analysis of the probability of default, which corresponds to the lowest rating within the investment grade. In accordance with the ISDA convention, a loss given default of 60% is assumed for senior unsecured corporate debt. The amount of loss given default corresponds to the gross carrying amount.

No impairment losses are normally recognised for cash and cash equivalents as these financial instruments are only entered into with counterparties of first-class financial strength. Moreover, the maximum maturity of these financial assets is three months. The credit risk resulting from these financial instruments is therefore immaterial and is monitored continuously.

In the tables below, we present the reconciliation of loss allowances on financial assets measured at fair value through other comprehensive income or at amortised cost. At Munich Re, this covers the economic classes of "Instruments subject to interest-rate and credit risk" and "Alternative investments". Loss allowances on financial assets measured at amortised cost and on lease receivables are of minor significance at Munich Re.

Reconciliation of loss allowances on financial instruments measured at fair value through OCI

								2024
	Stage 1		Stage 2		Stage 3		Total	
	12-month expected credit losses		Lifetime expected credit losses (not impaired)		Lifetime expected credit losses (impaired)			
€m	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Balance at 1.1.	**177,645**	**108**	**1,759**	**108**	**1,270**	**329**	**180,674**	**545**
Additions (new assets issued/acquired)	101,937	42	0	0	0	0	101,937	42
Remeasured due to change in measurement parameters		–17		3		13		–2
Transfers to Stage 1	154	10	–148	–10	–6	0	0	0
Transfers to Stage 2	–266	–2	272	2	–6	0	0	0
Transfers to Stage 3	–181	–2	–13	–3	194	5	0	0
Disposals (sale, redemption, material modification, write-offs)	–93,576	–29	–518	–22	–427	–251	–94,521	–303
Currency translation differences	2,776	2	9	3	–1	6	2,784	11
Change in the consolidated group	–157	0	0	0	0	0	–157	0
Modifications of contractual cash flows that do not lead to derecognition	3	0	0	0	6	0	10	0
Other changes	–874	1	–98	0	11	3	–961	5
Balance at 31.12.	**187,461**	**112**	**1,261**	**81**	**1,042**	**104**	**189,765**	**297**

	Stage 1		Stage 2		Stage 3		Prev. year Total	
	12-month expected credit losses		Lifetime expected credit losses (not impaired)		Lifetime expected credit losses (impaired)			
€m	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
Balance at 1.1.	**177,025**	**93**	**2,667**	**113**	**630**	**404**	**180,322**	**611**
Additions (new assets issued/acquired)	75,611	39	0	0	0	0	75,611	39
Remeasured due to change in measurement parameters		–5		27		1		23
Transfers to Stage 1	214	5	–207	–5	–6	0	0	0
Transfers to Stage 2	–651	–2	651	2	0	0	0	0
Transfers to Stage 3	–293	–1	–501	–55	794	56	0	0
Disposals (sale, redemption, material modification, write-offs)	–73,229	–21	–839	27	–134	–114	–74,202	–108
Currency translation differences	–1,463	–1	–11	–2	–18	–24	–1,491	–26
Change in the consolidated group	86	0	0	0	0	0	86	0
Modifications of contractual cash flows that do not lead to derecognition	0	0	0	0	0	0	0	0
Other changes	346	0	–1	0	4	6	348	6
Balance at 31.12.	**177,645**	**108**	**1,759**	**108**	**1,270**	**329**	**180,674**	**545**

Reconciliation of loss allowances on financial instruments measured at amortised cost

	Stage 1			Stage 2			Stage 3			2024 Total		
	12-month expected credit losses			Lifetime expected credit losses (not impaired)			Lifetime expected credit losses (impaired)					
€m	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Balance at 1.1.	**12,373**	**0**	**12,372**	**0**	**0**	**0**	**5**	**1**	**4**	**12,378**	**2**	**12,376**
Balance of additions and disposals	999	0	999	0	0	0	1	0	1	1,000	0	1,000
Remeasured due to change in measurement parameters	0	0	0	0	0	0	0	1	–1	0	1	–1
Transfers to Stage 1	2	0	2	0	0	0	–2	0	–2	0	0	0
Transfers to Stage 2	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to Stage 3	–3	0	–3	0	0	0	3	0	3	0	0	0
Currency translation differences	99	0	99	0	0	0	0	0	0	99	0	99
Change in the consolidated group	–37	0	–37	0	0	0	0	0	0	–37	0	–37
Modifications of contractual cash flows that do not lead to derecognition	0	0	0	0	0	0	0	0	0	0	0	0
Other changes	–7	0	–7	0	0	0	0	0	0	–7	0	–7
Balance at 31.12.	**13,425**	**0**	**13,424**	**0**	**0**	**0**	**7**	**2**	**6**	**13,432**	**2**	**13,430**

												Prev. year
	Stage 1			Stage 2			Stage 3			Total		
	12-month expected credit losses			Lifetime expected credit losses (not impaired)			Lifetime expected credit losses (impaired)					
€m	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount	Gross carrying amount	Loss allowance	Net carrying amount
Balance at 1.1.	**12,329**	**0**	**12,329**	**0**	**0**	**0**	**3**	**2**	**1**	**12,333**	**2**	**12,330**
Balance of additions and disposals	–52	0	–52	0	0	0	0	0	0	–51	0	–51
Remeasured due to change in measurement parameters	0	0	0	0	0	0	0	–1	1	0	–1	1
Transfers to Stage 1	2	0	2	0	0	0	–2	0	–2	0	0	0
Transfers to Stage 2	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to Stage 3	–3	0	–3	0	0	0	3	0	3	0	0	0
Currency translation differences	–132	0	–132	0	0	0	0	0	0	–132	0	–132
Change in the consolidated group	9	0	9	0	0	0	0	0	0	9	0	9
Modifications of contractual cash flows that do not lead to derecognition	0	0	0	0	0	0	0	0	0	0	0	0
Other changes	219	0	219	0	0	0	0	0	0	219	0	219
Balance at 31.12.	**12,373**	**0**	**12,372**	**0**	**0**	**0**	**5**	**1**	**4**	**12,378**	**2**	**12,376**

The carrying amounts of financial assets measured at fair value through other comprehensive income are not reduced by recognising impairment losses. The loss allowance is presented in other comprehensive income.

For financial assets measured at amortised cost, on the other hand, the loss allowance is recognised directly as a reduction of the carrying amount.

Financial assets measured at amortised cost essentially relate only to short-term time deposits, sight deposits and financial receivables with remaining maturities of less than 90 days. The short remaining maturities generally mean that the review period is too short for assessing whether credit risk is significantly increased. For this reason, these instruments are predominantly allocated to Stage 1 of the impairment model. However, if there is objective evidence of impairment, we allocate these types of instruments to Stage 3.

The “Remeasured due to change in measurement parameters” line item in the above table refers exclusively to the loss allowance and has no influence on the gross carrying amount.

Portfolio changes resulting from transfers between stages represent additions and reversals that arose in the reporting period due to a change in the stage allocation. Write-offs relate to amounts of financial assets derecognised that are no longer expected to be recovered. Disposals, on the other hand, show reversals of loss allowances for assets settled or sold in the reporting period. Other changes mainly reflect changes in accrued interest paid.

We consider derecognised financial assets non-recoverable if they are still subject to an enforcement activity.

Non-substantial modifications of financial assets that arise because of adjustments to the contract terms do not lead to the derecognition of the assets recognised. However, the modification may lead to a change in expected credit losses. The credit risk of modified financial assets is therefore remeasured at the modification date and compared to the original credit risk. With regard to financial assets for which credit losses are determined over the remaining lifetime, there were no non-substantial modifications that had an impact on profit or loss during the financial year.

The maximum credit risk associated with a financial asset corresponds to the gross carrying amount less loss allowances. The effect of collateral and other credit enhancement instruments amounted to €274m (289m) in the reporting year. The tables below on financial assets measured at fair value through profit or loss also show the net default exposure arising from the maximum credit risk, less the respective collateral (limited to the respective maximum credit risk) or other credit enhancements. The secured financial investments mainly relate to loans secured by charges on property where the market value of the underlying property exceeds the nominal amount and the fair value of the loans.

Effect of collateral on the maximum credit risk of credit-impaired financial assets (allocated to Stage 3 of the impairment model)

			31.12.2024
€m	Maximum credit risk	Collateral received	Net default exposure
Financial investments			
Instruments subject to interest-rate and credit risk			
measured at amortised cost	0	0	0
measured at fair value through OCI	866	1,586	592
	866	**1,586**	**592**
Alternative investments			
measured at fair value through OCI	72	0	72
	72	**0**	**72**
Subtotal	**938**	**1,586**	**664**
Financial receivables			
measured at amortised cost	5	0	5
Financial lease assets	0	0	0
	5	**0**	**5**
Cash and cash equivalents			
measured at amortised cost	0	0	0
	0	**0**	**0**
Total	**943**	**1,586**	**669**

			Prev. year
€m	Maximum credit risk	Collateral received	Net default exposure
Financial investments			
Instruments subject to interest-rate and credit risk			
measured at amortised cost	–	–	–
measured at fair value through OCI	821	1,019	531
	821	**1,019**	**531**
Alternative investments			
measured at fair value through OCI	120	0	122
	120	**0**	**122**
Subtotal	**941**	**1,019**	**653**
Financial receivables			
measured at amortised cost	3	0	3
Financial lease assets	0	0	0
	3	**0**	**3**
Cash and cash equivalents			
measured at amortised cost	0	0	0
	0	**0**	**0**
Total	**945**	**1,019**	**656**

Effect of collateral on the maximum credit risk of financial assets measured at fair value through profit or loss

			31.12.2024
€m	Maximum credit risk	Collateral received	Net default exposure
Financial investments			
Instruments subject to equity risk	826	0	826
Instruments subject to interest-rate and credit risk	11,671	1,114	10,557
Alternative investments	10,170	0	10,170
	22,667	**1,114**	**21,554**
Insurance-related financial instruments	9,523	436	9,087
Cash and cash equivalents	0	0	0
Total	**32,190**	**1,549**	**30,641**

			Prev. year
€m	Maximum credit risk	Collateral received	Net default exposure
Financial investments			
Instruments subject to equity risk	956	0	956
Instruments subject to interest-rate and credit risk	10,786	1,012	9,773
Alternative investments	7,284	0	7,284
	19,026	**1,012**	**18,013**
Insurance-related financial instruments	9,662	117	9,545
Cash and cash equivalents	0	0	0
Total	**28,688**	**1,129**	**27,559**

The tables below present the gross carrying amounts of financial assets to which the impairment model is applied, broken down by internal credit-risk rating class.

Gross carrying amounts of financial assets measured at fair value through OCI, by rating class

				31.12.2024				Prev. year
€m	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
AAA	50,461	0	0	50,461	50,308	0	0	50,308
AA	63,430	6	0	63,436	61,364	19	0	61,383
A	27,812	22	0	27,834	23,743	24	0	23,767
BBB	28,895	28	0	28,923	26,847	80	0	26,927
BB or lower	6,965	1,079	78	8,121	6,064	1,498	154	7,716
No rating available	9,898	127	965	10,990	9,319	137	1,117	10,573
Other rating system	0	0	0	0	0	0	0	0
Total	**187,461**	**1,261**	**1,042**	**189,765**	**177,645**	**1,759**	**1,270**	**180,674**

Gross carrying amounts of financial assets measured at amortised cost, by rating class

				31.12.2024				Prev. year
€m	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
AAA	1,872	0	0	1,872	1,540	0	0	1,540
AA	1,883	0	0	1,883	2,122	0	0	2,122
A	2,970	0	0	2,970	1,723	0	0	1,723
BBB	488	0	0	488	572	0	0	572
BB or lower	141	0	0	141	128	0	0	128
No rating available[1]	6,066	0	7	6,074	6,280	0	5	6,285
Other rating system	5	0	0	5	8	0	0	8
Total	**13,425**	**0**	**7**	**13,432**	**12,373**	**0**	**5**	**12,378**

1 Receivables from the provision of cash collateral and margin payments made are included here for the first time. The previous year's information has been adjusted.

The table below shows the carrying amounts of financial assets pledged as collateral.

Collateral pledged

€m	31.12.2024	Prev. year
Financial investments	9,952	8,582
Investments for unit-linked life insurance	0	0
Insurance-related financial instruments	0	0
Financial receivables	14	19
Other receivables	102	74
Cash and cash equivalents	2,991	2,591
Total	**13,059**	**11,266**

The table below shows the carrying amounts and fair values of financial assets that we have received as collateral and that we are entitled to sell or pass on as security without payment default on the part of the owners.

Collateral received

	Carrying amount		Fair value	
€m	31.12.2024	Prev. year	31.12.2024	Prev. year
Collateral received and held				
Financial and other types of collateral	0	73	235	89
Cash collateral	1,230	1,172	1,230	1,172
	1,230	**1,245**	**1,464**	**1,262**
Thereof: Collateral resold or repledged	0	0	0	0
Financial and other types of collateral	0	0	43	0
Cash collateral	0	0	0	0
	0	**0**	**43**	**0**

Liquidity risk

Our objective in managing liquidity risk is to ensure that we are in a position to meet our payment obligations at all times. To guarantee this, the liquidity position is continuously monitored and subject to stringent requirements for the availability of liquidity.

The management of liquidity risks is founded on a holistic risk strategy, on the basis of which the Board of Management defines tolerances. Minimum liquidity requirements for our operations are derived from these tolerances. The use of quantitative risk criteria also ensures that sufficient liquidity is available even under adverse scenarios. Both extreme insurance scenarios and negative capital market situations are taken into account when assessing the liquidity position.

The overview below shows the liquidity requirements arising from our financial liabilities, divided into maturity bands. The information relates to undiscounted contractual cash outflows from the financial liabilities. These are allocated to the earliest maturity band in which the cash outflow is possible. Cash outflows from financial liabilities payable on demand are therefore allocated to the earliest possible time band. The same applies to financial liabilities with termination options, for which the cash outflows are allocated to the earliest possible termination date. If the cash outflows from a financial liability are not fixed, the amount presented represents the cash outflows as they would be required on the basis of the market data applicable as at the reporting date. Amounts in foreign currency were translated at the period-end exchange rate.

Maturity analysis of future (undiscounted) cash flows from financial liabilities

									31.12.2024
	Carrying amount	Undiscounted cash flows by remaining maturities							Total
€m		≤ 1 year	> 1 year and ≤ 2 years	> 2 years and ≤ 3 years	> 3 years and ≤ 4 years	> 4 years and ≤ 5 years	> 5 years and ≤ 10 years	> 10 years	
Subordinated liabilities	**–6,321**	**–213**	**–201**	**–267**	**–201**	**–1,451**	**–5,434**	**0**	**–7,767**
Liabilities									
Derivatives	**–1,274**	**–1,154**	**–73**	**–63**	**–46**	**–47**	**–208**	**–115**	**–1,706**
Non-derivative financial liabilities									
Bonds	–255	–19	–19	–19	–274	0	0	0	–332
Liabilities to credit institutions	–414	–230	–2	–4	–4	0	–29	–144	–414
Other financial liabilities	–3,430	–3,523	–52	–45	–36	–29	–108	–103	–3,895
	–5,373	**–4,926**	**–146**	**–131**	**–360**	**–76**	**–346**	**–362**	**–6,346**
Other liabilities									
Insurance-related liabilities									
Insurance-linked derivatives	–3,087	–990	–149	77	46	–218	–587	–41	–1,862
Other insurance-related liabilities	–2,084	–1,447	–232	–206	–183	–135	–579	–1,500	–4,282
	–5,171	**–2,437**	**–381**	**–129**	**–137**	**–353**	**–1,166**	**–1,542**	**–6,144**
Total	**–16,864**	**–7,575**	**–728**	**–527**	**–699**	**–1,879**	**–6,946**	**–1,904**	**–20,258**

									Prev. year
	Carrying amount				Undiscounted cash flows by remaining maturities				Total
€m		≤ 1 year	> 1 year and ≤ 2 years	> 2 years and ≤ 3 years	> 3 years and ≤ 4 years	> 4 years and ≤ 5 years	> 5 years and ≤ 10 years	> 10 years	
Subordinated liabilities	**–4,713**	**–144**	**–133**	**–133**	**–195**	**–133**	**–4,900**	**0**	**–5,637**
Liabilities									
Derivatives	**–1,379**	**–1,552**	**–258**	**–78**	**–72**	**–40**	**–222**	**–102**	**–2,324**
Non-derivative financial liabilities									
Bonds	–266	–20	–20	–20	–286	0	0	0	–346
Liabilities to credit institutions	–912	–727	–5	–3	–4	–4	–20	–150	–913
Other financial liabilities	–2,982	–2,659	–148	–54	–33	–25	–111	–84	–3,114
	–5,539	**–4,958**	**–431**	**–155**	**–395**	**–69**	**–352**	**–336**	**–6,696**
Other liabilities									
Insurance-related liabilities									
Insurance-linked derivatives	–2,682	–520	–79	–47	–59	–61	–890	–1,366	–3,022
Other insurance-related liabilities	–2,138	–1,853	–244	–173	–141	–99	–376	–562	–3,448
	–4,820	**–2,373**	**–323**	**–221**	**–200**	**–160**	**–1,266**	**–1,929**	**–6,471**
Total	**–15,072**	**–7,474**	**–886**	**–508**	**–790**	**–362**	**–6,518**	**–2,265**	**–18,804**

Market risk

We define market risk as the risk of economic losses resulting from price changes in the capital markets. Our financial instruments are subject to equity, interest-rate and currency risk in this context. We also include the inflation risk and the risk of changes in implicit volatilities in our definition of market risk.

