

Munich Reinsurance Company  
Annual General Meeting 2014  
Your invitation with detailed background  
information

2014

## Invitation to the Annual General Meeting 2014

We hereby invite our shareholders  
to the 127th Annual General Meeting,  
to be held at the  
ICM - International Congress Center Munich,  
Am Messesee 6, 81829 München, Messegelände,  
**at 10 a.m. on Wednesday, 30 April 2014.**

**Münchener Rückversicherungs-Gesellschaft  
Aktiengesellschaft in München, Munich**

## Agenda

- 1a) **Submission of the report of the Supervisory Board, the corporate governance report and the remuneration report for the financial year 2013**
- b) **Submission of the adopted Company financial statements and management report for the financial year 2013, the approved consolidated financial statements and management report for the Group for the financial year 2013, and the explanatory report on the information pursuant to Section 289 para. 4 and Section 315 para. 4 of the German Commercial Code (HGB)**

These documents are available on the internet at [www.munichre.com/agm](http://www.munichre.com/agm) (under "Documents") as parts of the annual report 2013 of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (hereinafter referred to as "Munich Reinsurance Company" or "the Company") and in the Munich Re Group Annual Report 2013. The annual reports will be sent to shareholders on request. In addition, the documents will be available and explained at the Annual General Meeting. The Supervisory Board has already approved the Company financial statements and the Group financial statements. In accordance with statutory provisions, there will therefore be no resolution in respect of this agenda item.

### 2 Resolution on the appropriation of the net retained profits from the financial year 2013

The Supervisory Board and the Board of Management propose that the net retained profits for 2013 of €1,300,223,787.00 be utilised as follows:

Payment of a dividend of €7.25 on each dividend-bearing share	€1,266,861,860.75
Carried forward to new account	€33,361,926.25
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Net retained profits	€1,300,223,787.00

The proposal for the appropriation of the profit takes into account own shares held directly or indirectly by the Company at the time of the Supervisory Board's and Board of Management's proposal. Pursuant to Section 71b of the German Stock Corporation Act (AktG), these own shares carry no dividend. By the time of the Annual General Meeting, the number of dividend-bearing shares may change through the further acquisition or disposal of own shares. In this case, a suitably modified proposal for the appropriation of the profit, with an unchanged dividend of €7.25 per dividend-bearing share, will be made to the Annual General Meeting.

### 3 Resolution to approve the actions of the Board of Management

The Supervisory Board and the Board of Management propose that approval for the actions of the members of the Board of Management in the financial year 2013 be given for that period.

### 4 Resolution to approve the actions of the Supervisory Board

The Supervisory Board and the Board of Management propose that approval for the actions of the members of the Supervisory Board in the financial year 2013 be given for that period.

## **5 Resolution to approve the remuneration system for the Board of Management**

Pursuant to Section 120 para. 4 of the German Stock Corporation Act, the Annual General Meeting can pass a resolution to approve the remuneration system for members of the Board of Management.

The resolution pertaining to this agenda item relates to the remuneration system for members of the Board of Management applicable at Munich Reinsurance Company since 1 January 2013. A description of this system is provided in the remuneration report, which forms part of the (Group) management report included in the annual reports referred to under agenda item 1. As already mentioned, the annual reports can be accessed on our website at [www.munichre.com/agm](http://www.munichre.com/agm) (under "Documents"). They will also be sent to shareholders on request. In addition, they will be available and explained at the Annual General Meeting.

The Supervisory Board and the Board of Management propose that the remuneration system for members of the Board of Management applicable since 1 January 2013 be approved.

## **6 Resolution to authorise the buy-back and utilisation of own shares as well as the option to exclude subscription and tender rights**

Unless expressly permitted by law, Munich Reinsurance Company requires the authorisation of the Annual General Meeting to buy back shares. The authorisation granted on 20 April 2011 has been exhausted to a significant extent by the share buy-back programme launched in November 2013. To again provide the Company with the full scope of active capital management afforded by such authorisation, it will be proposed to the Annual General Meeting that the Company be granted a further authorisation to buy back own shares.

The Supervisory Board and the Board of Management propose that the following resolutions be adopted:

- a) The Company shall be authorised to buy back shares up to a total amount of 10% of the share capital at the time the resolution is adopted. If at the time this authorisation is first exercised the existing share capital is lower, that amount shall be deemed material. The authorisation may be exercised as a whole or in partial amounts, on one or more occasions and for one or more purposes by the Company, but also by dependent Group companies or enterprises in which the Company has a majority shareholding or by third parties for its or their account. 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 German Stock Corporation Act, may at no time amount to more than 10% of the share capital. The authorisation may not be used for trading in own shares.
- b) The shares shall be acquired at the discretion of the Board of Management aa) via the stock exchange; or bb) via a public purchase offer to all shareholders; or cc) via a solicitation to all shareholders to submit sales offers (request to sell); or dd) via a public offer to all shareholders to exchange Munich Re shares for shares in another listed company as defined in Section 3 para. 2 of the German Stock Corporation Act.

- aa) If the shares are bought back via the stock exchange, the purchase price (excluding incidental expenses) may not exceed by more than 10% or undercut by more than 20% the arithmetic mean of the closing price in Xetra trading on the Frankfurt stock exchange determined for Company shares with the same securities reference number on the last three days of trading prior to the commitment to purchase.
- bb) If the shares are bought back via a public purchase offer, the purchase price per share or the upper and lower limits of the price range (excluding incidental expenses) may not exceed by more than 10% or undercut by more than 20% the arithmetic mean of the closing price determined in Xetra trading on the Frankfurt stock exchange for Company shares with the same securities reference number on the fifth, fourth and third trading day before the date on which the offer is published. If after a public purchase offer there are significant deviations in the relevant share price, the offer may be adjusted. In this case, the basis for determining the purchase price or the purchase price range will be the arithmetic mean of the closing price determined in Xetra trading on the Frankfurt stock exchange for Company shares with the same securities reference number on the fifth, fourth and third trading day before the public announcement of the adjustment. The volume may be restricted. If the offer is oversubscribed, the shareholders' right to tender shares may be excluded insofar as acceptance is based on quotas. The Company may provide for preferred acceptance of small lots of shares (up to 100 shares tendered per shareholder). The purchase offer may provide for further conditions.
- cc) If the Company publicly solicits submission of offers to sell Munich Reinsurance Company shares, the Company may in its solicitation state a purchase price range within which offers may be submitted. The solicitation may provide for a submission period, terms and conditions, and the possibility of adjusting the purchase price range during the submission period if, after publication of the solicitation, significant share price fluctuations occur during the submission period. Upon acceptance, the final purchase price shall be determined from all the submitted sales offers. The purchase price (excluding incidental expenses) for each Company share may not exceed by more than 10% or undercut by more than 20% the average closing price of Company shares in Xetra trading on the fifth, fourth and third trading day prior to the relevant date. The relevant date shall be the date on which the offers are accepted by the Company. If the number of Company shares offered for sale exceeds the total volume of shares the Company intended to acquire, the shareholders' right to tender shares may be excluded insofar as acceptance is based on quotas. The Company may provide for preferred acceptance of small lots of shares (up to 100 shares tendered per shareholder).
- dd) In the case of a public offer to exchange Munich Re shares for shares in another listed company ("exchange shares") as defined in Section 3 para. 2 of the German Stock Corporation Act, a certain exchange ratio may be specified or also determined by way of an auction procedure. A cash benefit may also be provided for as an additional payment to the exchange offered or as compensation for any fractional amounts. In each of these procedures for the exchange of shares, the exchange price or the applicable upper and lower limits of the price range in the form of one or more exchange shares and calculated fractional amounts, including any cash or fractional amounts (excluding incidental expenses), may not exceed by more than 10% or undercut by more than 20% the relevant value of Company shares. The basis for calculating the relevant value of each Company share and of each exchange share shall be the respective arithmetic mean of the closing price in Xetra trading on the Frankfurt

stock exchange on the fifth, fourth and third trading day before the date on which the exchange offer is published. If the exchange shares are not traded in the Xetra trading system on the Frankfurt stock exchange, the basis shall be the closing prices quoted on the stock exchange having the highest average trading volume in respect of the exchange shares in the course of the preceding calendar year. If after a public exchange offer there are significant deviations in the relevant share price, the offer may be adjusted. In this case, the basis for the adjustment shall be the arithmetic mean of the closing price on the fifth, fourth and third trading day before the date of the public announcement of the adjustment. The volume may be restricted. If the exchange offer is oversubscribed, the shareholders' right to tender shares may be excluded insofar as acceptance is based on quotas. The Company may provide for preferred acceptance of small lots of shares (up to 100 shares tendered per shareholder). The exchange offer may provide for further conditions.

