

Remuneration report

The remuneration report is structured as follows:

- Remuneration system for the Board of Management
- Total remuneration of the Board of Management
- Remuneration structure for senior executives
- Total remuneration of the Supervisory Board

Remuneration system for the Board of Management

The remuneration system for the Board of Management focuses strongly on long-term objectives, and thus creates a pronounced incentive for sustainable corporate development. It complies with the recommendations of the German Corporate Governance Code applicable since 5 May 2015, and with the provisions of the German Remuneration Regulation for Insurance Companies (VersVergV) of 6 October 2010.

The full Supervisory Board decides on the remuneration system for the Board of Management, and reviews it regularly. The Personnel Committee of the Supervisory Board, comprising the Chairman of the Supervisory Board, one shareholder representative and one employee representative, prepares the resolutions for the full Supervisory Board.

Structure of the remuneration system for the Board of Management

Component	Share ¹	Assessment basis/ parameters	Corridor	Precondition for payment	Payment
Basic remuneration plus remuneration in kind/ fringe benefits	30%	Function Responsibility Length of service on Board	Fixed	Contractual stipulations	Monthly
Variable remuneration	70%	Corporate performance Result contribution of organisational unit(s) Personal performance			
30% annual performance (for 100% performance evaluation/ achievement of objectives)		Group objective Business-field objectives Divisional objectives Personal objectives Overall performance	0-200% (fully achieved = 100%)	Achievement of annual objectives	In the second year, on condition that 50% of the net amount paid out is invested by the Board member in Munich Re shares that must be held for at least a four-year period
70% multi-year performance (for 100% performance evaluation/ achievement of objectives)		Objectives for the fields of business - Reinsurance - ERGO - Munich Health Personal objectives Overall performance	0-200% (fully achieved = 100%)	Achievement of three-year objectives	In the fourth year, on condition that 25% of the net amount paid out is invested by the Board member in shares that must be held for at least a two- year period
Pension					
Defined contribution plan		Target overall direct remuneration ²	Pension contribution	> Retirement > Insured event > Premature termination	

¹ For the variable remuneration, the share shown presupposes 100% performance evaluation/achievement of objectives.

² Target overall direct remuneration comprises basic remuneration plus variable remuneration based on 100% performance evaluation/achievement of objectives.

Fixed components

The fixed components of remuneration comprise basic remuneration, plus remuneration in kind and fringe benefits.

Basic remuneration

The basic remuneration comprises a fixed cash compensation for the financial year, paid out as a monthly salary.

Remuneration in kind/fringe benefits

Remuneration in kind and fringe benefits include – in particular – company cars, insurance premiums and health screening examinations, and are reviewed against market practice at regular intervals. Income tax on the benefits in question is paid individually for each member of the Board of Management, with the Company bearing the amount due. Remuneration in kind and fringe benefits are disclosed in the annual report using expenditure as the basis of valuation.

Variable remuneration

The variable remuneration component is geared to the overall performance of the Group, to the success of defined organisational units and to the personal performance of the individual members of the Board of Management. The amount depends on the extent to which the annually set objectives for annual and multi-year performance are met, and how the component “Evaluation of overall performance” is assessed.

Processes have been laid down for specifying objectives and assessing their achievement. These processes require review by the external auditor, who checks the criteria for measuring the envisaged financial objectives and whether their achievement has been assessed in accordance with the guidelines established by the Company. The outcome of this review is notified to the Supervisory Board.

Achievement of objectives and overall performance is measured at the end of the one-year and three-year periods in question, there being no adjustment of targets during these periods. The corridor for the achievement of the individual objectives and for the overall annual and multi-year performance is 0–200%. Payouts are made at the end of the periods under consideration. With a view to promoting a management approach that takes due account of the Company's long-term interests, the members of the Board of Management are obliged to invest a fixed part of the paid-out variable remuneration in Munich Reinsurance Company shares.

Annual objectives, multi-year objectives, overall performance evaluation and investment in shares together form a well-balanced and economic (i.e. strongly risk-based) incentive system, with great importance being attached to ensuring that the targets set for the members of the Board of Management do not have undesirable effects. No guaranteed variable salary components are granted.

Variable remuneration based on annual performance

Firstly, annual targets for the variable remuneration component geared to annual performance are set on the basis of the consolidated result of Munich Re (Group), the results from the reinsurance and ERGO fields of business, divisional results and personal performance. In addition, the Supervisory Board assesses overall performance – particularly performance not taken into account in the objectives – of the Board of Management as a whole and the individual Board members, and it also takes into account developments during the appraisal period that are beyond the influence of the Board. Full achievement of the annual objectives (100%) allows for payment of 30% of the overall target amount for variable remuneration.

The variable remuneration for annual performance is determined on the basis of evaluation by the full Supervisory Board and then paid out in the year after the one-year assessment period. Of the net payout amount, 50% must be invested in Munich Reinsurance Company shares that must be held for at least a four-year period.

Details of the assessment bases for the annual performance can be seen in the following table:

Variable remuneration based on annual performance

Category of objective	Share ¹	Assessment basis	Parameters
Collective contribution to corporate success	25%-60%		
Group objective		Derived from key performance indicators in external reporting and other important portfolio and performance data	Return on risk-adjusted capital, RORAC ²
Business-field objectives			
- Reinsurance		Value-based economic performance indicators: - Property-casualty reinsurance - Life reinsurance	Components of economic earnings: ³ - Value added - Value added by new business - Change in the value of in-force business
- ERGO		Value-based economic performance indicator	Economic earnings ³
Individual contribution to corporate success	20%-55%		
Divisional objectives		Value-based economic performance indicators: - Property-casualty reinsurance and Munich Health - Life reinsurance	Components of economic earnings: ³ - Value added - Value added by new business - Change in the value of in-force business
Personal objectives		Personal objectives per Board member	Special focal points such as - Pricing and cycle management - Client management - Individual leadership
Overall performance evaluation	20%	Overall performance of individual Board members and of the Board of Management as a whole	Assessment by Supervisory Board taking into account Section 87 of the Stock Corporation Act (AktG) and the German Corporate Governance Code

1 The objectives are weighted individually according to the responsibilities of the individual Board members.

2 Further information on RORAC is provided on page 42.

3 Further information on economic earnings is provided on page 41 f.

Variable remuneration based on multi-year performance

For the multi-year performance remuneration component, three-year targets based on the financial results of the reinsurance, ERGO and Munich Health fields of business and on individual performance are fixed every year. The Supervisory Board also assesses the overall performance of the whole Board of Management and the individual Board members. This allows for a response to developments during the three-year appraisal period that are beyond the influence of Board members, and which can also be taken into account along with performance not included in the agreement of objectives. Full achievement of the multi-year objectives (100%) allows for payment of 70% of the overall target amount for variable remuneration.