Market risks are modelled by means of Monte Carlo simulation of possible future market scenarios. We revalue our assets and liabilities for each simulated market scenario, thus showing the probability distribution for changes to basic own funds in accordance with Solvency II.

We use appropriate limit and early-warning systems in our asset-liability management to manage market risks. Derivative financial instruments are used, most of which are concluded for hedging purposes.

Other risks

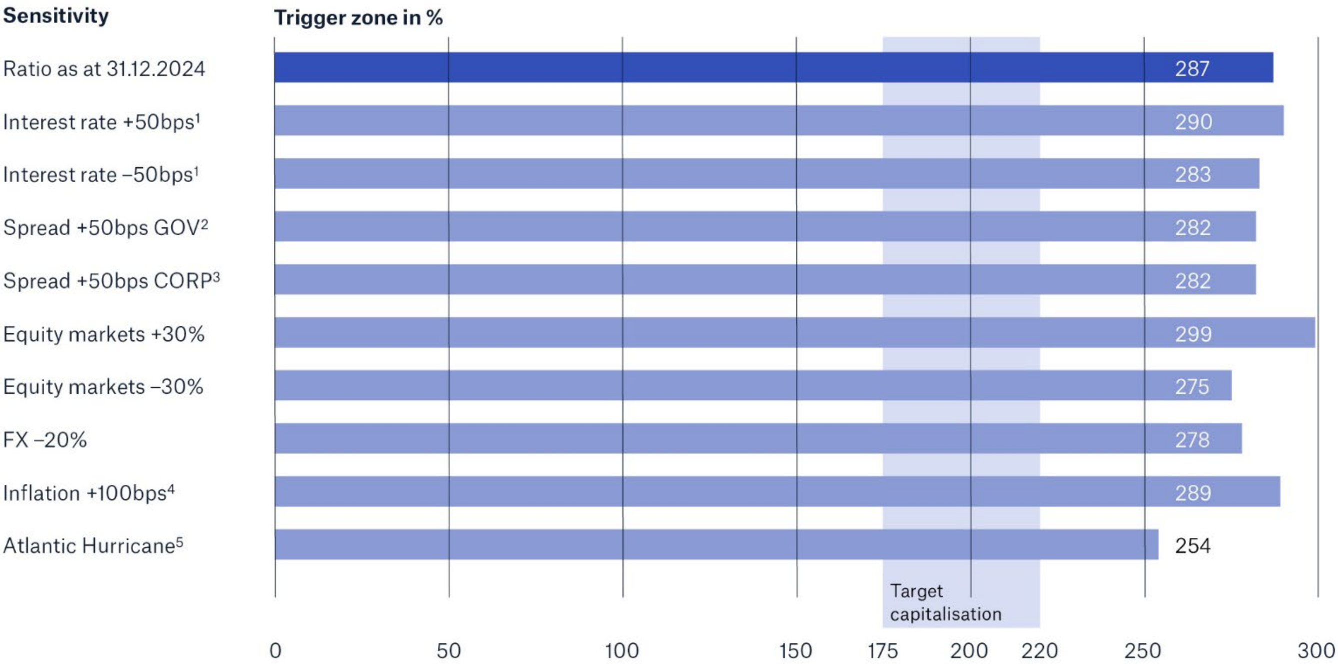
As part of the interest-rate benchmark reform (IBOR reform), existing IBOR benchmark interest rates and overnight interest rates are being reviewed and replaced by risk-free rates around the world. In the reporting period, financial instruments affected by the IBOR reform were of minor significance compared to previous years. The risks from the transition to the new interest rates had thus become immaterial.

52 Solvency II ratio – Sensitivity

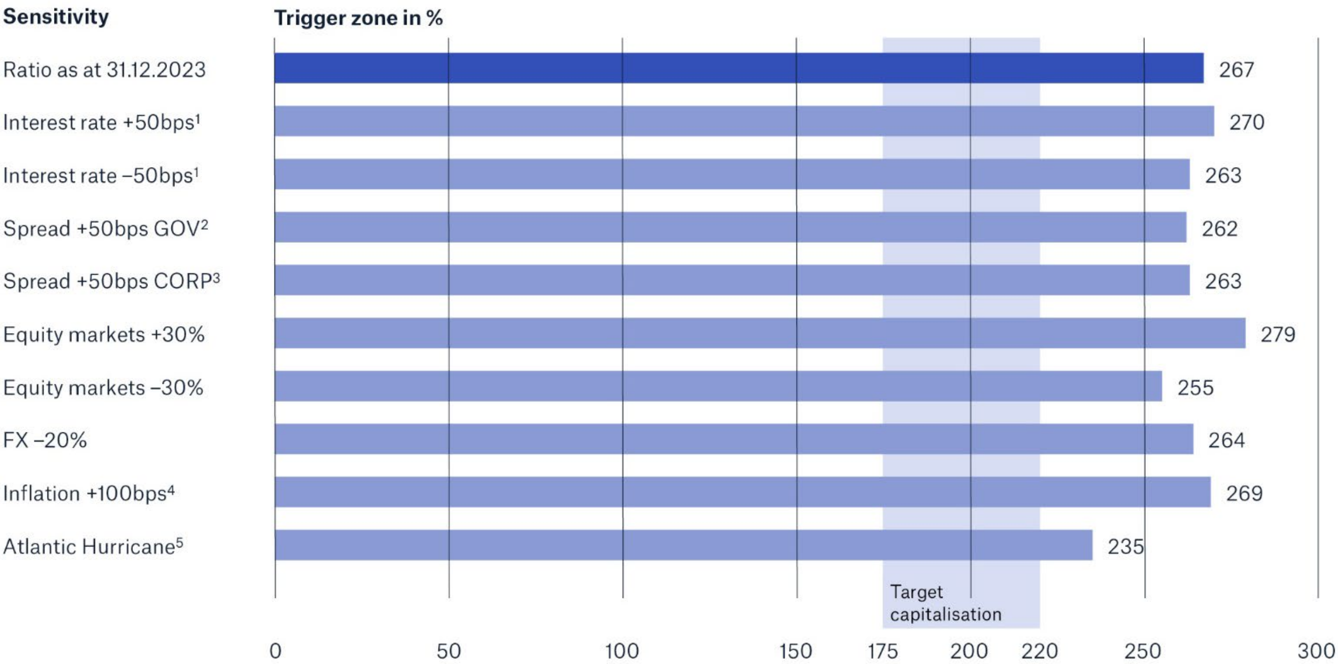
The sensitivities of the solvency ratio under Solvency II are a presentation of the insurance and market-risk sensitivities used by Munich Re for the internal control of these risks. We have therefore not calculated any specific sensitivities in relation to IFRS equity in accordance with IFRS 7 and IFRS 17.

We regularly determine how sensitively the basic own funds, the solvency capital requirement and ultimately also the solvency ratio react to strong changes in specific capital market parameters and in other defined stress scenarios. The impact of selected scenarios on the solvency ratio of Munich Re as at 31 December 2024 and in the previous year is shown in the charts below.

Solvency II ratio – Sensitivity



1 Parallel shift until last liquid point, extrapolation to unchanged ultimate forward rate (UFR).
2 Sensitivity to changes of government bonds +50 basis points.
3 Sensitivity to changes to corporate bonds +50 basis points.
4 Sensitivity to changes of the consumer price index (CPI) only, which can be hedged on the capital markets.
5 Based on 200-year event for basic own funds.



1 Parallel shift until last liquid point, extrapolation to unchanged ultimate forward rate (UFR).
2 Sensitivity to changes of government bonds +50 basis points.
3 Sensitivity to changes to corporate bonds +50 basis points.
4 Sensitivity to changes of the consumer price index (CPI) only, which can be hedged on the capital markets.
5 Based on 200-year event for basic own funds.

For selected Group companies, we take account of the volatility adjustment to the risk-free interest-rate curve in the basic case and the sensitivities depicted, but not the Solvency II transitional measures. The Atlantic Hurricane scenario is a 1-in-200-year loss of basic own funds. The ultimate forward rate is not adjusted for the risk-free interest-rate curve sensitivities.

For all evaluated sensitivities, Munich Re’s solvency ratio at Group level remains very comfortably above the target corridor of 175–220%. Overall, the results show a consistent picture compared to the previous year.

53 Disclosures on further risks from insurance contracts

Significant risks from the insurance contracts comprise underwriting risk, market risk, liquidity risk and default risk. These risks are described in detail under > Combined management report > Risk report.

We measure and manage underwriting risks, split into property-casualty and life and health, market risks and default risks associated with insurance contracts as part of credit risk using our full internal model, which calculates the capital requirements under Solvency II. Using diversification effects, this process also takes account of the interplay with other risks such as operational risks and asset-based risks.

Risk quantification based on solvency capital requirements (SCR)

	31.12.2024	Prev. year		Change
	€m	€m	€m	%
Property-casualty	12,559	12,411	148	1.2
Life and health	7,811	7,447	364	4.9
Market	9,468	8,279	1,189	14.4
Credit	4,052	4,309	–257	–6.0
Operational risk	1,630	1,627	3	0.2
Other[1]	899	915	–16	–1.8
Subtotal	**36,419**	**34,987**	**1,432**	**4.1**
Diversification effect	–13,174	–12,863	–311	2.4
Tax	–4,331	–4,151	–180	4.3
Total	**18,915**	**17,974**	**941**	**5.2**

1 Capital requirements for other financial sectors, e.g. institutions for occupational retirement provision.

Liquidity risks are not included when calculating the Solvency II capital requirements. We quantify our liquidity risks from insurance contracts based on maturity analyses of net cash flows and by monitoring the amounts payable on demand at short notice; see > Liquidity risk.

The disclosures below describe the individual characteristics of the risks in our life and health insurance business and in our property-casualty insurance business.

Underwriting risks

The particular underwriting risks in the life and health insurance business include biometric risk, lapse risk and accumulation risk. Biometric risks mainly relate to mortality, disability, morbidity and longevity. The biometric assumptions we use for measuring insurance contracts in our portfolios are regularly reviewed on the basis of updated portfolio information. Especially in primary insurance, this includes considering country-specific reviews by supervisory authorities. We also take account of market standards when checking the adequacy of biometric actuarial assumptions and the trend assumptions included in them. In reinsurance, a lapse risk also derives from the indirect transfer of lapse risks from cedants. As a rule, both this risk and the financial risk from extraordinary termination of reinsurance contracts are largely ruled out through appropriate contract design. The lapse risk in primary insurance is allowed for by means of appropriate liquidity planning and adequate calculation of the surrender value. Accumulation risk describes the situation of multiple risks being affected by the same loss event. In the context of our life and health insurance business, the accumulation risk includes the occurrence of a severe pandemic. We counter this risk by examining our overall exposure in detail using scenario analysis, and by deploying appropriate measures to manage the risks.

In property-casualty insurance business, underwriting risks include premium, reserve and accumulation risk. Premium risk is the risk of future claims payments relating to insured losses that have not yet occurred being higher than expected. Reserve risk relates to the liability for incurred claims, which is subject to the risk that actual claims settlement may be less than or exceed the amount reserved. The measurement of our liability for incurred claims and the corresponding run-off results are shown under > Accounting policies > Equity and liabilities > D Insurance contracts issued that are liabilities > Liability for incurred claims, and under > Notes to the consolidated balance sheet – Equity and liabilities > (28) Liability for incurred claims.

We define natural catastrophes as one of the greatest accumulation risks in property-casualty insurance business. To manage this underwriting risk, we develop well-founded scientific models that allow us to quantify occurrence probabilities and loss potentials.

Market risk

Our main market risk exposure with regard to our insurance liabilities is interest-rate risk. A distinction must be made between risks of changes in interest rates on the one hand and interest-rate guarantee risks on the other, with risks of changes in interest rates primarily affecting our life and health insurance business. Moreover, our segments are exposed to the risks of inflation.

Risks of changes in interest rates result from the discounting of the liability for remaining coverage and of the liability for incurred claims. Economically, an interest-rate risk derives in principle from the need to earn a return on the investments covering the liabilities that is commensurate with the discount rate used in measuring the liabilities. The interest-rate curves used for discounting are presented under > Notes on insurance contracts > (48) Yield curves for major currencies.

In life primary insurance, an implicit or explicit interest-rate guarantee is granted for the majority of contracts over their whole duration, based on a fixed interest rate applying at the time the contract is concluded. This exposes the insurance to an interest-guarantee risk. An appropriate minimum return needs to be earned in the long term from the investment result (possibly also with assistance from the insurance service result) for the contractually guaranteed services. Given that the investments, as a rule, have a shorter duration than the insurance commitments, there is a reinvestment risk. As regards premiums yet to be received, the investment of these amounts involves a certain amount of risk. Our life primary insurers take the capital market conditions into account in their asset-liability management. They address the attendant risks by pursuing an investment strategy that is geared to the long term and also comprises derivative financial instruments.

We take account of fluctuations in the interest-rate market and their effects on our long-term investment strategy involving derivative financial instruments in the context of our asset-liability management.

In long-term health primary insurance, a discount rate is also used for calculating the liability for remaining coverage. However, this rate can generally be altered by way of premium adjustment. For short-term business, there is no direct interest-rate risk. Other market risks are of particular importance to unit-linked life insurance policies and to the lump-sum option in the case of deferred annuity policies.

For the unit-linked life insurance contracts in our portfolio, the investments are held for the benefit of life insurance policyholders who bear the investment risk, meaning that there is no direct market risk. Appropriate product design ensures that the necessary premium portions for payment of a guaranteed minimum benefit on occurrence of death are based on the current fund assets.

The lump-sum option in the case of deferred annuity policies gives policyholders the option of having their annuity paid out in a single payment at a fixed date. As a result, there is a potential risk of an unexpectedly large number of policyholders exercising their option at an interest-rate level markedly higher than the discount rate used for the annuity calculation. But there is no direct interest-rate sensitivity or market sensitivity, since the exercise of the option by the policyholder is determined to a crucial extent by individual factors and relates to the insurance components.

Some primary insurance and reinsurance contracts contain derivative components of variable annuities. These are measured separately from the underlying contract and their changes in value are recognised in the result from insurance-related financial instruments. The valuation of these embedded derivatives is sensitive to share prices, exchange rates, commodity prices and interest rates, but these sensitivities are nearly fully compensated for by the fact that such derivatives are for the most part directly matched by derivative and non-derivative financial instruments for hedging purposes.

We take inflation-rate developments into consideration in our estimates of insurance liabilities by means of standard actuarial methods and our experience-based reserving approach.

Liquidity risk

For Munich Re, there could be a liquidity risk if the cash outflow for insurance claims payments and the costs related to the business were to exceed the cash inflow from premiums and investments. The tables below for life and health and for property-casualty insurance business respectively provide details of the expected future cash outflows for our insurance contracts issued that are liabilities and reinsurance contracts held that are liabilities. This year, we changed our analysis of the estimates of future cash flows based on when they are likely to fall due. Compared with the Group Annual Report 2023, the tables below show the present value of future net cash flows and not, as in the previous year, an analysis of the remaining undiscounted contractual net cash flows.

With these numerical estimates, it should be borne in mind that this forward-looking data may involve considerable uncertainty.

Maturity analysis of the expected discounted future net cash flows in life and health insurance business

								2024
€m	≤ 1 year	> 1 year and ≤ 2 years	> 2 years and ≤ 3 years	> 3 years and ≤ 4 years	> 4 years and ≤ 5 years	> 5 years and ≤ 10 years	> 10 years	Total
Insurance contracts issued that are liabilities	4,659	4,773	3,495	3,508	3,657	17,050	79,769	116,909
Reinsurance contracts held that are liabilities	44	7	6	5	8	38	41	149
Total	**4,703**	**4,780**	**3,501**	**3,513**	**3,665**	**17,087**	**79,810**	**117,058**

								Prev. year
€m	≤ 1 year	> 1 year and ≤ 2 years	> 2 years and ≤ 3 years	> 3 years and ≤ 4 years	> 4 years and ≤ 5 years	> 5 years and ≤ 10 years	> 10 years	Total
Insurance contracts issued that are liabilities	5,622	5,441	4,058	3,809	3,657	17,877	79,631	120,095
Reinsurance contracts held that are liabilities	21	8	8	7	6	21	16	88
Total	**5,642**	**5,449**	**4,066**	**3,816**	**3,663**	**17,898**	**79,648**	**120,182**

Maturity analysis of the expected discounted future net cash flows in property-casualty insurance business

								2024
€m	≤ 1 year	> 1 year and ≤ 2 years	> 2 years and ≤ 3 years	> 3 years and ≤ 4 years	> 4 years and ≤ 5 years	> 5 years and ≤ 10 years	> 10 years	Total
Insurance contracts issued that are liabilities	31,537	14,623	9,512	6,404	4,377	8,551	3,459	78,463
Reinsurance contracts held that are liabilities	171	1	1	0	0	3	0	177
Total	**31,708**	**14,625**	**9,513**	**6,405**	**4,377**	**8,553**	**3,460**	**78,640**

								Prev. year
€m	≤ 1 year	> 1 year and ≤ 2 years	> 2 years and ≤ 3 years	> 3 years and ≤ 4 years	> 4 years and ≤ 5 years	> 5 years and ≤ 10 years	> 10 years	Total
Insurance contracts issued that are liabilities	28,935	13,364	8,401	5,767	3,995	7,906	3,483	71,851
Reinsurance contracts held that are liabilities	218	2	7	6	2	4	1	241
Total	**29,153**	**13,365**	**8,408**	**5,774**	**3,997**	**7,910**	**3,484**	**72,091**

The amounts from portfolios of insurance contracts issued that are liabilities and that are payable on demand primarily include surrender values in German life primary insurance. In the ERGO Life and Health Germany and ERGO International segments, the amounts from insurance contracts issued that are liabilities and that are payable on demand come to €52,979m (52,793m) in the current financial year. We report a carrying amount of €74,126m (74,369m) for the corresponding contract portfolios that are liabilities.