- c) The Board of Management shall be empowered to use shares acquired on the basis of the aforementioned or previously granted authorisations or pursuant to Section 71d sentence 5 of the German Stock Corporation Act for all legally admissible purposes, and in particular as follows:
  - aa) They may be used for launching the Company's shares on foreign stock exchanges where they are not yet admitted to trading.
  - bb) They may be sold directly or indirectly in return for non-cash payment, in particular as part of offers to third parties in connection with mergers or acquisitions of companies or parts of companies, shareholdings or other assets. Selling in this connection may also include the granting of conversion or subscription rights or of warrants and the transferring of shares in conjunction with securities lending.
  - cc) They may be sold to third parties for cash other than via the stock exchange or via an offer to all shareholders.
  - dd) They may be offered for subscription to the holders of conversion rights or warrants issued by the Company or one of its dependent Group companies.
  - ee) They may be directly or indirectly offered for purchase and transferred to current or former employees of the Company or its affiliated companies, or to Board members of its affiliated companies. The shares may also be transferred to a third party provided that it is ensured from a legal perspective that such third party will offer and transfer the shares to the persons mentioned above.
  - ff) They may be retired without a further resolution of the Annual General Meeting being required. Any retirement may be limited to a portion of the bought-back shares. The Board of Management may determine that the shares can also be retired in a simplified process, without reducing the share capital, by adjusting the proportion of the Company's share capital represented by each of the remaining no-par-value shares. In this case, the Board of Management shall be authorised to adjust the number of no-par-value shares in the Articles of Association.

- d) The Supervisory Board shall be empowered to use Company shares acquired on the basis of the aforementioned or previously granted authorisations or pursuant to Section 71d sentence 5 of the German Stock Corporation Act as follows:

They may be transferred to the members of the Company's Board of Management as part of their remuneration. This particularly applies if the rules governing the remuneration of the members of the Board of Management require or will require the Board members to invest part of the variable remuneration assigned to them in Company shares that must be held for a specific period of time. If this requirement relates to a variable remuneration component assessed on a multi-year basis, a minimum holding period of around two years shall be stipulated. In all other cases, the minimum holding period shall be approximately four years.

To be eligible, an individual must be a member of the Board of Management either at the time of transfer of, or at the beginning of the assessment period for, the variable remuneration component concerned. The details of remuneration for members of the Board of Management are established by the Supervisory Board. These include rules on how to deal with holding periods in special cases such as retirement, disability or death.

- e) The price at which the shares are launched on other stock exchanges in accordance with subitem c) aa or sold in accordance with subitem c) cc in exercise of the authorisation may not significantly undercut the opening price determined in Xetra trading on the Frankfurt stock exchange for Company shares with the same securities number (excluding incidental costs) on the day the shares are launched or the binding agreement with the third party is concluded. In addition, in these cases the sum of the shares sold, together with any shares that may have been or will be issued or sold during the term of this authorisation by directly or indirectly excluding the shareholders' subscription rights, pursuant to Section 186 para. 3 sentence 4 of the German Stock Corporation Act, may not exceed a total of 10% of the share capital, either at the time this authorisation enters into force or when the shares are issued or sold.
- f) Should the Xetra trading system be replaced by a comparable successor system, the latter shall also take the place of the Xetra trading system for the purposes of this authorisation.
- g) The authorisations in accordance with subitems c) and d) may be utilised one or more times, partially or wholly, individually or jointly; the authorisations in accordance with subitem c) bb, cc, dd or ee may also be utilised by dependent Group companies or enterprises in which the Company has a majority shareholding, or utilised for its or their account by third parties.
- h) Shareholders' subscription rights in respect of these bought-back shares shall be excluded insofar as the shares are used in accordance with the authorisations in subitems c) aa, bb, cc, dd, ee or d). Beyond this, if bought-back shares are sold via an offer to the shareholders, the Board of Management shall be entitled to exclude shareholders' subscription rights insofar as this is necessary to grant subscription rights to the bearers of Company or Group company convertible bonds or bonds with warrants to the extent to which such bearers would be entitled as shareholders after exercising their warrants or after the conversion requirements from such bonds have been satisfied.
- i) The authorisation shall be valid until 29 April 2019. The authorisation to buy back shares granted by the Annual General Meeting on 20 April 2011 shall be invalidated as from the moment this new authorisation comes into effect.

## **7 Resolution to authorise the buy-back of own shares using derivatives, as well as the option to exclude subscription and tender rights**

In addition to the acquisition channels proposed in the authorisation under item 6 of the agenda, the possibility to buy back own shares by using derivatives is also to be provided for.

The Supervisory Board and the Board of Management therefore propose that the following resolutions be adopted:

- a) By virtue of the authorisation granted at the Annual General Meeting on 30 April 2014 under item 6 of the agenda, the Company may in accordance with the provisions of subitems b) to h) below buy back own shares also by using derivatives in the form of put options, call options, forward purchase contracts (where shares are delivered more than two days after conclusion of the purchase contract), or a combination of such instruments (hereinafter all referred to as "derivatives").
- b) Derivatives may be used in one of the ways outlined under aa), bb) or cc) below, or in a combination of these:
  - aa) Derivatives may be issued or acquired via Eurex Deutschland or LIFFE (or a comparable successor system). In this case, the Company shall inform shareholders of any planned issue or acquisition of derivatives by placing a public announcement in the newspapers. Different exercise prices (excluding incidental expenses) on different due dates may be selected for the derivatives, even if they are being issued or acquired at the same time.
  - bb) The issue of put options, the purchase of call options, the conclusion of forward purchase contracts or a combination of such derivatives and their respective fulfilment may also be conducted outside the stock exchanges listed under aa) if the shares to be delivered to the Company on exercise of the derivatives have previously been acquired via the stock exchange at the current share price in Xetra trading on the Frankfurt stock exchange.
  - cc) The conclusion of put or call option contracts may be publicly offered to all shareholders, or option contracts may be concluded with a bank or a credit institution (hereinafter referred to as "issuer") pursuant to Section 53 para. 1 sentence 1 or Section 53b para. 1 sentence 1 or para. 7 of the German Banking Act (KWG), subject to the obligation to offer these options to all shareholders for subscription.

The Company may only buy back the derivatives outlined under items aa) to cc) in order to retire them.

- c) In the case of subitem b) aa and bb, the exercise price of the options or the acquisition price payable in settlement of a forward purchase contract (in each case excluding incidental expenses) per share may not exceed by more than 10% or undercut by more than 20% the opening price determined in Xetra trading on the Frankfurt stock exchange for Company shares with the same securities number on the day the derivative contract is concluded. If own shares are bought back using options, the acquisition price (excluding incidental expenses) payable by the Company for the shares corresponds to the exercise price agreed on in the option. The acquisition price (excluding incidental expenses) paid by the Company for options may not exceed, nor may the sale price (excluding incidental expenses) collected by the Company for options fall short of, the theoretical market value of the respective option determined according to recognised principles of financial



mathematics, the calculation of such market value considering among other things the agreed exercise price. The forward price agreed on by the Company in forward purchase contracts may not be substantially higher than the theoretical forward price determined according to recognised principles of financial mathematics, the calculation of such forward price considering among other things the current stock market price and the term of the forward purchase contract.

- d) In the case of subitem b) cc, the exercise price of the options (excluding incidental expenses) per share may not exceed by more than 10% or undercut by more than 20% the arithmetic mean of the closing price determined in Xetra trading on the Frankfurt stock exchange for Company shares with the same securities number on the fifth, fourth and third trading day prior to publication of the offer. In the event that the offer to shareholders is oversubscribed, the shareholders' right to tender shares may be excluded insofar as acceptance is based on quotas. The Company may provide for a preferred offer for concluding option contracts or a preferred allocation of options for small lots of shares (options up to 100 shares per shareholder).
- e) The term of the derivatives shall be a maximum of 18 months in each case and be so determined that exercising derivatives to acquire shares will be completed by 29 April 2019 at the latest. The Company may use derivatives to acquire own shares up to a maximum of 5% of the share capital at the time the resolution is adopted at the Annual General Meeting. If at the time this authorisation is first exercised the existing share capital is lower, that amount shall be deemed material.
- f) If derivatives are used to buy back own shares, pursuant to subitem b) aa or bb, shareholders shall not have a claim to conclude such derivative contracts with the Company, in line with the provisions of Section 186 para. 3 sentence 4 of the German Stock Corporation Act. Shareholders shall also not have the right to conclude derivative contracts to the extent that, on conclusion of derivative contracts pursuant to subitem b) cc, the Company has provided for a preferred offer or preferred allocation for the conclusion of derivative contracts with regard to small lots of shares. Shareholders shall have a right to tender their shares to the Company only insofar as the Company is obligated to purchase shares from them pursuant to the derivative contracts.
- g) The authorisation may be exercised as a whole or in part amounts, on one or more occasions and for one or more purposes by the Company, but also by dependent Group companies or enterprises in which the Company has a majority shareholding, or by third parties for its or their account.
- h) In all other respects, the conditions and uses of the authorisation granted under item 6 of the agenda shall apply.

## **8 Resolution to elect members of the Supervisory Board**

The term of office of the Supervisory Board members expires at the end of the Annual General Meeting on 30 April 2014. Pursuant to Sections 96 para. 1 and 101 para. 1 of the German Stock Corporation Act and Sections 5 (1), 15 para. 1, and 22 of the German Act on the Co-Determination of Employees in Cross-Border Mergers (MgVG) in conjunction with the agreement concerning the co-determination of employees of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (hereinafter referred to as "the Company") concluded between the managements of the Company and Münchener Rück Italia S.p.A. and with the Special Negotiating Body dated 28 November/10 December/12 December 2008 as well as Article 10 of the Company's Articles of Association, the Supervisory Board shall be

composed of ten members elected by the shareholders at the Annual General Meeting and ten members elected by the employees. On the basis of this agreement on co-determination, the employee representatives on the Supervisory Board will be elected by the relevant bodies prior the Annual General Meeting. The shareholder representatives are to be elected at the Annual General Meeting on 30 April 2014.

