

2019

Key figures

Munich Reinsurance Company (under German accountancy rules)

€m	2019	2018	2017
Gross premiums written	22,814	20,503	22,612
Investments	75,622	74,450	76,679
Net technical provisions	63,431	59,133	60,036
Shareholders' equity	10,894	11,701	11,841
Profit/loss for the year	1,492	2,160	2,199
Dividend	1,374	1,335	1,286
Dividend per share in €	9.80	9.25	8.60
Share price at 31 December in € ¹	263.00	190.55	180.75
Market capitalisation at 31 December	37,956	28,495	28,021

1 Source: Datastream.

Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (hereinafter: Munich Reinsurance Company) has its registered office in Munich (Commercial register number: HRB 42039, Registrar of Companies: Local Court [Amtsgericht] in Munich).

Our presentation currency is the euro (€). Unless otherwise specified, amounts are rounded to million euros. Due to rounding, there may be minor deviations in summations and in the calculation of percentages, with figures in brackets referring to the previous year. We only add plus or minus signs where it is not clear from the context whether the amount in question is an expense/outflow or income/inflow.



All the facts and figures for the 2019 financial year can be found in our Group Annual Report. More at www.munichre.com/annualreport2019

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



Dr. Nikolaus von Bomhard
Chairman of the Supervisory Board

Ladies and Gentlemen,

In the 2019 financial year, the Supervisory Board fulfilled all the tasks and duties incumbent upon it by law and under the Articles of Association and the rules of procedure. All members of the Supervisory Board and of the committees took part in over half of the respective meetings. In fact, the overall attendance for all members of the Supervisory Board was 100% in the reporting year. (For an overview on attendance of Supervisory Board Members at meetings of the Supervisory Board and at committee meetings, please refer to page 8 and www.munichre.com/supervisory-board).

We monitored the Board of Management in its conduct of the business, and gave advice on all matters of importance for the Group. No inspection measures in accordance with Section 111(2) sentence 1 of the German Stock Corporation Act (AktG) were required at any time.

Collaboration between Supervisory Board and Board of Management

The Board of Management punctually and directly involved the Supervisory Board in all important business transactions and decisions of fundamental significance for the Group. In our meetings, we discussed the reports from the Board of Management in detail. Cooperation with the Board of Management was characterised in every regard by targeted and responsible action aimed at promoting the successful development of Munich Re. The Board of Management satisfied its reporting obligations towards the Supervisory Board in all respects, both verbally and in writing.

Outside of Supervisory Board meetings, the Board of Management informed us promptly and extensively about important events in the Group, such as developments during the renewals of property-casualty reinsurance treaties, the results of electing employee representatives to the Supervisory Board pursuant to the Co-Determination Agreement, and the decision regarding the investment by ERGO Group AG in the US start-up Next Insurance, Inc. The shareholder representatives and the employee representatives met regularly with the Chairman of the Board of Management for separate discussions in preparation for the meetings.

Between meetings, Bernd Pischetsrieder (until 30 April 2019) and I (from 30 April 2019) held regular discussions with the Chairman of the Board of Management, Joachim Wenning. We discussed questions of strategic orientation, risk management, compliance and Munich Re's current business situation. Also between meetings, the Chairman of the Audit Committee – Henning Kagermann until 30 April 2019 and Maximilian Zimmerer from 30 April 2019 – remained in close contact with Christoph Jurecka, the member of the Board of Management responsible for Group reporting.

Focal points of the meetings of the full Supervisory Board

There were six meetings of the Supervisory Board in the year under review. We regularly held in-depth discussions with the Board of Management about business performance and current topics, with a special focus on strategic considerations of the Board of Management with respect to the individual fields of business. The Board of Management reported to us regularly on

Munich Re's investments, addressing developments in the global economy and financial markets in detail, as well as their impact on the Group's assets, financial position and results. In addition, we advised the Board of Management on matters of strategic importance for the future of the Group, including its digitalisation, growth and investment strategies. The Supervisory Board also met regularly without the Board of Management. In addition to the above-mentioned issues, we dealt with the following topics at the individual meetings in 2019:

The meeting on 19 March focused among other things on the Company and Group financial statements for 2018, the combined management report, the separate Non-Financial (Group) Statement for 2018 and the Supervisory Board's motions for resolution by the 2019 Annual General Meeting. Furthermore, we conferred and took decisions regarding the evaluation of the 2018 annual bonuses and the consequent bonus payments to the individual members of the Board of Management. We also adopted a resolution on the change to the Board of Management's rules of procedure that had become necessary when the Board of Management was expanded to include the additional position of Chief Investment Officer. In addition, we considered reports on the Compliance Management System (CMS) and examined the implementation status of the ERGO Strategy Programme. Representatives of the German Federal Financial Supervisory Authority (BaFin) attended this meeting as guests as a matter of routine.

The meeting on 29 April dealt with matters involving the Board of Management, specifically the evaluation of the bonus payments to the individual members of the Board of Management and their multi-year performance for 2016-2018. In consideration of the composition of the Board from 30 April 2019, we also undertook a self-assessment of the members of the Supervisory Board concerning their knowledge of specific fields that are important for providing advice and supervision to Munich Re. Despite numerous new members having been elected to the Supervisory Board, it was possible to retain the previous year's good level of collective expertise on the Supervisory Board. The Supervisory Board thus possesses the appropriate diversity of qualifications, knowledge and experience to provide advice and supervision to Munich Re in a professional manner, taking account of the characteristics specific to the Company and the Group. Moreover, we received the Board of Management's report on the status of business performance in 2019. We also used the meeting to make last-minute preparations for the Annual General Meeting, which was held the next day.

Following the Annual General Meeting on 30 April 2019, there was a constituent meeting of the new Supervisory Board in which we held the election for the Chairman of the Supervisory Board and the Deputy Chair, and the election for members and chairs of the six Supervisory Board Committees.

On 16 July, we discussed in particular the planning for development of Munich Re's strategy and the Group's position with regard to the challenges posed by climate change. We were also informed about the projects to introduce the updated accounting standards IFRS 9 and IFRS 17.

On 16 October, the agenda included corporate governance issues: the resolutions concerning the Declaration of Conformity with the German Corporate Governance Code and the results of the year's efficiency review. Other topics covered included the submission of the Group-wide remuneration report for the 2018 financial year in line with Solvency II and the Remuneration Regulation for Insurance Companies (VersVergV). The Board of Management also informed us about the investment strategy under the new Chief Investment Officer appointed in the spring, and about the development of reinsurance business in North America. We also received information about significant changes affecting the Supervisory Board as a consequence of the new version of the German Corporate Governance Code and the Act Implementing the Second Shareholders' Rights Directive (ARUG II).

On 11 December, we made a decision about a change to the Board of Management. We also discussed and made a decision about the extension of an appointment to the Board of Management. Furthermore, we established the amount of remuneration for the Board of Management from 2020, as well as the assessment basis for variable remuneration for 2020. In preparation for ARUG II and the reform of the German Corporate Governance Code, and in order to enable flexible committee work, we decided to make changes to the rules of procedure for the Supervisory Board and the Audit Committee. In this regard, we transferred responsibility in accordance with Section 111a(2) of the Stock Corporation Act (AktG) to the Standing Committee

to set up an internal procedure to assess whether related party transactions are entered into in the ordinary course of business and concluded on normal market terms. We also slightly extended the catalogue of business transactions that require the approval of the Supervisory Board. In addition, we looked into the Group's risk strategy in the course of the report on Munich Re's risk situation by the Group Chief Risk Officer. Furthermore, the Board of Management reported on Group planning for the 2020 financial year, presented us with the Group human resources report, and explained the focus of human resources work in the Group. It also informed us about the Group's IT strategy.

By way of a resolution adopted by written consent, the IFRS Group target for the 2019 annual bonus decided by the Supervisory Board in December 2018 was approved in February 2019.

Work of the committees

There are six Supervisory Board committees. These are assigned certain matters for resolution, and also prepare the topics which are to be addressed and decided upon by the full Supervisory Board. At each Supervisory Board meeting, detailed information about the work of the committees was provided to the full Supervisory Board by the respective chairs of the committees.

Details of the tasks of the committees and their composition are on pages 31 f. and on our website at www.munichre.com/supervisory-board.

The Personnel Committee held five meetings in the period under review. The Committee essentially prepared the resolutions on matters involving the Board of Management already mentioned in the report on the work of the full Supervisory Board, unless these fell under the remit of the Remuneration Committee. One focus of the Personnel Committee's work is the assessment of fitness and propriety requisite for the new appointment of a member of the Board of Management and the extension of the appointment of a member of the Board of Management. In addition, the Personnel Committee approved the assumption of mandates on supervisory, advisory and similar boards by members of the Board of Management. It also dealt with Group-wide succession planning, especially with regard to Board-level appointments. Furthermore, the Personnel Committee decided to abolish the existing framework for deferred compensation at the end of 2019 and to introduce a new system with effect from 1 April 2020.

The Remuneration Committee met five times in the period under review. In particular, it is responsible for preparing resolutions on matters involving the Board of Management – as already mentioned above when reporting on the work of the full Supervisory Board – as far as these resolutions concerned the amount of remuneration, the establishment of the assessment basis for variable remuneration and the corresponding evaluation, as well as the sections of the Board members' contracts relating to remuneration. In addition, it looked at current trends and developments regarding the company pension scheme for members of the Board of Management. In addition, it dealt with the fringe benefits for members of the Board of Management disclosed in the 2018 Group Annual Report.

At its four meetings, the Standing Committee dealt with the preparation of the respective Supervisory Board meetings and, in particular, with topics of corporate governance. In addition, the Standing Committee once again carried out a review of the efficiency of the Supervisory Board's work, and determined that overall the reporting by the Board of Management and the work of the Supervisory Board was efficient and appropriate. The Chairman of the Board of Management regularly provided information about the shareholder structure and the status of the share buy-back programme. The Standing Committee also dealt intensively with the separate Non-Financial (Group) Statement for 2018. On the basis of a corresponding resolution adopted by the full Supervisory Board, the Standing Committee commissioned Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY), Munich, to perform a limited assurance engagement on the separate Non-Financial (Group) Statement for the 2019 financial year.

The Audit Committee held six meetings in the period under review. Five of these meetings were attended by the external auditor. In its meetings in February and March 2019, the Audit Committee discussed the Munich Reinsurance Company and Group financial statements, the combined management report, the auditor's reports and the Board of Management's proposal for the appropriation of the net retained profits for the 2018 financial year. The Committee also discussed in detail the material information underlying the quarterly reports for Q1 and Q3 2019,

and together with the auditor examined in detail the 2019 Half-Year Financial Report. The Committee heard regular reports on the key Solvency II figures and discussed the quarterly reporting to the Supervisory Authority in these meetings. Another key task of the Committee consisted in monitoring the Group's risk situation and risk management on an ongoing basis, and discussing its risk strategy: the Group Chief Risk Officer provided detailed verbal input at several meetings of the Committee in addition to the quarterly written reports submitted. The Head of the Actuarial Function presented the report of the actuarial function of Munich Re (Group) at one Committee meeting. Further issues discussed regularly were the internal control system and compliance topics. The Group Chief Auditor informed the members of the Committee in full about the outcome of the audits for 2018 and the audit planning for 2019. The Committee received regular updates on the current status of individual compliance issues and the progress of audits. Without the Board of Management being present, the members of the Committee took the opportunity to confer amongst themselves or with the Group Chief Auditor, the Group Chief Compliance Officer, the Group Chief Risk Officer and the external auditor on a regular basis. In addition, the Audit Committee and the external auditor exchanged views on selected topics on an ad-hoc basis between meetings. Furthermore, the Audit Committee closely reviewed and monitored the auditor's independence. It regularly called for reports on the auditor's new activities beyond the auditing of the annual financial statements and on the utilisation of the statutory limit for awarding such contracts. The auditor presented the Audit Committee with explanations of the key audit matters for the 2019 financial year. The Audit Committee also prepared a report for the full Supervisory Board on the appointment of the external auditor for the 2019 financial year, determined the main points of the audits, and set the auditor's fees. Following a resolution by the full Supervisory Board, the Chair of the Audit Committee commissioned KPMG Bayerische Treuhandgesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft (KPMG), Munich, with the audit for the 2019 financial year, and also commissioned the auditor's review of the 2019 Half-Year Financial Report.

In addition, EY, which was selected as part of the invitation to tender for the audit mandate from the 2020 financial year, introduced itself and reported on the status of preparations for the change of auditor.

The Nomination Committee held two meetings in the period under review. After having already dealt intensively with succession planning for the Supervisory Board in six meetings in 2018, it handled the re-election of eight shareholder representatives and the election of two new candidates to the Supervisory Board in preparation for the Annual General Meeting on 30 April 2019. It also discussed the succession of the Chairman of the Supervisory Board and the Chair of the Audit Committee, and dealt with the future composition of the Supervisory Board committees. The Nomination Committee also intensively discussed the medium-term succession planning on the Supervisory Board.

There was again no need to convene the Conference Committee in the 2019 financial year.

Corporate governance and Declaration of Conformity

The Supervisory Board pays close attention to good corporate governance. Together with the Board of Management, we therefore published the Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG) in November 2019. The Company has complied and intends to continue to comply with all of the recommendations of the German Corporate Governance Code as amended on 7 February 2017. We confirmed our assessment that all 20 members of the Supervisory Board are to be regarded as independent and that they do not have any relevant conflicts of interests.

For details, see the Statement of Corporate Governance at www.munichre.com/cg-en.

Munich Re hosted an introductory event for new members of the Supervisory Board, where experts gave presentations on the topics corporate governance, Board remuneration, investments, accounting and risk management. In addition, members of the Supervisory Board were also offered an internal information event in 2019 by way of further training. Almost all took the opportunity to learn more about selected topics in the areas of reinsurance, Group controlling, and big data. The Company also provided the members of the Supervisory Board with electronic training material for self-study. Before they took up their appointments, new members of the Supervisory Board also received selected informational material to prepare for their new role.

In our role as Chairman of the Supervisory Board, Bernd Pischetsrieder (until 30 April 2019) and I (from 30 April 2019) held discussions on topics relevant to the Supervisory Board with investors and proxy advisors as part of an ongoing dialogue with investors. The focus of the discussions held by Dr. Pischetsrieder was the election of shareholder representatives to the Supervisory Board by the 2019 Annual General Meeting. The discussions that I held served primarily to exchange information across the full range of topics falling within the responsibility of the Supervisory Board.