Amounts payable on demand from portfolios of insurance contracts issued that are liabilities come to €320m (189m) in the property-casualty reinsurance segment in the current financial year. We report a carrying amount of €20,765m (18,794m) for the corresponding contract portfolios that are liabilities. These amounts payable on demand largely result from reinsurance contracts where the cedant is entitled to have the claims deposit paid out.

Default risks

We determine the amount of all cash flows arising from insurance contracts that are subject to default risk from the expected present values of the cash inflows for insurance contracts issued and for reinsurance contracts held, respectively.

It should be noted that these are shown without the corresponding outflows. Netting agreements and cancellations permitted due to the deterioration in creditworthiness counteract the credit default and significantly reduce the actual credit default risk.

Any shortfall in future cash flows generally means a reduction in the contractual service margin.

The information on the credit quality of the present value of future cash inflows from reinsurance contracts held that are assets is based on the counterparty's rating by the leading international rating agencies. If more than one rating is available from different rating agencies, we use the second-highest rating for the overall assessment of the counterparty's expected inflows.

Present value of future cash inflows from insurance contracts

€m	31.12.2024	Prev. year
Present value of future cash inflows from insurance contracts issued	378,922	358,589
Present value of future cash inflows from reinsurance contracts held	7,339	7,190
Present value of future cash inflows from reinsurance contracts held that are assets	5,972	5,782
According to rating		
AAA	16	14
AA	840	808
A	2,038	1,835
BBB and lower	452	367
No rating available	2,627	2,759

The high present value of future cash inflows from insurance contracts issued is due to the long contract terms in connection with the high premium volumes in reinsurance business.

Other information

54 Parent

The Group parent is Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (Munich Reinsurance Company Joint-Stock Company in Munich), Königinstrasse 107, 80802 München.

Its registered seat is Munich, Germany (commercial register number: HRB 42039, Registrar of Companies: Local Court [Amtsgericht] in Munich).

In addition to its function as a reinsurer, the parent also fulfils the function of holding company for the Group.

55 Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG)

In November 2024, the Board of Management and Supervisory Board of Munich Reinsurance Company published the most recent version of its Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG), and made this Declaration permanently available to shareholders at www.munichre.com/cg-en.

56 Related parties

Information on the remuneration of Board members and transactions with these persons can be found at www.munichre.com/board-of-management and in this chapter under > (59) Remuneration of the Board of Management and Supervisory Board.

Transactions between Munich Reinsurance Company and subsidiaries that are to be deemed related parties have been eliminated in consolidation and are not disclosed in the Notes to the consolidated financial statements. Business relations with unconsolidated subsidiaries are of subordinate importance as a whole; this also applies to business relations with associates and joint ventures.

Munich Re's company pension obligations are implemented by several external entities; these entities are deemed related parties under IAS 24. Munich Reinsurance Company has established a contractual trust arrangement in the form of a two-way trust for its unfunded company pension obligations. In this regard, Münchener Rückversicherungs-Gesellschaft Pensionstreuhänder e. V. is deemed a related party under IAS 24. Contributions to it are used for defined contribution plans and defined benefit plans. Münchener Rück Versorgungskasse is also considered a related party in accordance with IAS 24. Contributions to the pension scheme are recognised as expenses for defined contribution plans. For further information on Munich Re's pension commitments, see the > Notes to the consolidated balance sheet – Equity and liabilities > (29) Other provisions.

For transactions of related parties with Munich Reinsurance Company shares, please refer to the > Notes to the consolidated balance sheet – Equity and liabilities > (24) Equity.

57 Personnel expenses

Personnel expenses are broken down as follows:

Breakdown of personnel expenses

€m	2024	Prev. year
Wages and salaries	–3,971	–3,813
Social security contributions and employee assistance	–676	–617
Expenses for employees' pensions	–241	–238
Total	**–4,888**	**–4,668**

58 Incentive plans

Long-term incentive plans

Since 1 January 2020, the companies pertaining to the reinsurance field of business have set up long-term incentive plans, which are based on uniform principles for eligible staff members worldwide. They largely correspond to the multi-year bonus plans of the members of the Board of Management, which are described in the remuneration report and are available at www.munichre.com/board-of-management.

59 Remuneration of the Board of Management and Supervisory Board

Remuneration of the Board of Management pursuant to IAS 24

€m	31.12.2024	Prev. year
Short-term employee benefits (Basic remuneration, fringe benefits, annual bonus, in the reporting year: compensation for forfeiting variable remuneration components payable by a previous employer)	30.5	26.4
Post-employment benefits (Pension contribution and service costs)	4.1	3.7
Other long-term employee benefits (Multi-year bonus)	12.7	10.3
Total	**47.3**	**40.4**

The members of Munich Reinsurance Company's Board of Management received total remuneration (short-term employee benefits and other long-term employee benefits) totalling €43.2m (36.7m); this includes remuneration amounting to €1.6m (0m) paid to a Board of Management member for the forfeited variable remuneration from their previous employer as well as compensation in the amount of €5.4m (4.7m) paid to two members of the Board by affiliated companies for services performed there. Post-employment benefits in the reporting year totalled €4.1m (3.7m). The total remuneration of Munich Reinsurance Company's Supervisory Board amounted to €3.3m (3.2m), the entirety of which comprised short-term employee benefits; included in this figure is €0.1m (0.1m) for membership of supervisory boards at other Group companies.

Payments to retired members of the Board of Management or their surviving dependants totalled €13.7m (14.3m).

Former members of the Board of Management did not accrue any further pension entitlements with an impact on personnel expenses. After deducting plan assets for existing pension commitments held by a separate entity (under a contractual trust arrangement), there were no surplus pension provisions or provisions for comparable benefits for retired members of the Board of Management or their surviving dependants. The amount of the liability is €125.7m (131.0m).

For former members of the Supervisory Board or their surviving dependants, no pension obligations arose from Supervisory Board membership.

The members of the Supervisory Board and Board of Management did not receive any cash advances or loans in the year under review. For their service as employees of the Group, Supervisory Board members received remuneration in the amount of €1.3m (1.3m). Some Board members hold insurance policies with companies belonging to Munich Re, and have small MEAG fund holdings. There were no other significant transactions between Board members and Munich Re.

All other disclosures on the structure of the remuneration system and the remuneration report of the Board of Management and Supervisory Board are available at www.munichre.com/board-of-management and www.munichre.com/supervisory-board. Information on the share ownership of the members of the Board of Management can be found in the remuneration report and at www.munichre.com/board-of-management/shares-held.

60 Number of staff

The number of staff at year-end totalled 19,123 (18,896) in Germany and 24,461 (23,916) in other countries.

The figures include the number of staff at our consolidated subsidiaries.

Breakdown of number of staff

	31.12.2024	Prev. year
Reinsurance	16,439	16,146
ERGO	27,145	26,666
Total	**43,584**	**42,812**

61 Auditor's fees

For services rendered to the parent and consolidated subsidiaries by the Group auditor (EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft), the following fees – in line with IDW RS HFA 36 – were recognised as an expense in the financial year:

Breakdown of auditor's fees

€m	2024
Audit services	–11.8
Other assurance and appraisal services	–2.4
Tax consultancy services	0.0
Other services	–1.3
Total	**–15.6**

The auditor's fees are mainly attributable to the statutory audits of the consolidated financial statements and the annual financial statements of Munich Reinsurance Company, and to various audits of our subsidiaries' annual financial statements, including statutory extensions of the audit assignment (in particular the audit of the solvency balance sheet). Additional auditing services included reviews of interim financial statements, voluntary audits of annual financial statements, project-related IT audits, and contractual reviews of service providers' internal control systems.

Other assurance and appraisal services concern statutory, contractual, or other audit and consulting services, including assurance and appraisal services rendered to the statutory protection fund for life insurance, the audit of a combined non-financial statement and the provision of a comfort letter in connection with the issuance of a bond.

Other services essentially related to quality assurance support in connection with the introduction of regulatory requirements based on solutions and concepts we developed.

Taking the international EY network companies into account, the auditor's fees amounted to €25.8m (30.8m). Other assurance and appraisal services totalled €3.2m (1.7m) and other services came to €1.4m (1.1m). No tax consultancy services were performed.

62 Contingent liabilities, other financial commitments

Munich Re enters into contingent liabilities in connection with its normal business operations. As at the reporting date, obligations from guarantees amounted to €16m (15m). The obligations from legal disputes totalled €1m (4m). Other contingent liabilities amounted to €1m (1m).

Like the evaluation process for other provisions, the assessment is made by experts in the affected units on the basis of the best estimate. Contingent liabilities are disclosed if there is only a potential obligation or there is a present obligation for which it is, however, deemed unlikely that an outflow of resources will occur, or it is not possible to make a sufficiently reliable estimate of the amount of the obligation.

ERGO companies have assumed unlimited liability for the sale of insurance products by insurance intermediaries acting exclusively on their behalf. In this respect, there is a risk of a claim being made by customers. In case of a claim, there is generally a possibility of recourse against the insurance intermediary or the latter's fidelity guarantee insurance carrier.

The application of fiscal regulations may yet be unresolved at the time of calculation of tax refund claims and tax liabilities. The calculation of tax items is based on the regulations most likely to be applied in each case. Regardless of this, the tax authorities may take a different view, which may give rise to additional tax liabilities.

In accordance with the German Insurance Supervision Act (VAG), all German life and health insurers of our Group are obliged to be members of a protection fund. For life insurers, the protection fund can levy special contributions of up to one per mille of total net technical provisions, in addition to a regular contribution of 0.2 per mille of total net technical provisions. For the health insurers, there is no pre-financing, but the fund may levy special contributions of up to two per mille of net technical provisions to fulfil its functions. This could give rise to a potential payment obligation of €167m (159m) at Group level. The functions and powers of the statutory protection fund for life insurance rest with Protektor Lebensversicherungs-AG, and those of the statutory protection fund for health insurance with Medicator AG.

Munich Re is a member of the German Nuclear Reactor Insurance Association (DKVG) and the Pharma Reinsurance Community. If another member of these pools is not able to meet their payment obligations, we may be held liable for a proportional share of their obligations. However, we consider the risk of such a liability arising to be remote.

Besides this, Munich Re has entered into various other financial obligations amounting to €831m (1,429m) for work and service contracts – and €5,323m (2,667m) for investment obligations, of which €0m (9m) is from our investments in joint ventures. There are other financial commitments amounting to €12m (13m).

Munich Re has no other financial commitments of significance for the assessment of its financial position. No contingent liabilities have been entered into for the benefit of Board members.

63 Significant restrictions

Regulatory, legal or contractual restrictions and protective rights of non-controlling interests may restrict the Group's ability to access or use assets, and settle liabilities.

The carrying amounts of Group assets with restrictions on title can be found in the > Notes to the consolidated balance sheet – Assets. The restrictions primarily result from contractual agreements, including pledged securities deposits to collateralise payment obligations from insurance business, the collateralisation of derivative transactions with securities and cash collateral or of bank liabilities with non-financial assets.

Individual national regulations require that assets held to cover insurance liabilities be managed separately. Generally there are special supervisory regulations governing access to these assets and their use.

In addition, we are subject to supervisory requirements that may restrict dividend payments or other capital distributions, loans and advance payments within the Group.

Due to supervisory requirements concerning equity, our subsidiaries Munich American Reassurance Company and Munich Reinsurance America Inc. can currently only pay dividends or transfer capital to the parent company with the approval of the competent US regulatory authority.

64 Leases

The right-of-use assets and lease liabilities associated with our leases can be found in the > Notes to the consolidated balance sheet – Assets > (23) Other assets, and in the > Notes to the consolidated balance sheet – Equity and liabilities > (31) Liabilities from financing activities.

Short-term leases with terms shorter than 12 months (and no purchase option) and leases for which the underlying asset is of low value are not recognised. Instead they are recognised through profit or loss as an expense of €2m (1m).

Munich Re also acts as the lessor. Operating leases mainly involve leased property.

Future minimum lease payments under operating leases

€m	31.12.2024	Prev. year
≤ 1 year	258	366
> 1 year and ≤ 5 years	740	1,097
> 5 years	691	1,118
Total	**1,689**	**2,581**

There were several finance leases for property at the end of the reporting period, which are listed in the table below:

Due dates

	31.12.2024			Prev. year		
€m	Gross investment	Interest element	Net investment	Gross investment	Interest element	Net investment
Minimum lease payments ≤ 1 year	13	4	9	1	0	0
Minimum lease payments > 1 year and ≤ 5 years	13	2	11	5	1	4
Minimum lease payments > 5 years	67	55	13	72	55	17
Total minimum lease payments	**93**	**60**	**33**	**78**	**57**	**21**
Unguaranteed residual values	41	28	13	41	28	14
Total	**135**	**89**	**46**	**119**	**84**	**35**

65 Events after the balance sheet date

Although it is not yet possible to accurately estimate the losses caused by the devastating wildfires in Los Angeles in January 2025, they were clearly the most substantial wildfire losses in the history of the insurance industry. Munich Re anticipates claims expenditure here to total about €1.2bn for property-casualty reinsurance and Global Specialty Insurance. At this early stage, this estimate is subject to a high degree of uncertainty owing to the complexity of the losses incurred.

On 3 February 2025, Munich Reinsurance Company took over the entire life and health insurance business of the Canadian branch of a US-based insurance company via its Canadian branch by acceding to a reinsurance contract. The estimated effect of this portfolio transfer on the contractual service margin upon initial recognition is €0.4bn.

In connection with the share buy-back programme adopted by the Board of Management of Munich Reinsurance Company in February 2024, we repurchased a further 633,449 shares valued at €331m between the reporting date and the end of February 2025.

Munich Reinsurance Company initiated a share buy-back programme in February 2025. By the Annual General Meeting on 29 April 2026, own shares up to a value of €2.0bn (excluding incidental expenses) are to be bought back.

66 Earnings per share

There were no diluting effects to be disclosed for the calculation of earnings per share either in the financial year or in the previous year. Earnings per share can potentially be diluted in future through the issue of shares or subscription rights from amounts authorised for increasing the share capital and from contingent capital.

Earnings per share

		2024	Prev. year
Net result attributable to Munich Reinsurance Company equity holders	€m	5,685	4,606
Weighted average number of outstanding shares		132,886,198	135,976,812
Earnings per share	**€**	**42.78**	**33.88**

The number of outstanding shares decreased by 3,193,396 (3,043,376) over the course of the 2024 financial year owing to the share buy-back programme.

67 Proposal for appropriation of profit

Munich Reinsurance Company's net retained profits for 2024 according to its financial statements prepared on the basis of German GAAP accounting amounted to €2,628,128,220.00. The Board of Management will propose that these net retained profits be used for payment of a dividend of €20.00 per dividend-bearing share, with the remaining amount being carried forward.

List of shareholdings as at 31 December 2024 pursuant to Section 313(2) of the German Commercial Code (HGB)

The following disclosures relate to our aggregated directly and indirectly held shareholdings (pursuant to Section 16(2) and (4) of the German Stock Corporation Act – AktG) in entities included in consolidation pursuant to Section 315e of the German Commercial Code, and in participating interests as defined in Section 271(1) of the German Commercial Code.