The Supervisory Board proposes that the following persons be elected to the Supervisory Board as representatives of the shareholders for the next term of office, i.e. until the end of the Annual General Meeting in 2019:

- a) Prof. Dr. oec. Dr. jur. Ann-Kristin Achleitner, Munich, Germany, Scientific Director of the Center for Entrepreneurial and Financial Studies (CEFS) at the Technical University of Munich
- b) Dr. jur. Benita Ferrero-Waldner, Madrid, Spain, President of the EU-Latin America/Caribbean Foundation (EU-LAC Foundation)
- c) Prof. Dr. rer. nat. Ursula Gather, Dortmund, Germany, Rector of TU Dortmund University
- d) Prof. Dr. rer. nat. Peter Gruss, Munich, Germany, President of the Max Planck Society for the Advancement of Science
- e) Gerd Häusler, Frankfurt, Germany, CEO of Bayerische Landesbank
- f) Prof. Dr. rer. nat. Dr. Ing. E.h. Henning Kagermann, Königs Wusterhausen, Germany, President of acatech – German Academy of Science and Engineering
- g) Wolfgang Mayrhuber, Hamburg, Germany, Chairman of the Supervisory Board of Deutsche Lufthansa AG
- h) Dr. Ing. E. h. Dipl. Ing. Bernd Pischetsrieder, Breitbrunn-Urfahrn, Germany, Chairman of the Supervisory Board of Munich Reinsurance Company
- i) Anton van Rossum, Brussels, Belgium, Chairman of the Supervisory Board of Royal Vopak NV and member of the Board of Credit Suisse Group
- j) Dr. phil. Ron Sommer, Meerbusch, Germany, Chairman of the Supervisory Board of MTS OJSC, Russia

The proposals of the Supervisory Board are based on the recommendations of the Nomination Committee and take into account the objectives approved by the Supervisory Board regarding its composition.

Prof. Dr. rer. nat. Dr. Ing. E.h. Henning Kagermann, Chairman of the Audit Committee, meets the requirements of Section 100 para. 5 of the German Stock Corporation Act to qualify as an independent financial expert.

Pursuant to Section 5.4.3 sentence 3 of the German Corporate Governance Code in the version dated 13 May 2013, it is pointed out that Dr. Ing. E. h. Dipl. Ing. Bernd Pischetsrieder has announced his willingness to stand for re-election as Chairman if he is returned to the Supervisory Board.

The intention is to elect each member individually to the Supervisory Board. In the Supervisory Board's assessment, none of the proposed candidates has any personal or business relations with Munich Reinsurance Company, its Group companies, the governing bodies of Munich Reinsurance Company, or with a shareholder holding a material interest in Munich Reinsurance Company, that would require disclosure under Section 5.4.1 para. 4 of the German Corporate Governance Code in the version dated 13 May 2013.

The Annual General Meeting is not obliged to follow election proposals.

## **9 Resolution to approve seven agreements amending existing profit transfer agreements**

The following profit transfer agreements have been concluded between Munich Reinsurance Company (controlling company) and its wholly owned subsidiaries (controlled companies) incorporated as German limited liability companies (GmbH)

- Profit transfer agreement with MR Beteiligungen 1. GmbH of 19 November 2002
- Profit transfer agreement with Silvanus Vermögensverwaltungsgesellschaft mbH (formerly operating under the name of MR Beteiligungen 3. GmbH) of 19 November 2002
- Profit transfer agreement with MR RENT-Investment GmbH (formerly operating under the name of MR Beteiligungen 4. GmbH) of 19 November 2002
- Profit transfer agreement with MR Beteiligungen 14. GmbH of 19 November 2002
- Profit transfer agreement with MR Beteiligungen 15. GmbH of 19 November 2002
- Profit transfer agreement with MR Beteiligungen 16. GmbH of 19 November 2002
- Profit transfer agreement with Schloss Hohenkammer GmbH (formerly operating under the name of Akademie Schloß Hohenkammer GmbH) of 11 April 2003

An amendment of these profit transfer agreements became necessary following promulgation of the German Act Amending and Simplifying Taxation of Companies and the Tax Treatment of Travel Expenses (UntStRÄndG) of 20 February 2013 (Federal Law Gazette I, p. 285), which amends Section 17 sentence 2 (2) of the German Corporation Tax Act (KStG). This amended Section 17 sentence 2 (2) of the German Corporation Tax Act now stipulates that "assumption of a loss is agreed by reference to the provisions of Section 302 of the German Stock Corporation Act (AktG) in the respective applicable version".<sup>1</sup> For this purpose, Munich Reinsurance Company has concluded agreements amending the profit transfer agreement with each of the above-mentioned controlled companies, thus ensuring that each of the profit transfer agreements continues to comply with the requirements for tax unity.

While amending the agreements to ensure compliance with the rules governing the assumption of losses, all profit transfer agreements have also been amended with regard to the transfer of profits. They now contain a general reference to the application of the most recent version of Section 301 of the German Stock Corporation Act, which governs the maximum amount of profit that may be transferred, or any subsequent regulatory provision. Section 301 sentence 1 of the German Stock Corporation Act, as amended by the German Accounting Law Reform Act (BilMoG) of 25 May 2009 (Federal Law Gazette I, p.1102), prohibits the transfer as profit of undistributable restricted amounts pursuant to Section 268 para. 8 of the German Commercial Code (HGB). This provision was introduced after conclusion of the profit transfer agreements to be amended. Compliance with the legal provisions is secured by the general reference provision, which becomes

<sup>1</sup> This is a translation. The original German provision states: "eine Verlustübernahme durch Verweis auf die Vorschriften des § 302 des Aktiengesetzes (AktG) in seiner jeweils gültigen Fassung vereinbart wird".

an integral and binding provision of the profit transfer agreement along with any possible future amendments to Section 301 of the German Stock Corporation Act.

The amendments mentioned above form the material content of each of the seven amendment agreements. The agreements amending the respective profit transfer agreements do not provide for any other changes. The original profit transfer agreements of 19 November 2002 and 11 April 2003 and the respective agreements amending them are completely identical in their material provisions.

On 18 February 2014, the shareholders' meetings of the above-mentioned subsidiaries approved the respective agreements amending the profit transfer agreement in notarised form. In addition, the agreements amending the profit transfer agreement require approval from the Annual General Meeting of Munich Reinsurance Company. Subsequently, they will become effective upon entry being made in the Commercial Register with respect to the corresponding subsidiary.

Pursuant to Sections 293a and 295 para. 1 of the German Stock Corporation Act, the Board of Management of Munich Reinsurance Company submitted joint reports with the management of each of the subsidiaries involved, explaining and justifying from a legal and economic standpoint the contents of and reasons for conclusion of the agreement amending the profit transfer agreement. The joint reports can be accessed on the Munich Reinsurance Company website ([www.munichre.com/agm](http://www.munichre.com/agm)) under "Documents", along with the following documents requiring disclosure:

- The respective agreements amending the profit transfer agreements between Munich Reinsurance Company as the controlling company and the seven controlled companies;
- The existing profit transfer agreements between Munich Reinsurance Company as the controlling company and the seven above-mentioned controlled companies;
- Munich Reinsurance Company's annual financial statements, management reports, consolidated financial statements and Group management reports for the financial years 2011, 2012 and 2013;
- The annual financial statements and management reports of the seven controlled companies (unless an exemption applies under Section 264 para. 3 of the German Commercial Code) for the past three financial years.

All documents requiring disclosure will also be made available at the Annual General Meeting. Since Munich Re is the sole shareholder in the controlled companies, it was not necessary to have the agreements audited and to present an auditor's report pursuant to Sections 293b ff. of the German Stock Corporation Act.

The Supervisory Board and the Board of Management propose that

- a) the agreement of 8/20 January 2014 amending the profit transfer agreement of 19 November 2002 with MR Beteiligungen 1. GmbH,
- b) the agreement of 9/20 January 2014 amending the profit transfer agreement of 19 November 2002 with Silvanus Vermögensverwaltungsgesellschaft mbH (formerly operating under the name of MR Beteiligungen 3. GmbH),
- c) the agreement of 8/20 January 2014 amending the profit transfer agreement of 19 November 2002 with MR RENT-Investment GmbH (formerly operating under the name of MR Beteiligungen 4. GmbH),
- d) the agreement of 8/20 January 2014 amending the profit transfer agreement of 19 November 2002 with MR Beteiligungen 14. GmbH,

- e) the agreement of 8/20 January 2014 amending the profit transfer agreement of 19 November 2002 with MR Beteiligungen 15. GmbH,
- f) the agreement of 8/20 January 2014 amending the profit transfer agreement of 19 November 2002 with MR Beteiligungen 16. GmbH,
- g) the agreement of 8/20 January 2014 amending the profit transfer agreement of 11 April 2003 with Schloss Hohenkammer GmbH (formerly operating under the name of Akademie Schloß Hohenkammer GmbH)

be approved.