Changes on the Board of Management

The Company's Board of Management was expanded with effect from 18 March 2019 to include the position of Chief Investment Officer. In this function, Nicholas Gartside is responsible for all of the asset management of Munich Re (Group).

For personal reasons, Hermann Pohlchristoph is not extending his appointment that expires on 30 April 2020, and will leave the Company. Achim Kassow has been appointed as his successor with effect from 1 May 2020, and he will take over responsibility for the Asia Pacific and Africa division and for the central divisions Central Procurement and Services.

Changes on the Supervisory Board

The term of office of the Supervisory Board members expired at the end of the Annual General Meeting on 30 April 2019. The shareholder representatives Bernd Pischetsrieder and Henning Kagermann left the Supervisory Board. We would like to thank Dr. Pischetsrieder for his immense commitment to Munich Re during his 17 years as a member of the Supervisory Board, including six years as Chairman. During this time, he successfully monitored and supervised Munich Re with great responsibility and foresight. We would also like to express our thanks to Professor Kagermann for his many years of valuable and constructive support, especially during his time as Chairman of the Audit Committee.

Christian Fuhrmann, Marco Nörenberg, Andrés Ruiz Feger, Ina Hosenfelder, Beate Mensch and Angelika Wirtz stepped down from their roles as employee representatives on the Supervisory Board. The Supervisory Board would like to thank all departing members for their expert advice, with which they accompanied and supervised Munich Re in a committed manner, in some cases over many years.

Karl-Heinz Streibich and I were newly elected to the Supervisory Board by the Annual General Meeting. On the basis of the Co-Determination Agreement, Ruth Brown, Stephan Eberl, Eva-Maria Haiduk, Stefan Kaindl, Gabriele Mücke and Manfred Rassy were elected to the Supervisory Board by the responsible bodies. The periods of office of the new and re-elected members of the Supervisory Board commenced at the end of the Annual General Meeting.

Further general information on corporate governance can be found in the Statement of Corporate Governance at www.munichre.com/cg-en.

Company and Group financial statements for 2019, Solvency II reporting and non-financial information

The auditor KPMG duly audited the annual financial statements of Munich Reinsurance Company, the Group financial statements and the combined management report as at 31 December 2019, and issued them with an unqualified auditor's opinion. The German Public Auditor responsible for the engagement is Dr. Frank Ellenbürger. He first took charge of the audit of the Company and Group financial statements for the financial year ending 31 December 2013.

The above-mentioned reports and the Board of Management's proposal for appropriation of the net retained profits were submitted to the members of the Supervisory Board. On 21 February 2020, the Audit Committee intensively discussed the preliminary year-end figures as at 31 December 2019, along with the Board of Management's proposal for appropriation of the net retained profits. At its meeting on 26 February 2020, the Supervisory Board also intensively discussed the preliminary year-end figures as at 31 December 2019, along with the Board of Management's proposal for appropriation of the net retained profits. On 16 March 2020, the Audit Committee prepared the Supervisory Board's resolution on the adoption of the Company financial statements and the approval of the Group financial statements. To this end, the Audit Committee examined the annual and consolidated financial statements and the combined management report in advance. It discussed these at length with the external auditor present at

the meeting, and gave detailed consideration to the auditor's reports. The Audit Committee paid particular attention to the key audit matters described in the auditor's opinion, including audit activity. The Chair of the Audit Committee briefed the full Supervisory Board about the outcome of its consultations at the balance sheet meeting. In its March meeting, the Audit Committee discussed the preliminary key figures under Solvency II reporting – and the Solvency II ratio in particular – and reported on this to the full Supervisory Board.

The full Supervisory Board also checked the financial statements of Munich Reinsurance Company and the Group, and the combined management report. The auditor's reports were available to all members of the Supervisory Board and were discussed in detail at the balance sheet meeting of the Supervisory Board on 17 March 2020 in the presence of the external auditor. The auditor reported on the scope, the main points, and the key results of the audit, going into particular detail on the key audit (please refer to the auditor's report on pages 47 ff.) and the audit activity conducted. There were no reports of material weaknesses in the internal control system or the risk management system.

On the basis of this comprehensive examination, the Supervisory Board raised no objections concerning the outcome of the external audit. It approved the Company and Group financial statements on 17 March 2020. The financial statements were thus adopted. Having carefully weighed all relevant aspects, the Supervisory Board followed the proposal of the Board of Management for appropriation of the net retained profits.

The Standing Committee received the separate Non-Financial (Group) Statement for the 2019 financial year. The Standing Committee considered the Statement on 17 March 2020. Also on 17 March 2020, the full Supervisory Board examined the separate Non-Financial (Group) Statement, taking due consideration of the external auditor's findings, and approved it.

Words of thanks to the Board of Management and employees

The Supervisory Board wishes to thank all members of the Board of Management and staff worldwide. With their work and commitment, they have contributed to a successful result for Munich Re.

Munich, 17 March 2020

For the Supervisory Board



Nikolaus von Bomhard
Chairman

Attendance of Supervisory Board Members at meetings of the Supervisory Board of Munich Reinsurance Company and its committees in 2019

Members of the Supervisory Board	Supervisory Board	Participation quota Supervisory Board	Personnel Committee	Remuneration Committee	Standing Committee	Audit Committee	Nomination Committee
Bernd Pischetsrieder ¹	2/2	100%	3/3	3/3	1/1	2/2	1/1
Nikolaus von Bomhard ²	4/4	100%	2/2		3/3	4/4	1/1
Marco Nörenberg ¹	2/2	100%			1/1		
Anne Horstmann	6/6	100%			3/3	2/2	
Ann-Kristin Achleitner	6/6	100%		5/5		6/6	2/2
Kurt Wilhelm Bock	6/6	100%			3/3		1/1
Clement Booth	6/6	100%					
Ruth Brown ²	4/4	100%					
Stephan Eberl ²	4/4	100%	2/2	2/2	3/3		
Frank Fassin	6/6	100%					
Benita Ferrero-Waldner	6/6	100%					
Christian Fuhrmann ¹	2/2	100%				2/2	
Ursula Gather	6/6	100%					
Gerd Häusler	6/6	100%			4/4		
Eva-Maria Haiduk ²	4/4	100%				2/2	
Ina Hosenfelder ¹	2/2	100%			4/4		
Renata Jungo Brüngger	6/6	100%	2/2	2/2			
Henning Kagermann ¹	2/2	100%	3/3		1/1	2/2	1/1
Stefan Kaindl ²	4/4	100%				4/4	
Beate Mensch ¹	2/2	100%					
Gabriele Mücke ²	4/4	100%					
Ulrich Plottke	6/6	100%				4/4	
Manfred Rassy ²	4/4	100%					
Andrés Ruiz Feger ¹	2/2	100%			1/1		
Gabriele Sinz-Toporzysek	6/6	100%					
Karl-Heinz Streibich ²	4/4	100%					
Angelika Wirtz ¹	2/2	100%	3/3	3/3			
Maximilian Zimmerer	6/6	100%				4/4	
Participation quota (average)		100%	100%	100%	100%	100%	100%

¹ Member of the Supervisory Board until 30 April 2019.

² Member of the Supervisory Board from 30 April 2019.

Combined management report

The management report of Munich Reinsurance Company and the Group management report have been combined in accordance with the provisions of Section 315(5) in conjunction with Section 298(2) of the German Commercial Code (HGB), and published in the 2019 Group Annual Report.

The annual financial statements and the combined management report for Munich Reinsurance Company and the Group for the 2019 financial year will be submitted to the German Federal Gazette for publication.

Combined non-financial statement

For the 2019 financial year, Munich Reinsurance Company meets the requirements of the Corporate Social Responsibility (CSR) Directive of the European Union set out in Sections 289b(3) and 315b(3) of the German Commercial Code (HGB) by publishing a separate non-financial (Group) statement in the Corporate Governance section of Munich Re's website at www.munichre.com/cnfs.

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Balance sheet as at 31 December 2019

Assets

	Notes	€m	€m	€m	Prev. year €m
A. Intangible assets	(1)			167	186
B. Investments	(2, 3)				
I. Land, land rights and buildings, including buildings on third-party land			1,043		1,087
II. Investments in affiliated companies and participating interests					
1. Shares in affiliated companies		34,594			32,703
2. Loans to affiliated companies		61			71
3. Participating interests		311			319
4. Loans to participating interests		35			33
			35,002		33,126
III. Other investments					
1. Shares, investments in unit trusts and funds, and other non-fixed-interest securities		4,264			4,938
2. Bearer bonds and other fixed-interest securities		22,304			21,578
3. Loans secured on property		0			0
4. Other loans		493			378
5. Deposits with banks		773			847
6. Miscellaneous investments		585			2,342
			28,420		30,083
IV. Deposits retained on assumed reinsurance			11,157		10,154
				75,622	74,450
C. Receivables					
I. Accounts receivable on reinsurance business			6,680		4,770
Thereof from					
- affiliated companies: €1,372m (1,139m)					
- participating interests: €168m (125m)					
II. Other receivables			9,846		5,415
Thereof from					
- affiliated companies: €2,865m (251m)					
- participating interests: €13m (10m)					
				16,526	10,184
D. Other assets					
I. Tangible assets and inventories			33		32
II. Cash at banks, cheques and cash in hand			622		938
				655	971
E. Deferred items					
I. Accrued interest and rent			157		211
II. Miscellaneous deferred items	(4)		47		144
				203	355
F. Excess of plan assets over pension liabilities	(5)			570	453
Total assets	(11)			93,743	86,598

Equity and liabilities

	Notes	€m	€m	€m	Prev. year €m
A. Equity	(6)				
I. Issued capital					
1. Subscribed capital		588			588
2. Less: Accounting value of own shares held		-12			-15
			576		573
II. Capital reserve			6,845		6,845
III. Revenue reserves			2,059		2,900
IV. Net retained profits			1,414		1,383
				10,894	11,701
B. Subordinated liabilities	(7)			3,681	3,651
C. Technical provisions	(8)				
I. Unearned premiums					
1. Gross amount		4,421			4,016
2. Less for retroceded business		650			563
			3,771		3,453
II. Provision for future policy benefits					
1. Gross amount		10,414			9,722
2. Less for retroceded business		794			389
			9,620		9,333
III. Provision for outstanding claims					
1. Gross amount		43,583			39,985
2. Less for retroceded business		3,867			3,179
			39,716		36,806
IV. Provision for premium refunds					
1. Gross amount		3			3
2. Less for retroceded business		0			0
			3		3
V. Claims equalisation provision and similar provisions			9,837		9,043
VI. Other technical provisions					
1. Gross amount		506			424
2. Less for retroceded business		22			-71
			484		495
				63,431	59,133
D. Other provisions	(9)				
I. Provisions for employees' pensions and similar commitments			53		55
II. Provisions for tax			1,285		1,267
III. Miscellaneous provisions			663		670
				2,001	1,991
E. Deposits retained on retroceded business				1,751	1,407
F. Other liabilities					
I. Accounts payable on reinsurance business			4,486		4,500
Thereof to					
- affiliated companies: €1,842m (1,523m)					
- participating interests: €1m (1m)					
II. Amounts due to banks			1		0
III. Miscellaneous liabilities	(10)		7,470		4,187
Thereof to					
- affiliated companies: €2,504m (248m)					
- participating interests: €10m (10m)					
Thereof from other taxes: €52m (65m)					
Thereof for social security: €1m (0m)					
				11,957	8,686
G. Deferred items				28	28
Total equity and liabilities	(11)			93,743	86,598

Income statement for the 2019 financial year

Items

	Notes	€m	€m	€m	Prev. year €m
I. Technical account					
1. Earned premiums for own account					
a) Gross premiums written		22,814			20,503
b) Retroceded premiums		-3,843			-3,266
			18,971		17,237
c) Change in gross unearned premiums		-309			-501
d) Change in retroceded share of unearned premiums		72			120
			-238		-381
				18,734	16,856
2. Interest on technical provisions for own account	(13)			367	398
3. Other underwriting income for own account				16	18
4. Claims incurred for own account					
a) Claims paid					
aa) Gross amount		-13,465			-12,804
ab) Retroceded amount		2,082			1,217
			-11,383		-11,587
b) Change in provision for outstanding claims					
ba) Gross amount		-2,793			-281
bb) Retroceded amount		641			306
			-2,152		25
				-13,535	-11,562
5. Change in other technical provisions for own account					
a) Net provision for future policy benefits			239		385
b) Other net technical provisions			-10		32
				229	418
6. Expenses for premium refunds for own account					
7. Operating expenses for own account (14, 18, 21)					
a) Gross operating expenses			-6,552		-5,867
b) Less commission received on retroceded business			911		903
				-5,641	-4,964
8. Other underwriting expenses for own account					
				-7	-133
9. Subtotal					
				162	1,031
10. Change in claims equalisation provision and similar provisions (12)					
				-795	-780
11. Underwriting result for own account (12)					
				-632	251

Items

	Notes	€m	€m	€m	€m	Prev. year €m
II. Non-technical account						
1. Investment income	(15)					
a) Dividends from participating interests			1,290			564
Thereof from affiliated companies:						
€1,256m (542m)						
b) Income from other investments						
Thereof from affiliated companies:						
€129 (130m)						
ba) Rents from land and buildings, including buildings on third-party land		136				148
bb) Income from other investments		926				948
			1,062			1,096
c) Income from write-ups			677			929
d) Realised gains on the disposal of investments			1,417			2,014
e) Income from profit-transfer agreements			410			187
				4,856		4,789
2. Investment expenses	(14, 16, 18, 21)					
a) Expenses for the management of investments, interest paid and other expenses for investments			-336			-337
b) Write-downs of investments			-376			-892
c) Realised losses on the disposal of investments			-1,041			-1,033
d) Expenses from loss transfers			-1			-43
				-1,754		-2,305
				3,102		2,483
3. Interest income on technical provisions				-391		-403
					2,711	2,080
4. Other income	(19, 20)				1,288	465
5. Other expenses	(19, 20, 21)				-1,340	-617
6. Operating result before tax					2,026	2,179
7. Taxes on income				-521		-17
8. Other taxes				-13		-2
					-534	-20
9. Profit for the year					1,492	2,160
10. Profit brought forward from previous year					48	47
11. Appropriations to revenue reserves					-126	-824
12. Accounting value of own shares deducted from subscribed capital					17	21
13. Reversal of accounting value of own shares deducted from subscribed capital					-21	-21
14. Allocation to reserve for own shares					-17	-21
15. Release of reserve for own shares					21	21
19. Release of revenue reserve for acquisition of own shares					963	1,013
20. Expenses for acquisition of own shares					-963	-1,013
21. Net retained profits					1,414	1,383

Notes

Recognition and measurement

Accounting basis

The financial statements, and the sections of the management report that have been combined with the Group management report and relate to Munich Reinsurance Company, have been prepared in accordance with the German Commercial Code (HGB), the German Stock Corporation Act (AktG), the German Insurance Accounting Regulation (RechVersV) and the German Insurance Supervision Act (VAG), and observing conservative accounting principles.