Company and registered seat	% share of capital
Consolidated subsidiaries	
13th & F Associates Limited Partnership, Washington, D.C.[1]	100.0000
40 Courcelles SAS, Paris	100.0000
320 Park Avenue Associates LLC, Dover, Delaware	100.0000
320 Park Avenue Holdings LLC, Wilmington, Delaware	100.0000
320 Park Avenue LLC, Wilmington, Delaware	100.0000
330 Madison Associates LLC, Dover, Delaware	100.0000
330 Madison Holdings LLC, Dover, Delaware	100.0000
1440 New York Ave. Associates LP, Dover, Delaware[1]	100.0000
Adelfa Servicios a Instalaciones Fotovoltaicas S.L., Santa Cruz de Tenerife	100.0000
AGRA Gesellschaft für landwirtschaftliche Entwicklung und Beteiligung GmbH, Berlin	100.0000
ALLYSCA Assistance GmbH, Munich	100.0000
American Alternative Insurance Corporation, Wilmington, Delaware	100.0000
American Family Home Insurance Company, Jacksonville, Florida	100.0000
American Modern Home Insurance Company, Amelia, Ohio	100.0000
American Modern Insurance Group Inc., Amelia, Ohio	100.0000
American Modern Lloyds Insurance Company, Dallas, Texas	100.0000
American Modern Property & Casualty Insurance Company, Amelia, Ohio	100.0000
American Modern Select Insurance Company, Amelia, Ohio	100.0000
American Southern Home Insurance Company, Jacksonville, Florida	100.0000
American Western Home Insurance Company, Oklahoma City, Oklahoma	100.0000
ATU Landbau GmbH & Co. KG, Munich	94.9000
Avenida Miguel Bombarda 4, S.A, Lisbon	100.0000
Bagmoor Holdings Limited, London	100.0000
Bagmoor Wind Limited, London	100.0000
Beehive Demetra Limited, Christchurch	100.0000
Bell & Clements (London) Ltd., London	100.0000
Bell & Clements (USA) Inc., Wilmington, Delaware	100.0000
Bell & Clements Inc., Herndon, Virginia	100.0000
Bell & Clements Ltd., London	100.0000
Boylston Street Associates LLC, Wilmington, Delaware	100.0000
Bridgeway Insurance Company, Dover, Delaware	100.0000
Cardea Silva I LP, Wilmington, Delaware	100.0000
CBIG – Canadian Benefits Investment & Insurance Group Inc., Vancouver, British Columbia	67.4946
CBIG Investments Inc., Vancouver, British Columbia	100.0000
CBIG Mortgage Group Ltd., Vancouver, British Columbia	100.0000
Ceres Demetra GmbH, Munich	100.0000
Chinook Silva LLC, Wilmington, Delaware	100.0000
CITY OFFICE S.A., Brussels	100.0000
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2019-40, Wilmington, Delaware	95.0000
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2019-47, Wilmington, Delaware	95.0000
Corion Pty Ltd, Sydney	100.0000
Cornwall Power (Polmaugan) Limited, London	100.0000
Countryside Renewables (Forest Heath) Limited, London	100.0000
D.A.S. Société anonyme belge d'assurances de Protection Juridique, Brussels	100.0000
Dansk Demetra ApS, Frederiksberg C	100.0000
DAS Holding N.V., Amsterdam	51.0000
DAS Legal Services B.V., Amsterdam	100.0000
DAS Nederlandse Rechtsbijstand Verzekeringmaatschappij N.V., Amsterdam	100.0000
Digital Advantage Insurance Company, Dover, Delaware	100.0000
DKV Belgium S.A., Brussels[12]	100.0000
DKV Deutsche Krankenversicherung Aktiengesellschaft, Cologne	100.0000
DKV Erste Real Estate GmbH & Co. KG, Düsseldorf	100.0000
DKV Pflegedienste & Residenzen GmbH, Cologne	100.0000
DKV Seguros y Reaseguros S.A. Española, Saragossa	100.0000
DKV Servicios S.A., Saragossa	100.0000
DKV Zweite Real Estate GmbH & Co. KG, Düsseldorf	100.0000
DMI Disability Management Institute Inc., Vancouver, British Columbia	100.0000
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I4D), Luxembourg	100.0000
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I6D o.N.), Luxembourg	100.0000
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I7D o.N.), Luxembourg	100.0000
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I8D o.N.), Luxembourg	100.0000
E&S Claims Management Inc., Herndon, Virginia	100.0000
EIG Co., Wilmington, Delaware	100.0000
ERGO Austria International AG, Vienna	100.0000
ERGO Beratung und Vertrieb AG, Düsseldorf	100.0000
ERGO Danismanlik A.S., Istanbul	100.0000
ERGO Deutschland AG, Düsseldorf	100.0000
ERGO Direkt AG, Fürth	100.0000
ERGO DIREKT Versicherung AG, Fürth	100.0000
ERGO Elfte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000
ERGO Forsikring AS, Oslo	100.0000
ERGO Fund I LP, Dover, Delaware[1]	100.0000
ERGO Generales Seguros y Reaseguros S.A., Madrid	100.0000
ERGO Group AG, Düsseldorf	100.0000
ERGO Grundstücksverwaltung GbR, Düsseldorf[1]	100.0000
ERGO Insurance (Thailand) Public Co. Ltd., Bangkok	86.9039
ERGO Insurance Company Single Member S.A., Athens	100.0000
ERGO Insurance N.V., Brussels	100.0000
ERGO Insurance Pte. Ltd., Singapore	100.0000

Company and registered seat	% share of capital
ERGO Insurance SE, Tallinn[12]	100.0000
ERGO International Aktiengesellschaft, Düsseldorf	100.0000
ERGO Invest SIA, Riga	100.0000
ERGO Krankenversicherung AG, Fürth	100.0000
ERGO Lebensversicherung Aktiengesellschaft, Hamburg	100.0000
ERGO Life Insurance SE, Vilnius	100.0000
ERGO Life S.A., Grevenmacher	100.0000
ERGO Neunte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000
ERGO Pensionsfonds Aktiengesellschaft, Düsseldorf	100.0000
ERGO Pensionskasse AG, Düsseldorf	100.0000
ERGO Private Capital Dritte GmbH & Co. KG, Düsseldorf	100.0000
ERGO Private Capital ERGO Leben GmbH, Düsseldorf	100.0000
ERGO Private Capital Gesundheit GmbH, Düsseldorf	100.0000
ERGO Private Capital Komposit GmbH & Co. KG, Düsseldorf	100.0000
ERGO Private Capital Pensionskasse GmbH, Düsseldorf	100.0000
ERGO Private Capital Victoria Leben GmbH, Düsseldorf	100.0000
ERGO Private Capital Vierte GmbH & Co. KG, Düsseldorf	100.0000
ERGO Private Capital Vorsorge GmbH, Düsseldorf	100.0000
ERGO Private Capital Zweite GmbH & Co. KG, Düsseldorf	100.0000
ERGO Reiseversicherung AG, Munich	100.0000
ERGO Sechzehnte Beteiligungs-AG, Munich	100.0000
ERGO SU Erste Real Estate GmbH & Co.KG, Düsseldorf	100.0000
ERGO Technology & Services Management AG, Düsseldorf	100.0000
ERGO Technology & Services S.A., Gdańsk	100.0000
ERGO Versicherung Aktiengesellschaft, Düsseldorf	100.0000
ERGO Versicherung Aktiengesellschaft, Vienna	100.0000
ERGO Vida Seguros y Reaseguros S.A., Saragossa	100.0000
ERGO Vorsorge Lebensversicherung AG, Düsseldorf	100.0000
ERV Evropská pojišťovna a.s., Prague	100.0000
Euro-Center Holding SE, Prague	83.3333
Europaeiske Rejseforsikring A/S, Copenhagen	100.0000
Faunus Silva LLC, Wilmington, Delaware	100.0000
Flexitel Telefonservice GmbH, Berlin	100.0000
Forst Ebnath GmbH, Ebnath	100.0000
FOTOUNO S.r.l., Brixen	100.0000
FOTOWATIO ITALIA GALATINA S.r.l., Brixen	100.0000
FREE MOUNTAIN SYSTEMS S.L., Madrid	100.0000
FS Louisiana I LLC, Wilmington, Delaware	100.0000
FS Louisiana II LLC, Wilmington, Delaware	100.0000
FS San Augustine LLC, Wilmington, Delaware	100.0000
Fundo Invest Exclusivo referenciado di Munich Re Brasil, São Paulo[4]	100.0000
FW Żary Sp.z.o.o., Warsaw	100.0000
Gaucheret S.A., Ixelles	100.0000
GHGH Holdings Inc., Vancouver, British Columbia	100.0000
Global Standards LLC, Dover, Delaware	100.0000
Great Lakes Insurance SE, Munich	100.0000
Great Lakes Insurance UK Limited, London	100.0000
GroupHEALTH Global Benefit Systems Inc., Vancouver, British Columbia	100.0000
GroupHealth Northern Partners Inc., Vancouver, British Columbia	100.0000
GroupSource GP Inc., Vancouver, British Columbia	100.0000
GroupSource Limited Partnership, Calgary, Alberta[1]	100.0000
Groves, John & Westrup Limited, Liverpool	100.0000
Habiriscos – Investimentos Imobiliários, S.A., Lisbon	100.0000
Haley Silva LP, Wilmington, Delaware	100.0000
Hartford Steam Boiler (M) SDN BHD, Kuala Lumpur	100.0000
Hartford Steam Boiler (Singapore) Pte. Ltd., Singapore	100.0000
Hartford Steam Boiler International GmbH, Rheine	100.0000
Hartford Steam Boiler Ireland Limited, Dublin	100.0000
HMV GFKL Beteiligungs GmbH, Düsseldorf	100.0000
Houten Property B.V., Amsterdam	100.0000
HSB Brasil Servicos de Engenharia e Inspecao Ltda, São Paulo	100.0000
HSB Engineering Finance Corporation, Dover, Delaware	100.0000
HSB Engineering Insurance Limited, Manchester	100.0000
HSB Engineering Insurance Services Limited, London	100.0000
HSB Fund I LP, Dover, Delaware[1]	100.0000
HSB Group Inc., Dover, Delaware	100.0000
HSB International (India) Private Limited, Vadodara	100.0000
HSB Japan K.K., Tokyo	100.0000
HSB Secure Services Inc., Hartford, Connecticut	100.0000
HSB Solomon Associates Canada Ltd., Saint John, New Brunswick	100.0000
HSB Solomon Associates LLC, Dover, Delaware	100.0000
HSB Specialty Insurance Company, Hartford, Connecticut	100.0000
HSB Technical Consulting & Service (Shanghai) Co. Ltd., Shanghai	100.0000
Ibero Property Portugal – Investimentos Imobiliários S.A., Lisbon	100.0000
IDEENKAPITAL GmbH, Düsseldorf	100.0000
IDEENKAPITAL Metropolen Europa GmbH & Co. KG, Düsseldorf	72.3477
iii-Fonds VICTORIA Lebensversicherung, Munich[4]	100.0000
IK Einkauf Objekt Eins GmbH & Co. KG, Düsseldorf	100.0000
IK Einkauf Objektmanagement GmbH, Düsseldorf	100.0000
IK Einkaufsmärkte Deutschland GmbH & Co. KG, Düsseldorf	52.0867
IK Premium Fonds GmbH & Co. KG, Düsseldorf	100.0000
IKFE Properties I AG, Zurich	70.6948
Imofloresmira – Investimentos Imobiliários S.A., Lisbon	100.0000
ITERGO Informationstechnologie GmbH, Düsseldorf	100.0000
ITERGO Service GmbH, Düsseldorf	100.0000
K & P Pflegezentrum Uelzen IMMAC Renditefonds GmbH & Co. KG, Düsseldorf	85.5944
KA Köln.Assekuranz Agentur GmbH, Cologne	100.0000
KS SPV 23 Limited, London	100.0000
Laren Silva I LP, Wilmington, Delaware	100.0000
Laurel Preston Hollow Associates LLC, Wilmington, Delaware	100.0000
LEGIAL AG, Munich	100.0000
Liberty Warehouse Associates LLC, Wilmington, Delaware	100.0000
Lietuva Demetra GmbH, Munich	100.0000
Lloyds Modern Corporation, Dallas, Texas	100.0000
Longial GmbH, Düsseldorf	100.0000
Lynt Farm Solar Limited, London	100.0000
MAGAZ FOTOVOLTAICA S.L.U., Alcobendas	100.0000
Manion Wilkins & Associates Ltd., Toronto, Ontario	64.7406
MD Insurance Services Limited, Birkenhead	100.0000
MD Remedial Contractors Limited, Birkenhead	100.0000
MD Warranty Inspection Services Limited, Birkenhead	100.0000
MD Warranty Support Services Limited, Birkenhead	100.0000
MEAG Ambition, Munich[4]	100.0000
MEAG Anglo Celtic Fund, Munich[4]	100.0000
MEAG ATLAS, Munich[4]	100.0000
MEAG Benedict, Munich[4]	100.0000
MEAG Cash Management GmbH, Munich	100.0000
MEAG EDK Quantum, Munich[4]	100.0000
MEAG EDL CurryGov, Munich[4]	100.0000
MEAG EDS AGIL, Munich[4]	100.0000

Company and registered seat	% share of capital
MEAG ESUS 1, Munich[4]	100.0000
MEAG EUR Global 1, Munich[4]	100.0000
MEAG Euro 1, Munich[4]	100.0000
MEAG Euro 2, Munich[4]	100.0000
MEAG EURO-FONDS, Munich[4]	100.0000
MEAG European Prime Opportunities, Munich[4]	56.6867
MEAG Eurostar, Munich[4]	100.0000
MEAG EURO-Yield, Munich[4]	100.0000
MEAG FlexConcept – Basis, Luxembourg[4]	100.0000
MEAG FlexConcept – Eurobond, Luxembourg[4]	100.0000
MEAG FlexConcept – Wachstum, Luxembourg[4]	100.0000
MEAG GBP Global-STAR, Munich[4]	100.0000
MEAG German Prime Opportunities (GPO), Munich[4]	100.0000
MEAG HBG 1, Munich[4]	100.0000
MEAG HM Sach Rent 1, Munich[4]	100.0000
MEAG HMR 1, Munich[4]	100.0000
MEAG HMR 2, Munich[4]	100.0000
MEAG Hyperion Fund, Munich[4]	100.0000
MEAG IREN, Munich[4]	100.0000
MEAG Kapital 2, Munich[4]	100.0000
MEAG Kubus 1, Munich[4]	100.0000
MEAG Lambda EUR EM Local, Grünwald[4]	100.0000
MEAG Lambda EUR, Grünwald[4]	100.0000
MEAG Lambda GBP, Grünwald[4]	100.0000
MEAG Lambda USD, Grünwald[4]	100.0000
MEAG Multi Life, Munich[4]	100.0000
MEAG MUNICH ERGO AssetManagement GmbH, Munich	100.0000
MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, Munich	100.0000
MEAG Munich Re Placement, Grünwald[4]	100.0000
MEAG New York Corporation, Dover, Delaware	100.0000
MEAG NOVUS, Munich[4]	100.0000
MEAG PEGASUS, Munich[4]	100.0000
MEAG Pension Invest, Munich[4]	100.0000
MEAG Pensionskasse Nord, Munich[4]	100.0000
MEAG Pensionskasse West, Munich[4]	100.0000
MEAG PREMIUM, Munich[4]	100.0000
MEAG Prof III Beteiligungsgesellschaft mbH, Munich	100.0000
MEAG Property Fund I, Munich[4]	100.0000
MEAG Property Fund III, Munich[4]	100.0000
MEAG RenditePlus, Munich[4]	100.0000
MEAG SPECTRUM, Munich[4]	100.0000
MEAG VISION, Munich[4]	100.0000
MEAG VLA, Munich[4]	100.0000
MedNet Holding GmbH, Munich	100.0000
MedVirginia Inc., Dover, Delaware	100.0000
Meshify Inc., Dover, Delaware	100.0000
Midland-Guardian Co., Amelia, Ohio	100.0000
Mielikki Silva Ky, Helsinki	100.0000
MR Bazos LP, Dover, Delaware[1]	100.0000
MR Beteiligungen 1. GmbH, Munich	100.0000
MR Beteiligungen 2. EUR AG & Co. KG, Grünwald[2]	100.0000
MR Beteiligungen 2. GmbH, Munich[3]	100.0000
MR Beteiligungen 3. EUR AG & Co. KG, Grünwald[2]	100.0000
MR Beteiligungen 18. GmbH & Co. 2. Real Estate KG, Grünwald[2]	100.0000
MR Beteiligungen 18. GmbH & Co. 3. Real Estate KG, Grünwald[2]	100.0000
MR Beteiligungen 18. GmbH & Co. 4. Real Estate KG, Grünwald[2]	100.0000
MR Beteiligungen 18. GmbH & Co. Immobilien KG, Grünwald[2]	100.0000

Company and registered seat	% share of capital
MR Beteiligungen 18. GmbH & Co. Real Estate KG, Grünwald[2]	100.0000
MR Beteiligungen 19. GmbH, Munich	100.0000
MR Beteiligungen EUR AG & Co. KG, Grünwald[2]	100.0000
MR Beteiligungen GBP AG & Co. KG, Grünwald[2]	100.0000
MR Beteiligungen UK AG & Co. KG, Grünwald[2]	100.0000
MR Beteiligungen USD AG & Co. KG, Grünwald[2]	100.0000
MR Debt Finance GmbH, Grünwald	100.0000
MR Electra LP, Dover, Delaware[1]	100.0000
MR Equity Investment GmbH, Munich[3]	100.0000
MR ERGO Beteiligungen GmbH, Grünwald	100.0000
MR Falcon LP, Dover, Delaware[1]	100.0000
MR Gotham LP, Dover, Delaware[1]	100.0000
MR Hunu LP, Dover, Delaware[1]	100.0000
MR Infrastructure Inc., Dover, Delaware	100.0000
MR Infrastructure Investment GmbH, Munich[3]	100.0000
MR Investment Inc., Dover, Delaware	100.0000
MR Jordan LP, Dover, Delaware[1]	100.0000
MR Magnolia LP, Dover, Delaware[1]	100.0000
MR McQueen LP, Dover, Delaware[1]	100.0000
MR Olivia LP, Dover, Delaware[1]	100.0000
MR Redwood LP, Dover, Delaware[1]	100.0000
MR RENT UK Investment Limited, London	100.0000
MR Residential Holding LLC, Wilmington, Delaware	100.0000
MR US Multifamily Investment LLC, Dover, Delaware	100.0000
MRSG UK Services Limited, London	100.0000
Munich American Reassurance Company, Norcross, Georgia	100.0000
Munich Holdings Ltd., Toronto, Ontario	100.0000
Munich Holdings of Australasia Pty Ltd, Sydney	100.0000
Munich Life Holding Corporation, Dover, Delaware	100.0000
Munich Life Management Corporation Limited, Toronto, Ontario	100.0000
Munich Management Pte. Ltd., Singapore	100.0000
Munich Re America Corporation, Dover, Delaware	100.0000
Munich Re America Services Inc., Wilmington, Delaware	100.0000
Munich Re Automation Solutions Limited, Dublin	100.0000
Munich Re Capital Limited, London	100.0000
Munich Re CVC Investment Corp., Dover, Delaware	100.0000
Munich Re Digital Partners Limited, London	100.0000
Munich Re Digital Partners US Holding Corporation, Dover, Delaware	100.0000
Munich Re do Brasil Resseguradora SA, São Paulo	100.0000
Munich Re Energy Transition Finance Inc., Dover, Delaware	100.0000
Munich Re Fund I LP, Dover, Delaware[1]	100.0000
Munich Re Fund II LP, Dover, Delaware[1]	100.0000
Munich Re Life Insurance Company of Vermont, Burlington, Vermont	100.0000
Munich Re New Ventures Inc., Toronto, Ontario	100.0000
Munich Re of Bermuda Ltd., Hamilton, Bermuda	100.0000
Munich Re of Malta Holding Limited, Ta' Xbiex	100.0000
Munich Re of Malta p.l.c., Ta' Xbiex	100.0000
Munich Re PCC Limited, Ta' Xbiex	100.0000
Munich Re Specialty Group Insurance Services Inc., Boston, Massachusetts	100.0000
Munich Re Specialty Group Ltd., London	100.0000
Munich Re Specialty Group N.A. Inc., Wilmington, Delaware	100.0000
Munich Re Specialty Insurance (UK) Limited, Manchester	100.0000
Munich Re Syndicate Labuan Limited, Labuan	100.0000
Munich Re Syndicate Limited, London	100.0000
Munich Re Syndicate Singapore Ltd., Singapore	100.0000
Munich Re Trading LLC, Dover, Delaware	100.0000