The intention is to approve each amendment agreement by individual vote.

**Report of the Board of Management on the exclusion of subscription rights proposed under items 6 and 7 of the agenda (Section 186 para. 4 sentence 2 in conjunction with Section 71 para. 1 (8) of the German Stock Corporation Act)**

**1. Re item 6 on the agenda**

The Annual General Meetings of recent years have adopted resolutions authorising the Company to buy back and use own shares. The current authorisation has been exhausted to a significant extent by the share buy-back programme launched in November 2013. Therefore, the proposed resolution before you is designed to grant a new authorisation. The Company is again to be given the opportunity, either on its own or via dependent Group companies or enterprises in which the Company has a majority shareholding or via third parties acting for its or their account, to buy back own shares up to a total amount of 10% of the Company's current share capital or the Company's existing share capital at the time this authorisation is first exercised, whichever amount is the lower. The new authorisation is again to be granted for a term of five years.

For this purpose, the Company is to be enabled to buy back shares not only via the stock exchange but also through a public offer to shareholders of the Company or through a public solicitation to shareholders to submit an offer to sell Company shares. The Company is also to be given the possibility to offer not only cash but also shares in other listed companies by way of exchange, which for shareholders can be an attractive alternative to a public purchase offer. It gives the Company additional scope for optimally structuring share buy-backs, which is also in the interests of the shareholders.

If, following a public offer to shareholders of the Company to sell or exchange their shares or a public solicitation to shareholders to submit an offer to sell Company shares, the number of Company shares tendered or offered for sale exceeds the total number of shares the Company intended to acquire, acquisition or acceptance will be effected by excluding the right of shareholders to tender shares based on the ratio of shares tendered or offered. This procedure will simplify the acquisition process. The preferred acceptance of small lots of shares (up to 100 shares tendered per shareholder) also serves the purpose of simplification.

Own shares which the Company buys back may be sold again via the stock exchange or a public offer to all shareholders. This takes account of the statutory principle of equal treatment (Section 53a of the German Stock Corporation Act).

Besides this, the Company may also limit the shareholders' subscription rights and, pursuant to Section 186 para. 3 sentence 4 of the German Stock Corporation Act, may sell the Company's own shares to institutional investors, for example, or launch the shares on foreign stock exchanges. That is in the interests of the Company and puts it in a position to react quickly and flexibly to favourable stock market situations. The shares may only be sold at a price which does not significantly undercut the current stock market price. The Board of Management will endeavour – taking into account current market circumstances – to keep any discount on the stock market price as low as possible. It will only avail itself of this authorisation to exclude subscription rights in the sale of own shares insofar as – in conjunction with existing authorisations to issue shares by making it easier to exclude shareholders' subscription rights, namely from capital approved for this purpose, or as a result of an issue of convertible bonds or bonds with warrants – the limit of 10% of the Company's share capital is not exceeded.

The authorisation is also designed to give the Company the option of having own shares available to offer as a consideration in connection with mergers, acquisitions of companies or the purchase of shareholdings. International competition and the globalisation of the economy also require this type of acquisition financing. The proposed authorisation is intended to give the Company the necessary scope to take quick and flexible advantage of opportunities that arise for acquiring companies or shareholdings, without placing a strain on its liquidity. This is reflected in the proposed exclusion of subscription rights. In determining the valuation ratios, the Board of Management will ensure the interests of the shareholders are appropriately considered. As a rule, when measuring the value of the shares offered as a consideration, it will take as a basis the stock market price of Munich Re shares. However, a systematic coupling of the valuation to a stock market price is not provided for, in particular to prevent fluctuations in the share price from jeopardising negotiation outcomes once they have been reached. Disposals against non-cash payment are also to include indirect processing in which a bank or similar institution acts as an intermediary.

The Company will have the possibility to issue convertible bonds or bonds with warrants against both cash and non-cash payment. To service these bonds, it may be expedient to use own shares in part or in full, instead of a capital increase. This is also provided for in the authorisation, with an exclusion of shareholders' subscription rights.

Finally, the authorisation allows the possibility, in the event of own shares being sold by means of an offer to all shareholders, for shareholders' subscription rights to be partially excluded in favour of the holders of convertible bonds or bonds with warrants. This enables the holders of convertible bonds or bonds with warrants to be granted a subscription right as protection against dilution, instead of a reduction of the exercise or conversion price.

Besides this, the Company is to be enabled to issue shares to employees of the Company or its affiliated companies, as well as to the Board members of its affiliated companies. The issue of shares to these individuals serves to integrate them into the Company and promotes the assumption of co-responsibility. Therefore, the issue of shares to employees and managers is in the interests of both the Company and its shareholders. We would like to be able to offer the above-mentioned individuals own shares also within the framework of innovative participation models, for instance in connection with conditions that commit them to a certain period of service with the Company. Besides this, we wish to have the option of linking a share offer or share issue to other conditions, for example personal performance objectives, objectives within the employee's divisional unit

or department, or to a project or to Company profit targets. Finally, we would like to be able to use shares within the framework of our remuneration systems. Since 2010, variable remuneration schemes for specified managers are required to include medium- and long-term components. We wish to have the option of using own shares for this purpose.

Where permitted by law, the Company is to be given the option of involving a suitable third party, such as an issuer, in conducting the transaction. This can be useful in particular with a view to facilitating practical implementation and reducing the effort and expense involved. The involvement of such third party shall be subject to the proviso that shares may only be transferred in accordance with the authorisation granted by the Annual General Meeting and, where applicable, at the end of a vesting period or subject to a holding period. The Company will ensure that this is the case.

When making use of the authorisation to issue such employee shares, there should be the option of setting an amount attributable to each share that is below the respective current stock market price. The benefit should in this case not be determined on the basis of a formal consideration of the discount per share. Rather, the overall amount of the benefit granted in each case to an individual through discounted shares should be in a reasonable proportion to the individual's remuneration or to the expected advantage to the Company, subject to the condition being fulfilled, as well as to any vesting period or minimum holding period stipulated.

Transferring own shares can be an economically viable alternative to using available authorised capital because it saves the effort and expense associated with a capital increase and the approval of new shares, and helps avoid the dilution effect that would otherwise occur.

Furthermore, the Company is also to be given the option of paying variable remuneration to members of the Company's Board of Management wholly or partly in the form of Company shares subject to a minimum holding period, rather than as a cash bonus. For instance, this option may be considered for the Board of Management's existing remuneration scheme as described in the remuneration report included in the 2013 Munich Re Group Annual Report. The Company is also to be enabled to transfer Company shares subject to a minimum holding period, particularly as an alternative to making cash payments that recipients are obliged to invest in Company shares subject to a minimum holding period. By transferring shares with a minimum holding period instead of making a cash payment, part of the remuneration is deferred, and ties to the Company are strengthened by allowing the member of the Board of Management to participate in a sustainable increase in the Company's value. When transferring shares to members of the Board of Management, the value attributed to each share transferred may not significantly undercut the stock market price. It will thus be possible to set up or continue variable remuneration schemes that provide an incentive for long-term sustainable management. Because the shares must not be sold before the expiry of the holding period, the Board member participates in both positive and negative stock market price fluctuations during the holding period. As a result, there may be a bonus or a detrimental effect. A minimum holding period of around four years shall be stipulated for members of the Company's Board of Management. A minimum holding period of around two years may be stipulated if shares are transferred in lieu of a cash payment in a variable remuneration scheme that already uses a multi-year assessment basis. The above mechanisms take into account the aims of the German Act on the Appropriateness of Management Board Remuneration (VorstAG), the requirements of the German Corporate Governance



Code, and the provisions of the German Insurance Supervision Act (VAG) in conjunction with the German Remuneration Regulation for Insurance Companies (VersVergV). To be eligible to receive shares, the respective member of the Board of Management must be employed with the Company at the time the underlying objectives are defined or agreed and/or at the time the shares are transferred. It will thus be possible to pay part of the bonus in the form of shares even if employment begins during the year or if the variable remuneration is paid after the termination of employment with the Company. The details of remuneration for members of the Board of Management are established by the Supervisory Board. These include rules on how to deal with holding periods in special cases such as retirement, disability or death. There is no intention to issue stock options.

For shares used in connection with the rules of remuneration of the Board of Management, the implementation details shall be at the discretion of the Supervisory Board; for the other shares, they shall be at the discretion of the Board of Management. In order to achieve the above objectives, it is necessary to exclude the subscription rights of shareholders. This option will only be exercised if, in the estimation of the Supervisory Board or – in the latter case – the Board of Management, it is in the interests of the Company and thus of its shareholders.

As outlined above, not only the shares acquired on the basis of this authorisation resolution are to be used. The authorisation is also intended to include shares acquired on previous occasions. It is advantageous for the Company and creates further flexibility to be able to use these own shares in the same way as those acquired on the basis of this new resolution.

We propose that own shares acquired on the basis of a resolution taken to authorise the buy-back of shares may be retired without requiring a new resolution of the Annual General Meeting. For this purpose, the Annual General Meeting will transfer the decision regarding the retirement of shares to the Board of Management. The Annual General Meeting can also authorise the Board of Management to retire no-par-value shares without reducing the share capital. The proposed authorisation provides for this option in addition to retirement with a share capital reduction. If own shares are retired without reducing the share capital, the proportion of the unchanged share capital represented by each of the other no-par-value shares automatically increases. The Board of Management is therefore also to be authorised to make the necessary amendment to the Articles of Association to take account of the resultant reduction in the number of no-par-value shares.