Intangible assets

Intangible assets are measured at the acquisition cost less amortisation and, where applicable, write-downs for impairment.

Investments

Our developed land is measured at the acquisition or construction cost less linear depreciations and, where applicable, write-downs for impairment. Undeveloped land is measured at acquisition cost and is not subject to depreciation. If a permanent impairment is expected, we write the carrying amount down to the fair value of the property.

The carrying amount of shareholdings in affiliated companies and other participating interests is generally the acquisition cost, written down to a lower fair value where applicable.

Loans to affiliated companies and to participating interests, registered bonds, mortgage loans, promissory notes and loans, and other receivables are measured at amortised cost.

Shares, investments in unit trusts and funds, and other non-fixed-interest securities, bearer bonds and other fixed-interest securities and other investments are valued at acquisition cost or at the market price at the balance sheet date, whichever is the lower. Investments with participating interests are valued according to the requirements for fixed assets as per Section 341b(2) of the German Commercial Code. In this respect we exercised the option, under Section 253(3) of the German Commercial Code, to write financial assets down to the lower fair value even without permanent impairment.

In accordance with Section 253(5) of the German Commercial Code, lower measurements from previous years were not maintained for any of our investments if the reasons to do so were no longer applicable. In those cases, we reversed the write-down back up to the fair value, but not exceeding the acquisition cost or the amortised cost.

Receivables

Deposits retained on assumed reinsurance business, accounts receivable on reinsurance business and other receivables are recognised at the nominal values less any necessary adjustments of value.

Other assets

Inventories are recognised at acquisition cost. Office furniture and equipment is measured at acquisition cost less depreciations. The purchase price of low-value items is written off on a straight-line basis over a period of five years.

Deferred taxes

For the calculation of deferred taxes across all tax spheres, temporary differences and carry-forwards are assessed overall. We did not avail ourselves of the option provided for in Section 274(1) sentence 2 of the German Commercial Code (HGB). An excess of deferred tax assets beyond the netting amount is not recognised.

Significant for the Company are the temporary differences existing in Germany, where the deductible differences exceed the taxable temporary differences by €9,296m. The deductible temporary differences result mainly from write-downs of investments that were not recognisable in the tax accounts owing to the stricter regulations, and from technical provisions that tend to have a lower value in the tax accounts than in the financial statements. In addition, there are deductible temporary differences resulting from intangible assets due to the extensive recognition of internally developed IT programs in the tax accounts. By contrast, the taxable temporary differences existing in the German tax sphere are of subordinate importance.

The rounded deferred tax rate applicable for the German tax sphere is 33.0%. It is made up of the corporate tax rate (including solidarity surcharge) of 15.8% and the trade tax rate of 17.2%. The tax rate applicable for the Canadian branch amounts to 26.5%, for the UK branch to 17.0%, for the Australian branch to 30.0%, and for the Italian branch to 30.8%.

Munich Reinsurance Company has total loss carry-forwards of €3,835m, of which €2,941m is attributable to the German tax sphere. The remaining loss carry-forwards stem from the Company's foreign business units. Loss carry-forwards of €3,110m will probably be utilised within the next five years.

Excess of plan assets over pension liabilities

Under certain conditions, assets are netted with related liabilities for pension commitments (exception to the prohibition of offsetting under Section 246(2) sentence 2 of the German Commercial Code). Under this rule, assets that are not accessible to creditors and serve solely to settle liabilities arising from pension commitments or comparable long-term commitments must be netted with those liabilities. In accordance with Section 253(1) sentence 4 of the German Commercial Code, the assets in question must be measured at fair value. If the fair value of the assets exceeds the settlement amount of the liabilities, the excess amount must be recognised separately in the balance sheet as “excess of plan assets over pension liabilities” in accordance with Section 246(2) sentence 3 of the German Commercial Code.

Technical provisions

The technical provisions have been calculated in accordance with the requirements of German commercial law. In all cases, we have taken into account the necessity of ensuring that our obligations from reinsurance business can always be met.

Unearned premiums are accrued premiums already written for future risk periods. They are calculated in accordance with German accounting principles, partly on the basis of information received from our ceding companies and partly using nominal percentages. Where unearned premiums are calculated using such percentages, they are based on many years of experience and the latest knowledge available. Costs for reinsurance commissions are deducted at a rate of 92.5% from the unearned premium components calculated.

The provision for future policy benefits in long-term underwriting business is posted for the actuarially calculated value of obligations arising from policyholders’ guaranteed entitlements. The actuarial assumptions used for their calculation include, in particular, assumptions relating to mortality, disability, morbidity, interest-rate development, lapses and costs. These are estimated on a realistic basis at the time the insurance contracts are concluded, and they include adequate provision for adverse deviation to make allowance for the risks of change, error and random fluctuations. The actuarial assumptions are adjusted if, and only if, the original provisions for adverse deviation are no longer considered sufficient.

Provisions for outstanding claims are generally established in accordance with the amounts reported to us by our cedants. These provisions are posted for payment obligations arising from reinsurance contracts where the size of the claim or the timing of the payment is still uncertain. Part of the provision is for known claims for which individually calculated provisions are set up. Another part is for expenses for claims which are not yet known (e.g. because they have not been reported or have not yet manifested themselves). A third class of provisions covers claims which are basically known but whose extent has turned out

to be greater than originally foreseen. All these provisions include expenses for internal and external loss adjustment. The provision for outstanding claims is based on estimates: the actual payments may be higher or lower. The amounts posted are the realistically estimated future amounts to be paid; they are calculated on the basis of past experience and assumptions about future developments (e.g. social, economic or technological parameters) and using appropriate actuarial methods. The insurance claims payments also include estimated adjustments to accounts payable recognised in the previous year with a corresponding impact on the provision; these adjustments are the result of an altered assessment of payment behaviour. Future payment obligations are not discounted but recognised at the future settlement value.

The item “claims equalisation provision and similar provisions” contains the amounts required and permissible under German accounting principles to mitigate fluctuations in claims experience in future years, plus the provisions for major risks.

The “other technical provisions” mainly comprise provisions for profit commission and the provision for anticipated losses. Provisions for anticipated losses are posted if, in a reinsurance portfolio, the future premiums plus the proportionate investment result will probably not be sufficient to cover the expected claims and costs. In the 2019 financial year, provisions for anticipated underwriting losses were posted in the motor line of business.

Technical provisions apportionable to the business retroceded by us have been calculated in accordance with the terms of the retrocession agreements.

Other provisions

Under certain conditions, assets must be netted with related liabilities from pension commitments (see “excess of plan assets over pension liabilities”). If these conditions are met, a pension provision only has to be recognised in the amount by which the settlement amount exceeds the fair value of the assets.

Pursuant to Section 253 of the German Commercial Code as amended on 17 March 2016, the discount rate used by the Company for calculating pension commitments is now based on a ten-year average. In this context, in accordance with the German Regulation on the Discounting of Provisions (RückAbzinsV), we used an actuarial interest rate of 2.71% as at 31 December 2019, availing ourselves of the option under Section 253(2) sentence 2 of the German Commercial Code, which is based on an assumed duration of 15 years. In contrast, semi-retirement commitments and anniversary payments were calculated as at the same date using a discount rate of 1.97% based on a seven-year average. Estimated increases of between 1.00% and 3.00% were applied for the future development of existing commitments. In addition, increases of between 1.00% and 2.00% were applied for the future development of current pensions.

In 2019, following reviews of the portfolio, updated biometric actuarial assumptions were used.

The present value of the commitments is calculated using the projected unit credit method.

All other provisions are recognised in accordance with the required settlement amount, based on reasonable and prudent commercial judgement. For discounting, we use the discount rates issued by the Bundesbank pursuant to Section 253(2) of the German Commercial Code, in line with the duration of the provisions and based on a seven-year average.

Liabilities

Subordinated liabilities, deposits retained on retroceded business, accounts payable on reinsurance business, amounts owed to banks and other liabilities are stated at their settlement amounts.

Foreign currency translation and hedging relationships for currency risks

All business transactions are generally recognised in the original currencies and reported using the applicable day's exchange rate in euros. The foreign currency amounts are retranslated for the balance sheet at year-end exchange rates.

Foreign currency liabilities are grouped together with the assets matching them per currency in hedging relationships, in accordance with Section 254 of the German Commercial Code (portfolio hedges), the items allocated to the hedging relationships being primarily non-current assets, provisions and non-current liabilities. Translation is generally performed independently of the restrictions of the historical-cost and realisation principle.

If there is an excess of assets over liabilities in a particular currency, this is examined to see whether or not it is long term or not. Long-term excesses of assets over liabilities

are grouped together with currency forward transactions in separate hedging relationships, pursuant to Section 254 of the German Commercial Code, and are also generally translated independently of the restrictions of the historical-cost and realisation principle. In the year under review, there was a long-term excess of assets over liabilities only in respect of the Canadian dollar.

The effective part of the hedging relationships was accounted for using the "gross method".

Short-term excesses of assets over liabilities and (short-term and long-term) excesses of liabilities over assets are generally translated immediately with impact on profit or loss. The remaining assets and liabilities outside the above-mentioned hedging relationships per currency have a residual term of less than one year and are therefore recognised in accordance with Section 256a of the German Commercial Code (HGB). The same applies to provisions, whose residual term is, however, immaterial for non-compliance with the historical-cost or realisation principle.

Gains and losses resulting from currency translation are recognised in the income statement under other income or other expenses.

Other hedging relationships

In addition to the hedging relationships for currency risks described above, we have also availed ourselves of the option under Section 254 of the German Commercial Code to use hedge accounting to recognise the mutually offsetting derivatives embedded in one assumed reinsurance contract with insufficient risk transfer. As described in the risk report – which is part of the management report that has been combined with the Group management report – numerous other risks are hedged using economic hedges as part of our risk management. However, we do not apply hedge accounting for these items. Details of the hedging relationships are provided on page 26.

Notes to the balance sheet – Assets

1, 2 Intangible assets and investments (without deposits retained on assumed reinsurance)

	Carrying amount Prev. year	Currency translation	Additions	Reclassifi- cations	Disposals	Write- ups	Write- downs	Carrying amount 31.12.2019
	€m	€m	€m	€m	€m	€m	€m	€m
(1) Intangible assets	186	0	6	0	-1	0	-24	167
(2) Investments								
(a) Land, land rights and buildings, including buildings on third-party land	1,087	0	1	0	-4	5	-46	1,043
(b) Investments in affiliated companies and participating interests								
Shares in affiliated companies	32,703	79	2,381	-1	-524	198	-242	34,594
Loans to affiliated companies	71	-1	68	0	-76	0	0	61
Participating interests	319	0	99	0	-97	0	-10	311
Loans to participating interests	33	0	30	0	-29	0	0	35
Subtotal (b)	33,126	79	2,578	-1	-727	198	-252	35,002
(c) Other investments								
Shares, investments in unit trusts and funds, and other non-fixed-interest securities	4,938	16	1,066	0	-2,072	328	-11	4,264
Bearer bonds and other fixed-interest securities	21,578	458	17,050	-25	-16,765	76	-67	22,304
Loans secured on property	0	0	0	0	0	0	0	0
Other loans	378	14	85	25	-9	0	0	493
Deposits with banks	847	6	0	0	-80	0	0	773
Miscellaneous investments	2,342	-37	4,743	1	-6,533	70	0	585
Subtotal (c)	30,083	457	22,944	1	-25,460	474	-79	28,420
Total investments (2)	64,296	537	25,522	0	-26,191	677	-376	64,465
Total (1) + (2)	64,481	537	25,528	0	-26,192	677	-400	64,631

The statement of changes in assets and investments is shown at respective daily exchange rates.

Intangible assets consist mainly of purchased insurance portfolios and software. Purchased life reinsurance portfolios were amortised by €18m in the year under review.

The carrying amount of owner-occupied property totalled €238m.

Of our total investments (excluding deposits retained on assumed reinsurance) with a carrying amount of €64,465m, an amount of €3,269m was deposited with ceding companies or foreign governments, or was in the custody of trustees nominated by us.

The transactions under “deposits with banks” are shown as a net withdrawal.

The item “miscellaneous investments” included a portfolio of physical gold, with a carrying amount of €409m.

Derivatives	Balance sheet item	Carrying amount	Fair value	Notional principal amount
		€m	€m	€m
Equity risks				
Stock options (short)	Miscellaneous provisions	0	0	5
Interest-rate risks				
Interest-rate swaps	Miscellaneous provisions	-15	30	1,589
Inflation swaps	Miscellaneous provisions	-8	4	797
Interest-rate futures	Miscellaneous provisions	0	0	44
Bund futures	Miscellaneous provisions	-36	-26	5,584
Forward loans	-	0	0	10
Currency risks				
Long currency options	Other investments	0	0	25
Short currency options	Other liabilities	-1	0	59
Currency forwards	Miscellaneous provisions	-133	-57	17,995
Currency forwards (for Can\$ hedging)	Other assets	0	-25	2,108
	Other liabilities	-25	0	0
Other transactions				
Insurance derivatives I (cat bonds)	Miscellaneous provisions	-2	-2	383
	Deferred asset items	0		
	Deferred liability items	-1		
Insurance derivatives II (short options)	Other liabilities	-1	0	36
Insurance derivatives III (Total return swaps, insurance-linked)	Miscellaneous provisions	0	1	301
Other market-price derivatives	Other receivables	0	6	831
	Miscellaneous provisions	0 ¹	-6	429
Weather derivatives (Total return swaps, weather)	Miscellaneous provisions	0	12	105
Single credit default swaps	Miscellaneous provisions	-1	2	278
	Deferred asset items	4	0	0
	Deferred liability items	-3	0	0
Basket credit default swaps	Miscellaneous provisions	-4	-5	297
	Deferred asset items	5	0	0
	Deferred liability items	-8	0	0
Commodity swaps	Miscellaneous provisions	-7	1	1,282

1 No anticipated losses taking into account the other components of the structured financial instrument.

Derivative financial instruments (derivatives) are financial contracts relating to a specific underlying asset.