Company and registered seat	% share of capital
Munich Re UK Services Limited, London	100.0000
Munich Re US Life Corporation, Norcross, Georgia	100.0000
Munich Re Ventures Inc., Dover, Delaware	100.0000
Munich Re Ventures LLC, Dover, Delaware	100.0000
Munich Re Weather & Commodity Risk Holding Inc., Dover, Delaware	100.0000
Munich Reinsurance America Inc., Wilmington, Delaware	100.0000
Munich Reinsurance Company of Africa Limited, Johannesburg	100.0000
Munich Reinsurance Company of Australasia Limited, Sydney	100.0000
Munich Reinsurance Company of Canada, Toronto, Ontario	100.0000
Munich-American Holding Corporation, Wilmington, Delaware	100.0000
MunichFinancialGroup GmbH, Munich	100.0000
Munichre Service Limited, Hong Kong	100.0000
Nam Seng Insurance Public Co. Ltd., Bangkok	99.4677
New Reinsurance Company Ltd., Zurich	100.0000
nexible Versicherung AG, Nuremberg	100.0000
OIK Mediclin, Wiesbaden[4]	70.7073
Otway Silva Pty Limited, Melbourne	100.0000
Pan Estates LLC, Wilmington, Delaware	100.0000
Pegasos Holding GmbH, Munich	100.0000
Picus Silva Inc., Wilmington, Delaware	100.0000
Poincaré N.V., Brussels	100.0000
Ponga Silva Limited, Rotorua	100.0000
Prosper Pass-Thru Trust I Series 2019-03, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2019-04, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2019-05, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2019-06, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2020-01, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2020-02, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2021-01, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2021-02, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2021-03, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2021-04, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2021-05, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-01, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-02, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-03, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-04, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-05, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-06, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-07, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2022-08, Wilmington, Delaware	95.0000

Company and registered seat	% share of capital
Prosper Pass-Thru Trust I Series 2022-09, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-01, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-02, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-03, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-04, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-05, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-06, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-07, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2023-08, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-01, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-02, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-03, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-04, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-05, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-06, Wilmington, Delaware	95.0000
Prosper Pass-Thru Trust I Series 2024-07, Wilmington, Delaware	95.0000
PS Louisiana I LLC, Wilmington, Delaware	100.0000
PS Louisiana II LLC, Wilmington, Delaware	100.0000
Raccoon Silva LLC, Camden, Delaware	100.0000
Relayr GmbH, Pullach i. Isartal	100.0000
Relayr Inc., Dover, Delaware	100.0000
Relayr Sp. Z o.o., Katowice	100.0000
Renaissance Hotel Realbesitz GmbH, Vienna	60.0000
Roanoke Insurance Group Inc., Schaumburg, Illinois	100.0000
Roanoke International Brokers (MENA) Limited, Dubai	100.0000
Roanoke International Brokers Limited, London	100.0000
Saline Silva LP, Wilmington, Delaware	100.0000
Scout Moor Group Limited, London	100.0000
Scout Moor Wind Farm Limited, London	100.0000
ShelCo 307 Oy, Helsinki	100.0000
Silvanus Vermögensverwaltungsgesellschaft mbH, Munich[3]	100.0000
Solomon Associates Limited, Farnborough	100.0000
Sopockie Towarzystwo Ubezpieczen Ergo Hestia Spolka Akcyjna, Sopot[12]	100.0000
Sopockie Towarzystwo Ubezpieczen na Zycie Ergo Hestia Spolka Akcyjna, Sopot	100.0000
Specialty Insurance Services Corporation, Amelia, Ohio	100.0000
Strawinskyhuis B.V., Amsterdam	100.0000
Sun Energy & Partners S.r.l., Brixen	100.0000
Sustainable Infrastructure GmbH, Munich	100.0000
Tellus Demetra LLC, Wilmington, Delaware	100.0000
Temple Insurance Company, Toronto, Ontario	100.0000
The Atlas Insurance Agency Inc., Amelia, Ohio	100.0000
The Boiler Inspection and Insurance Company of Canada, Toronto, Ontario	100.0000
The Hartford Steam Boiler Inspection and Insurance Company of Connecticut, Hartford, Connecticut	100.0000

Company and registered seat	% share of capital
The Hartford Steam Boiler Inspection and Insurance Company, Hartford, Connecticut	100.0000
The Midland Company, Amelia, Ohio	100.0000
The Polytechnic Club Inc., Hartford, Connecticut	100.0000
The Princeton Excess and Surplus Lines Insurance Company, Wilmington, Delaware	100.0000
THEC 2019 Zrt. "v.a.", Budapest	100.0000
Tir Mostyn and Foel Goch Limited, London	100.0000
Toledo Silva I LP, Wilmington, Delaware	100.0000
TS Louisiana I LP, Wilmington, Delaware	100.0000
TS Louisiana II LP, Wilmington, Delaware	100.0000
TS Texas I LP, Wilmington, Delaware	100.0000
TS Texas II LP, Wilmington, Delaware	100.0000
UAB Agra Aurata, Vilnius	100.0000
UAB Agra Corporation, Vilnius	100.0000
UAB Agra Optima, Vilnius	100.0000
UAB Agrofondas, Vilnius	100.0000
UAB Agrolaukai, Vilnius	100.0000
UAB Agrora, Vilnius	100.0000
UAB Agrovalda, Vilnius	100.0000
UAB Agrovesta, Vilnius	100.0000
UAB G.Q.F., Vilnius	100.0000
UAB Lila Holdingas, Vilnius	100.0000
UAB Sietuve, Vilnius	100.0000
UAB Terra Culta, Vilnius	100.0000
UAB Ukelis, Vilnius	100.0000
UAB Vasaros Brizas, Vilnius	100.0000
UAB VL Investment Vilnius 1, Vilnius	100.0000
UAB VL Investment Vilnius 2, Vilnius	100.0000
UAB VL Investment Vilnius 3, Vilnius	100.0000
UAB VL Investment Vilnius 4, Vilnius	100.0000
UAB VL Investment Vilnius 5, Vilnius	100.0000
UAB VL Investment Vilnius 6, Vilnius	100.0000
UAB VL Investment Vilnius 7, Vilnius	100.0000
UAB VL Investment Vilnius 8, Vilnius	100.0000
UAB VL Investment Vilnius 9, Vilnius	100.0000
UAB VL Investment Vilnius 10, Vilnius	100.0000
UAB VL Investment Vilnius, Vilnius	100.0000
UK Wind Holdings Ltd., London	100.0000
Unión Médica La Fuencisla S.A., Compañía de Seguros, Saragossa	100.0000
VHDK Beteiligungsgesellschaft mbH, Düsseldorf	100.0000
Victoria Lebensversicherung Aktiengesellschaft, Düsseldorf	100.0000
Victoria US Property Investment GmbH, Düsseldorf	100.0000
Victoria Vierter Bauabschnitt GmbH & Co. KG, Düsseldorf	100.0000
Vier Gas Investments S.à r.l., Luxembourg	100.0000
welivit GmbH, Düsseldorf	100.0000
welivit Solarfonds GmbH & Co. KG, Düsseldorf	100.0000
welivit Solarfonds S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000
Westlight Associates JV Member LLC, Wilmington, Delaware	100.0000
Westlight Associates LLC, Wilmington, Delaware	98.1000
Westlight Condo Associates LLC, Wilmington, Delaware	98.1000
WFB Stockholm Management AB, Stockholm	100.0000
Wind Farm Jenasen AB, Hässleholm	100.0000
Wind Farms Götaland Svealand AB, Hässleholm	100.0000
Windpark MR-N GmbH, Bremen	100.0000
Unconsolidated subsidiaries	
1880fwd GmbH, Munich	100.0000
2568521 Alberta Ltd., Calgary, Alberta	100.0000

Company and registered seat	% share of capital
2585593 Alberta Ltd., Calgary, Alberta	100.0000
1000908130 Ontario Inc., Toronto, Ontario	100.0000
1000908131 Ontario Inc., Toronto, Ontario	100.0000
Agrifin GmbH & Co. KG, Munich	100.0000
Äkräs Silva Oy, Helsinki	100.0000
Aleama 150015 S.L., Valencia	100.0000
ANOVA GmbH, Rostock	100.0000
apinity GmbH, Munich	100.0000
Arridabra 130013 S.L., Valencia	100.0000
ARTES Assekuranzservice GmbH, Düsseldorf	100.0000
Badozoc 1001 S.L., Valencia	100.0000
Baqueda 7007 S.L., Valencia	100.0000
Battery Park Metelen GmbH, Munich	100.0000
Benelogix Benefits Inc., Vancouver, British Columbia[4]	50.0000
Bobasbe 6006 S.L., Valencia	100.0000
Botedazo 8008 S.L., Valencia	100.0000
Callopio 5005 S.L., Valencia	100.0000
Calluna Silva Limited, London	100.0000
Camcichu 9009 S.L., Valencia	100.0000
Caracuel Solar Catorce S.L., Valencia	100.0000
Caracuel Solar Cinco S.L., Valencia	100.0000
Caracuel Solar Cuatro S.L., Valencia	100.0000
Caracuel Solar Dieciocho S.L., Valencia	100.0000
Caracuel Solar Dieciseis S.L., Valencia	100.0000
Caracuel Solar Diecisiete S.L., Valencia	100.0000
Caracuel Solar Diez S.L., Valencia	100.0000
Caracuel Solar Doce S.L., Valencia	100.0000
Caracuel Solar Dos S.L., Valencia	100.0000
Caracuel Solar Nueve S.L., Valencia	100.0000
Caracuel Solar Ocho S.L., Valencia	100.0000
Caracuel Solar Once S.L., Valencia	100.0000
Caracuel Solar Quince S.L., Valencia	100.0000
Caracuel Solar Seis S.L., Valencia	100.0000
Caracuel Solar Siete S.L., Valencia	100.0000
Caracuel Solar Trece S.L., Valencia	100.0000
Caracuel Solar Tres S.L., Valencia	100.0000
Caracuel Solar Uno S.L., Valencia	100.0000
Care4Business Versicherungsmakler GmbH, Vienna	100.0000
Carthage GP LLC, Wilmington, Delaware	100.0000
Centrum Pomocy Osobom Poszkodowanym Sp.z.o.o., Gdańsk	100.0000
CertAI GmbH, Munich	100.0000
Cominia Aktuarielle Services GmbH, Hamburg	74.9000
Comino Beteiligungen GmbH, Grünwald	100.0000
Compenso GP LLC, Wilmington, Delaware	100.0000
Cotatrillo 100010 S.L., Valencia	100.0000
DAS Legal Expenses Insurance Co. Ltd., Seoul	100.0000
DEAX Õigusbüroo OÜ, Tallinn	100.0000
DKV-Residenz am Tibusplatz gGmbH, Münster	100.0000
DKV-Residenz in der Contrescarpe GmbH, Bremen	100.0000
Dutch Digital Systems Limited, London	100.0000
DYRISK GmbH, Munich	100.0000
ERGO (China) Management Company Limited, Beijing	100.0000
ERGO Fund Golden Aging, Brussels[4]	100.0000
ERGO Gourmet GmbH, Düsseldorf	100.0000
ERGO Health Management Services (Beijing) Co. Ltd, Beijing	100.0000
ERGO Infrastructure Investment Gesundheit GmbH, Düsseldorf	100.0000
ERGO Infrastructure Investment Komposit GmbH, Düsseldorf	100.0000
ERGO International Services GmbH, Düsseldorf	100.0000
ERGO Leben Erste Real Estate GmbH & Co. KG, Düsseldorf	100.0000

Company and registered seat	% share of capital
ERGO Leben Zweite Real Estate GmbH & Co. KG, Düsseldorf	100.0000
ERGO Mobility Solutions GmbH, Düsseldorf	100.0000
ERGO Private Capital ERGO Direkt GmbH & Co. KG, Düsseldorf	100.0000
ERGO Private Capital ERGO Kranken GmbH, Düsseldorf	100.0000
ERGO Private Capital GmbH, Düsseldorf	100.0000
ERGO Rechtsschutz Leistungs-GmbH, Munich	100.0000
ERGO Technology & Services Private Limited, Mumbai	100.0000
ERGO Travel Insurance Services Ltd., London	100.0000
ERGO UK SPECIALTY LIMITED, London	100.0000
ERGO Versicherungs- und Finanzierungs-Vermittlung GmbH, Hamburg	100.0000
ERGO Vorsorgemanagement GmbH, Vienna	100.0000
ERGO Zehnte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000
ERGO-FESCO Broker Company Limited, Beijing	66.0000
Etics ITP s.r.o., Prague	100.0000
Etoblete 160016 S.L., Valencia	100.0000
EUROCENTER S.A., Palma de Mallorca	100.0000
Euro-Center (Cyprus) Ltd., Larnaca	100.0000
Euro-Center (Thailand) Co., Ltd., Bangkok	100.0000
Euro-Center Cape Town (Pty) Ltd, Cape Town	100.0000
Euro-Center Holding North Asia (HK) Pte. Ltd., Hong Kong	100.0000
Euro-Center Ltda., São Paulo	100.0000
Euro-Center Prague s.r.o., Prague	100.0000
Euro-Center Sydney Pty Ltd., Sydney	100.0000
Euro-Center USA Inc., Plantation, Florida	100.0000
EURO-CENTER YEREL YARDIM HIZMETLERI Ltd. Şti., Istanbul	100.0000
European Assistance Holding GmbH i. L., Munich	100.0000
Eurosos Assistance S.A., Athens	100.0000
Gamaponti 140014 S.L., Valencia	100.0000
GBG Vogelsanger Straße GmbH, Cologne	94.7826
Gebäude Service Gesellschaft Überseering 35 mbH, Hamburg	100.0000
goDentis – Gesellschaft für Innovation in der Zahnheilkunde mbH, Cologne	100.0000
Guanzu 2002 S.L., Valencia	100.0000
Hansekuranz Kontor GmbH, Münster	100.0000
Hartford Steam Boiler Colombia Ltda, Bogotá	100.0000
Hartford Steam Boiler UK Limited, Manchester	100.0000
Hestia Loss Control Sp.z.o.o., Sopot	100.0000
HSB Associates Inc., New York City, New York	100.0000
HSB Fund II LP, Dover, Delaware[1]	100.0000
HSB Offset Print EaaS GmbH & Co. KG, Munich	100.0000
HSB Ventures Inc., Dover, Delaware	100.0000
IDEENKAPITAL Financial Engineering GmbH i. L., Düsseldorf	100.0000
IDEENKAPITAL Financial Service GmbH i. L., Düsseldorf	100.0000
IDEENKAPITAL Investment GmbH, Düsseldorf	100.0000
IDEENKAPITAL Media Finance GmbH i. L., Düsseldorf	100.0000
Ideenkapital Media Treuhand GmbH i. L., Düsseldorf	100.0000
IDEENKAPITAL Metropolen Europa Verwaltungsgesellschaft mbH, Düsseldorf	100.0000
IDEENKAPITAL PRORENDITA EINS Treuhandgesellschaft mbH, Düsseldorf	100.0000
IFS Europe Holding GmbH, Munich	100.0000
IK Einkauf Objektverwaltungsgesellschaft mbH, Düsseldorf	100.0000
IK Einkaufsmärkte Deutschland Verwaltungsgesellschaft mbH, Düsseldorf	100.0000
IK FE Fonds Management GmbH, Düsseldorf	100.0000

