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# Audit Committee

**RULES OF PROCEDURE**  
for the Audit Committee of the Supervisory Board  
of Münchener Rückversicherungs-Gesellschaft (Munich Reinsurance Company)

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## **1. Area of responsibility of the Audit Committee**

The following matters are delegated to the Audit Committee for deliberation and resolution:

### **1.1 Company and consolidated financial statements**

Preparing the Supervisory Board resolutions on the adoption of the Company's annual financial statements and the approval of the consolidated financial statements; this includes the preliminary audit of the Company and consolidated financial statements, the management report and the consolidated management report or the combined management report, the proposal for the appropriation of the net retained profits as well as the receipt of and discussion of the audit reports, other reports and statements by the external auditor on all key findings with the external auditor.

### **1.2 Interim financial reporting and quarterly reporting**

Discussing the interim financial reports (half-year reports and any quarterly reports) with the Board of Management, including the external auditor's report on the review of the half-year financial report. Discussing the main information underlying the quarterly statements with the Board of Management.

### **1.3 Reporting pursuant to Solvency II**

Discussing the essential components of the Solvency II reporting with the Board of Management. This includes in particular the key Solvency II indicators, essential components of the Report on Own Risk and Solvency Assessment (ORSA), the Regular Supervisory Report (RSR), the Solvency and Financial Condition Report (SFCR) and the solvency balance sheets. The latter also includes discussing the external auditor's report on the review of the solvency balance sheets.

### **1.4 Accounting, financial reporting process and internal control system**

Monitoring accounting and the financial reporting process including monitoring the adequacy and effectiveness of the internal control system. The Audit Committee may provide the Supervisory Board with recommendations or proposals to guarantee the integrity of the financial reporting process.

### **1.5 External auditor**

1.5.1 Preparing the selection of the external auditor, including conducting the selection process and making recommendations to the Supervisory Board regarding the appointment of the external auditor. This also includes obtaining the necessary information, particularly obtaining the external auditor's confirmation of independence.

1.5.2 Assessing performance and monitoring the independence of the external auditor, and monitoring and assessing the quality of the audit and any additional services provided by the external auditor.

1.5.3 Hiring the external auditor, especially for the Company and consolidated financial statements, including defining audit focal points for the review of the interim financial reports, for any voluntary external audit of the combined non-financial statement and the review of the solvency balance sheets. This also includes agreeing on the fees payable for these services. The necessary declarations in this regard are to be given

by the Chair of the Audit Committee, or by the Chair of the Supervisory Board if the former is unavailable, on the basis of these decisions.

- 1.5.4 Approving non-audit services, monitoring them and determining the necessary processes.

## **1.6 Risk management system**

Monitoring the adequacy and effectiveness of the risk management system.

## **1.7 Compliance**

Monitoring the adequacy and effectiveness of compliance, in particular the compliance management system, including whistleblowing and the handling of material compliance cases.

## **1.8 Actuarial function**

Monitoring the adequacy and effectiveness of the actuarial function system.

## **1.9 Internal audit**

Monitoring the adequacy and effectiveness of the internal audit system.

## **1.10 Potential claims for breach of duty against Members of the Board of Management**

Examining potential claims for breach of duty against Members of the Company's Board of Management.

## **2. Reporting to the Audit Committee and participating in meetings**

- 2.1 The Board of Management, in particular the Chief Financial Officer, reports to the Audit Committee. The Audit Committee also receives regular reports directly from the Head of Group Compliance ("Group Chief Compliance Officer"), the Head of Group Audit ("Group Chief Auditor"), the Head of IRM ("Group Chief Risk Officer") and the Head of the Actuarial Function, as well as from the General Counsel as required. These reports may also be delivered in the absence of the Board of Management.
- 2.2 The Chairman of the Board of Management attends the meetings at which a comprehensive report on the Company and consolidated financial accounts is given, and any other meetings as required. Unless the Chair of the Audit Committee decides otherwise, the external auditor also attends the meetings.

## **3. Chair**

- 3.1 The Chair of the Audit Committee is to be appointed by the Supervisory Board.

- 3.2 The Chair of the Audit Committee shall have specific knowledge and experience in applying accounting principles and internal control procedures, shall be familiar with audits, and shall be independent. The Chair of the Supervisory Board shall not chair the Audit Committee.

#### **4. Internal rules**

- 4.1 The Audit Committee is quorate if at least three members, including the Chair of the Audit Committee, take part in a resolution.
- 4.2 The Audit Committee adopts decisions by a majority of votes cast. In the event of a tie, the Chair of the Audit Committee has two votes.
- 4.3 Unless otherwise stipulated in these Rules of Procedure, the Rules of Procedure for the Supervisory Board apply accordingly.
- 4.4 The Audit Committee is to adopt a list of topics for its meetings, to carry out the tasks listed in sections 1 and 2.

#### **5. Entry into force and period of validity**

- 5.1 This version of the Rules of Procedure enters into force on 16 October 2020.
- 5.2 These Rules of Procedure apply until they are changed or repealed. Changing or repealing the Rules require a resolution of the Supervisory Board.

Adopted by the Supervisory Board at its meeting on 15 October 2020.

signed Dr. Nikolaus von Bomhard, Chair of the Supervisory Board