Derivatives are generally recognised at the acquisition cost or their fair value at the balance sheet date, whichever is lower. A pending liability is taken into account through the posting of a provision for anticipated losses. Upfront payments are recognised as assets and amortised over the term.

The carrying amounts of the insurance derivatives (swap contracts, options, and derivatives embedded in cat bonds) are derived from the fair value of the related underlying assets.

Recognised measurement methods were used to determine the fair values of derivatives not traded on the stock exchange. Details may be obtained from the following table.

Derivatives	Pricing method	Parameters	Pricing model
Equity risks			
Stock options	Theoretical price	Listing of underlying Effective volatilities Money-market interest rate Dividend yield	Black-Scholes (Europ.) Cox, Ross and Rubinstein (Amer.)
Interest-rate risks			
Interest-rate swaps	Theoretical price	Credit support annex/swap curve	Present-value method
Inflation swaps	Theoretical price	Zero-coupon inflation swap rates OIS curve	Present-value method
Forward loans	Theoretical price	Listing of underlying Swap curve	Present-value method
Currency risks			
Currency options	Theoretical price	Volatility skew Currency spot rates Money-market interest-rate curve	Garman-Kohlhagen (European)
Currency forwards	Theoretical price	Currency spot rates Currency forward rates/ticks Money-market rates	Present-value method
Other transactions			
Insurance derivatives	Theoretical price	Fair values of the cat bonds Historical event data Interest-rate curve	Present-value method
Other market-price derivatives	Theoretical price	Effective volatilities Money-market interest rate	Monte Carlo Present-value method
Credit default swaps	Theoretical price	Credit spreads Recovery rates Interest-rate curve	Present-value method ISDA CDS Standard Model
Commodity swaps	Theoretical price	Listing of underlying index	Index ratio calculation
Commodity options (Total return swaps, weather)	Theoretical price	Listing of underlying Effective volatilities Money-market interest rate	Black-Scholes (European), Cox, Ross und Rubinstein (American)
Weather derivatives	Theoretical price	Event estimates Historical data	Monte Carlo

The fair value of investments (excluding deposits retained on assumed reinsurance) amounted to €80,657m. The carrying amount was €64,465m. This resulted in valuation reserves of €16,193m at the end of the 2019 financial year.

The valuation reserves contain hidden losses not induced by credit risks of less than €1m for other loans. We have refrained from making a write-down, as there is probably no permanent impairment.

The fair values of developed land are determined once a year, generally using the capitalised earnings value; undeveloped land is measured on the basis of the current standard land value.

In the case of shares in affiliated companies, participating interests, equities, investments in unit trusts and funds, and other non-fixed-interest securities, the market prices at the balance sheet date are used if the investments concerned are listed on the stock market. If no market prices are available, we calculate the value using the discounted earnings method or use net asset values.

The fair values of fixed-interest securities listed on the stock market are determined on the basis of the market prices at the balance sheet date. In the case of fixed-interest securities not listed on the stock market, we determine the values using recognised valuation techniques in accordance with the present-value principle on the basis of interest-rate curves.

Investments - Valuation reserves

€m	Carrying amounts	Fair values	Valuation reserves
	31.12.2019	31.12.2019	31.12.2019
Land, land rights and buildings, including buildings on third-party land	1,043	5,073	4,030
Investments in affiliated companies and participating interests			
Shares in affiliated companies	34,594	44,968	10,374
Loans to affiliated companies	61	64	3
Participating interests	311	681	369
Loans to participating interests	35	37	2
	35,002	45,749	10,748
Other investments			
Shares, investments in unit trusts and funds, and other non-fixed-interest securities	4,264	4,612	348
Bearer bonds and other fixed-interest securities	22,304	23,315	1,011
Loans secured on property	0	0	0
Other loans	493	502	8
Deposits with banks	773	773	0
Miscellaneous investments	585	633	48
	28,420	29,835	1,415
Total investments	64,465	80,657	16,193

At 31 December 2019, the Company held shares of more than 10% in several German and foreign investment funds, with a focus on equity funds.

Disclosures in accordance with Section 285 no. 26 of the German Commercial Code (HGB)

€m	Carrying amounts	Fair values	Valuation reserves	Distribution received in the financial year
	31.12.2019	31.12.2019	31.12.2019	
Equity funds	3,818	4,044	226	2
Bond funds	23	24	1	0
Total	3,841	4,067	226	3

3 Information on shareholdings

A list of all our shareholdings can be found on page 35.

4 Deferred items

These include €15m for a difference (as defined in Section 250(3) of the German Commercial Code - HGB) in respect of the settlement amount of a liability.

5 Excess of plan assets over pension liabilities

A total settlement amount of €1,215m for liabilities from pension commitments is more than covered by plan assets with a total fair value of €1,733m. Netting at individual plan level results in both an excess of €570m of plan assets over pension liabilities, which has to be capitalised, and a pension provision of €53m. The acquisition costs of the assets to be netted amount to just under €1,330m. Income from these assets totalled €119m in the financial year. The interest expenditure for the pension provisions and comparable long-term commitments came to a total of €133m.

Netted income and expenses from pension commitments and plan assets to be netted

€m	2019
Expenses for discounting liabilities for pension commitments	-38
Expenses from change in the discount rate for liabilities for pension commitments	-95
Income from plan assets to be netted with liabilities for pension commitments	119
Net expenses from pension commitments	-14
Expenses for discounting liabilities for semi-retirement commitments	-2
Expenses from change in the discount rate for liabilities for semi-retirement commitments	-1
Expenses for plan assets to be netted with liabilities for semi-retirement commitments	0
Net expenses for semi-retirement commitments	-2

Notes to the balance sheet – Equity and liabilities

6 Equity

The total share capital of €587,725,396.48 as at 31 December 2019 was divided into 144,317,861 no-par-value registered shares, each fully paid up and carrying one vote.

Composition of the capital authorised for capital increases:

€m	31.12.2019
Authorised Capital 2015 (until 22 April 2020)	10
Authorised Capital 2017 (until 25 April 2022)	280
Total	290

Composition of contingent capital:

€m	31.12.2019
Contingent Capital 2015 (until 22 April 2020)	117
Total	117

An amount of €12m was shown deducted from subscribed capital for the accounting value of treasury shares as at 31 December 2019. The portion of the acquisition costs for these shares in excess of this accounting value, i.e. €649m, was deducted from the revenue reserves.

From the profit for the year 2019, an amount of €126m was allocated to the revenue reserves by the Board of Management. Revenue reserves contain a reserve of €12m to take account of treasury shares. Net retained profits for the year under review include a profit of €48m carried forward from the previous year. An amount of €523m resulting from the recognition of assets at fair value (€402m), the balance from the change in the averages used in calculating liabilities arising from pension commitments pursuant to an amendment to Section 253 of the German Commercial Code (HGB) dated 17 March 2016 (€110m), and from the reserve for treasury shares is subject to a restriction on distribution.

On 31 December 2019, a total of 2,857,263 shares with a calculated nominal value of around €11.6m were held by Munich Reinsurance Company. This represents around 2% of the current share capital.

In the year under review, Munich Reinsurance Company repurchased 4,336,780 own shares. This includes the 2018/2019 share buy-back programme completed on 9 April 2019, and the 2019/2020 programme approved by the Board of Management of Munich Reinsurance Company on 19 March 2019, which provides for the acquisition of shares up to a value of €1,000m until the 2020 AGM. Munich Reinsurance Company's Board of Management thus availed itself of the authorisation granted by the Annual General Meeting on 30 April 2019, in accordance with Section 71(1) no. 8 of the German Stock Corporation Act (AktG). From 23 May 2019 to 31 December 2019, a total of 2,857,263 shares were acquired at an average price of €231.04 as part of this new programme.

From 8 June 2018 until 9 April 2019, a total of 5,220,616 Munich Reinsurance Company shares were acquired under the 2018/2019 share buy-back programme. Of these, 1,479,517 shares (1.0% of the share capital at the time) were acquired at an average price of €204.96 in the 2019 calendar year. All shares from this buy-back programme were retired on 30 April 2019 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.

The acquisition costs of all Munich Re shares in the possession of Group companies at the end of the financial year totalled €660,137,565.26.

In the year under review, a total of €1,335m was distributed to Munich Reinsurance Company's equity holders for the financial year 2018 in the form of a dividend of €9.25 per dividend-bearing share.

The Company has received the following notifications pursuant to Section 33 of the German Securities Trading Act (WpHG) regarding voting-right percentages (status at 31 December 2019):

On 30 December 2019, BlackRock Inc., Wilmington, DE, USA, informed us in a voluntary Group statement pursuant to Sections 33, 34 and 37 of the German Securities Trading Act (WpHG) that on 23 December 2019 their share in the voting rights of our Company amounted to 6.49% (9,364,400 voting rights). Pursuant to Section 34 of the German Securities Trading Act (WpHG), these shares were attributed to BlackRock Inc. Based on the information provided by BlackRock Inc. none of its subsidiaries directly held 3% or more of the voting rights in our Company.

7 Subordinated liabilities

The subordinated bond issued in 2011 with a nominal value of €1,000m will mature in 2041 and is callable by us for the first time on 26 May 2021.

The subordinated bonds issued in 2012 with nominal values of €900m and £450m will mature in 2042 and are callable by us for the first time on 26 May 2022.

The subordinated bond issued in 2018 with a nominal value of €1,250m will mature in 2049 and is callable by us for the first time on 26 May 2029.

Subordinated liabilities

€m	31.12.2019
Subordinated bond 2011/2041, €1,000m 6.00% p.a. until 2021, thereafter floating	1,000
Subordinated bond 2012/2042, €900m 6.25% p.a. until 2022, thereafter floating	900
Subordinated bond 2012/2042, £450m 6.625% p.a. until 2022, thereafter floating	531
Subordinated bond 2018/2049, €1,250m 3.25% p.a. until 2029, thereafter floating	1,250
Total	3,681

The remaining term of the subordinated liabilities with a total amount of €3,681m is more than five years.

The subordinated bonds of Munich Reinsurance Company have been given the following ratings by the leading rating agencies:

Bond ratings

	A.M. Best	Fitch	Moody's	S&P
31.12.2019				
Subordinated bond 2011/2041, €1,000m, 6.00% p.a. until 2021, thereafter floating	a+	A		A
Subordinated bond 2012/2042, €900m, 6.25% p.a. until 2022, thereafter floating	a+	A		A
Subordinated bond 2012/2042, £450m, 6.625% p.a. until 2022, thereafter floating	a+	A		A
Subordinated bond 2018/2049, €1,250m, 3.25% p.a. until 2029, thereafter floating		A	A2 (hyb)	

8 Technical provisions by class of business

31.12.2019 €m	Unearned premiums	Provision for future policy benefits	Claims provisions	Claims equalisation provision and similar provisions	Other technical provisions	Total	Reserves as % of net premiums
Life	555	9,620	1,636	14	161	11,986	258
Health	186	0	525	6	139	856	71
Accident	37	0	1,573	1,020	-2	2,629	855
Liability	310	0	13,541	1,822	32	15,704	733
Motor	1,081	0	8,126	1,424	103	10,733	320
Marine	69	0	593	203	4	870	254
Aviation	154	0	1,258	102	2	1,516	313
Fire	573	0	6,895	2,764	7	10,239	306
Engineering	366	0	2,333	330	2	3,030	505
Other classes	440	0	3,236	2,153	39	5,867	231
Non-life combined	3,215	0	38,080	9,823	326	51,445	359
Total	3,771	9,620	39,716	9,837	487	63,431	334

The claims provisions as at 31 December 2019, a key component of the Company's technical provisions, have been influenced both by payments made in the reporting year and by expenses from increasing or income from reducing the provisions respectively.

Claims expenses for the reporting year less the payments already made in the same year increased the provisions. The provisions for previous years were reduced by the payments made in the reporting year for these years. Provisions are determined based on claims information and past claims experience, as well as estimates of future claims development. In this respect, the provisions are best estimates only, and as such these estimates will change as knowledge of claims cases grows in the current reporting year.

The claims equalisation provision and similar provisions developed as follows:

€m	31.12.2019	Prev. year
Claims equalisation provision	9,261	8,479
Provision for major risks	576	564
Thereof:	0	0
For nuclear facility risks	100	97
For pharmaceutical product liability risks	90	89
For terrorism risks	387	378
Total	9,837	9,043

The other classes of business contain an allocation of €183m to the claims equalisation provision resulting from a restructuring within credit.

The "Other technical provisions" include provisions for anticipated underwriting losses totalling €46m.

9 Other provisions

As at 31 December 2019, prior to netting, the provisions for post-employment benefits and similar commitments totalled €1,215m, compared with assets of €1,733m, also prior to netting. After netting as at 31 December 2019, there was an excess of €570m of plan assets over pension liabilities and similar commitments and a surplus provision of €53m. Updating the biometric actuarial assumptions resulted in income of €112m recognised through profit or loss. The portfolio transfer owing to the restructuring of the Munich Re pension plan in 2019 led to minor one-off expenses recognised in profit or loss (see page 22).

For semi-retirement commitments, a settlement amount of €99m compares with assets of €33m to be netted. Netting at individual plan level resulted in a provision of €66m. The acquisition costs of the assets to be netted amount to €33m.

We have agreed to pay pensions to nearly all our staff and their surviving dependants. These commitments are to be met by the Company itself, by the Munich Re staff pension fund and by Allianz Pensions Management e. V.

For other personnel expenses not yet payable on the balance sheet date, provisions of €310m have been posted.

There are provisions of €207m for anticipated losses from derivatives.

10 Miscellaneous liabilities

Liabilities secured by charges on property total less than €1m. These have a remaining term of more than five years.