Company and registered seat	% share of capital
IK Komp GmbH, Düsseldorf	100.0000
IK Objekt Bensheim GmbH, Düsseldorf	100.0000
IK Pflegezentrum Uelzen Verwaltungs-GmbH, Düsseldorf	100.0000
IK Property Treuhand GmbH, Düsseldorf	100.0000
Insurance Administration Services Ltd., Mansfield	100.0000
IoT Equipment Financing Services GmbH, Munich	100.0000
IoT Equipment Financing Services LLC, Dover, Delaware	100.0000
IoT Financing Services LLC, Dover, Delaware	100.0000
JRP (London) Limited, London	100.0000
JRP Insurance Management Limited, London	100.0000
JRP Underwriting Ltd., London	100.0000
Junos Verwaltungs GmbH, Munich	100.0000
KQV Solarpark Franken 1 GmbH & Co. KG, Düsseldorf	100.0000
Larus Vermögensverwaltungsgesellschaft mbH, Munich	100.0000
m:editerran Power S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000
MD Affinity Schemes Limited, Birkenhead	100.0000
MD Technical Surveyors Limited, Birkenhead	100.0000
MDIS (International) Limited, Birkenhead	100.0000
MEAG ERGO Pension I, Munich[4]	100.0000
MEAG European Infrastructure One GP S.à r.l., Munsbach	100.0000
MEAG European Infrastructure One SCSp SICAV-RAIF, Munsbach[4]	100.0000
MEAG FlexConcept – EuroGrowth, Luxembourg[4]	100.0000
MEAG Hong Kong Limited, Hong Kong	100.0000
MEAG IDF III GP S.à r.l., Munsbach	100.0000
MEAG Institutional Fund GP S.à r.l., Munsbach	100.0000
MEAG Pension Rent, Munich[4]	100.0000
MEAG Pension Safe, Munich[4]	100.0000
MEAG SFEF GP S.à r.l., Munsbach	100.0000
MEAG Sustainable Forestry Equity Fund SCSp SICAV-RAIF, Munsbach[4]	100.0000
MEAG Vermögensanlage Komfort, Munich[4]	49.4096
MEAG Vermögensanlage Return (A+I Tranche), Munich[4]	62.6648
MedNet Bahrain W.L.L., Manama	100.0000
MedNet Egypt LLC, Cairo	100.0000
MedNet Europa GmbH, Munich	100.0000
MedNet Global Healthcare Solutions LLC, Abu Dhabi	100.0000
MedNet Greece S.A., Athens	78.7157
MedNet Jordan Co. W.L.L., Amman	100.0000
MedNet Saudi Arabia LLC, Jeddah	100.0000
MedNet SPC, Muscat	100.0000
MedNet UAE FZ LLC, Dubai	100.0000
Merkur Grundstücks- und Beteiligungs-GmbH, Düsseldorf	100.0000
MFI Munich Finance and Investment Holding Limited, Ta' Xbiex	100.0000
MFI Munich Finance and Investment Limited, Ta' Xbiex	100.0000
miCura Pflegedienste Bremen GmbH, Bremen	100.0000
miCura Pflegedienste Düsseldorf GmbH, Düsseldorf	100.0000
miCura Pflegedienste GmbH i. L., Cologne	100.0000
miCura Pflegedienste Hamburg GmbH, Hamburg	100.0000
miCura Pflegedienste Krefeld GmbH, Krefeld	100.0000
miCura Pflegedienste München/Dachau GmbH, Dachau	51.0000
miCura Pflegedienste München Ost GmbH i. L., Munich	100.0000
miCura Pflegedienste Münster GmbH, Münster	100.0000
miCura Pflegedienste Nürnberg GmbH, Nuremberg	51.0000
MPL Claims Management Ltd., London	100.0000
MPL LEGAL SERVICES Ltd., London	100.0000
MR Beteiligungen 2. UK AG & Co. KG, Grünwald	100.0000

Company and registered seat	% share of capital
MR Beteiligungen 3. GmbH, Munich	100.0000
MR Beteiligungen 15. GmbH, Munich	100.0000
MR Beteiligungen 17. GmbH, Munich	100.0000
MR Beteiligungen 18. GmbH, Grünwald	100.0000
MR Beteiligungen 20. GmbH, Munich	100.0000
MR Beteiligungen 21. GmbH, Munich	100.0000
MR Beteiligungen 22. GmbH, Munich	100.0000
MR Beteiligungen 24. GmbH, Munich	100.0000
MR Beteiligungen 25. GmbH, Munich	100.0000
MR Beteiligungen AG, Grünwald	100.0000
MR Financial Group GmbH, Munich	100.0000
MR Group Investment US Inc., Dover, Delaware	100.0000
MR HealthTech Ltd., Nicosia	100.0000
MR Risk Services 3. GmbH, Munich	100.0000
MR Solar GmbH & Co. KG, Düsseldorf	100.0000
MR Solar S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000
MTC Mobility Technology Center GmbH, Garching	74.0000
Münchener de Argentina Servicios Técnicos S.R.L., Buenos Aires	90.0000
Münchener de Mexico S.A., Mexico City	100.0000
Munich American Reassurance Company PAC Inc., Norcross, Georgia[4]	0.0000
Munich Re America Management Ltd., London	100.0000
Munich Re Automation Solutions GmbH, Munich	100.0000
Munich Re Automation Solutions Inc., Wilmington, Delaware	100.0000
Munich Re Automation Solutions K.K., Tokyo	100.0000
Munich Re Automation Solutions Pte. Ltd., Singapore	100.0000
Munich Re Automation Solutions Pty Ltd, Sydney	100.0000
Munich Re Capital Markets GmbH, Munich	100.0000
Munich Re Capital No.2 Limited, London	100.0000
Munich Re Group UK Plan Trustees Limited, London	100.0000
Munich Re Healthtech Societe Anonyme, Athens	100.0000
Munich Re India Services Private Limited, Mumbai	100.0000
Munich Re Investment Partners EUA Strategy FCP-RAIF, Luxembourg[4]	100.0000
Munich Re Investment Partners GmbH, Munich	100.0000
Munich Re Markets GmbH, Munich	100.0000
Munich Re Risk Solutions Ireland Limited, Dublin	100.0000
Munich Re Service GmbH, Munich	100.0000
Munich Re Serviços Ltda., São Paulo	100.0000
Munich Re Underwriting Agents (DIFC) Ltd., Dubai	100.0000
Munich Reinsurance Intermediary Inc., Wilmington, Delaware	100.0000
Munich Renewables GmbH, Munich	100.0000
Munichre Digital Solutions China Ltd., Beijing	100.0000
Naretoblera 170017 S.L., Valencia	100.0000
Nerruze 120012 S.L., Valencia	100.0000
nexible GmbH, Düsseldorf	100.0000
nexsurance GmbH, Düsseldorf	100.0000
NMU (Specialty) Limited, London	100.0000
Orrazipo 110011 S.L., Valencia	100.0000
P.A.N. Verwaltungs GmbH, Grünwald	100.0000
PRORENDITA FÜNF Verwaltungsgesellschaft mbH i. L., Düsseldorf	100.0000
Reaseguradora de las Américas S.A., Havana	100.0000
Roanoke Insurance Group Canada Inc., Toronto, Ontario	100.0000
Rung Sup Somboon Co., Ltd., Bangkok[4]	49.0000
SAINT LEON ENERGIE S.A.R.L., Sarreguemines	100.0000
Sala GP LLC, Wilmington, Delaware	100.0000
Schloss Hohenkammer GmbH, Hohenkammer	100.0000
Schrömbgens & Stephan GmbH Versicherungsmakler, Düsseldorf	100.0000
Smart Thinking Consulting Management (Shanghai) Company Limited, Shanghai	100.0000
Solarfonds Göttelborn 2 GmbH & Co. KG, Düsseldorf[4]	34.4234
Solarpark Fusion 3 GmbH, Düsseldorf	100.0000
Sopockie Towarzystwo Doradcze Sp.z.o.o., Sopot	100.0000
Squalify RQx GmbH, Munich	100.0000
Stichting Beheer Aandelen DAS Holding, Amsterdam	100.0000
Sustainable Finance Risk Consulting GmbH, Munich	100.0000
TALARIA ONE DESIGNATED ACTIVITY COMPANY, Dublin[4]	0.0000
TAS Touristik Assekuranz-Service GmbH, Frankfurt am Main	100.0000
The Premier Guarantee Limited, Birkenhead	100.0000
Thipara GmbH, Hamburg	100.0000
Tillobesta 180018 S.L., Valencia	100.0000
Tree Trust GmbH, Munich	100.0000
Victoria Leben Erste Real Estate GmbH & Co. KG, Düsseldorf	100.0000
VICTORIA US Property Zwei GmbH i. L., Munich	100.0000
Victoria Vierter Bauabschnitt Management GmbH, Düsseldorf	100.0000
Viwis GmbH, Munich	100.0000
VV-Consulting Gesellschaft für Risikoanalyse, Vorsorgeberatung und Versicherungsvermittlung GmbH, Vienna	100.0000
Wattanasin Co., Ltd., Bangkok	100.0000
welivit New Energy GmbH, Düsseldorf	100.0000
welivit Solar España GmbH, Düsseldorf	100.0000
welivit Solar Italia s.r.l., Bolzano	100.0000
WNE Solarfonds Süddeutschland 2 GmbH & Co. KG, Düsseldorf	100.0000
wse Solarpark Spanien 1 GmbH & Co. KG, Düsseldorf	75.1243
Zacobu 110011 S.L., Valencia	100.0000
Zacuba 6006 S.L., Valencia	100.0000
Zacubacon 150015 S.L., Valencia	100.0000
Zafacesbe 120012 S.L., Valencia	100.0000
Zapacubi 8008 S.L., Valencia	100.0000
Zarzucolumbu 100010 S.L., Valencia	100.0000
Zetaza 4004 S.L., Valencia	100.0000
Zicobucar 140014 S.L., Valencia	100.0000
Zucaelo 130013 S.L., Valencia	100.0000
Zucampobi 3003 S.L., Valencia	100.0000
Zucarrobiso 2002 S.L., Valencia	100.0000
Zucobaco 7007 S.L., Valencia	100.0000
Zulazor 3003 S.L., Valencia	100.0000
Zumbicobi 5005 S.L., Valencia	100.0000
Zumcasba 1001 S.L., Valencia	100.0000
Zuncabu 4004 S.L., Valencia	100.0000
Zuncolubo 9009 S.L., Valencia	100.0000
Associated and joint ventures accounted for using the equity method	
1818 Acquisition LLC, Wilmington, Delaware	20.7300
2014 Sol I LLC, Wilmington, Delaware	50.0000
Arcapark SAS, Paris La Défense Cedex[8]	15.1000
Astoria Power Partners Holding LLC, Dover, Delaware	20.0000
Bazos CIV LP, Wilmington, Delaware[7]	100.0000
Bionic GmbH & Co. KG, Frankfurt am Main	49.4000
Consorcio Internacional de Aseguradores de Crédito S.A., Madrid[5]	15.0353
D.A.S. Difesa Automobilistica Sinistri, S.p.A. di Assicurazione, Verona	49.9920
EGM Wind SAS, Paris	40.0000
ERGO China Life Insurance Co. Ltd., Jinan, Shandong Province[7]	65.0000

Company and registered seat	% share of capital
Europai Utazasi Biztosito Zrt., Budapest	26.0000
Europäische Reiseversicherungs-Aktiengesellschaft, Vienna	25.0100
Global Aerospace Underwriting Managers Ltd., London[7]	51.0000
HDFC ERGO General Insurance Company Ltd., Mumbai	49.0875
IAE-2 HoldCo 3 Limited, London	22.7890
Infra Foch Topco SAS, Puteaux[5]	10.8567
Invesco MEAG US Immobilien Fonds IV, Luxembourg	37.1670
Iqony Fernwärme GmbH, Essen	49.0000
KarstadtQuelle Finanz Service GmbH i. L., Düsseldorf	50.0000
King Price Financial Services (Pty) Ltd, Pretoria[5]	13.7200
Marchwood Power Limited, Southampton	50.0000
Maverick 67 Class B Holdco LLC, Wilmington, Delaware[7]	62.5000
Maverick 67 Holdco LLC, Wilmington, Delaware	50.0000
MEAG EuropeOfficeSelect EOS SCSp SICAV-RAIF, Munsbach	50.0000
MEAG INSTITUTIONAL FUND S.C.S. SICAV-RAIF – MEAG Infrastructure Debt Fund II, Luxembourg[5]	15.9298
MEDICLIN Aktiengesellschaft, Offenburg	35.0042
Next Insurance Inc., Wilmington, Delaware	29.2423
Optimus Tower Holding GmbH, Vienna[5]	19.8000
Poolbeg Investments Limited, London	37.5000
Sana Kliniken AG, Munich	22.5668
Saxon Land B.V., Amsterdam	50.0000
SNIC Insurance B.S.C. (c), Manama	22.5000
SR Texas Wind Holdings 1 LLC, Wilmington, Delaware	49.0000
Super Home Inc., Dover, Delaware[5]	15.2490
Suramericana S.A., Medellín[5]	18.8678
Taishan Property & Casualty Insurance Co. Ltd., Jinan, Shandong Province	24.8983
Vier Gas Holdings S.à r.l., Luxembourg[5]	18.7500
Wind Fund I AS, Oslo	33.3333
Associates and joint ventures accounted for at fair value	
2578649 Alberta Ltd., Calgary, Alberta	40.0000
Abstract Security Inc., Dover, Delaware[5]	12.0050
Agreenery GmbH, Oberhaching[8]	0.0000
Assistance Partner GmbH & Co. KG, Munich	21.6600
Bionic General Partner GmbH, Frankfurt am Main	49.4000
Canoe Benefits LP, Nisku, Alberta	49.0000
carexpert KFZ-Sachverständigen GmbH, Mainz	25.0000
CDAT Software Inc., Vancouver, British Columbia	40.0000
Cyber Sepio Systems Limited, Tel Aviv[5]	8.6200
Dayforward Inc., Wilmington, Delaware[5]	8.2310
Fernkälte Geschäftsstadt Nord GbR, Hamburg[1]	37.5800
Finsure Investments (Private) Limited, Harare	24.5000
FlexFactory GmbH i. L., Stuttgart	50.0000
Flow Specialty Insurance Inc., Wilmington, Delaware[5]	19.2677
Future Family Inc., Wilmington, Delaware	24.3700
GIG City Nord GmbH, Hamburg	25.0000
GroupStrength Benefits Direct Inc., Vancouver, British Columbia	50.0000
High Definition Vehicle Insurance Inc., Dover, Delaware[5]	10.1970
Inshur Holding Corp., Wilmington, Delaware[5]	12.1840
Insify International B.V., Amsterdam[5]	8.9000
Inspectify Inc., Dover, Delaware[5]	14.4900
LCM Logistic Center Management GmbH, Hamburg	50.0000
MEAG EuropeOfficeSelect EOS GP S.à r.l., Munsbach	50.0000
OKAPI:Orbits GmbH, Braunschweig[5]	15.7300
Open German Fiber GmbH & Co. KG, Berlin	49.7108
Open German Fiber Management GmbH, Berlin	50.0000
Orange Charger Inc., Dover, Delaware[5]	16.9247
Orbit Fab Inc., Dover, Delaware[5]	6.1150

Company and registered seat	% share of capital
PERILS AG, Zurich[5]	10.0000
Quantile Health Inc., Lewes, Delaware[5]	19.8863
Span.IO Inc., Dover, Delaware[5]	7.7710
Starfish Space Inc., Wilmington, Delaware[5]	12.8070
Teko – Technisches Kontor für Versicherungen GmbH, Düsseldorf	30.0000
Tianjin Yihe Information Technology Co. Ltd., Tianjin	24.9000
Trident Global Assistance Inc., Etobicoke, Ontario	33.0396
Unwind Finance Inc., Wilmington, Delaware[5]	19.0553
versdiagnose GmbH, Hanover	49.0000
Volksbanken-Versicherungsdienst-Gesellschaft mbH i. L., Vienna	25.2319
Zenner Inc., Middletown, Delaware[5]	10.3200
Companies included on a pro-rata basis (joint operation pursuant to IFRS 11)	
"Pensionsfonds" des Versorgungswerks MetallRente bei der Allianz Pensionsfonds AG, Stuttgart	17.5000
Shareholdings exceeding 5% of the voting rights in large companies as defined in Section 271(1) of the German Commercial Code (HGB)	
Extremus Versicherungs-Aktiengesellschaft, Cologne (equity: €62,760k; result for year: €1,013k)	16.0000
Protektor Lebensversicherungs-AG, Berlin (equity: €7,950k; result for year: €95k)	10.7631
Other shareholdings as defined in Section 271(1) of the German Commercial Code (HGB)	
Acko Technology & Services Private Limited, Bangalore (equity: €431,042k; result for year: −€21,456k)	3.9300
Admiral Group Plc, Cardiff (equity: €192,308k; result for year: €335,688k)	1.7296
Air Doctor Ltd., Beit Nekofa[10] (equity: €–; result for year: €–)	2.0100
Amplify Life Insurance Company, Dover, Delaware[10] (equity: €–; result for year: €–)	10.8230
At-bay Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	3.6940
Augury Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	7.3650
Autobahn Tank & Rast Gruppe GmbH & Co. KG, Bonn (equity: €0k; result for year: −€82,320k)	9.9980
Autobahn Tank & Rast Management GmbH, Bonn (equity: €48k; result for year: €3k)	10.0020
Azos Holdings, George Town, Grand Cayman[10] (equity: €–; result for year: €–)	6.0900
Ballistic Ventures I LP, Wilmington, Delaware[10] (equity: €–; result for year: €–)	1.7000
BitSight Technologies Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	0.3400
Craigmore Permanent Crop LP, Christchurch[6] (equity: €159,974k; result for year: −€9,739k)	27.5180
Deutsches Forschungszentrum für Künstliche Intelligenz GmbH, Kaiserslautern (equity: €31,029k; result for year: €590k)	2.5000
Dhipaya Insurance Co. Ltd. (Laos), Vientiane (equity: −€122k; result for year: €248k)	10.0000
Earlybird DWES Fund VII GmbH & Co. KG, Munich (equity: €155,422k; result for year: −€42,137k)	14.2857
Earlybird DWES Fund VIII GmbH & Co. KG, Munich[9] (equity: €–; result for year: €–)	6.6666
Earlybird Growth Opportunities Fund V AIV GmbH & Co. KG, Munich[6] (equity: €620k; result for year: −€37k)	21.5156