The variable remuneration for the multi-year performance is determined on the basis of evaluation by the full Supervisory Board and then paid out in the year after the three-year assessment period. Of the net payout amount, 25% must be invested in Munich Reinsurance Company shares that must be held for at least a two-year period.

Details of the assessment bases for the multi-year performance can be seen in the following table:

Variable remuneration based on multi-year performance

Category of objective	Share ¹	Assessment basis	Parameters
Collective contribution to corporate success	0%-60%		
Business-field objectives (three-year average)			
- Reinsurance		Value-based economic performance indicators: - Property-casualty reinsurance - Life reinsurance	Components of economic earnings: ² - Value added - Value added by new business - Change in the value of in-force business
- ERGO ³		Value-based economic performance indicator	Economic earnings ²
- Munich Health ³		Value-based economic performance indicator	Component of economic earnings: ² - Value added
Individual contribution to corporate success	20%-80%		
Personal objectives (three-year period)		Personal objectives per Board member	Special focal points such as - Strategic goals - Investment goals - Staff development, including diversity - Sustainable development - General tasks in the context of the business
Overall performance evaluation	20%	Overall performance of individual Board members and the Board of Management as a whole	Assessment by Supervisory Board taking into account Section 87 of the Stock Corporation Act (AktG) and the German Corporate Governance Code

1 The objectives are weighted individually according to the responsibilities of the individual Board members.

2 Further information on economic earnings is provided on page 41 f.

3 The business-field objective for Munich Health and for ERGO is an "individual contribution to corporate success" for the Board member responsible.

Weighting of remuneration components

In the case of 100% achievement of objectives, the weightings of the individual components in terms of total remuneration were as follows: basic remuneration 30%, variable remuneration 70%, of which 30% was based on annual performance and 70% on multi-year performance.

Continued payment of remuneration in the case of incapacity to work

In the case of temporary incapacity to work due to illness or for another cause beyond the Board member's control, the remuneration is paid until the end of the contract of employment. The Company may terminate the contract prematurely if Board members are incapacitated for a period of longer than 12 months and it is probable that they will be permanently unable to fully perform the duties conferred on them (permanent incapacity to work). In this event, the Board member will receive a disability pension.

Other remuneration

Remuneration for other board memberships

In the case of seats held on other boards, remuneration for board memberships must be paid over to the Company or is deducted in the course of regular remuneration computation. Exempted from this is remuneration for memberships explicitly classified by the Supervisory Board as private.

Severance cap and change of control

The members of the Board of Management have no contractual entitlement to severance payments. If the Board member's activities on the Board are terminated

prematurely without good cause, payments due may not surpass the equivalent of two years' total remuneration (three years' total remuneration in the event of acquisition of a controlling interest or change of control within the meaning of Section 29 (2) of the Securities Acquisition and Takeover Act – WpÜG) and may not cover more than the remaining period of the employment contract. If the employment contract is terminated for good cause on grounds that are within the Board member's control, no payments are made to the Board member. The calculation is based on the overall remuneration for the past financial year and, if necessary, on the probable overall remuneration for the current financial year.

Pensions

Up to and including 2008, the members of the Board of Management were members of a defined benefit plan, providing for payment of a fixed pension amount.

As of 2009, newly appointed members of the Board have become members of a defined contribution plan. For this plan, the Company provides a pension contribution for each calendar year (contribution year) during the term of the employment contract. It uniformly amounts to 25.5% of the target overall direct remuneration (= basic remuneration + variable remuneration on the basis of 100% achievement of objectives). The pension contribution is paid over to an external pension insurer. The insurance benefits that result from the contribution payments constitute the Company's pension commitment to the Board member.

Board members appointed before 2009 were transferred to the new system. They kept their pension entitlement from the previous defined benefit plan (fixed amount in euros) existing at the date of transfer on 31 December 2008, which was maintained as a vested pension. For their service years as of 1 January 2009, they receive an incremental pension benefit based on the defined contribution plan.

The Supervisory Board determines the relevant target pension level for pension commitments from defined benefit plans and defined contribution plans – also considering length of service on the Board – and takes account of the resultant annual and long-term cost for the Company.

The members of the Board of Management are also members of the Munich Re pension scheme, which is a defined contribution plan.

Benefits on termination of employment

Board members appointed before 2006 and entitled to an occupational pension, disability pension, reduced occupational pension or improved vested benefits continue to receive their previous monthly basic remuneration for a period of six months after retiring or leaving the Company.

Occupational pension

Board members appointed before 1 April 2012 are entitled to an occupational pension on retiring from active service with the Company after reaching the age of 60 or, at the latest, at the end of the calendar year in which they turn 65.

Board members appointed as from 1 April 2012 are entitled to an occupational pension on retiring from active service with the Company after reaching the age of 62 or, at the latest, at the end of the calendar year in which they turn 67.

Benefit:

- In the case of defined contribution plans: Annuity based on the policy reserve or payment of the policy reserve as a lump sum.
- In the case of a combination between defined benefit plans and defined contribution plans: Vested pension from the defined benefit plan and annuity from the policy reserve under the defined contribution plan or payment of a lump sum.

Disability pension

Board members are entitled to a disability pension if, due to permanent incapacity to work, their contract ends by mutual agreement, is terminated by the Company, or their appointment is not extended or is revoked. Permanent incapacity to work means that the Board Members are incapacitated for a period of longer than 12 months and it is probable that they will be permanently unable to fully perform the duties conferred on them.