11 Hedging relationships

As at 31 December 2019, hedge accounting was used for the following economic hedges:

Type of hedging relationship	Hedged items Types and volumes	Hedging instruments Types and volumes	Type of risks	Amount of risks hedged
a) Portfolio hedges	Foreign currency liabilities	Foreign currency assets	Exchange-rate risks	Currency result from hedged foreign currency liabilities Recognition of effective change in the fair value of hedged items and hedging instruments in the balance sheet and income statement, owing to use of "gross method" for hedging relationships
	<p>The following hedging relationships – the largest in terms of volume – were recognised at the balance sheet date:</p> <ul style="list-style-type: none"> - US dollar: 21,928m (€19,492m) - Pound sterling: 5,818m (€6,866m) - Australian dollar: 6,494m (€4,103m) - Chinese renminbi: 30,963m (€3,959m) - Canadian dollar: 5,708m (€3,921m) - Japanese yen: 409,336m (€3,356m) - Hong Kong dollar: 15,354m (€1,757m) - Israeli new shekel: 4,439m (€1,145m) 			
b) Portfolio hedge	Variable portfolio of securities (Canadian dollar) in the deposits MXA016F100 and MRA016F101	Hedging by means of currency forward transactions (sale of Canadian dollars in exchange for euros) Hedging always annually with regular adjustments in line with changes in carrying amounts in the deposit	Exchange-rate risks	Currency result from hedged securities deposits MXA016F100 and MRA016F101 Recognition of effective change in the fair value of hedged items and hedging instruments in the balance sheet and income statement, owing to use of "gross method" for hedging relationship
	Carrying amount (basis for hedging) as at 31 December 2019: Can\$ 3,061m (€2,103m)	Open currency forward contracts as at 31 Dec. 2019: Sell Can\$ 3,069m in exchange for €2,038m		
c) Portfolio hedge	Call options on synthetic zero bonds embedded in a reinsurance contract with Munich Reinsurance Company as the seller (short position) Options expire on a quarterly basis, with the maximum expiry date corresponding with the end of the reinsurance contract's term	Call options on synthetic zero bonds embedded in a reinsurance contract with Munich Reinsurance Company as the buyer (long position) Options expire on a quarterly basis, with the maximum expiry date corresponding with the end of the reinsurance contract's term	Interest-rate risk	€439m (deferred acquisition costs for follow-up transactions from expired underlying transactions)
	The short options capacity shown in the reinsurance contract is max. €3,600m	The long options capacity shown in the reinsurance contract is max. €3,600m		

→ Details of effectiveness			
Reason	Scope	Period	Method for measuring effectiveness
a) Currency match	Probable compensation of countervailing changes in the fair value	According to duration of liabilities	Critical term match method, prospective
b) Identity of underlying Currency match Volume of hedge is regularly adjusted to the status of the deposit	Probable compensation of countervailing changes in the fair value Effectiveness 99.79% Ineffectiveness results mainly from changes in the contents of the deposit and minor delay until hedge volume is adjusted in the currency forward transactions	Commenced on 1 October 2011 Unlimited term	Critical term match method, prospective Dollar offset method, retrospective
c) Identity of underlying Currency match Identical parameters	Definite compensation of countervailing changes in the fair value Effectiveness 100.00%	Commenced on 1 July 2019 Term congruent to the terms of the primary insurance contracts underlying the reinsurance contract, maximum 15 years	Critical term match method, prospective analytical measurement, retrospective

Notes to the income statement

12 Reinsurance underwriting result by class of business

€m	Gross premiums written		Underwriting result before claims equalisation provision and similar provisions		Change in claims equalisation provision and similar provisions		Combined ratio %	
	2019	Prev. year	2019	Prev. year	2019	Prev. year	2019	Prev. year
Life	6,616	5,754	-61	447	0	0	-	-
Health	1,425	1,260	14	32	0	0	98.8	97.0
Accident	330	261	125	225	-174	-82	57.8	4.5
Liability	2,220	1,937	440	-123	-229	-200	79.2	106.7
Motor	3,788	3,953	98	-217	-164	-150	97.0	106.7
Marine	394	317	42	180	-40	41	86.7	30.0
Aviation	492	392	-315	58	0	0	166.3	86.0
Fire	4,099	3,658	-410	237	329	-169	112.3	91.9
Engineering	647	613	131	29	-145	-37	77.8	94.8
Other classes	2,804	2,358	99	163	-372	-183	96.0	79.7
Non-life combined	16,199	14,749	224	584	-795	-780	98.4	95.3
Total	22,815	20,503	163	1,031	-795	-780	-	-

13 Income from technical interest

We have calculated the income from technical interest in accordance with Section 38 of the German Insurance Accounting Regulations (RechVersV) and have transferred it from the non-technical to the technical account.

14 Personnel expenses

The management expenses include the following personnel expenses:

€m	2019	Prev. year
Wages and salaries	-546	-487
Social security contributions and employee assistance	-78	-71
Expenses for employees' pensions	-50	-16
Total	-675	-575

15 Investment income

The write-ups result from the reversal of write-downs because the reasons for these write-downs for impairment no longer apply.

16 Investment expenses

Of the write-downs, €273m is for impairments as per Section 253(3) sentence 5 of the German Commercial Code (HGB).

17 Tax accounting influences

There are no tax accounting influences.

18 Mid-Term Incentive Plan

Since 1 January 2009, Munich Reinsurance Company has set up medium-term incentive plans, each with a term of three years. Eligible for participation in these cash-settled share-based remuneration plans are senior management in Munich. The participants receive performance share units (PSUs). In the fourth year after plan commencement, participants are entitled to a bonus payment dependent on the achievement of value-based performance targets and the increase in the total shareholder return (TSR).

The value-based performance targets are set in the form of an average target to be achieved over the following three years of the plan and are allocated according to responsibilities.

The basis for the full and partial allocation of the PSUs is the first plan year.

The final number of PSUs is calculated by multiplying the number of PSUs at plan commencement by the percentage achievement of the performance target at plan termination. The number of PSUs may fluctuate between 0 and 1.5 times the initially allocated number. Payment is capped if the TSR doubles. The maximum amount payable is thus limited to 300%.

The Mid-Term Incentive Plan at the reporting date is valued indirectly at the fair value of the liabilities. The fair value takes account of the value-based performance target and the total shareholder return (TSR) during the performance period. To this end, the TSR index value observable in the market is updated with the current dividend yield of Munich Re shares at the termination date and discounted with appropriate market interest rates.

Munich Reinsurance Company's Mid-Term Incentive Plans 2016-2019

	Incentive Plan 2016	Incentive Plan 2017	Incentive Plan 2018	Incentive Plan 2019
Plan commencement	1.1.2016	1.1.2017	1.1.2018	1.1.2019
Plan end	31.12.2018	31.12.2019	31.12.2020	31.12.2021
Fair value 2019 for one right	€0.00	€708.48	€730.22	€750.73
Number of rights (for 100% achievement of objectives) on 1 January 2016	0	0	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2016	32,525	0	0	0
Number of rights (for 100% achievement of objectives) on 1 January 2017	32,525	0	0	0
Additions	120	30,814	0	0
Forfeited	1,136	0	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2017	31,509	30,814	0	0
Number of rights (for 100% achievement of objectives) on 1 January 2018	31,509	30,814	0	0
Additions	0	0	27,390	0
Forfeited	0	0	0	0
Number of rights (for 100% achievement of objectives) on 31 December 2018	31,509	30,814	27,390	0
Number of rights (for 100% achievement of objectives) on 1 January 2019	31,509	30,814	27,390	0
Additions	0	0	0	26,274
Exercised	31,509	0	0	0
Forfeited	0	27	104	0
Number of rights (for 100% achievement of objectives) on 31 December 2019	0	30,787	27,286	26,274

In the 2019 financial year, liabilities from the Mid-Term Incentive Plans rose by €34m. The beneficiaries' entitlements amounted to €60m at the reporting date.

19 Income and expenses from currency translation

Income of €838m from currency translation has been recognised in other income, and expenses of €995m in other expenses.

20 Income and expenses from the discounting of provisions

"Other expenses" and "other income" includes a total of €53m from discounting and reversing the discounting of the tax reserves, and interest on back tax pursuant to Section 233a of the German Fiscal Code (AO).

21 Remuneration report

The members of Munich Reinsurance Company's Board of Management received remuneration totalling €20.5m. The total remuneration of Munich Reinsurance Company's Supervisory Board amounted to €3.2m; included in this figure is €0.2m for membership of supervisory boards at other Group companies.

Payments to retired members of the Board of Management or their surviving dependants totalled €12.4m. Included in this amount is compensation in the amount of €0.8m paid to a former member of the Board of Management for a post-contractual non-competition agreement.

Former members of the Board of Management did not accrue any further pension entitlements with an impact on personnel expenses. After deducting plan assets for existing pension commitments held by a separate entity (under a contractual trust agreement), there were no surplus pension provisions or provisions for comparable benefits for retired members of the Board of Management or their surviving dependants. The amount of the liability is €159.7m.

There are no pension commitments for former members of the Supervisory Board or their surviving dependants.

The members of the Supervisory Board and Board of Management did not receive any cash advances or loans in the year under review.

22 Governing bodies of Munich Re

Responsibilities of the members of the Board of Management

Member of the Board of Management/Responsibilities	Seats held on statutory supervisory boards ¹	Membership of comparable bodies of German and foreign business enterprises ¹
Dr. Joachim Wenning Chairman of the Board of Management Group Holdings (until 17 March 2019) Group Strategy and M&A Group Communications Group Audit Economics, Sustainability & Public Affairs ³ Group Human Resources Group Executive Affairs Group Compliance and Legal	ERGO Group AG, Düsseldorf ² (Chair)	-
Dr. Thomas Blunck Life and Health Capital Partners Digital Partners Reinsurance Investments (until 17 March 2019)	-	-
Nicholas Gartside (since 18 March 2019) Chief Investment Officer Group Investments Third Party Asset Management	MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, Munich ² (Chair)	-
Dr. Doris Höpke Labour Relations Director Europe and Latin America Human Resources	-	New Reinsurance Company Ltd., Switzerland ² (President)
Dr. Torsten Jeworrek Reinsurance Development Internet of Things (since 1 April 2019) Corporate Underwriting Claims Accounting, Controlling and Central Reserving for Reinsurance Information Technology	ERGO Digital Ventures AG, Düsseldorf ² ERGO International AG, Düsseldorf ²	-
Dr. Christoph Jurecka Chief Financial Officer Financial and Regulatory Reporting Group Controlling Integrated Risk Management Group Taxation Investor and Rating Agency Relations	MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, Munich ²	-
Hermann Pohlchristoph Asia Pacific and Africa Central Procurement Services	ERGO International AG, Düsseldorf ²	-
Dr. Markus Rieß Primary Insurance/ERGO Third Party Asset Management (until 17 March 2019)	ERGO International AG, Düsseldorf ² (Chair) ERGO Digital Ventures AG, Düsseldorf ² (Chair) ERGO Deutschland AG, Düsseldorf ² (Chair) ERGO Technology & Services Management AG, Düsseldorf ² (Chair)	-
Dr. Peter Röder Global Clients and North America	EXTREMUS Versicherungs-AG, Cologne	Munich Re America Corporation, USA ² (Chair) Munich Reinsurance America Inc., USA ² (Chair)

¹ As at 31 December 2019.

² Mandate within Munich Re (Group).

³ Including responsibility for environmental, social and governance (ESG) issues.

Members of the Supervisory Board and their mandates on statutory supervisory boards and comparable bodies¹

Members of the Supervisory Board	Seats held on statutory supervisory boards	Membership of comparable bodies of German and foreign business enterprises
Dr. Nikolaus von Bomhard (Chairman) Chairman of the Supervisory Board of Munich Reinsurance Company Member since 30 April 2019	Deutsche Post AG, Bonn (Chair) ⁴	Athora Holding Ltd., Bermuda (Chair) ⁶
Dr. Anne Horstmann² (Deputy Chair) Employee of ERGO Group AG Member since 30 April 2014	ERGO Group AG, Düsseldorf ³	-
Prof. Dr. Dr. Dr. h.c. Ann-Kristin Achleitner Scientific Co-Director of the Center for Entrepreneurial and Financial Studies (CEFS) at the Technical University of Munich Member since 3 January 2013	-	Linde plc, Ireland ⁴
Dr. Kurt Wilhelm Bock Member of the Supervisory Board of Munich Reinsurance Company Member since 25 April 2018	Fresenius Management SE, Bad Homburg ⁶ Bayerische Motorenwerke AG, Munich ⁴ Fuchs Petrolub SE, Mannheim (Chair) ⁴	-
Clement B. Booth Member of the Board of Directors of Hyperion Insurance Group, United Kingdom Member since 27 April 2016	Euroassekuranz Versicherungsmakler AG, Regensburg (Chair) ⁶	Hyperion Insurance Group Ltd., United Kingdom
Ruth Brown² Foreign Services Specialist at DAS Legal Expenses Insurance Member since 30 April 2019	-	-
Stephan Eberl² Chair of the Staff Council of Munich Reinsurance Company Member since 30 April 2019	-	-
Frank Fassin² Regional Section Head Financial Services at ver.di North Rhine-Westphalia Member since 22 April 2009	ERGO Group AG, Düsseldorf ³ Provinzial NordWest Holding AG, Münster	-
Dr. Benita Ferrero-Waldner Member of the Board of Directors of Santander Consumer Finance S.A., Spain Member since 12 February 2010	-	Santander Consumer Finance S.A., Spain
Prof. Dr. Dr. h.c. Ursula Gather Rector of TU Dortmund University Member since 30 April 2014	thyssenkrupp AG, Essen ⁴	-
Gerd Häusler Member of the Supervisory Board of Auto1 Group SE, Munich Member since 30 April 2014	Auto1 Group SE, Munich	-
Eva-Maria Haiduk² Employee of ITERGO Informationstechnologie GmbH Member since 30 April 2019	-	-
Renata Jungo Brüngger Member of the Board of Management of Daimler AG Member since 3 January 2017	-	-
Stefan Kaindl² Head of Department at Munich Reinsurance Company Member since 30 April 2019	-	-

See table on next page for footnotes.