The Board of Management will report on the use of the authorisation at the Annual General Meeting.

## **2. Re item 7 on the agenda**

Apart from the possibilities to buy back own shares as provided for under item 6 of the agenda, the Company is again to have the option of acquiring own shares using derivatives.

In the past, the Company has made successful use of the possibility of buying back own shares by using derivatives. This has confirmed that for the Company it may be advantageous to sell put options or purchase call options, for example, instead of directly acquiring Company shares. The Board of Management intends to use put and call options, forward purchase contracts or a combination of such instruments only as a supplement to conventional share buy-backs.

When selling put options, the Company grants the acquirer of the put options the right to sell Munich Re shares to the Company at a price laid down in the put option (exercise price). In return, the Company receives an option premium, which



corresponds to the economic value of the disposal right taking into account the exercise price, the term of the option and the volatility of Munich Re shares. A high level of volatility on the stock markets thus allows high option premiums. If the put option is exercised, the option premium paid by the acquirer of the put option reduces the countervalue rendered as a whole by the Company for the acquisition of the shares. It is economically expedient for the option holder to exercise the put option if the Munich Re share price at the time of exercise is lower than the exercise price, because the holder can then sell the shares at the higher exercise price. From the Company's point of view, the advantage of share buy-backs using put options is that the exercise price is fixed on the day that the option contract is concluded, whilst the liquid funds do not flow until the exercise date. Furthermore, owing to the option premium collected, the acquisition price of the shares for the Company is lower than the share price when the option contract is concluded. If the option holder does not exercise the option because the share price at the exercise date is higher than the exercise price, the Company is unable to acquire any of its own shares in this way but still has the collected option premium.

In the case of a call option, the Company acquires the right – against payment of an option premium – to purchase a predetermined number of Munich Re shares at a predetermined price (exercise price) from the seller of the option, the writer. It is economically expedient for the Company to exercise the call option if the Munich Re share price on the date the option is exercised is higher than the exercise price, because it can then purchase the shares from the writer at the lower exercise price. In this way, the Company hedges against rising share prices. In addition, the Company's liquidity is not affected, since the fixed acquisition price for the shares does not need to be paid until the call options are exercised.

Forward purchase contracts are contracts for purchasing Munich Re shares where there are more than two trading days between the conclusion of the purchase contract and the delivery of the shares purchased. In a forward purchase, the Company enters into an agreement with the forward seller to acquire the shares at a specified future date at a price stipulated at the time of concluding the forward purchase contract. It can be economically expedient for the Company to enter into forward purchase contracts in order to ensure that a future demand for own shares can be met at a certain price level on a specific date.

The issue or purchase of derivatives via a European derivatives exchange such as Eurex Deutschland or LIFFE offers the Company additional flexibility to acquire own shares with due consideration for the effect on the stock exchange. The buy-back of own shares corresponds to indirect acquisition via the stock exchange. To ensure that any shareholders interested have the possibility to participate in such models, the proposed resolution stipulates that shareholders have to be informed prior to the issue or exercise of such derivatives.

Besides this, the Company is also to be enabled to make a public offer to all shareholders to conclude put and call option contracts. In this case, all shareholders are given the opportunity to tender their shares to the Company at a price fixed in the option agreement; alternatively, they have the possibility to collect an option premium. This may be termed a "reverse subscription rights issue", i.e. here the shareholder is to be given the right to surrender shares to the Company. This right may have an economic value that then benefits all shareholders. In conducting the transaction, a third party such as an issuer may be called in to act as an intermediary for reasons of organisational processing. Shareholders shall have no right to conclude option contracts, however, to the extent that on conclusion of option contracts, the Company has provided for a preferred offer or preferred allocation for the conclusion of option contracts with regard to small lots of shares. This facilitates the application of such a model. The Board of Management is proceed-

ing on the assumption that the advantages of such a facilitation outweigh any conceivable minor disadvantages to shareholders.

Derivative contracts may also be concluded over the counter and not as a public offer to all shareholders (including employing an issuer as an intermediary). This gives the Company the necessary flexibility to react quickly to market situations. The issue or acquisition of derivatives via a stock exchange may be more expensive or a public offer to all shareholders may take longer than if the transaction were concluded over the counter. There may be other good reasons in the interests of the Company for entering into such an over-the-counter transaction rather than offering a transaction to all shareholders. In this case, and in keeping with the principle of equal treatment, the respective counterparty may, in exercising the derivative, deliver only shares that have been acquired via the stock exchange at the current share price in Xetra trading (or a comparable successor system) on the Frankfurt stock exchange. On conclusion of a put option contract or a forward purchase contract, such a requirement must be an integral part of the transaction. On conclusion of a call option contract, the Company may exercise the option only if it has been ensured that on exercising the option the respective counterparty delivers only shares that satisfy the aforementioned requirements. The fact that the respective counterparty in the derivative contract delivers only shares acquired under the aforementioned conditions is intended to satisfy the legal requirement of equal treatment of shareholders pursuant to the provisions in Section 71 para. 1 (8) of the German Stock Corporation Act.

Under a forward purchase contract, the acquisition price to be paid by the Company for the shares is the purchase price; in a put or call option, it is the respective exercise price. The acquisition price may be higher or lower than the market price of Munich Re shares at the time of entering into the derivative contract, but it may not exceed by more than 10% or undercut by more than 20% the opening price determined in Xetra trading (or a comparable successor system) on the Frankfurt stock exchange for Company shares with the same securities reference number on the day the option contract or purchase contract is concluded. In accordance with the proposals submitted under agenda items 7 b) aa and bb, the option premium agreed on by the Company when selling the put options or acquiring the call options may not be lower (in the case of put options) or higher (in the case of call options) than the theoretical market value of the respective options on the settlement date, determined according to recognised principles of financial mathematics, the calculation of such market value considering among other things the agreed exercise price. This shall apply accordingly to the premium under forward purchase contracts.

As a precaution, the right of shareholders to enter into such derivative contracts with the Company as mentioned above is excluded pursuant to Section 186 para. 3 sentence 4 of the German Stock Corporation Act. By excluding subscription rights, the Company – unlike in an offer to all shareholders – is in a position to conclude derivative contracts at short notice. The procedure for fixing the premium and the exercise or acquisition price described above, as well as the requirement specified under agenda item 7 b) bb that the shares delivered for derivative contracts have to be previously acquired on the stock exchange, are intended to rule out economic disadvantages for shareholders from buying back shares using put or call options or forward purchase contracts. As the Company collects or pays a fair market price, shareholders not involved in the derivative transactions do not suffer any loss in value. This corresponds to the position of shareholders in the case of share buy-backs on the stock exchange, where in fact not all shareholders can sell shares to the Company. The equal treatment of shareholders is ensured in the same way as with customary buy-backs via the stock exchange, through the fixing of a fair

market price. This is also in keeping with the spirit of Section 186 para. 3 sentence 4 of the German Stock Corporation Act, according to which the exclusion of subscription rights is justified if the pecuniary interests of shareholders are safeguarded.

If a public offer is made to all shareholders to conclude an options contract or options contracts have been concluded with a third party such as an issuer subject to the obligation to offer the options to shareholders on subscription, the exercise price per share may not exceed by 10% or undercut by more than 20% the arithmetic mean of the closing price determined in Xetra trading (or a comparable successor system) on the Frankfurt stock exchange for Company shares with the same securities number on the fifth, fourth and third trading day prior to publication of the offer.

If shares are bought back using derivatives, shareholders are to have a right to tender their shares only insofar as the Company is obligated to purchase the relevant shares under the derivatives. Otherwise, the use of put or call options or forward purchase contracts in buying back own shares would not be possible, and the Company would not be able to derive the associated benefits. Having carefully weighed up the interests of the shareholders and the Company and having consulted with the Supervisory Board, the Board of Management considers the non-granting or restriction of the shareholders' rights to tender shares to be justified in such cases, given the advantages resulting from the use of put or call options and forward purchase contracts for the Company.

After careful consideration of all the aspects – in particular the interests of the shareholders and those of the Company – the Board of Management will determine the acquisition channels and all other modalities regarding the use of the proposed authorisations to buy back own shares. It will report to the next Annual General Meeting on buying back own shares and the use of derivatives to buy back own shares.

## Further details and information

### Preconditions for attending the Annual General Meeting and for exercising voting rights

Pursuant to Article 6 para. 2 of the Articles of Association, every shareholder who has given notice of his or her intention to participate to the Company **no later than 23 April 2014** and is entered in the register of shareholders for the submitted shares at midnight at the end of 23 April 2014 may attend the Annual General Meeting in person or be represented by a proxy and exercise his or her voting rights.