Benefit:

- In the case of defined contribution plans: 80% of the insured occupational pension up to the age of 59 or 61, with subsequent occupational pension.
- In the case of a combination between defined benefit plans and defined contribution plans: Vested pension from the defined benefit plan and 80% of the insured occupational pension benefit up to age 59, with subsequent occupational pension based on the defined contribution plan.

Reduced occupational pension on early retirement

Board members are entitled to an occupational pension if the contract of employment is terminated as a result of non-extension or revocation of their appointment without the Board members having given cause for this through a gross violation of their duties, or at their own request. The precondition is that the Board members have already passed the age of 50, have been in the employment of the Company for more than ten years when the contract terminates, and have had their appointment to the Board of Management extended at least once.

Benefit:

- In the case of defined contribution plans: Annuity based on the policy reserve or payment of the policy reserve as a lump sum at the date the pension benefit is claimed.
- In the case of a combination between defined benefit plans and defined contribution plans: Entitlement of between 30% and 60% of pensionable basic remuneration, reduced by 2% for each year or part thereof short of the Board member's 65th birthday; the Company assumes payment of the difference between the monthly occupational pension and the monthly incremental pension from the external insurance.

Vested benefits for occupational pension, disability pension and surviving dependants

Vested benefits are paid upon the Board member reaching the age of 60 or 62, in the case of incapacity to work, or in the event of the Board member's death.

Vested benefits under the Employers' Retirement Benefits Act (BetrAVG):

Board members have vested benefits under the Employers' Retirement Benefits Act if they leave the Company before reaching the age of 60 or 62 and the pension commitment has existed for at least five years previously.

Benefit:

- In the case of defined contribution plans: Annuity based on the policy reserve or payment of the policy reserve as a lump sum at the date the insured event occurs.
- In the case of a combination between defined benefit plans and defined contribution plans: The entitlement under the vested pension is a proportion of the vested pension based on the ratio of actual service with the Company to the period the Board member would have worked for the Company altogether up to the fixed retirement age (Section 2 (1) of the Employers' Retirement Benefits Act). The entitlement from the incremental pension comprises the pension benefits fully financed under the insurance contract up to the occurrence of the insured event based on the pension contributions made up to the date of leaving the Company (Section 2 (5a) of the Employers' Retirement Benefits Act). This entitlement is paid out as an annuity or a lump sum.

Provision for surviving dependants

In the event of the death of a Board member during active service, the surviving dependants receive the previous monthly basic remuneration for a period of six months if the deceased was appointed to the Board of Management before 2006. In the case of Board members appointed as from 2006, the previous monthly basic remuneration is paid to the beneficiaries for a period of three months. If the Board member's death occurs after retirement, the surviving dependants receive the previous monthly occupational pension for a period of three months, provided the marriage/registration of the civil partnership took place and/or the child was born before the Board member started drawing the occupational pension. Surviving spouses and registered civil partners normally receive a pension amounting to 60% of the defined benefit or insured occupational pension; half orphans receive 20% and complete orphans 40%. The total amount may not exceed the occupational pension of the Board member. If the Board member's occupational pension was reduced owing to early retirement, benefits for surviving dependants are based on the reduced occupational pension.

Total remuneration of the Board of Management

The level of the target overall direct remuneration for the individual members of the Board of Management is set by the full Supervisory Board, acting on recommendations from the Supervisory Board's Personnel Committee. Criteria for the appropriateness of compensation are the respective Board member's duties, the Board member's personal performance, the performance of the Board as a whole, and the financial situation, performance and future prospects of Munich Re. Other criteria are the relevant comparative benchmarks for Board remuneration and the prevailing remuneration structure at Munich Reinsurance Company. The Supervisory Board takes account of the level of Board salaries in relation to the level of salaries paid to senior managers and to general staff members over a period of time, and also determines how senior managers and general staff are to be classified for the purpose of this comparison. The consideration of what level of remuneration is appropriate also takes into account data from peer-group (DAX 30) companies. New Board members are placed at a level which allows sufficient potential for development of the remuneration in the first three years.

Board of management remuneration is disclosed under two different sets of rules, namely German Accounting Standard No. 17 (DRS 17, revised 2010) and the German Corporate Governance Code. There are therefore deviations in individual remuneration components and total remuneration.

Board of management remuneration under DRS 17

Under DRS 17, remuneration for annual performance 2015 is shown as the provisions set aside for that purpose taking into account the relevant additional/reduced expenditure for the previous year, since the performance on which the remuneration is based has been completed as at the balance sheet date and the requisite Board resolution is already foreseeable. Under DRS 17, remuneration for multi-year performance 2012–2014 is recognised in the year of payment, i.e. in 2015.

Fixed and variable remuneration components

The members of Munich Reinsurance Company's Board of Management received remuneration totalling €23.4m (21.6m) for fulfilment of their duties in respect of the parent company and its subsidiaries in the financial year. Total remuneration thus shows an increase of around €1.8m compared with the previous year's figure, which was adjusted for the remuneration of a Board member who had left the Board as at the end of 31 December 2014. The increase in total remuneration is especially due to the fact that there has been an additional member on the Board of Management since September 2015 and that the remuneration for two Board members appointed during the course of 2014 was taken into account in full for the first time in 2015.