Members of the Supervisory Board	Seats held on statutory supervisory boards	Membership of comparable bodies of German and foreign business enterprises
Gabriele Mücke² Chair of the Board of Management of Neue Assekuranz Trade Union – NAG Member since 30 April 2019	-	-
Ulrich Plottke² Employee of ERGO Group AG Member since 30 April 2014	ERGO Group AG, Düsseldorf ³	-
Manfred Rassy² Exempted member of the Staff Council of Munich Reinsurance Company Member since 30 April 2019	-	-
Gabriele Sinz-Toporzyssek² Employee of ERGO Beratung und Vertrieb AG Member since 30 April 2014	ERGO Beratung und Vertrieb AG, Düsseldorf ³	-
Karl-Heinz Streibich Co-President of acatech – German Academy of Science and Engineering Member since 30 April 2019	Dürr AG, Bietigheim-Bissingen (Chair) ⁴ Siemens Healthineers AG, Munich ⁴ Deutsche Telekom AG, Bonn ⁴	-
Dr. Maximilian Zimmerer Member of the Supervisory Board of Munich Reinsurance Company Member since 4 July 2017	Deutsche Beteiligungs AG, Frankfurt ⁴ Investmentaktiengesellschaft für langfristige Investoren TGV, Bonn (Chair) ⁶	Möller & Förster GmbH & Co. KG, Hamburg (Chair of Advisory Council) ^{5,6}
Christian Fuhrmann² Head of Divisional Unit at Munich Reinsurance Company Member from 22 April 2009 to 30 April 2019	-	-
Ina Hosenfelder² Employee of ERGO Group AG Member from 30 April 2014 to 30 April 2019	-	-
Prof. Dr. Dr. E. h. Henning Kagermann Chair of the Board of Trustees of acatech – German Academy of Science and Engineering Member from 22 July 1999 to 30 April 2019	Deutsche Post AG, Bonn ⁴ KUKA AG, Augsburg ⁴	-
Beate Mensch² Trades Union Secretary, ver.di, Hessen Member from 30 April 2014 to 30 April 2019	-	-
Marco Nörenberg² Employee of ERGO Group AG Member from 22 April 2009 to 30 April 2019	ERGO Group AG, Düsseldorf ³	-
Dr. E. h. Bernd Pischetsrieder Chairman of the Supervisory Board of Munich Reinsurance Company Member from 17 April 2002 to 30 April 2019	Daimler AG, Stuttgart ⁴	Tetra Laval Group, Switzerland
Andrés Ruiz Feger² Employee of Munich Re, Sucursal en España, Spain Member from 22 April 2009 to 30 April 2019	-	-
Angelika Wirtz² Employee of Munich Reinsurance Company Member from 30 April 2014 to 30 April 2019	-	-

1 As at 31 December 2019 (Former members: As at 30 April 2019).

2 Employee representatives.

3 Mandate within Munich Re (Group).

4 Listed on the stock exchange.

5 Membership of a non-statutory supervisory board.

6 Company with fewer than 500 employees.

23 Number of staff

The number of staff employed by the Company in Munich and at its offices abroad in the 2019 financial year averaged 3,919, of whom an average of 3,414 were employed in Germany and 505 in other countries.

24 Auditors' fees

The auditor's fees mainly relate to the audits of the consolidated financial statements and the annual financial statements of Munich Reinsurance Company, and to various audits of our subsidiaries' annual financial statements, including statutory extensions of the audit assignment (in particular the audit of the solvency balance sheet). In addition, reviews of interim financial statements and project-related IT audits, and contractual reviews of the effectiveness of a service company's controls, were carried out.

Other assurance and appraisal services concern statutory or contractual audit services, voluntary audit services, and mandatory assurance and appraisal services for submission to the competent authorities.

Other services essentially relate to quality assurance support and consulting services in connection with accounting issues, the introduction of regulatory requirements or of new accounting standards based on solutions and concepts produced by us. In addition, the auditor conducted an audit of the appropriateness of the structuring of parts of the internal control system.

Further information on the auditor's fees can be found in Munich Re's Group Annual Report 2019.

25 Contingent liabilities and other financial commitments

The Company has assumed a guarantee for certain reinsurance liabilities of Munich American Reassurance Company (MARC Life).

Munich Reinsurance Company has also assumed liability in case of default for payments arising with respect to certain insurance commitments of two non-German subsidiaries.

For two non-German subsidiaries and one branch, a guarantee for office rents has been assumed for a total amount equivalent to around €6m per annum.

We have given time-limited guarantees concerning the correctness of individual items warranted in the sales contract when buying or selling investments. An obligation to pay compensation for disadvantages is included in some of these guarantees.

Munich Reinsurance Company has provided guarantees equivalent to around €414m for the financial obligations of five subsidiaries.

As a member of the German Pharma Reinsurance Community and the German Nuclear Reactor Insurance Association, we are committed – to the extent of our proportional share – to assuming the payment obligations of another pool member if the latter is not able to meet these obligations.

Munich Reinsurance Company has guaranteed adequate capitalisation of a subsidiary, in case of a demand to repay public funding totalling much less than €1m; for other subsidiaries, Munich Reinsurance Company has provided payment guarantees to secure repayment claims of just over €11m.

For one subsidiary's contingent contractual liabilities to compensate losses at other Group companies, the Company has assumed joint and several liability from four contracts (up to a maximum amount of €300m per claim in the first one; €100m per claim in the second and third contracts; and €10m per claim in the fourth contract).

In addition, the Company has assumed a payment obligation equivalent to around €30m for a participating interest.

In none of the cases mentioned is there an increased risk of the guarantees being utilised.

Beyond this, there are no off-balance-sheet transactions which are material for the assessment of the Company's financial position.

Other financial commitments amounted to €1,249m (€974m of these to affiliated companies). They result mainly from commitments to inject capital into various investment funds and subsidiaries, agency and leasing agreements, loans and initiated investment projects.

Information on open forward transactions can be found on page 20 of this Annual Report.

26 Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG)

In November 2019, the Board of Management and Supervisory Board of Munich Reinsurance Company published an updated Declaration of Conformity with the German Corporate Governance Code in accordance with Section 161 of the Stock Corporation Act (AktG) and made this Declaration permanently available to shareholders on its website at www.munichre.com/cg-en.

27 Events after the balance sheet date

Under the share buy-back programme decided on by Munich Reinsurance Company's Board of Management in March 2019, we repurchased a further 0.7 million Munich Re shares with a volume of €187m from the balance sheet date by the end of February 2020.

A new coronavirus that originated in China (Covid-19) has been spreading across the world since early January 2020. From today's perspective, Munich Re does not expect the consequences of the coronavirus to have any overall material effect on the annual result. However, the more this virus spreads, the greater the impact could be on Munich Re. Even in the very unlikely scenario of a worldwide pandemic equivalent to a 200-year event, Munich Re would face a maximum of €1.4bn in life and health insurance claims – similar in scope to a medium-sized natural catastrophe in property-casualty reinsurance. Mainly driven by the insurance of major events, such a scenario could also lead to losses in the medium-to-high triple-digit-million euro range in property-casualty reinsurance. Munich Re does not currently anticipate a global recession in the financial markets. The impact of falling equity markets would be partially offset by hedging, and current capital market forecasts show that any potential negative effect on results would be limited. If a worldwide pandemic with the aforementioned effects were to occur, more far-reaching upheavals on the capital markets and more significant implications for the result would be expected.

28 Proposal for appropriation of profit

The net retained profits available to the Annual General Meeting for allocation amount to €1,414,315,037.80. The Board of Management will propose that these net retained profits be used for payment of a dividend of €9.80 per dividend-bearing share, with the remaining amount being carried forward to new account.

List of shareholdings as at 31 December 2019 in accordance with Section 285 Nos. 11, 11a and 11b of the German Commercial Code (HGB)

The following disclosures relate to our aggregated directly and indirectly held shareholdings (pursuant to Section 16 (2) and (4) of the German Stock Corporation Act - AktG) in participating interests (as defined in Section 271(1) of the German Commercial Code).

The figures for equity and the result for the year are taken from the most recent local GAAP annual financial statements, mainly those at 31 December 2018. If such financial statements are not available, the IFRS figures produced for consolidation purposes have been used.

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Shareholdings exceeding 5% of the voting rights of large companies			
1818 Acquisition LLC, Dover, Delaware	20.6400	820,356	-11,672
Admiral Group plc, Cardiff	10.2488	70,927	239,148
American Alternative Insurance Corporation, Wilmington, Delaware	100.0000	190,951	39,807
American Family Home Insurance Company, Jacksonville, Florida	100.0000	131,533	-8,734
American Modern Home Insurance Company, Amelia, Ohio	100.0000	321,092	-15,200
American Modern Insurance Company of Florida Inc., Jacksonville, Florida	100.0000	13,374	-737
American Modern Lloyds Insurance Company, Dallas, Texas	100.0000	3,298	-381
American Modern Property & Casualty Insurance Company, Cincinnati, Ohio	100.0000	28,774	413
American Modern Select Insurance Company, Amelia, Ohio	100.0000	52,246	-107
American Southern Home Insurance Company, Jacksonville, Florida	100.0000	38,385	-1,368
American Western Home Insurance Company, Oklahoma City, Oklahoma	100.0000	59,569	-3,277
Apollo Munich Health Insurance Co. Ltd., Hyderabad	48.4376	54,450	1,042
Bridgeway Insurance Company, Amelia, Ohio	100.0000	23,227	-1,928
carexpert Kfz-Sachverständigen GmbH, Walluf	25.0000	4,471	313
Closed Joint Stock Company «ERGO» Insurance Company, Minsk	93.1172	5,484	251
D.A.S. Defensa del Automovilista y de Siniestros - Internacional S.A. de Seguros y Reaseguros, Barcelona	100.0000	9,143	562
D.A.S. Difesa Automobilistica Sinistri, S.p.A. di Assicurazione, Verona	49.9920	40,416	6,415
D.A.S. Hellas Insurance Company of Legal Protection S.A., Athens	100.0000	5,420	638
D.A.S. Jogvédelmi Biztosító Részvénytársaság, Budapest	100.0000	5,772	292
D.A.S. Rechtsschutz Aktiengesellschaft, Vienna	100.0000	71,076	2,680
D.A.S. Société anonyme belge d'assurances de Protection Juridique, Brussels	100.0000	34,622	2,314
D.A.S. Towarzystwo Ubezpieczen Ochrony Prawnej S.A., Warsaw	100.0000	4,608	-420
DAMAN - National Health Insurance Company, Abu Dhabi ³	20.0000	-	-
Daman Health Insurance - Qatar LLC, Doha	100.0000	12,766	-1,152
DAS Legal Expenses Insurance Co., Ltd., Seoul	100.0000	986	45
DAS Legal Expenses Insurance Company Limited, Bristol	100.0000	32,942	-11,346
DAS Nederlandse Rechtsbijstand Verzekeringmaatschappij N.V., Amsterdam	100.0000	133,836	10,110
DAS Services Limited, Bristol	100.0000	-5,816	1,431
DKV Belgium S.A., Brussels	100.0000	206,172	15,488
DKV Deutsche Krankenversicherung Aktiengesellschaft, Cologne ¹	100.0000	469,534	0
DKV Seguros y Reaseguros S.A. Española, Saragossa	100.0000	210,282	32,432
ERGO ASIGURARI DE VIATA S.A., Bucharest	100.0000	7,109	1,326
ERGO ASIGURARI S.A., Bucharest	100.0000	5,707	-748
ERGO Beratung und Vertrieb AG, Düsseldorf ¹	100.0000	17,000	0
ERGO China Life Insurance Co., Ltd., Jinan, Shandong Province	50.0000	110,893	-36,455
ERGO DIREKT Versicherung AG, Fürth ¹	100.0000	31,138	0
ERGO Életbiztosító Zrt, Budapest	100.0000	5,833	-230
ERGO Generales Seguros y Reaseguros S.A., Madrid	100.0000	34,515	1,413
ERGO Group AG, Düsseldorf	100.0000	3,776,114	694,275
ERGO Insurance Company S.A., Athens	100.0000	183,622	-42,447
ERGO Insurance N.V., Brussels	100.0000	444,095	25,627
ERGO Insurance Pte. Ltd., Singapore	100.0000	12,613	-5,323
ERGO Insurance SE, Tallinn	100.0000	55,150	8,228
ERGO Krankenversicherung AG, Fürth ¹	100.0000	79,515	0