Company and registered seat	% share of capital
Earlybird Growth Opportunities Fund V GmbH & Co. KG, Munich[6] (equity: €84,079k; result for year: −€5,651k)	20.0000
Fernride GmbH, Munich (equity: €27,987k; result for year: −€17,331k)	3.8000
FIA Timber Partners II LP, Wilmington, Delaware[6] (equity: €157,027k; result for year: −€205k)	39.0800
Found Energy Co, Wilmington, Delaware[10] (equity: €–; result for year: €–)	4.2500
Functional Finance Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	6.5870
Ghost Security Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	5.1990
Green Acre Investments DE LP, Wilmington, Delaware[6] (equity: €224k; result for year: −€1,216k)	31.9361
Hancock Timberland XII LP, Wilmington, Delaware (equity: €342,428k; result for year: €13,547k)	15.1500
heal.capital I GmbH & Co. KG, Berlin (equity: €46,261k; result for year: −€5,248k)	15.8888
HELIXintel Corporation, Wilmington, Delaware[10] (equity: €–; result for year: €–)	19.2520
Hometown Purchaser LLC, Wilmington, Delaware (equity: €191,798k; result for year: −€20,007k)	7.1264
IK Objekt Bensheim Immobilienfonds GmbH & Co. KG, Düsseldorf (equity: €5,842k; result for year: €491k)	16.2445
InfraRed LiveOak CIV LP, Wilmington, Delaware[11] (equity: €–; result for year: €–)	14.2075
Longroad Energy Holdings LLC, Wilmington, Delaware (equity: €1,672,177k; result for year: −€24,512k)	11.3600
M 31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf (equity: €1,430,246k; result for year: €124,713k)	18.6246
m:solarPOWER GmbH & Co. KG, Düsseldorf (equity: €641k; result for year: €118k)	0.0000
Manypets Ltd, London (equity: −€73,434k; result for year: −€37,066k)	9.8000
Mechanical Orchard Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	2.4524
National Digital ID Co. Ltd., Bangkok (equity: €10,194k; result for year: €2,317k)	0.0286
Nova Labs Inc., Dover, Delaware[10] (equity: €–; result for year: €–)	3.8992
Nürnberger Beteiligungs-AG, Nuremberg (equity: €782,544k; result for year: €77,208k)	19.1038
Olivia Holdings LLC, Wilmington, Delaware (equity: €863,193k; result for year: −€69,986k)	8.8000
Parametrix Group Holdings Inc., Wilmington, Delaware (equity: €906k; result for year: −€4,612k)	0.1929
Pendulum Intelligence Inc., Dover, Delaware[10] (equity: €–; result for year: €–)	8.6780
PRORENDITA FÜNF GmbH & Co. KG, Düsseldorf (equity: €1,572k; result for year: −€36k)	0.0018
Rabitham Co. Ltd., Bangkok (equity: €58k; result for year: −€15k)	10.0000
Ridecell Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	1.9460
RMS Forest Growth International LP, George Town, Grand Cayman[6] (equity: €32,697k; result for year: €4,656k)	43.4700
Road Victims Protection Co. Ltd., Bangkok (equity: €224,674k; result for year: €2,504k)	4.8707
Salient Predictions Inc., Dover, Delaware[10] (equity: €–; result for year: €–)	9.8560
Sentra Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	8.4300
ShipIn Systems Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	3.4150
Slice Labs Inc., Ottawa, Ontario[10] (equity: €–; result for year: €–)	8.1260
Solarpark 1000 Jahre Fürth GmbH & Co. KG, Düsseldorf (equity: €755k; result for year: €52k)	0.9091
Spectrum Labs Inc., Dover, Delaware[10] (equity: €–; result for year: €–)	4.2480
Stoik SAS, Paris (equity: €12,506k; result for year: €6,900k)	9.9222
Stor-Skälsjön Vind Holding AB, Hässleholm[13] (equity: €306,557k; result for year: −€5k)	75.0000
Sweet Security Inc., Ra'anana[10] (equity: €–; result for year: €–)	8.3700
T&R MLP GmbH, Bonn (equity: €29k; result for year: €0k)	10.0020
T&R Real Estate GmbH, Bonn (equity: €140,835k; result for year: −€24k)	10.0020
Team8 Capital I LP, George Town, Grand Cayman[10] (equity: €–; result for year: €–)	3.1250
Team8 Partners II LP, George Town, Grand Cayman[10] (equity: €–; result for year: €–)	5.8824
Thailand Insurance Institute, Bangkok (equity: €3,752k; result for year: €556k)	1.0051
Thunderbolt Technology Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	7.1000
Ticker Limited, Godalming (equity: −€1,559k; result for year: −€7,459k)	16.3600
Twelve Benefit Corporation, Wilmington, Delaware[10] (equity: €–; result for year: €–)	5.7880
VEIR Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	9.8162
ver.di Service GmbH, Berlin (equity: €106k; result for year: €4k)	19.8000
welivit TOP SOLAR GmbH & Co. KG, Düsseldorf (equity: €108k; result for year: €47k)	0.0000
Zanskar Geothermal & Minerals Inc., Wilmington, Delaware[10] (equity: €–; result for year: €–)	8.7770
ZwitterCo Inc., Lewes, Delaware[10] (equity: €–; result for year: €–)	5.6640

1 Munich Reinsurance Company or one of its consolidated subsidiaries is a fully liable partner in this company.
2 This fully consolidated German subsidiary with the legal form of a commercial partnership, as defined in Section 264a(1) of the German Commercial Code (HGB), intends to fulfil the conditions required pursuant to Section 264b of the Commercial Code and, in the 2024 financial year, to avail itself of the relevant provision exempting it from preparing annual financial statements. As defined in Section 291 of the Commercial Code, this Group financial statement also exempts the subsidiary from the potential requirement to publish consolidated financial statements pursuant to Section 290 of the Commercial Code.
3 This fully consolidated German subsidiary intends to fulfil the conditions required in Section 264(3) of the German Commercial Code (HGB) and, in the 2024 financial year, to avail itself of the relevant provision exempting it from preparing annual financial statements. As defined in Section 291 of the Commercial Code, this Group financial statement also exempts the subsidiary from the potential requirement to publish consolidated financial statements pursuant to Section 290 of the Commercial Code.
4 Control due to voting majority or other control pursuant to IFRS 10.
5 Significant influence owing to representation of Munich Re on the board of directors and/or supervisory body or an equivalent governing body of the associate.
6 No control and/or no significant influence, as it is a purely financial investment under the managerial responsibility of an external asset manager.
7 No control, since the articles of association or another agreement bind the relevant operations to a quorum which cannot be achieved by Munich Re.
8 Representation of Munich Re on the board of directors and/or supervisory body or an equivalent governing body of the entity, whose relevant activities require the unanimous consent of the parties sharing control.
9 No financial statements available.
10 This company is not required to disclose its annual financial statements in its country of domicile. Pursuant to Section 313(3) sentence 5 of the German Commercial Code (HGB), there is no requirement in such a case to disclose the equity and result for the year.
11 This company, which was newly founded in 2024, has not yet prepared any annual financial statements.
12 Due to its inclusion in Munich Re's combined non-financial statement (Group sustainability statement according to the European Sustainability Reporting Standards), the subsidiary is exercising the exemption from the requirement to include a sustainability report in its management report pursuant to the corresponding national transpositions of Article 19a(9) or Article 29a(8) of Directive 2013/34/EU Corporate Sustainability Reporting Directive (CSRD).
13 No control and no significant influence, as Munich Re does not have any decision-making rights with regard to the relevant activities to be performed until completion of the investment object.

Drawn up and released for publication,
Munich, 10 March 2025.

The Board of Management

The auditor’s report reproduced below includes a “Report on the assurance on the electronic rendering of the consolidated financial statements and the combined management report prepared for publication purposes in accordance with Sec. 317(3a) HGB” (“separate report on ESEF compliance”). The subject matter (ESEF documents) to which the separate report on ESEF compliance relates is not attached. The assured ESEF documents can be inspected in, or retrieved from, the Unternehmensregister (German Company Register).

Translation from the German language of Independent auditor’s report

To Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München

Report on the audit of the consolidated financial statements and of the combined management report

Opinions

We have audited the consolidated financial statements of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January 2024 to 31 December 2024, and notes to the financial statements, including material accounting policy information. In addition, we have audited the combined management report of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München for the financial year from 1 January 2024 to 31 December 2024. In accordance with German legal requirements, we have not audited the Group Statement on Corporate Governance which is published on the website referenced in the combined management report and is part of the combined management report, and the content of the Group non-financial statement included in chapter “Combined non-financial statement” of the combined management report. We have not audited corporate information that is not part of the Group Annual Report and is referenced in the chapters “Munich Re Group”, “Financial position” and “Munich Reinsurance Company (information reported on the basis of German accountancy rules)” of the combined management report. In addition, we have not audited the content extraneous to management reports contained in the sections “Internal control system” and “Statement on the adequacy and effectiveness of the risk management system and the internal control system” of the chapter “Risk report”, in chapter “Key intangible resources”, as well as in section “Remuneration report of Munich Reinsurance Company” in chapter “Munich Reinsurance Company (information reported on the basis of German accountancy rules)” of the combined management report.

Disclosures extraneous to management reports are such disclosures that are neither required pursuant to Sec. 315, 315a or Sec. 315b to 315d of the German Commercial Code [Handelsgesetzbuch, HGB] nor pursuant to DRS 20.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e(1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024, and

- the accompanying combined management report as a whole provides an appropriate view of the Group’s position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. We do not express an opinion on the content of the above-mentioned Group Statement on Corporate Governance, the content of the above-mentioned Group non-financial statement, the above-mentioned sections “Internal control system” and “Statement on the adequacy and effectiveness of the risk management system and the internal control system” contained in the chapter “Risk report”, the above-mentioned chapter “Key intangible resources”, as well as the above-mentioned section “Remuneration report of Munich Reinsurance Company” in chapter “Munich Reinsurance Company (information reported on the basis of German accountancy rules)”.

Pursuant to Sec. 322(3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report" section of our auditor's report. We are independent of the Group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10(2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5(1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January 2024 to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

Determination of the present value of expected future cash flows in the context of measuring the liability for remaining coverage in life and health insurance business

Reasons why the matter was determined to be a key audit matter

When applying the general measurement model and the variable fee approach in accordance with IFRS 17, the determination of the present value of expected future cash flows includes an estimate of future cash flows and the adjustment of this estimate to reflect the time value of money (discounting). Determining the present value of the expected future cash flows is a key aspect of measuring the liability for remaining coverage.

Future cash flows include all cash flows required to fulfil the contractual obligations within the contract boundary such as premium payments, benefit payments as well as administration and acquisition costs. They make up the greatest part of measuring the liability for remaining coverage. IFRS 17 requires an entity-specific estimate of all future cash flows. Entities shall incorporate all information available without undue cost or effort. The estimates shall be updated at each measurement date.

Estimation of future cash flows is subject to considerable judgement. Future cash flows are projected using actuarial models, factoring in a large number of possible scenarios and using assumptions on the future development of economic and non-economic variables. These include, in particular, assumptions relating to mortality, disability and morbidity, as well as interest-rate development, lapse rates, acquisition and administration costs, and inflation. The determination or revision of the assumptions is frequently subject to uncertainty, particularly because the assumptions are generally not based on observable market inputs. In primary insurance, management rules that are made depending on the development of the portfolio of investments and insurance contracts are also reflected in the scenarios. The projections generally extend over a long time horizon.

Under IFRS 17, an entity shall discount the estimate of future cash flows in order to reflect the time value of money. The discount rates shall reflect the characteristics of the cash flows – including liquidity characteristics – of the insurance contracts and be consistent with observable current market prices for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts in terms of timing, currency and liquidity. The discount rates used shall be updated at each measurement date.

Discount rates are determined using a bottom-up approach, with the Solvency II interest rate curves published by the European Insurance and Occupational Pensions Authority (EIOPA) serving as the starting point for risk-free interest rates. In the event of differences in liquidity between the insurance liabilities and the liquid reference instruments used in determining the risk-free interest rate, an illiquidity premium based on the EIOPA method for determining volatility adjustments is applied as a premium on the interest rate curve. Credit risks are not taken into account in the discount rates used.

In light of the uncertainties and the use of judgement in estimating future cash flows and determining the discount rates, there is a risk of incorrect measurement of the liability for remaining coverage. We therefore determined this to be a key audit matter.

Auditor's response

As part of our audit, we analysed the processes for estimating future cash flows and determining discount rates for risks of material misstatement. Further, we evaluated the design and tested the operating effectiveness of the controls integrated in these processes in order to check the complete and correct capture and determination of future cash flows as well as the derivation of the discount rates in accordance with the relevant requirements of IFRS 17. For the estimation of future cash flows, this included in particular the assessment of the methodology applied, taking into account the defined management rules, and the assessment of the derivation of entity-specific assumptions (such as biometrics, policyholder behaviour and costs) on the basis of portfolio data.

We also performed substantive procedures and assessed the suitability of the model used for the cash flow determination. Moreover, for a risk-based sample, we examined whether selected data were correctly included in the model calculation by reconciling them with the contract management systems. In addition, we assessed the plausibility of the assumptions underlying the model and checked the validations performed in this context for a risk-based sample. We checked the suitability of the scenario generator used for the underlying capital market scenarios and analysed the validation results. We also checked the appropriateness of the management rules and their derivation on a sample basis. We then analysed the calculated future cash flows for anomalies.

For primary life insurance business, we assessed the appropriateness of the estimates of future cash flows on the basis of the analysis, control and validation files provided.

In addition, we checked whether fixed and variable overheads were allocated to the groups of insurance contracts using systematic and rational methods.

We obtained an understanding of the method used to derive the discount rates to assess its suitability. In particular, we analysed the risk-free interest rates used and, where applicable, the illiquidity premiums applied. Where discount rates were derived for periods for which no risk-free interest rates were observable on the market, we checked the extrapolation of a long-term risk-free interest rate curve (ultimate forward rate). We also assessed the application of the discount rates derived using the bottom-up approach to the actuarial models.

We used our own actuaries in the course of our audit.

Our procedures did not lead to any reservations relating to the determination of the present value of expected future cash flows in the context of measuring the liability for remaining coverage.

Reference to related disclosures

The disclosures on the accounting policies applied are included in the notes to the consolidated financial statements in the sections Overarching accounting policies – Insurance contracts as well as Assets – B Reinsurance contracts held that are assets and Equity and liabilities – D Insurance contracts issued that are liabilities. In addition, the use of estimates and assumptions is explained in the section Accounting policies – Use of judgements and estimates in recognition and measurement. Further disclosures on items of the financial statements are presented in the sections Notes to the consolidated balance sheet – Assets (10) Reinsurance contracts held as well as Notes to the consolidated balance sheet – Equity and liabilities (26) Insurance contracts issued and (27) Liability for remaining coverage. Risk disclosures are included in the section Disclosures on risks from financial instruments and insurance contracts (53) Disclosures on further risks from insurance contracts of the notes to the consolidated financial statements and in the “Risk report” chapter of the combined management report.

Measurement of the liability for incurred claims in property-casualty insurance business

Reasons why the matter was determined to be a key audit matter

The measurement of the liability for incurred claims in property-casualty insurance business includes an estimate of future cash flows, the adjustment of this estimate to reflect the time value of money (discounting) and a risk adjustment for non-financial risk.

Estimating future cash flows includes all cash flows for incurred claims that have not yet been settled such as claims payments, claims settlement expenses and administration costs. IFRS 17 requires an entity-specific estimate of all future cash flows. Entities shall incorporate all information available without undue cost or effort. The estimates shall be updated at each measurement date.

Estimation of future cash flows is subject to considerable judgement. Future cash flows are projected using actuarial models, considering past experience and assumptions about future developments, including social, economic or technological factors. Expected future claims payments are estimated on the basis of historical observations for the entity’s own portfolio (settlement patterns) and, if necessary, with reference to external reference data and expert estimates. In this context, past experience is used as a basis for making assumptions about future premiums and ultimate loss ratios, as well as the time frames, factors, speed of claims settlement, and inflation of claims. The assessment of major losses is considered separately.

Under IFRS 17, an entity shall discount the estimate of future cash flows in order to reflect the time value of money. The discount rates shall reflect the characteristics of the cash flows – including liquidity characteristics – of the insurance contracts and be consistent with observable current market prices for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts in terms of timing, currency and liquidity. The discount rates used shall be updated at each measurement date, using different interest rates as a reference for the update depending on the measurement model. Under the general measurement model, current interest rates are used as a reference, while the premium allocation approach uses the interest rates relevant at the date of the incurred claim.

Discount rates are determined using a bottom-up approach, with the Solvency II interest rate curves published by EIOPA serving as the starting point for risk-free interest rates. In the event of differences in liquidity between the insurance liabilities and the liquid reference instruments used in determining the risk-free interest rate, an illiquidity premium based on the EIOPA method for determining volatility adjustments is applied as a premium on the interest rate curve. Credit risks are not taken into account in the discount rates used.

IFRS 17 requires a risk adjustment for non-financial risk to be added to the present value of the expected future cash flows to account for the uncertainty about the amount and timing of the cash flows that arises from non-financial risk. The risk adjustment for non-financial risk shall be updated at each measurement date.

The determination of the risk adjustment for non-financial risk using the cost-of-capital method is derived from the internal Solvency II risk model and takes into account Group-wide risk diversification.

In light of the uncertainties and the use of judgement in estimating future cash flows and determining the discount rates as well as the risk adjustment for non-financial risk, there is a risk of incorrect measurement of the liability for incurred claims in property-casualty insurance business. We therefore determined this to be a key audit matter.

Auditor's response

As part of our audit, we analysed the processes for estimating future cash flows and for determining discount rates as well as the risk adjustment for non-financial risk for risks of material misstatement. Further, we evaluated the design and tested the operating effectiveness of the controls integrated in these processes in order to check the complete and correct capture and determination of future cash flows as well as the derivation of the discount rates and the risk adjustment for non-financial risk in accordance with the relevant requirements of IFRS 17. For the estimation of future cash flows, this included in particular the assessment of the methodology applied as well as the derivation of entity-specific assumptions on the basis of historical claims development as well as assumptions on administration costs and claims settlement expenses.

We also performed substantive procedures to assess the suitability of the actuarial techniques and statistical methods applied as well as the derivation and plausibility of key assumptions used, including loss ratios and assumptions with regard to claims settlement. For the purpose of assessing the quality of estimates, we analysed the actual development of the previous year's liability for incurred claims based on the run-off results.

We also generated our own loss projections for the estimates of future cash flows for a risk-based selection of lines of business applying mathematical and statistical methods. We first calculated our best estimate and defined a range based on statistical probabilities, and then compared these with management's calculations.