Registration may be made at [www.munichre.com/register](http://www.munichre.com/register). Shareholders who are already registered for electronic mailing of Annual General Meeting documents should use their shareholder number and the password they have selected. All other shareholders entered in the shareholders' register will receive their shareholder number and a related access code with the letter of invitation to the Annual General Meeting by post. These shareholders may also register at the following address, using the registration form sent to them:

Münchener Rückversicherungs-Gesellschaft  
GL1.2 – Annual General Meeting  
Postfach 40 12 11  
80712 München  
Germany  
Fax: +49 89 3891-72255

Details of the registration procedure are provided on the registration form and/or on the above website.

If shareholders are entered under their own name for shares which belong to a third party and exceed at this time the upper limit of 2% of the share capital as stated in the Articles of Association, the shares entered shall – pursuant to Article 3 para. 5 of the Articles of Association – not carry any voting rights.

If a bank is entered in the shareholders' register, it may exercise the voting rights for shares that it does not own only if it has an authorisation to do so from the shareholders concerned. The same applies to shareholders' associations and persons to be treated as such pursuant to Section 135 paras. 8 and 10 of the German Stock Corporation Act.

The shares entered in the register of shareholders at midnight at the end of 23 April 2014 shall be material for establishing the right to participate and the right to vote. Requests for changes to the share register received by the Company between 24 April 2014 and midnight at the end of 30 April 2014 will only be effected in the Company's share register after the Annual General Meeting on 30 April 2014. The last date for registration ("technical record date") is therefore the end of 23 April 2014 (midnight).

### Procedure for voting by postal vote

Shareholders may cast their votes without the need to be present at the venue in writing or by means of electronic communication (postal vote). Only shareholders registered no later than 23 April 2014 (as specified above) shall be entitled – in person or by proxy – to exercise their voting rights by casting a postal vote. The shares entered in the register of shareholders at midnight at the end of 23 April 2014 shall also be material for the exercise of postal voting rights.

The votes may be cast either electronically at [www.munichre.com/register](http://www.munichre.com/register) or on the form attached to the letter of invitation to the Annual General Meeting, which is to be returned to the above address. In order to cast votes electronically, shareholders already registered for electronic mailing of Annual General Meeting documents should use their shareholder number and the password they have selected. All other shareholders entered in the shareholders' register will, as already mentioned, receive their access data together with the letter of invitation to the Annual General Meeting by post.

Postal votes must be received by the Company either on the aforementioned form at the address given above for registration or via the internet at [www.munichre.com/register](http://www.munichre.com/register) **no later than 23 April 2014**. Should an individual vote not announced in the invitation take place on an agenda item, the instructions issued for that item will apply to each subitem. The vote on agenda item 2 also applies in the event that the proposal for appropriation of profit is adapted to accommodate a change in the number of shares entitled to dividend.

After submission, timely votes cast via the internet may be changed there right up to the end of the general debate on the day of the Annual General Meeting. If, despite having submitted a postal vote, shareholders decide to have their shares represented at the Annual General Meeting by attending in person or by proxy, this will be possible but will be deemed as revoking the postal vote submitted to the Company.

Banks authorised to act as proxies, institutions or companies to be treated as such pursuant to Section 135 para. 10 of the German Stock Corporation Act in conjunction with Section 125 para. 5 of the German Stock Corporation Act, and shareholders' associations and other persons to be treated as such pursuant to Section 135 para. 8 of the German Stock Corporation Act may also cast postal votes within the above-mentioned deadlines. On request, the Company can provide an electronic voting channel or the corresponding forms.

### **Online participation in the Annual General Meeting**

Shareholders may also participate directly in the Annual General Meeting by way of electronic communication via the internet (online participation). To this end, they must be registered – in person or by proxy – for the Annual General Meeting no later than 23 April 2014 in the manner indicated above, and must have ordered an admission card. On 30 April 2014, they can take part in the Annual General Meeting online via [www.munichre.com/hvonline](http://www.munichre.com/hvonline) from 9.30 a.m. with the access data provided on the admission card. For admission cards made out to legal entities or joint shareholders, one natural person has to be notified to the Company prior to online participation as the participating representative (proxy) via one of the channels mentioned below (under "Procedure for voting by proxy").

Participants may have video and audio online access to the whole Annual General Meeting via the internet, cast their votes in real time and view the list of Annual General Meeting attendees electronically. Participants wishing to terminate their online connection before the voting takes place may authorise the Company proxies to exercise their voting rights in accordance with their instructions. Other options for exercising participants' rights by means of electronic communication beyond those outlined above will not be possible for technical and organisational reasons.

**Procedure for voting by proxy**

Shareholders may exercise their voting rights through a proxy, e.g. a bank, a shareholders' association or other person. Also in this case, the shareholder or the proxy has to ensure timely registration for the Annual General Meeting (as indicated above under "Preconditions for attending the Annual General Meeting and for exercising voting rights").

Granting of proxies, their revocation and proof of authorisation vis-à-vis the Company may be submitted to the address given above or electronically at [www.munichre.com/register](http://www.munichre.com/register) up to the day of the Annual General Meeting. On the day of the Annual General Meeting, this may be done online at [www.munichre.com/register](http://www.munichre.com/register), by fax to +49 89 3891-72255 or at the reception desks at the entrance to the Annual General Meeting. Pursuant to Section 134 para. 3 sentence 3 of the German Stock Corporation Act, granting of proxies, their revocation and proof of authorisation vis-à-vis the Company may be submitted in text form or electronically at [www.munichre.com/register](http://www.munichre.com/register). Exceptions may apply regarding the granting of proxies to banks, institutions or companies to be treated as such pursuant to Section 135 para. 10 of the German Stock Corporation Act in conjunction with Section 125 para. 5 of the German Stock Corporation Act, and to shareholders' associations and other persons to be treated as such pursuant to Section 135 para. 8 of the German Stock Corporation Act, as well as regarding the revocation of such proxies. Personal attendance by shareholders at the Annual General Meeting automatically revokes the power of attorney granted to a third party to represent these shares.

Where shareholders nominate more than one proxy, the Company may reject one or more of these.

Shareholders may also have their voting rights from registered shares exercised at the Annual General Meeting by one of the proxies nominated by the Company. These proxies will act strictly in accordance with the instructions they receive from the shareholders. Should an individual vote not announced in the invitation take place on an agenda item, the instructions issued for that item will apply to each subitem. The instruction issued in respect of agenda item 2 also applies in the event that the proposal for appropriation of profit is adapted to accommodate a change in the number of shares entitled to dividend. The proxies are unable to accept requests concerning notification to speak or ask questions, or instructions to propose motions at the Annual General Meeting. Subject to the above requirements, the proxies may be appointed by means of the form sent to shareholders, or at [www.munichre.com/register](http://www.munichre.com/register). Instructions issued to proxies via the internet may be changed on the day of the Annual General Meeting at [www.munichre.com/register](http://www.munichre.com/register) right up to the end of the general debate.

**Transmission of the Annual General Meeting on the internet**

As decided by the Chairman of the Meeting, we are again offering shareholders who are unable to attend the Annual General Meeting in person the chance to follow the whole Annual General Meeting live on the internet (also at [www.munichre.com/register](http://www.munichre.com/register)), using their shareholder number and their above-mentioned access code. The opening of the Annual General Meeting by the Chairman of the Meeting and the report of the Chairman of the Board of Management can be publicly viewed live on the internet ([www.munichre.com/agm](http://www.munichre.com/agm)) and will be available after the Annual General Meeting as a recording.

**Shareholders' rights pursuant to Sections 122 para. 2, 126 para. 1, 127, and 131 para. 1 of the German Stock Corporation Act**

**a) Requests for supplementary motions for the agenda pursuant to Section 122 para. 2 of the German Stock Corporation Act**

Shareholders whose shares amount in aggregate to one-twentieth of the share capital or represent a proportional amount of €500,000 (this currently corresponds to 152,573 shares) may call for items to be included on the agenda and published. The relevant grounds or a proposal for a resolution shall be attached to each new item. The request must be sent in writing to the Company's Board of Management and received by the Company at least 30 days before the Annual General Meeting, i.e. **no later than 30 March 2014**. Please send your request to the following address:

Münchener Rückversicherungs-Gesellschaft  
- Board of Management -  
Postfach 40 12 11  
80712 München  
Germany

**b) Countermotions and nominations pursuant to Section 126 para. 1 and Section 127 of the German Stock Corporation Act**

Company shareholders may submit countermotions to proposals by the Board of Management and/or the Supervisory Board regarding specific items on the agenda and also nominations. Countermotions must include the grounds for their submission. All countermotions, nominations and other requests by shareholders relating to the Annual General Meeting should be addressed to:

Münchener Rückversicherungs-Gesellschaft  
GL1.2 - Annual General Meeting  
Postfach 40 12 11  
80712 München  
Germany  
Fax: +49 89 3891-72255

or by electronic mail (e-mail) to:  
shareholder@munichre.com

Shareholder countermotions and nominations that have to be published will be posted on the internet at [www.munichre.com/agm](http://www.munichre.com/agm), together with the name of the shareholder and the relevant grounds. Any comments by the management will also be posted there. All countermotions to items on this agenda and nominations received at the above address **no later than 15 April 2014** will be duly considered.

**c) Right to information pursuant to Section 131 para. 1 of the German Stock Corporation Act**

At the Annual General Meeting on 30 April 2014, every shareholder or shareholder representative may request from the Board of Management information regarding the Company's affairs, the Company's legal and business relations with affiliated companies, the financial position of the Group and of companies included in the consolidated financial statements, insofar as the information is necessary to permit a proper evaluation of the relevant item on the agenda and there is no right of refusal to provide information.