Remuneration of individual Board members as per DRS 17 (revised 2010)
(in accordance with Section 285 sentence 1 (9a) sentences 5–8 of the German Commercial Code (HGB) and Section 314 (1) (6a) sentences 5–8 of the German Commercial Code)

Name	Financial year	Basic remuneration	Remuneration in kind/fringe benefits	Annual performance ¹	Multi-year performance ²	Other	Total
Nikolaus von Bomhard	2015	1,230,000	33,564	1,035,093	2,214,800		4,513,457
	2014	1,230,000	31,669	895,361	2,569,560		4,726,590
Giuseppina Albo ³	2015	487,500	96,010	439,538			1,023,048
	2014	121,875	61,323	92,199			275,397
Ludger Arnoldussen	2015	600,000	38,717	461,160	1,163,750		2,263,627
	2014	600,000	46,133	370,524	1,246,119		2,262,776
Thomas Blunck	2015	600,000	33,996	432,390	1,173,060		2,239,446
	2014	600,000	40,860	402,244	1,287,720		2,330,824
Doris Höpke	2015	487,500	29,884	312,925			830,309
	2014	325,000	17,086	184,731			526,817
Torsten Jeworrek ⁴	2015	870,000	182,311	737,803	1,745,625		3,535,739
	2014	870,000	34,293	615,620	1,885,520		3,405,433
Markus Rieß ⁵ (Joined: 16.9.2015) thereof for Munich Reinsurance Company	2015	280,365	7,430	176,488		750,000	1,214,283
		94,063	801	72,691		750,000	917,555
Peter Röder	2015	600,000	34,932	543,690	1,173,060		2,351,682
	2014	600,000	134,808	471,114	1,246,119		2,452,041
Jörg Schneider	2015	870,000	34,627	723,614	1,592,010		3,220,251
	2014	870,000	36,180	659,249	1,838,970		3,404,399
Joachim Wenning	2015	600,000	33,699	523,950	1,093,680		2,251,329
	2014	600,000	34,585	418,152	1,152,480		2,205,217
Total	2015	6,625,365	525,170	5,386,651	10,155,985	750,000	23,443,171
	2014	5,816,875	436,937	4,109,194	11,226,488		21,589,494

1 At the time of preparation of this report, no Supervisory Board resolution had yet been passed on the amounts to be paid for the 2015 annual performance. The amount shown for annual performance remuneration is based on estimates and the relevant provisions posted. For the 2014 annual performance, a total of €151,775 more was paid out than had been reserved in the 2014 financial year. The additional/reduced expenditure breaks down as follows: von Bomhard €44,599, Albo €4,205, Arnoldussen –€20,454, Blunck –€25,284, Höpke €51,869, Jeworrek €20,522, Röder €23,016, Schneider €32,764, Wenning €20,538. This results in the following actual bonus payments for 2014: von Bomhard €861,000, Albo €96,404, Arnoldussen €378,000, Blunck € 361,200, Höpke €236,600, Jeworrek €621,180, Röder €466,200, Schneider €633,360, Wenning €394,800. The amounts shown for the annual performance 2014 comprise the respective provision for 2014 and the relevant additional/reduced expenditure for 2013.

2 The amounts paid out in 2015 were for multi-year performance 2012–2014, those paid out in 2014 were for 2011–2013.

3 Remuneration in kind/fringe benefits including travel expenses for flights home to the family owing to the maintenance of two households and relocation costs.

4 Remuneration in kind/fringe benefits for 2015 including anniversary payment.

5 The compensation components that Markus Rieß received for his work at ERGO Versicherungsgruppe AG are included in the total remuneration.

Other: Compensation, payable in four equal instalments, for the forfeited variable remuneration from the previous employer.

The following table shows the amounts payable for the variable remuneration.

Amounts payable for the variable remuneration of the individual Board members in the event of 100% performance evaluation as per DRS 17 (revised 2010), corridor 0-200%

Name			Annual performance ^{1, 3}	Multi-year performance ^{2, 3}	Total amounts payable
	Set in	for	€	€	€
Nikolaus von Bomhard	2015	2016	882,000	2,058,000	2,940,000
	2014	2015	861,000	2,009,000	2,870,000
Giuseppina Albo	2015	2016	388,500	906,500	1,295,000
	2014	2015	341,250	796,250	1,137,500
Ludger Arnoldussen	2015	2016	430,500	1,004,500	1,435,000
	2014	2015	420,000	980,000	1,400,000
Thomas Blunck	2015	2016	430,500	1,004,500	1,435,000
	2014	2015	420,000	980,000	1,400,000
Doris Höpke	2015	2016	388,500	906,500	1,295,000
	2014	2015	341,250	796,250	1,137,500
Torsten Jeworrek	2015	2016	619,500	1,445,500	2,065,000
	2014	2015	609,000	1,421,000	2,030,000
Markus Rieß ⁴ (Joined: 16.9.2015) thereof for Munich Reinsurance Company	2015	2016	592,125	1,381,625	1,973,750
			236,250	551,250	787,500
	2015	2015	169,641	395,828	565,469
thereof for Munich Reinsurance Company			65,844	153,635	219,479
Peter Röder	2015	2016	430,500	1,004,500	1,435,000
	2014	2015	420,000	980,000	1,400,000
Jörg Schneider	2015	2016	619,500	1,445,500	2,065,000
	2014	2015	609,000	1,421,000	2,030,000
Joachim Wenning	2015	2016	430,500	1,004,500	1,435,000
	2014	2015	420,000	980,000	1,400,000
Total	2015	2016	5,212,125	12,161,625	17,373,750
	2014	2015	4,611,141	10,759,328	15,370,469

1 At the time of preparation of this report, no Supervisory Board resolution had yet been passed on the amounts to be paid for 2015. The amount shown for annual performance remuneration is based on estimates, i.e. the relevant provisions and the additional/reduced expenditure for 2014 posted in the table on page 57.

2 The remuneration set for multi-year performance for 2015 is payable in 2018, that for 2016 in 2019.

3 The information on the assessment bases and parameters on page 52 f. for the amounts set for 2015 also applies to the amounts set for 2016.

4 The compensation components that Markus Rieß received for his work at ERGO Versicherungsgruppe AG are included in the amounts payable.