Company and registered seat	% share of capital	Equity €k	Result for the year €k
ERGO Lebensversicherung Aktiengesellschaft, Hamburg ¹	100.0000	743,362	0
ERGO Life Insurance SE, Vilnius	100.0000	60,366	2,701
ERGO Life S.A., Grevenmacher	100.0000	26,380	613
ERGO Pensionsfonds Aktiengesellschaft, Düsseldorf	100.0000	4,533	0
ERGO Pensionskasse AG, Düsseldorf ¹	100.0000	91,941	0
ERGO Poist'ovna a.s., Bratislava	100.0000	8,154	-965
ERGO pojišť'ovna, a.s., Prague	100.0000	18,359	585
ERGO Private Capital Gesundheit GmbH, Düsseldorf	100.0000	341,755	33,042
ERGO Reiseversicherung AG, Munich ¹	100.0000	62,806	0
ERGO Versicherung Aktiengesellschaft, Düsseldorf ¹	100.0000	489,220	0
ERGO Versicherung Aktiengesellschaft, Vienna	100.0000	378,808	628
ERGO Vida Seguros y Reaseguros S.A., Saragossa	100.0000	37,568	-136
ERGO Vorsorge Lebensversicherung AG, Düsseldorf ¹	100.0000	30,716	0
ERV Evropská pojišť'ovna, a.s., Prague	90.0000	9,489	1,987
Europæiske Rejseforsikring A/S, Copenhagen	100.0000	45,929	1,782
Europai Utazasi Biztosito Rt, Budapest	26.0000	7,723	1,784
Europäische Reiseversicherungs-Aktiengesellschaft, Vienna	25.0100	27,083	2,998
Extremus Versicherungs-Aktiengesellschaft, Cologne	16.0000	64,058	118
FREE MOUNTAIN SYSTEMS S.L., Barcelona	100.0000	102,331	-17,263
Global Aerospace Underwriting Managers Ltd., London	51.0000	46,097	3,552
Globality S.A., Munsbach	100.0000	22,249	-517
Great Lakes Insurance SE, Munich	100.0000	395,840	0
HDFC ERGO General Insurance Company Ltd., Mumbai	48.2308	243,992	48,585
HSB Engineering Insurance Limited, London	100.0000	116,824	4,447
HSB Specialty Insurance Company, Hartford, Connecticut	100.0000	44,577	113
ITERGO Informationstechnologie GmbH, Düsseldorf ¹	100.0000	23,123	0
JSC "ERV Travel Insurance", Moscow	100.0000	8,412	3,180
Marchwood Power Limited, Southampton	50.0000	146,152	23,523
Marina Salud S.A., Alicante	65.0000	15,596	1,671
MEAG MUNICH ERGO AssetManagement GmbH, Munich	100.0000	121,002	54,148
MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, Munich ¹	100.0000	19,665	0
MEDICLIN Aktiengesellschaft, Offenburg	35.0042	289,458	-11,969
Midland-Guardian Co., Amelia, Ohio	100.0000	88,916	58,962
Munich American Holding Corporation, Wilmington, Delaware	100.0000	11,109,931	313,621
Munich American Life Reinsurance Company, Atlanta, Georgia	100.0000	27,904	0
Munich American Reassurance Company, Atlanta, Georgia	100.0000	568,872	61,758
Munich Holdings Ltd., Toronto, Ontario	100.0000	312,870	42,525
Munich Holdings of Australasia Pty Ltd, Sydney	100.0000	1,414,262	-201,302
Munich Life Management Corporation Ltd., Toronto, Ontario	100.0000	-3,298	1,678
Munich Re America Corporation, Wilmington, Delaware	100.0000	2,932,829	-178,386
Munich Re Capital Limited, London	100.0000	91,442	28,781
Munich Re do Brasil Resseguradora SA, São Paulo	100.0000	107,948	9,234
Munich Re Life Insurance Company of Vermont, Burlington, Vermont	100.0000	484	0
Munich Re of Bermuda Ltd., Hamilton, Bermuda	100.0000	438,235	-34,872
Munich Re of Malta Holding Limited, Ta' Xbiex	100.0000	894,422	219,661
Munich Re of Malta p.l.c., Ta' Xbiex	100.0000	1,045,924	152,331
Munich Re UK Services Limited, London	100.0000	74,906	76,977
Munich Re US Life Corporation, Atlanta, Georgia	100.0000	7,201	-305
Munich Reinsurance America Inc., Wilmington, Delaware	100.0000	3,312,904	-403,013
Munich Reinsurance Company of Africa Ltd, Johannesburg	100.0000	202,901	9,218
Munich Reinsurance Company of Australasia Ltd, Sydney	100.0000	758,793	-91,047
Munich Reinsurance Company of Canada, Toronto, Ontario	100.0000	179,922	23,240
New Reinsurance Company Ltd., Zurich	100.0000	772,650	119,944
nexible Versicherung AG, Nuremberg ¹	100.0000	8,864	0
Protector Lebensversicherungs-AG, Berlin	10.7631	15,332	320
Saudi Enaya Cooperative Insurance Company, Jeddah	15.0000	13,315	-21,873
SNIC Insurance B.S.C. (c), Manama	22.5000	39,875	-827
Sopockie Towarzystwo Ubezpieczen Ergo Hestia Spolka Akcyjna, Sopot	100.0000	487,696	84,515
Sopockie Towarzystwo Ubezpieczen na Zycie Ergo Hestia Spolka Akcyjna, Sopot	100.0000	55,043	4,990
Storebrand Helseforsikring AS, Oslo	50.0000	18,219	6,690
Suramericana S.A., Medellin	18.8672	1,309,268	143,710
Temple Insurance Company, Toronto, Ontario	100.0000	144,088	1,334
Thaisri Insurance Public Company Limited, Bangkok	40.2576	33,506	1,051

Company and registered seat	% share of capital	Equity €k	Result for the year €k
The Boiler Inspection and Insurance Company of Canada, Toronto, Ontario	100.0000	59,361	6,532
The Hartford Steam Boiler Inspection and Insurance Company of Connecticut, Hartford, Connecticut	100.0000	11,596	-313
The Hartford Steam Boiler Inspection and Insurance Company, Hartford, Connecticut	100.0000	518,559	93,618
The Princeton Excess and Surplus Lines Insurance Company, Wilmington, Delaware	100.0000	59,637	7,875
Unión Médica La Fuencisla S.A., Compañía de Seguros, Saragossa	100.0000	10,146	-4,686
Victoria Lebensversicherung Aktiengesellschaft, Düsseldorf ¹	100.0000	669,713	0
Wataniya Insurance Company, Jeddah	10.0000	56,895	4,867
Other shareholdings			
"PORT ELISABETH" GmbH & Co. KG, Bramstedt	31.9660	328	-55
"PORT LOUIS" GmbH & Co. KG, Bramstedt	26.0495	0	-39
13th & F Associates Limited Partnership, Washington, D.C.	98.0000	201,830	13,836
1440 New York Ave. Associates LP, Dover, Delaware	100.0000	224,127	-3,049
330 Madison Associates LLC, Dover, Delaware	100.0000	0	0
330 Madison Holdings LLC, Dover, Delaware	100.0000	0	0
40, Rue Courcelles SAS, Paris	100.0000	61,289	3,925
Adelfa Servicios a Instalaciones Fotovoltaicas S.L., Santa Cruz de Tenerife	100.0000	16,930	611
AGRA Gesellschaft für landwirtschaftliche Entwicklung und Beteiligung mbH, Berlin	100.0000	5,150	2,150
Aleama 150015 S.L., Valencia	100.0000	-219	-16
ALICE GmbH, Düsseldorf	100.0000	97,010	2,925
ALLYSCA Assistance GmbH, Munich ¹	100.0000	2,984	0
American Digital Title Insurance Company, Denver, Colorado	100.0000	3,951	429
American Modern Home Service Company, Amelia, Ohio	100.0000	2,299	38
American Modern Insurance Group Inc., Amelia, Ohio	100.0000	106,930	60,194
ANOVA GmbH, Rostock	100.0000	219	17
Arcapark SAS, Rueil Malmaison	15.1000	111,964	17,215
Arridabra 130013 S.L., Valencia	100.0000	-221	-16
ARTES Assekuranzservice GmbH, Düsseldorf	100.0000	177	-4
ArztPartner almeda AG, Munich	100.0000	32,060	1,005
Assistance Partner GmbH & Co. KG, Munich	21.6600	1,300	300
Atena Usługi Informatyczne i Finansowe S.A., Sopot	100.0000	5,119	640
ATU Landbau GmbH & Co. KG, Munich	94.9000	32,950	1,320
Augury Inc., Wilmington, Delaware	9.5000	-1,983	-11,586
Autobahn Tank & Rast Gruppe GmbH & Co. KG, Bonn	9.9980	372,238	1,062
Autobahn Tank & Rast Management GmbH, Bonn	10.0020	22	-3
B&D Business Solutions B.V., Utrecht	100.0000	1,030	358
B3i Services AG, Zurich	3.1000	-4,612	-12,086
Babylon Holdings Limited, St. Helier, Jersey	0.2000	-51,861	-72,517
Backpack Insurance Agency Inc., Dover, Delaware	100.0000	283	-29
Badozoc 1001 S.L., Valencia	100.0000	-127	-1
Bagmoor Holdings Limited, London	100.0000	12,498	1,111
Bagmoor Wind Limited, London	100.0000	3,000	1,709
Bank Austria Creditanstalt Versicherungsdienst GmbH, Vienna	100.0000	371	200
Baqueda 7007 S.L., Valencia	100.0000	-219	-16
Bazos CIV L.P., Dover, Delaware	100.0000	126,705	8,350
Bell & Clements (Bermuda) Ltd., Hamilton, Bermuda	100.0000	2,415	32
Bell & Clements (London) Ltd., London	100.0000	303	-151
Bell & Clements (USA) Inc., Reston, Virginia	100.0000	71	0
Bell & Clements Inc., Reston, Virginia	100.0000	578	-67
Bell & Clements Ltd., London	100.0000	4,041	832
Bobasbe 6006 S.L., Valencia	100.0000	-223	-16
Botedazo 8008 S.L., Valencia	100.0000	-194	-16
Bought by Many Limited "BBM", London	9.1000	17,184	-6,837
Callopio 5005 S.L., Valencia	100.0000	-222	-16
Camcichu 9009 S.L., Valencia	100.0000	-192	-16
Cannock B.V., Leidschendam	100.0000	263	109
Cannock Chase Holding B.V., Amsterdam	100.0000	1,711	-22,418
Cannock Connect Center B.V., Brouwershaven	100.0000	-505	-438
Cannock Factoring B.V., The Hague	100.0000	-189	-151
Cannock Incasso Rotterdam B.V., Rotterdam	100.0000	5,786	-143
Cannock Outsourcing B.V., The Hague	62.5000	447	61
Cannock PurChase B.V., The Hague	100.0000	-1,453	-1,487
Cannock-EDR Holding B.V., Amsterdam	100.0000	1	0

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Caracuel Solar Catorce S.L., Valencia	100.0000	-161	-16
Caracuel Solar Cinco S.L., Valencia	100.0000	-153	-16
Caracuel Solar Cuatro S.L., Valencia	100.0000	-152	-16
Caracuel Solar Dieciocho S.L., Valencia	100.0000	-128	-11
Caracuel Solar Dieciseis S.L., Valencia	100.0000	-151	-15
Caracuel Solar Diecisiete S.L., Valencia	100.0000	-127	-10
Caracuel Solar Diez S.L., Valencia	100.0000	-153	-16
Caracuel Solar Doce S.L., Valencia	100.0000	-155	-16
Caracuel Solar Dos S.L., Valencia	100.0000	-154	-16
Caracuel Solar Nueve S.L., Valencia	100.0000	-155	-16
Caracuel Solar Ocho S.L., Valencia	100.0000	-150	-16
Caracuel Solar Once S.L., Valencia	100.0000	-155	-17
Caracuel Solar Quince S.L., Valencia	100.0000	-150	-15
Caracuel Solar Seis S.L., Valencia	100.0000	-154	-16
Caracuel Solar Siete S.L., Valencia	100.0000	-155	-17
Caracuel Solar Trece S.L., Valencia	100.0000	-151	-15
Caracuel Solar Tres S.L., Valencia	100.0000	-153	-16
Caracuel Solar Uno S.L., Valencia	100.0000	-116	-18
CBRE U.S. Core Partners Parallel Limited Partnership, Wilmington, Delaware	99.9000	30,285	2,535
Centrum Pomocy Osobom Poszkodowanym Sp.z.o.o., Gdańsk	100.0000	310	-3
Ceres Demetra GmbH, Munich ¹	100.0000	39,259	85
Comino Beteiligungen GmbH, Grünwald	100.0000	625,094	13,696
Consorcio Internacional de Aseguradores de Crédito S.A., Madrid	15.0353	23,569	-10
Consortia Versicherungs-Beteiligungsgesellschaft mbH, Nuremberg	33.7027	53,200	8,481
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2018-17, San Francisco, California	95.0000	2,452	144
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2018-24, San Francisco, California	95.0000	17,424	1,541
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2018-31, San Francisco, California	95.0000	17,882	1,291
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2019-05, San Francisco, California	95.0000	19,609	323
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2019-10, San Francisco, California	95.0000	20,867	673
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2019-40, San Francisco, California	95.0000	21,969	198
Consumer Loan Underlying Bond (CLUB) Certificate Issuer Trust I Series 2019-47, San Francisco, California	95.0000	22,285	41
Copper Leaf Research, Bingham Farms, Michigan ²	100.0000	0	0
Corion Pty Ltd, Sydney	100.0000	842,583	5,931
Cornwall Power (Polmaugan) Limited, London	100.0000	7,096	244
Cotatrillo 100010 S.L., Valencia	100.0000	-191	-16
Countryside Renewables (Forest Heath) Limited, London	100.0000	4,665	232
Craigmore Permanent Crop LP, Christchurch	44.1121	55,552	-3,486
D.A.S. Prawo i Finanse Sp.z.o.o., Warsaw	100.0000	12	-3
D.A.S., Tomasz Niedzinski Kancelaria Prawna Spolka komandytowa, Warsaw	95.0000	42	3
Dansk Demetra ApS, Frederiksberg C	100.0000	9,255	-120
DAS Holding N.V., Amsterdam	51.0000	134,041	-97,958
DAS Incasso Arnhem B.V., Elst	100.0000	-1,550	-1,011
DAS Incasso Eindhoven B.V., 's-Hertogenbosch	100.0000	-809	2
DAS Law Limited, Bristol	100.0000	-9,305	-958
DAS Legal Finance B.V., Amsterdam	100.0000	5,294	-103,176
DAS Legal Protection Inc., Toronto, Ontario	100.0000	-525	-1,188
DAS Legal Services B.V., Amsterdam	100.0000	-2,983	-710
DAS Lex Assistance S.L., L'Hospitalet de Llobregat	100.0000	8	-94
DAS MEDICAL ASSIST LIMITED, Bristol	100.0000	346	-133
DAS UK Holdings Limited, Bristol	100.0000	55,527	-120
DEAX Õigusbüroo OÜ, Tallinn	100.0000	77	18
Deutsches Forschungszentrum für Künstliche Intelligenz GmbH, Kaiserslautern	2.5000	21,206	2,610
DIF Infra 5 UK Limited, London	37.5000	-3	-3
Digital Advantage Insurance Company, Providence, Rhode Island	100.0000	7,000	-867
Digital Affect Insurance Company, New York City, New York	100.0000	10,853	-677
Digital Edge Insurance Company, Wilmington, Delaware	100.0000	15,583	-70