We checked the calculation of the provisions for major losses for a systematic sample, taking into account the information and data available at the end of the reporting period.

With regard to measurement of the provisions for asbestos and environmental liability claims, we obtained an understanding of the procedures for validating the provisioned amount and certain methods and reconciled the comparative figures used with externally available market studies.

We assessed the derivation of the assumptions on the development of the consumer price, construction cost, wage growth and medical inflation indices, and the impacts thereof on the entire portfolio. Based on a random sample, we assessed the correct use of portfolio-specific inflation assumptions.

In addition, we checked whether fixed and variable overheads were allocated to the groups of insurance contracts using systematic and rational methods.

We obtained an understanding of the method used to derive the discount rates to assess its suitability. In particular, we analysed the risk-free interest rates used and, where applicable, the illiquidity premiums applied. Where discount rates were derived for periods for which no risk-free interest rates were observable on the market, we checked the extrapolation of a long-term risk-free interest rate curve (ultimate forward rate). We also assessed the application of the discount rates derived using the bottom-up approach to the actuarial models.

We obtained an understanding of the method used to derive the risk adjustment for non-financial risk to assess its suitability, and evaluated the derivation and plausibility of key assumptions used, including the Group-wide risk diversification. Moreover, we analysed the change in the risk adjustment for non-financial risk. We compared the change in the risk adjustment for non-financial risk for similar groups of insurance contracts in terms of consistency and analysed the relationship between the risk adjustment for non-financial risk and the fulfilment cash flows.

We used our own actuaries in the course of our audit.

Our procedures did not lead to any reservations relating to the measurement of the liability for incurred claims in property-casualty insurance business.

Reference to related disclosures

The disclosures on the accounting policies applied are included in the notes to the consolidated financial statements in the sections Overarching accounting policies – Insurance contracts as well as Assets – B Reinsurance contracts held that are assets and Equity and liabilities – D Insurance contracts issued that are liabilities. In addition, the use of estimates and assumptions is explained in the section Accounting policies – Use of judgements and estimates in recognition and measurement. Further disclosures on items of the financial statements are presented in the sections Notes to the consolidated balance sheet – Assets (10) Reinsurance contracts held as well as Notes to the consolidated balance sheet – Equity and liabilities (26) Insurance contracts issued and (28) Liability for incurred claims. Risk disclosures are included in the section Disclosures on risks from financial instruments and insurance contracts (53) Disclosures on further risks from insurance contracts of the notes to the consolidated financial statements and in the "Risk report" chapter of the combined management report.

Valuation of unlisted investments

Reasons why the matter was determined to be a key audit matter

The fair values of unlisted investments are mainly determined by using valuation models or values assessed by third parties. The primary parameters used are observable market inputs, such as interest rate curves based on the underlying terms and credit spreads. This applies particularly to the fair value measurement of unlisted fixed-interest debt instruments (registered bonds, borrower's note loans, infrastructure loans and other loans) and derivatives. In addition, unobservable inputs are used to measure certain investments – particularly real estate, real estate funds, investments in private equity funds, and alternative direct investments (such as infrastructure). The valuation models selected and the assumptions about inputs defined are judgemental. The greater the number of inputs used that are not observable in the market but are instead based on internal estimates, the greater the scope for judgement.

This matter was determined to be a key audit matter due to the judgements used in selecting the valuation models and the assumptions to be made with regard to the significant inputs. Moreover, unlisted investments contribute a substantial share of the investments in the consolidated balance sheet.

Auditor's response

As part of our audit, we analysed the processes for the valuation of unlisted investments for risks of material misstatement. Further, we evaluated the design also tested the effectiveness of the controls integrated in the processes and designed to ensure the full and correct selection and recording of inputs as well as to ensure the correct application of the valuation models used.

We assessed whether the valuation models used ensured a reliable determination of fair values.

For a risk-based sample of unlisted fixed-interest debt instruments, we performed our own fair value calculations using independently determined valuation-relevant inputs (interest rate curves and spreads). We compared the results with management's valuations.

We performed our own fair value calculations for derivatives on a sample basis and compared them with the fair values determined by management.

Moreover, we checked the fair value measurements of alternative direct investments for a risk-based sample and assessed the calculation parameters used, considering the investment-specific circumstances. We compared the fair values of sub-portfolios of indirectly held real estate investments and of investments in private equity funds with external information. For directly held real estate investments, we checked the valuations for a risk-based sample.

Our procedures did not lead to any reservations relating to the valuation of unlisted investments.

Reference to related disclosures

The disclosures on the accounting policies applied are included in the sections Overarching accounting policies – Fair value and Assets – D Investments of the notes to the consolidated financial statements. In addition, the use of estimates and assumptions is explained in the section Accounting policies – Use of judgements and estimates in recognition and measurement. Further disclosures on the individual instruments are presented in the sections Notes to the consolidated balance sheet – Assets (11) Investment property as well as (16) Financial investments and Notes to the financial instruments and fair value disclosures on assets and liabilities (43) Fair value hierarchy for assets and liabilities. Risk disclosures on market risk and credit risk are included in the section Disclosures on risks from financial instruments and insurance contracts (51) Disclosures on risks from financial instruments in the "Risk report" chapter of the combined management report.

Other information

The Supervisory Board is responsible for the report of the Supervisory Board. Management and the Supervisory Board are responsible for the Declaration of Conformity with the German Corporate Governance Code pursuant to Sec. 161 of the German Stock Corporation Act (AktG), which is part of the Group Statement on Corporate Governance, as well as for the remuneration report pursuant to Sec. 162 of the German Stock Corporation Act (AktG). Management is otherwise responsible for the other information. The other information comprises the above-mentioned Group Statement on Corporate Governance, the above-mentioned Group non-financial statement as well as the above-mentioned sections "Internal control system" and "Statement on the adequacy and effectiveness of the risk management system and the internal control system" of the chapter "Risk report", the above-mentioned chapter "Key intangible resources", and section "Remuneration report of Munich Reinsurance Company" in chapter "Munich Reinsurance Company (information reported on the basis of German accountancy rules)" of the combined management report.

In addition, the other information comprises other parts of the Group Annual Report of which we received a version before issuing this auditor's report, in particular:

- Munich Re at a glance
- Letter to shareholders
- Responsibility statement

but not the consolidated financial statements, the disclosures in the combined management report covered by our audit, or our auditor's report.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report, or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Supervisory Board for the consolidated financial statements and the combined management report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e(1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the combined management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control and of such arrangements and measures;

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e(1) HGB;

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and review of the work performed for the Group audit. We remain solely responsible for our opinions;

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides;

- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the consolidated financial statements and the combined management report prepared for publication purposes in accordance with Sec. 317(3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317(3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file Munich_Re_ESEF-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of Sec. 328(1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained within the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328(1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January 2024 to 31 December 2024 contained in the "Report on the audit of the consolidated financial statements and of the combined management report" above, we do not express any assurance opinion on the information contained within these renderings or on any other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file identified above in accordance with Sec. 317(3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Group auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of management and the Supervisory Board for the ESEF documents

Management is responsible for the preparation of the ESEF documents, including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Sec. 328(1) Sentence 4, No. 1 HGB and for the tagging of the consolidated financial statements in accordance with Sec. 328(1) Sentence 4, No. 2 HGB.

In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328(1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328(1) HGB). We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328(1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.

- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Arts. 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as Group auditor by the annual general meeting on 25 April 2024. We were engaged by the Chair of the Audit Committee of the Supervisory Board on 18 October 2024. We have been the Group auditor of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München without interruption since the financial year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

Other matters – Use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and audited combined management report as well as the assured ESEF documents. The consolidated financial statements and combined management report converted to ESEF format – including the versions to be published in the Unternehmensregister [German Company Register] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic format.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Dr. Peter Ott.

Munich, 10 March 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Wagner	**Dr. Ott**
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Independent auditor's limited assurance report on the group sustainability statement

The assurance engagement performed by EY relates exclusively to the German version of the group sustainability statement 2024 of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in Munich, Munich. The following text is a translation of the original German Independent Assurance Report.

To Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in Munich, Munich.

Assurance conclusion

We have performed a limited assurance engagement on the combined non-financial statement (group sustainability statement) of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft for the fiscal year from 1 January 2024 to 31 December 2024 included in the combined management report. The group sustainability statement was prepared to comply with the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Art. 8 of Regulation (EU) 2020/852 as well as Secs. 289b to 289e and Secs. 315b and 315c HGB ["Handelsgesetzbuch": German Commercial Code] for group non-financial statements which are combined with the parent company's non-financial statement.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying group sustainability statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Art. 8 of Regulation (EU) 2020/852 as well as Secs. 289b to 289e and Secs. 315b and 315c HGB for group non-financial statements which are combined with the parent company's non-financial statement, and the elaborative criteria presented by the Company's executive directors. This assurance conclusion also means that nothing has come to our attention that causes us to believe

- that the accompanying group sustainability statement does not comply, in all material respects, with European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify information to be reported in the group sustainability statement (materiality assessment) is not consistent, in all material respects, with the description provided in the group sustainability statement, and
- that the disclosures identified by 2020/852/EU Taxonomy Regulation in the group sustainability statement do not comply, in all material respects, with Art. 8 of Regulation (EU) 2020/852.

Basis for the conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "Responsibilities of the auditor for the assurance work on the group sustainability statement" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our firm applies IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) and International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the executive directors and the supervisory board for the group sustainability statement

The executive directors are responsible for the preparation of the group sustainability statement in accordance with the requirements of the CSRD and the relevant German legal and other European requirements and with the elaborative criteria presented by the Company's executive directors, and for designing, implementing and maintaining such internal control as the executive directors consider necessary to enable the preparation of a group sustainability statement, in accordance with these requirements, that is free from material misstatement, whether due to fraud (i.e., fraudulent group sustainability statement) or error.

These responsibilities of the executive directors include the implementation and maintenance of the materiality assessment process, the selection and application of appropriate methods to prepare the group sustainability statement as well as making assumptions and estimates about and determining forward-looking information on individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the group sustainability statement.

Inherent limitations in preparing the group sustainability statement

The CSRD and the relevant German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no comprehensive authoritative interpretations have been published to date. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of any measurement or evaluation of sustainability matters made on the basis of these interpretations is uncertain.

These inherent limitations also apply to the assurance work on the group sustainability statement.

Responsibilities of the auditor for the assurance work on the group sustainability statement

Our objectives are to express a limited assurance conclusion, based on our assurance engagement, about whether any matters have come to our attention that cause us to believe that the group sustainability statement is not prepared, in all material respects, in accordance with the CSRD, the relevant German legal and other European requirements and the elaborative criteria presented by the Company's executive directors, and to issue an assurance report that includes our conclusion on the group sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional scepticism. We also:

- Obtain an understanding of the process to prepare the group sustainability statement, including the materiality assessment process carried out by the Company to identify the information to be reported in the group sustainability statement.

- Identify disclosures that are likely to be materially misstated due to fraud or error, design and perform procedures to address such disclosures and obtain limited assurance to support our conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Furthermore, the risk of not detecting a material misstatement in information from the value chain originating from sources outside of the Company's control (information from the value chain) is usually higher than the risk of not detecting a material misstatement in information originating from sources within the Company's control, as both the Company's executive directors and we as auditors usually have limited direct access to the sources of information from the value chain.

- Evaluate the forward-looking information, including the reasonableness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the work performed by the auditor

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability information. The nature, timing and extent of the procedures selected depend on our professional judgment.

In conducting our limited assurance engagement, we:

- Evaluated the overall suitability of the criteria presented by the executive directors in the group sustainability statement.

- Made inquiries of the executive directors and relevant employees involved in the preparation of the group sustainability statement about the preparation process, including the materiality assessment process carried out by the Company to identify the information to be reported in the group sustainability statement, and about the internal controls over this process.

- Evaluated the methods used by the executive directors to prepare the group sustainability statement.

- Evaluated the reasonableness of the estimates made by the executive directors and related explanations. If the executive directors estimate the value chain information to be reported in accordance with ESRS when they are unable to obtain such information from the value chain after making reasonable efforts to do so, our assurance engagement is limited to evaluating whether the executive directors made such estimates in accordance with ESRS and evaluating the reasonableness of such estimates and does not extend to determining value chain information that the executive directors were unable to obtain.

- Performed analytical procedures and inquiries regarding selected items of information in the group sustainability statement.

- Conducted site visits.

- Assessed the presentation of the information in the group sustainability statement.

- Assessed the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the related disclosures in the group sustainability statement.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the assurance report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the assurance report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

General Engagement Terms and Liability

The "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2024, which are attached to this report, are applicable to this engagement and also govern our relations with third parties in the context of this engagement (ey-idw-aab-en-2024.pdf).

In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Munich, 10 March 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Wagner	**Dr. Ott**
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Responsibility statement

"To the best of our knowledge, and in accordance with the applicable reporting principles and generally accepted accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the combined management report for Münchener Rück-versicherungs-Gesellschaft Aktiengesellschaft in München and the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group."

Munich, 18 March 2025

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Münchener Rückversicherungs-Gesellschaft (Munich Reinsurance Company) is a reinsurance company organised under the laws of Germany. In some countries, including the United States, Munich Reinsurance Company holds the status of an unauthorised reinsurer. Policies are underwritten by Munich Reinsurance Company or its affiliated insurance and reinsurance subsidiaries. Certain coverages are not available in all jurisdictions.

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The official German original of this report is also available from the Company. In addition, you can find our annual and interim reports, along with further information about Munich Re and its shares, on the internet at www.munichre.com.

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Quarterly figures

		31.12.2024	30.9.2024	30.6.2024	31.3.2024
Balance sheet					
Investments	€m	230,716	225,668	221,459	219,852
Equity	€m	32,746	31,425	30,695	31,226
Insurance contracts issued and reinsurance contracts held (net)	€m	211,488	208,916	204,642	205,122
Balance sheet total	€m	286,515	280,007	276,052	275,704
Shares					
Share price	€	487.10	494.30	467.00	452.30
Munich Reinsurance Company's market capitalisation	€bn	65.2	66.1	62.5	61.7
Other					
Combined ratio					
Reinsurance – Property-casualty	%	83.5	90.5	79.6	75.3
ERGO Property-casualty Germany	%	98.5	86.0	88.4	84.4
ERGO International	%	90.3	96.1	91.7	89.5
Number of staff		**43,584**	**43,519**	**43,306**	**42,838**

€m	Total	Q4 2024	Q3 2024	Q2 2024	Q1 2024
1. Insurance revenue from insurance contracts issued	60,830	15,320	15,496	14,953	15,061
2. Insurance service expenses from insurance contracts issued					
Claims expenses	–43,036	–10,885	–11,531	–10,410	–10,209
Changes from underlying items	546	147	197	147	56
Administration and acquisition costs	–8,968	–2,484	–2,143	–2,207	–2,133
Other insurance service expenses	0	0	0	0	0
	–51,458	**–13,223**	**–13,478**	**–12,470**	**–12,286**
3. Insurance service result from insurance contracts issued (1+2)	**9,372**	**2,097**	**2,018**	**2,483**	**2,775**
4. Insurance revenue ceded from reinsurance contracts held	–1,666	–311	–559	–389	–407
5. Income from reinsurance contracts held	486	–66	96	256	201
6. Insurance service result from reinsurance contracts held (4+5)	**–1,181**	**–378**	**–464**	**–133**	**–206**
7. Insurance service result (3+6)	**8,191**	**1,719**	**1,554**	**2,349**	**2,569**
8. Result from insurance-related financial instruments	727	243	97	172	216
9. Total technical result (7+8)	**8,918**	**1,962**	**1,651**	**2,521**	**2,785**
10. Investment result	7,191	1,467	2,091	1,470	2,163
11. Currency result	175	453	–383	–70	176
12. Investment result for unit-linked life insurance	941	175	112	113	541
13. Insurance finance income or expenses from insurance contracts issued	–7,217	–1,807	–1,826	–1,386	–2,198
14. Insurance finance income or expenses from reinsurance contracts held	107	27	27	28	26
15. Insurance finance income or expenses (13+14)	**–7,110**	**–1,780**	**–1,799**	**–1,358**	**–2,173**
16. Net financial result (10+11+12+15)	**1,198**	**315**	**21**	**155**	**707**
17. Other operating income	1,432	478	286	362	306
18. Other operating expenses	–3,579	–1,118	–763	–827	–870
19. Operating result (9+16+17+18)	**7,969**	**1,637**	**1,194**	**2,211**	**2,928**
20. Net finance costs	–207	–59	–57	–50	–42
21. Taxes on income	–2,091	–599	–207	–538	–746
22. Net result (19+20+21)	**5,671**	**979**	**930**	**1,623**	**2,140**
Thereof: Attributable to Munich Reinsurance Company equity holders	5,685	991	930	1,624	2,140
Attributable to non-controlling interests	–14	–13	0	–1	0

€	Total	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Earnings per share	**42.78**	**7.54**	**7.02**	**12.16**	**15.96**

Important dates 2025

26 February 2025
Balance sheet media conference for 2024 consolidated financial statements (preliminary figures)

19 March 2025
Publication of the Group Annual Report 2024

30 April 2025
Annual General Meeting

13 May 2025
Quarterly Statement as at 31 March 2025

8 August 2025
Half-Year Financial Report as at 30 June 2025

11 November 2025
Quarterly Statement as at 30 September 2025

Important dates 2026

26 February 2026
Balance sheet media conference for 2025 consolidated financial statements (preliminary figures)

18 March 2026
Publication of the Group Annual Report 2025

29 April 2026
Annual General Meeting

12 May 2026
Quarterly Statement as at 31 March 2026

7 August 2026
Half-Year Financial Report as at 30 June 2026

12 November 2026
Quarterly Statement as at 30 September 2026