Pension entitlements

Personnel expenses of €6.1m (4.9m) were incurred in the financial year to finance the pension entitlements for active members of the Board of Management. Of these, €1.8m was apportionable to defined benefit plans and €4.3m to defined contribution plans. As a consequence of the risk transfer to an external insurer under the defined contribution system, the visible pension costs since 2009 are noticeably higher. The Company accepts this increase in order to avoid higher costs in future and to eliminate long-term pension-specific risks. The following defined benefits, present values, contribution rates and personnel expenses result for the individual members of the Board of Management:

Pension entitlements

Name	Financial year	Defined benefit plan		
		Defined benefit ¹ €/year	Present value of defined benefit as at 31 December	Personnel expenses for provisions ²
			€	€
Nikolaus von Bomhard ^{3, 4}	2015	407,100	15,054,562	527,633
	2014	407,100	15,617,525	372,943
Giuseppina Albo ^{4, 5}	2015	-	-	686
	2014	-	-	-
Ludger Arnoldussen ^{4, 6}	2015	157,500	3,311,629	393,528
	2014	157,500	3,265,461	257,315
Thomas Blunck ^{4, 6}	2015	120,000	2,705,000	180,249
	2014	120,000	2,862,476	113,941
Doris Höpke ^{4, 5}	2015	-	-	604
	2014	-	-	1,856
Torsten Jeworrek ^{4, 6}	2015	171,000	5,000,570	213,884
	2014	171,000	5,314,770	141,610
Markus Rieß ^{4, 5, 7} (Joined: 16.9.2015) thereof for Munich Reinsurance Company	2015	-	-	-
	2014	-	-	-
Peter Röder ^{3, 4}	2015	90,000	2,760,386	113,204
	2014	90,000	2,894,574	75,812
Jörg Schneider ^{4, 6}	2015	275,000	9,151,294	356,457
	2014	275,000	9,575,691	244,725
Joachim Wenning ^{4, 6}	2015	-	-	1,395
	2014	-	-	1,021
Total	2015	1,220,600	37,983,441	1,787,640
	2014	1,220,600	39,530,497	1,209,223

See table on next page for footnotes

Pension entitlements

Name	Financial year	Pension contribution rate for target total direct remuneration %	Entitlement as at 31 December €/year	Defined contribution plan	
				Present value of entitlement as at 31 December €	Personnel expenses €
Nikolaus von Bomhard ^{3, 4}	2015	17.00	186,676	7,371,076	697,000
	2014	17.00	159,165	6,828,230	697,000
Giuseppina Albo ^{4, 5}	2015	25.50	17,442	- ⁸	414,375
	2014	25.50	3,505	- ⁸	103,594
Ludger Arnoldussen ^{4, 6}	2015	14.75	81,462	3,138,144	295,000
	2014	14.75	69,383	3,060,380	295,000
Thomas Blunck ^{4, 6}	2015	16.25	95,599	3,623,503	325,000
	2014	16.25	81,600	3,609,722	325,000
Doris Höpke ^{4, 5}	2015	25.50	24,428	- ⁸	414,375
	2014	25.50	9,846	- ⁸	276,250
Torsten Jeworrek ^{4, 6}	2015	19.50	158,167	6,092,019	565,500
	2014	19.50	135,157	5,908,988	565,500
Markus Rieß ^{4, 5, 7} (Joined: 16.9.2015) thereof for Munich Reinsurance Company	2015	25.19	6,056	148,851 ⁹	213,026
		25.50	2,261	- ⁸	79,953
Peter Röder ^{3, 4}	2015	20.25	105,744	4,159,381	405,000
	2014	20.25	89,589	3,948,345	405,000
Jörg Schneider ^{4, 6}	2015	16.50	131,119	5,119,359	478,500
	2014	16.50	112,249	4,846,279	478,500
Joachim Wenning ^{4, 6}	2015	25.50	113,759	- ⁸	510,000
	2014	25.50	95,448	- ⁸	510,000
Total	2015		920,452	29,652,333	4,317,776
	2014		755,942	28,201,944	3,655,844

1 In the case of Board members with a combination between defined benefit plans and defined contribution plans, the amount corresponds to the value of the annual vested pension at 31 December 2008.

2 Expenses for defined benefit plan, including provision for continued payment of salary for surviving dependants.

3 Entitled to a reduced occupational pension on early retirement, and to an occupational pension in the event of regular termination of employment.

4 Entitled to an occupational pension in the event of termination of employment owing to incapacity to work.

5 Entitled to vested benefits under the Employers' Retirement Benefits Act in the event of premature or regular termination of employment.

6 Entitled to a reduced occupational pension on early retirement in the event of premature or regular termination of employment.

7 The benefits that Markus Rieß received for his work at ERGO Versicherungsgruppe AG are included in the pension contributions.

8 Defined Contribution Plan within the meaning of IAS 19, Employee Benefits, so no present value shown.

9 Munich Reinsurance Company: see footnote 8; ERGO Versicherungsgruppe AG: No Defined Contribution Plan within the meaning of IAS 19, so present value shown.

Board of Management remuneration under the German Corporate Governance Code

As required by the provisions of the German Corporate Governance Code, the following tables show the benefits granted and remuneration paid out to individual members of the Board of Management in the year under review.

The basic remuneration, remuneration in kind/fringe benefits and pension expenses (sum of personnel expenses for defined benefit plans and defined contribution plans) are in accordance with German Accounting Standard No. 17 (DRS 17). There are some deviations with regard to the variable remuneration for annual and multi-year performance.

The following tables show the benefits granted and the remuneration paid in accordance with the German Corporate Governance Code.

Benefits granted in accordance with the German Corporate Governance Code

€	Nikolaus von Bomhard Chairman of the Board of Management				Giuseppina Albo Board member			
	2015	2015 (Min)	2015 (Max)	2014	2015	2015 (Min)	2015 (Max)	2014
Basic remuneration	1,230,000	1,230,000	1,230,000	1,230,000	487,500	487,500	487,500	121,875
Remuneration in kind/fringe benefits	33,564	33,564	33,564	31,669	96,010	96,010	96,010	61,323
Total	1,263,564	1,263,564	1,263,564	1,261,669	583,510	583,510	583,510	183,198
One-year variable remuneration								
Annual performance 2014				861,000				85,313
Annual performance 2015	861,000	0	1,722,000		341,250	0	682,500	
Multi-year variable remuneration								
Multi-year performance 2014-2016				2,009,000				199,063
Multi-year performance 2015-2017	2,009,000	0	4,018,000		796,250	0	1,592,500	
Other								
Total	4,133,564	1,263,564	7,003,564	4,131,669	1,721,010	583,510	2,858,510	467,574
Pension expenses	1,224,633	1,224,633	1,224,633	1,069,943	415,061	415,061	415,061	103,594
Total remuneration	5,358,197	2,488,197	8,228,197	5,201,612	2,136,071	998,571	3,273,571	571,168