**Total number of shares and voting rights**

At the date on which the Annual General Meeting was convened, the share capital of the Company amounted to €587,725,396.48, consisting of 179,341,212 no-par-value shares, each carrying one vote. (This total includes own shares held by the Company at the date on which the Annual General Meeting of Shareholders was convened. Pursuant to Section 71b of the German Stock Corporation Act, the Company enjoys no rights from these shares. The total also includes shares carrying no voting rights at the date on which the Annual General Meeting was convened pursuant to Section 67 para. 2 sentence 2 of the German Stock Corporation Act in conjunction with Article 3 para. 5 of the Articles of Association.)

**Information on the Company website**

Information pursuant to Section 124a of the German Stock Corporation Act and other explanations regarding the aforementioned rights of shareholders are available on the Company's website at [www.munichre.com/agm](http://www.munichre.com/agm). The results of the voting will also be published there at the end of the Annual General Meeting.

Munich, March 2014

The Board of Management



**Re item 8 on the agenda****Resolution to elect members of the Supervisory Board**

The Supervisory Board has selected the following candidates for election to the Supervisory Board based on pre-established objective criteria. The task of selecting candidates and preparing nominations was assigned to the Supervisory Board's Nomination Committee pursuant to the Rules of Procedure for the Supervisory Board and in line with Section 5.3.3 of the German Corporate Governance Code.

The Nomination Committee drafted a requirements profile for selecting the candidates. In considering nominations, the Nomination Committee was guided by the objectives set by the Supervisory Board regarding its composition pursuant to Section 5.4.1 of the German Corporate Governance Code. A key criterion in selecting candidates was to ensure availability on the Supervisory Board of the requisite expertise and experience important for the task of advising on and monitoring Munich Re's business activities as a whole. In the global risk market, these qualifications include experience in insurance, reinsurance and international healthcare business, managing investments, risk management, all matters relating to finance, an understanding of our clients and markets in various industries and classes of business, experience in running a large company through different situations and cycles, access to scientific developments and knowledge, and an international outlook.

In addition, the Nomination Committee set high standards regarding the personality of the individual candidates. Key aspects here include a commitment to a long-term, sustained increase in the Company's value and the willingness to devote the necessary time to the task. A further important criterion in the selection process was the personal independence of the candidates, given that the members of the Supervisory Board represent the interests of all shareholders.

Some members of the Supervisory Board are being proposed for re-election. These candidates have already gained a profound insight into the Company and proved in past years to be dedicated and knowledgeable members of the Supervisory Board.

In selecting candidates, due regard was paid to diversity, including the Supervisory Board's objective that by the beginning of the upcoming term of office at least 20% of its members should be women.

Further information on the individual candidates can be found on the following pages.



**Prof. Dr. oec. Dr. jur. Ann-Kristin Achleitner,**  
Munich, Germany  
Scientific Director of the Center for Entrepreneurial and Financial  
Studies (CEFS) at the Technical University of Munich

Member of the Supervisory Board of Munich Reinsurance Company  
since 3 January 2013

#### **Personal data**

Date of birth: 16 March 1966  
Place of birth: Düsseldorf, Germany  
Nationality: German

#### **Education**

Studied law and economics at the University of St. Gallen, Switzerland  
1991 Doctorate in economics  
1992 Doctorate in law  
1992-1994 Habilitation

#### **Professional career**

1991-1992 Consultant, MS Management Service AG, St. Gallen, Switzerland  
1992-1994 University lecturer of finance and external auditing, University of  
St. Gallen, Switzerland  
1994-1995 Consultant, McKinsey & Company, Inc., Frankfurt/Main  
1995-2001 Chair of Banking and Finance, European Business School, Oestrich-  
Winkel  
Chairwoman of the Board of the Institute of Financial Management at  
the European Business School, Oestrich-Winkel  
2009 Visiting Professor of Entrepreneurial Finance, University of St. Gallen,  
Switzerland  
Since 2001 Chair in Entrepreneurial Finance (KfW Endowed Chair) at the  
Technical University of Munich  
Since 2003 Scientific Director of the Center for Entrepreneurial and Financial  
Studies (CEFS) at the Technical University of Munich

#### **Other activities and memberships**

Since 2012 Member of the Government Commission on the German Corporate  
Governance Code

#### **Seats held on other supervisory boards**

Linde AG  
METRO AG

#### **Membership of comparable bodies of German and foreign business enterprises**

GDF Suez SA, France



**Dr. jur. Benita Ferrero-Waldner,**  
 Madrid, Spain  
 President of the EU-Latin America/Caribbean Foundation  
 (EU-LAC Foundation)

Member of the Supervisory Board of Munich Reinsurance Company  
 since 12 February 2010

#### **Personal data**

Date of birth: 5 September 1948  
 Place of birth: Salzburg, Austria  
 Nationality: Austrian

#### **Education**

Studied law at the Paris-Lodron University of Salzburg  
 Diplomatic service examination  
 Honorary doctorate from the American-Lebanese University, Beirut

#### **Professional career**

1971-1983	Leading positions in the international private sector, for German and US companies
1984-1987	Federal Ministry for Foreign Affairs and Austrian embassies in Senegal and Spain
1987-1993	Austrian Embassy, Paris, from 1990 as Deputy Head of Mission
1994-1995	Chief of Protocol of the United Nations (New York)
1995-2000	State Secretary for Foreign Affairs and Development Cooperation of the Republic of Austria
2000-2004	Federal Minister for Foreign Affairs of the Republic of Austria
2004	Candidate for Federal President of the Republic of Austria
2004-11/2009	Member of the European Commission European Commissioner for External Relations and European Neighbourhood Policy, Member of the International Middle East Quartet
12/2009-1/2010	Member of the European Commission European Commissioner for Trade and European Neighbourhood Policy
Since 2011	President of the EU-LAC Foundation

#### **Seats held on other supervisory boards**

None

#### **Membership of comparable bodies of German and foreign business enterprises**

None



**Prof. Dr. rer. nat. Ursula Gather,**  
Dortmund, Germany  
Rector of TU Dortmund University

#### Personal data

Date of birth: 28 April 1953  
Place of birth: Mönchengladbach, Germany  
Nationality: German

#### Education

Studied mathematics and economics at RWTH Aachen University  
1979 Doctorate in mathematics at RWTH Aachen University  
1984 Habilitation in mathematics at RWTH Aachen University

#### Professional career

1976–1985 Assistant at the Department of Statistics and Business Mathematics at RWTH Aachen University  
1985–1986 Professorship at the University of Iowa, Iowa City, USA  
1986–2008 Chair for Mathematical Statistics and Industrial Applications at TU Dortmund University  
1997–2009 Coordinator of the DFG Collaborative Research Centre 475 “Reduction of Complexity in Multivariate Data Structures” at TU Dortmund University  
Since 1982 Guest professorships at La Trobe University, Melbourne, Australia (2001)  
Université des Sciences et Technologies de Lille, France (1994)  
Yale University, New Haven, USA (1990)  
University of Poona, India (1982)  
Since 2008 Rector of TU Dortmund University

#### Other activities and memberships

2000–2008 Member of the Executive Board of the German Statistical Society  
2007–2012 Deputy Chairwoman of the Senate of the German Aerospace Center (DLR)  
2008–2012 Chairwoman of the German Research Foundation’s Review Board of Mathematics  
Since 2010 Chairwoman of LRK NRW (University Rectors’ Conference of North Rhine-Westphalia)  
Since 2013 Chairwoman of the Board of Trustees of the Alfried Krupp von Bohlen und Halbach Foundation

#### Seats held on other supervisory boards

TEMA Technologie Marketing AG (Chairwoman)

#### Membership of comparable bodies of German and foreign business enterprises

None



**Prof. Dr. rer. nat. Peter Gruss,**  
Munich, Germany  
President of the Max Planck Society for the Advancement of Science

Member of the Supervisory Board of Munich Reinsurance Company  
since 22 April 2009

#### **Personal data**

Date of birth: 28 June 1949  
Place of birth: Alsfeld, Germany  
Nationality: German

#### **Education**

Studied biology at the Technical University in Darmstadt  
Doctorate at the University of Heidelberg

#### **Professional career**

1977	Assistant at the Institute for Virus Research at the German Cancer Research Center in Heidelberg
1978–1982	Postdoctoral work/Expert Consultant at the National Institute of Health, Bethesda
1982–1986	Professor at the Institute for Microbiology at the University of Heidelberg
Since 1986	Scientific member and Director of the Department of Molecular Biology at the Max Planck Institute for Biophysical Chemistry
1990	Honorary professor at the University of Göttingen
Since 2002	President of the Max Planck Society

#### **Seats held on other supervisory boards**

Siemens AG

#### **Membership of comparable bodies of German and foreign business enterprises**

Actelion Ltd., Switzerland



**Gerd Häusler,**  
Frankfurt, Germany  
CEO of Bayerische Landesbank  
(until 31 March 2014)

#### **Personal data**

Date of birth: 5 May 1951  
Place of birth: Banteln, Germany  
Nationality: German