€	Ludger Arnoldussen Board member				Thomas Blunck Board member			
	2015	2015 (Min)	2015 (Max)	2014	2015	2015 (Min)	2015 (Max)	2014
Basic remuneration	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Remuneration in kind/fringe benefits	38,717	38,717	38,717	46,133	33,996	33,996	33,996	40,860
Total	638,717	638,717	638,717	646,133	633,996	633,996	633,996	640,860
One-year variable remuneration								
Annual performance 2014				420,000				420,000
Annual performance 2015	420,000	0	840,000		420,000	0	840,000	
Multi-year variable remuneration								
Multi-year performance 2014-2016				980,000				980,000
Multi-year performance 2015-2017	980,000	0	1,960,000		980,000	0	1,960,000	
Other								
Total	2,038,717	638,717	3,438,717	2,046,133	2,033,996	633,996	3,433,996	2,040,860
Pension expenses	688,528	688,528	688,528	552,315	505,249	505,249	505,249	438,941
Total remuneration	2,727,245	1,327,245	4,127,245	2,598,448	2,539,245	1,139,245	3,939,245	2,479,801



€	Doris Höpke Board member				Torsten Jeworrek Board member			
	2015	2015 (Min)	2015 (Max)	2014	2015	2015 (Min)	2015 (Max)	2014
Basic remuneration	487,500	487,500	487,500	325,000	870,000	870,000	870,000	870,000
Remuneration in kind/fringe benefits	29,884	29,884	29,884	17,086	182,311	182,311	182,311	34,293
Total	517,384	517,384	517,384	342,086	1,052,311	1,052,311	1,052,311	904,293
One-year variable remuneration								
Annual performance 2014				227,500				609,000
Annual performance 2015	341,250	0	682,500		609,000	0	1,218,000	
Multi-year variable remuneration								
Multi-year performance 2014-2016				530,833				1,421,000
Multi-year performance 2015-2017	796,250	0	1,592,500		1,421,000	0	2,842,000	
Other								
Total	1,654,884	517,384	2,792,384	1,100,419	3,082,311	1,052,311	5,112,311	2,934,293
Pension expenses	414,979	414,979	414,979	278,106	779,384	779,384	779,384	707,110
Total remuneration	2,069,863	932,363	3,207,363	1,378,525	3,861,695	1,831,695	5,891,695	3,641,403

Continued on next page

→	Markus Rieß							
	Board member (Joined: 16.9.2015) thereof for Munich Reinsurance Company							
€	Total ¹							
	2015	2015 (Min)	2015 (Max)	2014	2015	2015 (Min)	2015 (Max)	2014
Basic remuneration	280,365	280,365	280,365	-	94,063	94,063	94,063	-
Remuneration in kind/fringe benefits	7,430	7,430	7,430	-	801	801	801	-
Total	287,795	287,795	287,795	-	94,864	94,864	94,864	-
One-year variable remuneration								
Annual performance 2014				-				-
Annual performance 2015	169,641	0	339,281		65,844	0	131,688	
Multi-year variable remuneration								
Multi-year performance 2014-2016				-				
Multi-year performance 2015-2017	395,828	0	791,656		153,635	0	307,270	
Other ²	750,000	750,000	750,000		750,000	750,000	750,000	
Total	1,603,264	1,037,795	2,168,732	-	1,064,343	844,864	1,283,822	-
Pension expenses	213,026	213,026	213,026	-	79,953	79,953	79,953	-
Total remuneration	1,816,290	1,250,821	2,381,758	-	1,144,296	924,817	1,363,775	-

→	Peter Röder				Jörg Schneider			
	Board member				Board member			
€	2015	2015 (Min)	2015 (Max)	2014	2015	2015 (Min)	2015 (Max)	2014
Basic remuneration	600,000	600,000	600,000	600,000	870,000	870,000	870,000	870,000
Remuneration in kind/fringe benefits	34,932	34,932	34,932	134,808	34,627	34,627	34,627	36,180
Total	634,932	634,932	634,932	734,808	904,627	904,627	904,627	906,180
One-year variable remuneration								
Annual performance 2014				420,000				609,000
Annual performance 2015	420,000	0	840,000		609,000	0	1,218,000	
Multi-year variable remuneration								
Multi-year performance 2014-2016				980,000				1,421,000
Multi-year performance 2015-2017	980,000	0	1,960,000		1,421,000	0	2,842,000	
Other								
Total	2,034,932	634,932	3,434,932	2,134,808	2,934,627	904,627	4,964,627	2,936,180
Pension expenses	518,204	518,204	518,204	480,812	834,957	834,957	834,957	723,225
Total remuneration	2,553,136	1,153,136	3,953,136	2,615,620	3,769,584	1,739,584	5,799,584	3,659,405

→	Joachim Wenning			
	Board member			
€	2015	2015 (Min)	2015 (Max)	2014
Basic remuneration	600,000	600,000	600,000	600,000
Remuneration in kind/fringe benefits	33,699	33,699	33,699	34,585
Total	633,699	633,699	633,699	634,585
One-year variable remuneration				
Annual performance 2014				420,000
Annual performance 2015	420,000	0	840,000	
Multi-year variable remuneration				
Multi-year performance 2014-2016				980,000
Multi-year performance 2015-2017	980,000	0	1,960,000	
Other				
Total	2,033,699	633,699	3,433,699	2,034,585
Pension expenses	511,395	511,395	511,395	511,021
Total remuneration	2,545,094	1,145,094	3,945,094	2,545,606

1 The compensation components and pension contributions that Markus Rieß received for his work at ERGO Versicherungsgruppe AG are included in the total remuneration.

2 Markus Rieß has been granted compensation, payable in four equal instalments, for the forfeited variable remuneration from his previous employer.

Remuneration table - Remuneration paid in accordance with the German Corporate Governance Code

€	Nikolaus von Bomhard Chairman of the Board of Management		Giuseppina Albo Board member		Ludger Arnoldussen Board member	
	2015	2014	2015	2014	2015	2014
Basic remuneration	1,230,000	1,230,000	487,500	121,875	600,000	600,000
Remuneration in kind/fringe benefits	33,564	31,669	96,010	61,323	38,717	46,133
Total	1,263,564	1,261,669	583,510	183,198	638,717	646,133
One-year variable remuneration						
Annual performance 2014 ¹		861,000		96,404		378,000
Annual performance 2015 ²	990,494		435,333		481,614	
Multi-year variable remuneration						
Multi-year performance 2012-2014 ¹		2,214,800		-		1,163,750
Multi-year performance 2013-2015 ³	1,958,138		-		974,943	
Long-term Incentive Plan 2007 ⁴		577,433				208,088
Long-term Incentive Plan 2009 ⁴						
Other						
Total	4,212,196	4,914,902	1,018,843	279,602	2,095,274	2,395,971
Pension expenses	1,224,633	1,069,943	415,061	103,594	688,528	552,315
Total remuneration	5,436,829	5,984,845	1,433,904	383,196	2,783,802	2,948,286

→ €	Thomas Blunck Board member		Doris Höpke Board member		Torsten Jeworrek Board member	
	2015	2014	2015	2014	2015	2014
Basic remuneration	600,000	600,000	487,500	325,000	870,000	870,000
Remuneration in kind/fringe benefits	33,996	40,860	29,884	17,086	182,311	34,293
Total	633,996	640,860	517,384	342,086	1,052,311	904,293
One-year variable remuneration						
Annual performance 2014 ¹		361,200		236,600		621,180
Annual performance 2015 ²	457,674		261,056		717,281	
Multi-year variable remuneration						
Multi-year performance 2012-2014 ¹		1,173,060		-		1,745,625
Multi-year performance 2013-2015 ³	974,943		-		1,462,415	
Long-term Incentive Plan 2007 ⁴		242,774				381,490
Long-term Incentive Plan 2009 ⁴						
Other						
Total	2,066,613	2,417,894	778,440	578,686	3,232,007	3,652,588
Pension expenses	505,249	438,941	414,979	278,106	779,384	707,110
Total remuneration	2,571,862	2,856,835	1,193,419	856,792	4,011,391	4,359,698

See table on next page for footnotes

→	€	Markus Rieß				Peter Röder	
		Board member (Joined: 16.9.2015) thereof for Munich Reinsurance Company				Board member	
		2015	2014	2015	2014	2015	2014
	2015	2014	2015	2014	2015	2014	
Basic remuneration	280,365	-	94,063	-	600,000	600,000	
Remuneration in kind/fringe benefits	7,430	-	801	-	34,932	134,808	
Total	287,795	-	94,864	-	634,932	734,808	
One-year variable remuneration							
Annual performance 2014 ¹		-		-		466,200	
Annual performance 2015 ²	176,488	-	72,691		520,674		
Multi-year variable remuneration							
Multi-year performance 2012-2014 ¹		-		-		1,173,060	
Multi-year performance 2013-2015 ³	-		-		974,943		
Long-term Incentive Plan 2007 ⁴						52,029	
Long-term Incentive Plan 2009 ⁴						392,406	
Other ⁶	750,000		750,000				
Total	1,214,283	-	917,555	-	2,130,549	2,818,503	
Pension expenses	213,026	-	79,953	-	518,204	480,812	
Total remuneration	1,427,309	-	997,508	-	2,648,753	3,299,315	

→	€	Jörg Schneider		Joachim Wenning	
		Board member		Board member	
		2015	2014	2015	2014
Basic remuneration	870,000	870,000	600,000	600,000	
Remuneration in kind/fringe benefits	34,627	36,180	33,699	34,585	
Total	904,627	906,180	633,699	634,585	
One-year variable remuneration					
Annual performance 2014 ¹			633,360	394,800	
Annual performance 2015 ²	690,850		503,412		
Multi-year variable remuneration					
Multi-year performance 2012-2014 ¹			1,592,010	1,093,680	
Multi-year performance 2013-2015 ³	1,395,173		974,943		
Long-term Incentive Plan 2007 ⁴			416,176		
Long-term Incentive Plan 2009 ⁴			586,057		
Other					
Total	2,990,650	4,133,783	2,112,054	2,123,065	
Pension expenses	834,957	723,225	511,395	511,021	
Total remuneration	3,825,607	4,857,008	2,623,449	2,634,086	

- 1 In the Annual Report 2014, the amounts to be paid for the 2014 annual performance and multi-year performance 2012-2014 were recognised on the basis of the reserves, as no Supervisory Board resolution had yet been passed on the amounts to be paid for the actual bonus amounts. The Annual Report for 2015 shows the actual amounts set by the Supervisory Board and to be paid out for 2014.
- 2 At the time of preparation of this report, no Supervisory Board resolution had yet been passed on the amounts to be paid for the 2015 annual performance. The amount shown for the 2015 annual performance remuneration is based on estimates and the relevant provisions posted.
- 3 At the time of preparation of this report, no Supervisory Board resolution had yet been passed on the amounts to be paid for the 2013-2015 multi-year performance. The amount shown for the 2013-2015 multi-year performance remuneration is based on estimates and the relevant provisions posted.
- 4 Disclosure of proceeds from the exercise of stock appreciation rights granted in 2007 and 2009.
- 5 The compensation components and pension contributions that Markus Rieß received for his work at ERGO Versicherungsgruppe AG are included in the total remuneration.
- 6 Markus Rieß has been granted compensation, payable in four equal instalments, for the forfeited variable remuneration from his previous employer.

Remuneration structure for senior executives

The fixed components for Munich Reinsurance Company senior executives comprise a fixed annual basic remuneration, paid out as a monthly salary, plus customary market fringe benefits and remuneration in kind (most notably a company car and a company pension scheme). The variable components are made up of the short-term components "performance-related bonus" and "Company result bonus", and the longer-term share-price-linked component Mid-Term Incentive Plan.