#### **Education**

Apprenticeship at Deutsche Bank AG, Darmstadt  
Studied law and economics at the universities of Frankfurt and Geneva;  
state examination in law

#### **Professional career**

1978-1983	Various positions at Deutsche Bundesbank, Frankfurt
1983-1984	Assistant to the General Manager of the Bank for International Settlements, Basel
1984-1996	Various positions at Deutsche Bundesbank, Frankfurt; most recently Member of the Directorate and Member of the Central Bank Council
1996-2000	Member of the Board of Managing Directors of Dresdner Bank, Frankfurt
1997-2000	Chairman of Dresdner Kleinwort Benson, London
2001	Senior Advisor of Deutsche Börse, Frankfurt
2001-2006	Financial Counsellor of the Managing Director and Director of the International Capital Markets Department of the International Monetary Fund, Washington D.C.
2006-2008	Vice-Chairman and Managing Director of Lazard, Frankfurt, Paris and London
2008-2013	Senior Advisor (until 2010) and Member of the Board of RHJ International, Brussels and Zurich
2009-2010	Non-Executive Deputy Chairman and Chairman of the Risk Committee of Bayerische Landesbank, Munich
2010-2014	CEO of Bayerische Landesbank, Munich

#### **Other activities and memberships**

Member of the Group of Thirty  
Member of the Institute of International Finance in Washington, D.C.,  
Member of Market Monitoring Group and Committee of Effective Regulation

#### **Seats held on other supervisory boards**

DKB AG (until 31 March 2014)  
Liquiditäts-Konsortialbank GmbH (until 31 March 2014)

#### **Membership of comparable bodies of German and foreign business enterprises**

MKB Bank Zrt., Hungary (until 31 March 2014)



**Prof. Dr. rer. nat. Dr. Ing. E.h. Henning Kagermann,**  
Königs Wusterhausen, Germany  
President of acatech – German Academy of Science and Engineering

Member of the Supervisory Board of Munich Reinsurance Company  
since 22 July 1999

#### **Personal data**

Date of birth: 12 July 1947  
Place of birth: Braunschweig, Germany  
Nationality: German

#### **Education**

Studied physics at the universities of Braunschweig and Munich  
Doctorate (Dr. rer. nat.)  
Habilitation in theoretical physics

#### **Professional career**

1980–1982 Lecturer at the University of Braunschweig  
1985 Appointment as professor  
1982–1991 Head of development for cost accounting systems at SAP AG  
1991–1998 Member of the Executive Board of SAP AG  
1998–2009 Co-Chairman of the Executive Board and Chief Executive Officer of  
SAP AG  
Since 2009 President of acatech – German Academy of Science and Engineering

#### **Seats held on other supervisory boards**

Bayerische Motoren-Werke AG  
Deutsche Bank AG  
Deutsche Post AG  
Franz Haniel & Cie. GmbH

#### **Membership of comparable bodies of German and foreign business enterprises**

Nokia Corporation, Finland (until June 2014)  
Wipro Ltd., India



**Wolfgang Mayrhuber,**  
Hamburg, Germany  
Chairman of the Supervisory Board of Deutsche Lufthansa AG

Member of the Supervisory Board of Munich Reinsurance Company  
since 13 December 2002

#### **Personal data**

Date of birth: 22 March 1947  
Place of birth: Waizenkirchen, Austria  
Nationality: Austrian

#### **Education**

Studied mechanical engineering at the Steyr University of Applied Sciences  
MIT Boston, Executive Management Sloan

#### **Professional career**

1970-1992	Various positions up to Executive Vice President and Chief Operating Officer, Technical Division, Deutsche Lufthansa AG
1992-1994	Head of rehabilitation, restructuring and privatisation team
1994-2000	Chairman of the Executive Board of Lufthansa Technik AG
2001-2003	Chairman of the Executive Board of Passage Airlines LH
2002-2003	Deputy Chairman of the Executive Board of Deutsche Lufthansa AG
2003-2010	Chairman of the Executive Board and CEO of Deutsche Lufthansa AG
Since 5/2013	Chairman of the Supervisory Board of Deutsche Lufthansa AG

#### **Seats held on other supervisory boards**

Bayerische Motoren-Werke AG  
Deutsche Lufthansa AG (Chairman)  
Infineon Technologies AG (Chairman)

#### **Membership of comparable bodies of German and foreign business enterprises**

Heico Corporation, USA





**Dr. Ing. E. h. Dipl. Ing. Bernd Pischetsrieder,**  
Breitbrunn-Urfahrn, Germany  
Chairman of the Supervisory Board of Munich Reinsurance Company

Member of the Supervisory Board of Munich Reinsurance Company since 17 April 2002, Chairman since 1 January 2013

#### **Personal data**

Date of birth: 15 February 1948  
Place of birth: Munich, Germany  
Nationality: German

#### **Education**

Studied mechanical engineering at the Technical University of Munich  
Diploma in engineering

#### **Professional career**

1973-1982	Various functions in production preparation at BMW Munich and Dingolfing
1982-1985	Director of production, development, purchasing and logistics at BMW South Africa in Pretoria
1986-1987	Head of quality assurance at BMW AG
1987-1990	Head of technical planning at BMW AG
1990-1991	Deputy member of the Board of Management at BMW AG with responsibility for production
1991-1993	Full member of the Board of Management of BMW AG
1993-1999	Chairman of the Board of Management of BMW AG
2000-2002	Member of the Board of Management of Volkswagen AG
2002-2006	Chairman of the Board of Management of Volkswagen AG

#### **Seats held on other supervisory boards**

None

#### **Membership of comparable bodies of German and foreign business enterprises**

Tetra-Laval International S.A. Group, Switzerland



**Anton van Rossum,**  
Brussels, Belgium  
Chairman of the Supervisory Board of Royal Vopak NV and member of the Board of Credit Suisse Group

Member of the Supervisory Board of Munich Reinsurance Company since 22 April 2009

#### Personal data

Date of birth: 12 May 1945  
Place of birth: Papendrecht, Netherlands  
Nationality: Dutch

#### Education

Studied economics and business administration at Erasmus University, Rotterdam  
Bachelor's and Master's degree in economics and business administration

#### Professional career

1970-1999	McKinsey <ul style="list-style-type: none"> <li>• Junior partner (from 1979), senior partner (from 1986), Managing Director (from 1992)</li> <li>• Head of a number of top management consulting assignments with focus on the banking and insurance sectors</li> </ul>
2000-2004	Fortis <ul style="list-style-type: none"> <li>• Chief Executive Officer</li> <li>• Member of the Board of Directors</li> <li>• Chairman of the Board of banking and insurance subsidiaries</li> </ul>
2005-2011	Rodamco Europe BV <ul style="list-style-type: none"> <li>• Member of the Supervisory Board</li> </ul>
2005-1/2014	Erasmus University, Rotterdam <ul style="list-style-type: none"> <li>• Chairman of the Supervisory Board</li> </ul>
2005-6/2014	Solvay SA <ul style="list-style-type: none"> <li>• Member of the Board of Directors</li> <li>• Member of the Audit Committee</li> </ul>
Since 2005	Credit Suisse Group <ul style="list-style-type: none"> <li>• Member of the Board of Directors</li> <li>• Member and Vice-Chairman of the Board of Winterthur (until 2007)</li> <li>• Member of the Compensation Committee (until 2008)</li> <li>• Member of the Risk Committee (since 2008)</li> </ul>
Since 2008	Nederlands Economisch Instituut <ul style="list-style-type: none"> <li>• Chairman of the Supervisory Board</li> </ul>
Since 2008	Royal Vopak NV <ul style="list-style-type: none"> <li>• Chairman of the Supervisory Board</li> <li>• Member of the Compensation Committee</li> <li>• Chairman of the Nomination Committee</li> </ul>

#### Seats held on other supervisory boards

None

#### Membership of comparable bodies of German and foreign business enterprises

Credit Suisse Groupe AG, Switzerland  
Royal Vopak NV, Netherlands (Chairman)  
Solvay S.A., Belgium



**Dr. phil. Ron Sommer,**  
Meerbusch, Germany  
Chairman of the Supervisory Board of MTS OJSC, Russia

Member of the Supervisory Board of Munich Reinsurance Company  
since 5 November 1998

#### **Personal data**

Date of birth: 29 July 1949

Place of birth: Haifa, Israel

Nationality: German

#### **Education**

Studied mathematics at the University of Vienna

Doctorate (Dr. phil.)

#### **Professional career**

1974–1980 Management functions at Nixdorf Group with spells in New York,  
Paderborn and Paris

1980–1986 Managing Director of Sony Germany

1986–1990 Chairman of the Executive Board of Sony Germany

1990–1993 President and Chief Operating Officer Sony Corporation of America

1993–1995 President and Chief Operating Officer Sony Europe

1995–2002 Chairman of the Board of Management of Deutsche Telekom AG

#### **Seats held on other supervisory boards**

None

#### **Membership of comparable bodies of German and foreign business enterprises**

Sistema Shyam Teleservices Ltd., India

Tata Consultancy Services Ltd., India



All the facts and figures for the 2013 financial year can be found in our Group Annual Report. More at [www.munichre.com/annualreport2013](http://www.munichre.com/annualreport2013)