The performance-related bonus is based on quantitative and qualitative objectives. We use indicators from operative planning for the quantitative objectives, while personal objectives are agreed on for the qualitative portion.

The Company result bonus gives employees a share in corporate success. The key indicator used for the Company result bonus is RORAC. The targets correspond to the Group objective for the variable remuneration of members of the Board of Management. Depending on the degree to which the RORAC target is met, an aggregate amount is calculated that can be distributed among staff as a bonus. The higher the management level, the higher the share of the Company result bonus. The way this bonus works ensures that the performance of Munich Re as a whole is systematically reflected in the remuneration of all staff and that the bonus amount bears a reasonable relationship to overall corporate performance.

The Mid-Term Incentive Plan, with a duration of three years, is based on the same quantitative targets as the multi-year bonus of Munich Reinsurance Company's Board of Management. In addition, the development of the total shareholder return is taken into account. Besides the senior executives in Munich, selected executives in Munich Reinsurance Company's international organisation also participate in the Mid-Term Incentive Plan.

The individual variable components are granted – subject to different weightings – at all management levels. For the first management level below the Board of Management, the share of aggregate variable remuneration is more than 50% of total remuneration (fixed remuneration plus all variable components). Proceeding down the management hierarchy, this percentage decreases successively, making up around one-third at the lowest management level. There is a well-balanced combination of short and long-term components. At the first management level below the Board of Management, the Mid-Term Incentive Plan makes up around 25% of total remuneration or more than 50% of overall variable remuneration, so that there is provision for a longer-term incentive system. No guaranteed variable remuneration components are granted.

Total remuneration of the Supervisory Board

The provisions in place since the financial year 2014 provide for fixed remuneration only. Each member of the Supervisory Board shall receive annual remuneration of €90,000. The Chairman of the Supervisory Board shall receive annual remuneration of €180,000, and the Deputy Chairman annual remuneration of €135,000.

Members of the Audit Committee each receive an additional €45,000; members of the Personnel Committee each receive an extra €27,000; and members of the Standing Committee each receive an additional €13,500. The Chairs of these committees receive double the amounts stated for members. No additional remuneration is paid for serving on the Nomination Committee or the Conference Committee.

In addition, members of the Supervisory Board receive an attendance fee of €1,000 for each Supervisory Board meeting and each meeting of a Supervisory Board committee – with the exception of the Conference Committee.

Remuneration of Supervisory Board members in accordance with Article 15 of the Articles of Association¹

Name	Financial year	Annual €	Fixed remuneration ²	Total €
			For committee work €	
Bernd Pischetsrieder Chairman	2015	187,000	135,000	322,000
	2014	186,000	136,000	322,000
Marco Nörenberg Deputy Chairman	2015	142,000	13,500	155,500
	2014	129,750	27,125	156,875
Ann-Kristin Achleitner	2015	97,000	1,000	98,000
	2014	96,000	-	96,000
Frank Fassin	2015	97,000	-	97,000
	2014	96,000	-	96,000
Benita Ferrero-Waldner	2015	96,000	-	96,000
	2014	95,000	-	95,000
Christian Fuhrmann	2015	96,000	51,000	147,000
	2014	96,000	51,000	147,000
Ursula Gather	2015	96,000	-	96,000
	2014	71,500	-	71,500
Peter Gruss	2015	96,000	-	96,000
	2014	95,000	-	95,000
Gerd Häusler	2015	97,000	-	97,000
	2014	71,500	-	71,500
Anne Horstmann	2015	97,000	51,000	148,000
	2014	71,500	37,750	109,250
Ina Hosenfelder	2015	97,000	-	97,000
	2014	70,500	-	70,500
Henning Kagermann	2015	96,000	110,500	206,500
	2014	96,000	111,500	207,500
Wolfgang Mayrhuber	2015	97,000	42,500	139,500
	2014	95,000	42,500	137,500
Beate Mensch	2015	96,000	-	96,000
	2014	70,500	-	70,500
Ulrich Plottke	2015	97,000	-	97,000
	2014	71,500	-	71,500
Anton van Rossum	2015	95,000	51,000	146,000
	2014	95,000	51,000	146,000
Andrés Ruiz Feger	2015	97,000	13,500	110,500
	2014	96,000	10,125	106,125
Gabriele Sinz-Toporzyssek	2015	97,000	-	97,000
	2014	71,500	-	71,500
Ron Sommer	2015	97,000	-	97,000
	2014	96,000	-	96,000
Angelika Wirtz	2015	96,000	29,000	125,000
	2014	71,500	20,250	91,750
Total ³	2015	2,066,000	498,000	2,564,000
	2014	1,841,750	487,250	2,329,000

1 Plus turnover tax (USt) in each case, in accordance with Article 15 (6) of the Articles of Association.

2 Including attendance fees in each case, as per Article 15 (4) of the Articles of Association.

3 The figures for the previous year do not include remuneration for members who left the Board in the 2014 financial year.

Remuneration of Supervisory Board members for membership of supervisory boards at Munich Reinsurance Company subsidiaries, in accordance with the companies' respective articles of association¹

Name	Financial year	Fixed remuneration		Total
		Annual ²	For committee work ²	
		€	€	€
Frank Fassin	2015	29,822	-	29,822
	2014	35,000	-	35,000
Anne Horstmann	2015	44,110	5,932	50,042
	2014	35,000	-	35,000
Marco Nörenberg	2015	33,849	2,425	36,274
	2014	35,000	7,500	42,500
Ulrich Plottke	2015	21,575	10,260	31,835
	2014	-	-	-
Gabriele Sinz-Toporzyssek	2015	15,000	-	15,000
	2014	9,990	-	9,990
Total	2015	144,356	18,617	162,973
	2014	114,990	7,500	122,490

1 Plus turnover tax (USt) in each case, in accordance with the relevant provisions of the respective Group companies' articles of association.

2 Including attendance fees in each case insofar as provided for under the relevant provisions of the articles of association.