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Digital Partners Claims Administrators Inc., Columbus, Ohio ²	100.0000	0	0
Digital Porte Inc., Toronto, Ontario	100.0000	1,187	-8,328
DKV Beteiligungs- und Vermögensverwaltungs GmbH & Co. KG, Cologne	100.0000	0	83
DKV Erste Beteiligungsgesellschaft mbH, Cologne	100.0000	21	-90
DKV Pflegedienste & Residenzen GmbH, Cologne	100.0000	6,969	520
DKV Servicios S.A., Saragossa	100.0000	3,401	817
DKV-Residenz am Tibusplatz gGmbH, Münster	100.0000	1,685	261
DKV-Residenz in der Contrescarpe GmbH, Bremen	100.0000	-679	264
DMS QIAIF Platform ICAV (FIVE LABS Subfonds), Dublin	100.0000	96,212	-3,788
DRA Debt Recovery Agency B.V., The Hague	100.0000	8,968	1,415
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I4D), Luxembourg	100.0000	106,933	4,429
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I5D), Luxembourg	100.0000	110,121	4,561
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I6D o.N.), Luxembourg	100.0000	224,867	9,313
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I7D o.N.), Luxembourg	100.0000	152,922	6,333
DWS Concept SICAV (Subfonds Institutional Fixed Income, Inhaber-Anteile I8D o.N.), Luxembourg	100.0000	102,728	4,255
E&S Claims Management Inc., Reston, Virginia	100.0000	-19	-8
Economic Data Resources B.V., The Hague	100.0000	1,831	-600
EGM Wind SAS, Paris	40.0000	357	-2,347
EIG Co., Wilmington, Delaware	100.0000	124,919	11,570
ERGO (China) Consulting Ltd., Beijing	100.0000	5,661	684
ERGO (China) Management Company Limited, Beijing	100.0000	6,395	0
ERGO Alpha GmbH, Düsseldorf	100.0000	25	-1
ERGO Austria International AG, Vienna	100.0000	287,125	51,705
ERGO Deutschland AG, Düsseldorf ¹	100.0000	685	0
ERGO Digital IT GmbH, Berlin ¹	100.0000	25	0
ERGO Digital Ventures AG, Düsseldorf ¹	100.0000	401,045	353
ERGO Direkt AG, Fürth ¹	100.0000	50	0
ERGO Elfte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	1,000	-7
ERGO Fund I LP, Dover, Delaware	100.0000	22,595	271
ERGO Gourmet GmbH, Düsseldorf	100.0000	125	41
ERGO Grubu Holding A.Ş., Istanbul	100.0000	89,141	749
ERGO Grundstücksverwaltung GbR, Düsseldorf	100.0000	170,559	3,903
ERGO Infrastructure Investment Gesundheit GmbH, Düsseldorf	100.0000	10,968	-13
ERGO Infrastructure Investment Komposit GmbH, Düsseldorf	100.0000	4,666	-10
ERGO Infrastructure Investment Leben GmbH, Düsseldorf	100.0000	19	-3
ERGO Infrastructure Investment Pensionskasse GmbH, Düsseldorf	100.0000	22	-1
ERGO Infrastructure Investment Victoria Leben GmbH, Düsseldorf	100.0000	19	-3
ERGO Innovation Solutions GmbH, Düsseldorf	100.0000	25	0
ERGO International Aktiengesellschaft, Düsseldorf ¹	100.0000	1,949,060	0
ERGO International Services GmbH, Düsseldorf ¹	100.0000	25	0
ERGO Invest SIA, Riga	100.0000	6,392	509
ERGO Leben Asien Verwaltungs GmbH, Munich	100.0000	32	1
ERGO Mobility Solutions GmbH, Düsseldorf ¹	100.0000	25	0
ERGO Neunte Beteiligungsgesellschaft mbH, Düsseldorf ¹	100.0000	582,118	0
ERGO Partners N.V., Brussels	100.0000	7,285	1,613
ERGO Private Capital Dritte GmbH & Co. KG, Düsseldorf	100.0000	117,189	4,933
ERGO Private Capital GmbH, Düsseldorf	100.0000	30	5
ERGO Private Capital Komposit GmbH & Co. KG, Düsseldorf	100.0000	161,087	16,862
ERGO Private Capital Leben GmbH & Co. KG, Düsseldorf	100.0000	176,644	15,852
ERGO Private Capital Vierte GmbH & Co. KG, Düsseldorf	100.0000	31,478	18,923
ERGO Private Capital Zweite GmbH & Co. KG, Düsseldorf	100.0000	103,705	274
ERGO Pro, spol.s.r.o., Prague	100.0000	177	-71
ERGO Rechtsschutz Leistungs-GmbH, Munich ¹	100.0000	333	0
ERGO Technology & Services Management AG, Düsseldorf	100.0000	49	-1
ERGO Travel Insurance Services Ltd., London	100.0000	162	-186
ERGO UK SPECIALTY LIMITED, London	100.0000	1,519	209
ERGO Versicherungs- und Finanzierungs-Vermittlung GmbH, Hamburg	100.0000	1,890	422
ERGO Vorsorgemanagement GmbH, Vienna	100.0000	401	-66
ERGO Zehnte Beteiligungsgesellschaft mbH, Düsseldorf ²	100.0000	66	-33
ERGO Zwölfte Beteiligungsgesellschaft mbH, Munich ²	100.0000	18,394	29
Etics, s.r.o., Prague	100.0000	93	13
Etoblete 160016 S.L., Valencia	100.0000	-218	-15
Euro-Center (Cyprus) Ltd., Larnaca	100.0000	335	7

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Euro-Center (Thailand) Co., Ltd., Bangkok	100.0000	688	80
Euro-Center Cape Town (Pty) Ltd, Cape Town	100.0000	106	8
Euro-Center Holding North Asia (HK) Pte. Ltd., Hong Kong	100.0000	728	48
Euro-Center Holding SE, Prague	83.3332	6,173	465
Euro-Center Ltda., São Paulo	100.0000	39	12
Euro-Center North Asia Consulting Services (Beijing) Co., Ltd., Beijing	100.0000	351	32
Euro-Center Prague, s.r.o., Prague	100.0000	777	197
EUROCENTER S.A., Palma de Mallorca	100.0000	709	97
Euro-Center USA, Inc., New York City, New York	100.0000	1,116	83
EURO-CENTER YEREL YARDIM HIZMETLERI Ltd. Şti., Istanbul	100.0000	277	78
European Assistance Holding GmbH, Munich	100.0000	16	-1
Evaluación Médica TUW S.L., Barcelona	100.0000	276	48
Everything Legal Ltd., Bristol	100.0000	243	2
Fair Financial Corp., Wilmington, Delaware	1.0000	-3,262	-85,358
Fairance GmbH, Düsseldorf ¹	100.0000	62,880	0
Faunus Silva LLC, Wilmington, Delaware	100.0000	382,770	-2,539
Fernkälte Geschäftsstadt Nord Gesellschaft bürgerlichen Rechts, Hamburg	36.7671	5,420	0
FIA Timber Partners II LP, Wilmington, Delaware	39.0800	127,412	-6
Finsure Investments (Private) Limited, Harare	24.5000	8,258	328
Flexitel Telefonservice GmbH, Berlin	100.0000	3,720	595
Forge Global Inc., Wilmington, Delaware	4.3400	30,424	1,399
Forst Ebnath AG, Ebnath	100.0000	10,232	428
FOTOUNO S.r.l., Brixen	100.0000	49,475	2,688
FOTOWATIO ITALIA GALATINA S.r.l., Brixen	100.0000	26,031	1,199
Fraugster Limited, London	5.3300	8,091	-3,861
FS Louisiana I LLC, Wilmington, Delaware	100.0000	183,955	1
FS Louisiana II LLC, Wilmington, Delaware	100.0000	200,332	16,717
FS San Augustine LLC, Wilmington, Delaware	100.0000	218,140	20,793
Gamaponti 140014 S.L., Valencia	100.0000	-220	-16
GBG Vogelsanger Straße GmbH, Cologne	94.7826	-374	126
Gebäude Service Gesellschaft Überseering 35 mbH, Hamburg	100.0000	326	125
GIG City Nord GmbH, Hamburg	20.0000	113	14
Global Standards LLC, Dover, Delaware	100.0000	58,319	61
goDentis - Gesellschaft für Innovation in der Zahnheilkunde mbH, Cologne	100.0000	1,095	224
Great Lakes (Gibraltar) Plc, Gibraltar ²	100.0000	112	-6
Green Acre LLC, Wilmington, Delaware	31.9361	202,522	4,794
Group Health Group Holdings Inc., Surrey, British Columbia	40.0000	11,887	3,793
Groves, John & Westrup Limited, Liverpool	100.0000	21	0
Guanzu 2002 S.L., Valencia	100.0000	-218	-15
Hamburger Hof Management GmbH, Hamburg ²	100.0000	29	-1
Hancock Timberland XII LP, Wilmington, Delaware	15.1500	317,082	-1,309
Hansekuranz Kontor GmbH, Münster	80.0042	947	-718
Hartford Research LLC, Lewes, Delaware ²	41.7500	0	0
Hartford Steam Boiler (M) SDN BHD, Kuala Lumpur	100.0000	-169	-115
Hartford Steam Boiler (Singapore) Pte. Ltd., Singapore	100.0000	-68	-72
Hartford Steam Boiler Colombia Ltda, Bogotá	100.0000	359	25
Hartford Steam Boiler International GmbH, Rheine	100.0000	-1,626	-907
Hartford Steam Boiler Ireland Limited, Dublin	100.0000	300	0
Hartford Steam Boiler UK Limited, Manchester	100.0000	-49	-64
heal.capital I GmbH & Co. KG, Berlin	22.2222	74,000	0
Helium Systems Inc., Dover, Delaware	3.8000	6,545	-6,069
Hestia Loss Control Sp.z.o.o., Sopot	100.0000	106	2
Hines India Fund LP, Houston, Texas	11.8333	42,024	1,357
Hippo Analytics Inc., Wilmington, Delaware	1.4300	60,647	-20,590
HMV GFKL Beteiligungs GmbH, Düsseldorf	100.0000	34,365	994
HSB Associates Inc., New York City, New York	100.0000	1,045	33
HSB Brasil Servicos de Engenharia e Inspecao Ltda, São Paulo	100.0000	178	48
HSB Engineering Finance Corporation, Dover, Delaware	100.0000	-15,481	-1
HSB Engineering Insurance Services Limited, London	100.0000	6,275	325
HSB Fund I LP, Dover, Delaware	100.0000	21,363	4,923
HSB Group Inc., Dover, Delaware	100.0000	902,749	80,851
HSB International (India) Private Limited, Gujarat	100.0000	399	22
HSB Japan K.K., Minato-KU, Tokyo	100.0000	1,356	147

Company and registered seat	% share of capital	Equity €k	Result for the year €k
HSB Secure Services Inc., Hartford, Connecticut	100.0000	1,548	-3,082
HSB Solomon Associates Canada Ltd., Saint John, New Brunswick	100.0000	1,078	18
HSB Solomon Associates LLC, Dover, Delaware	100.0000	19,319	-126
HSB Technical Consulting & Service (Shanghai) Co. Ltd., Shanghai	100.0000	1,034	608
HSB Ventures Inc., Dover, Delaware ²	100.0000	0	0
Ideenkapital erste Investoren Service GmbH, Düsseldorf	100.0000	24	-1
IDEENKAPITAL Financial Engineering GmbH, Düsseldorf	100.0000	741	7
Ideenkapital Fonds Treuhand GmbH, Düsseldorf	100.0000	59	3
IDEENKAPITAL GmbH, Düsseldorf	100.0000	25,012	3,567
IDEENKAPITAL Investment GmbH, Düsseldorf ¹	100.0000	26	0
IDEENKAPITAL Media Finance GmbH, Düsseldorf	50.1000	63	-211
Ideenkapital Media Treuhand GmbH, Düsseldorf	100.0000	569	53
IDEENKAPITAL Metropolen Europa GmbH & Co. KG, Düsseldorf	72.3477	42,760	1,784
IDEENKAPITAL Metropolen Europa Verwaltungsgesellschaft mbH, Düsseldorf	100.0000	52	6
IDEENKAPITAL PRORENDITA EINS Treuhandgesellschaft mbH, Düsseldorf	100.0000	5	4
IDEENKAPITAL Schiffsfonds Treuhand GmbH, Düsseldorf	100.0000	154	41
IDEENKAPITAL Treuhand US Real Estate eins GmbH, Düsseldorf	100.0000	38	5
IK Australia Property Eins GmbH & Co. KG, Hamburg	10.6438	6,559	1,736
IK Einkauf Objekt Eins GmbH & Co. KG, Düsseldorf	100.0000	7,377	446
IK Einkauf Objektmanagement GmbH, Düsseldorf	100.0000	22	2
IK Einkauf Objektverwaltungsgesellschaft mbH, Düsseldorf	100.0000	41	3
IK Einkaufsmärkte Deutschland GmbH & Co. KG, Düsseldorf	52.0387	7,600	392
IK Einkaufsmärkte Deutschland Verwaltungsgesellschaft mbH, Düsseldorf	100.0000	40	3
IK FE Fonds Management GmbH, Düsseldorf	100.0000	-26	63
IK Komp GmbH, Düsseldorf	100.0000	963	-5
IK Objekt Bensheim GmbH, Düsseldorf	100.0000	42	3
IK Objekt Bensheim Immobilienfonds GmbH & Co. KG, Düsseldorf	16.2445	18,620	971
IK Objektgesellschaft Frankfurt Theodor-Heuss-Allee GmbH & Co. KG, Düsseldorf	47.4000	670	-19
IK Pflegezentrum Uelzen Verwaltungs-GmbH, Düsseldorf	100.0000	34	1
IK Premium Fonds GmbH & Co. KG, Düsseldorf	100.0000	0	-1,145
IK Premium Fonds zwei GmbH & Co. KG, Düsseldorf	100.0000	1,798	-894
IK Property Eins Verwaltungsgesellschaft mbH, Hamburg	100.0000	34	1
IK Property Treuhand GmbH, Düsseldorf	100.0000	34	10
IKFE Properties I AG, Zurich	63.5708	15,797	1
Infra Foch Topco SAS, Puteaux	10.7000	303,500	80,400
Inshur Holdings Corp, Wilmington, Delaware	14.7500	6,870	555
ITERGO Service GmbH, Düsseldorf ¹	100.0000	24	0
Jogszerviz Kft, Budapest	100.0000	-5	-75
JRP Insurance Management Limited, London	100.0000	4,539	737
Junos Verwaltungs GmbH, Munich ²	100.0000	28	2
K & P Objekt Hamburg Hamburger Straße GmbH, Düsseldorf	100.0000	36	2
K & P Objekt Hamburg Hamburger Straße Immobilienfonds GmbH & Co. KG, Düsseldorf	36.6889	230	239
K & P Objekt München Hufelandstraße Immobilienfonds GmbH & Co. KG, Düsseldorf	0.0489	3,209	-350
K & P Pflegezentrum Uelzen IMMAC Renditefonds GmbH & Co. KG, Düsseldorf	84.8445	2,801	516
KA Köln.Assekuranz Agentur GmbH, Cologne ¹	100.0000	25	0
Kapdom-Invest GmbH, Moscow	100.0000	3,189	-1
King Price Financial Services (Pty) Ltd, Pretoria	15.0000	174,378	88,833
KQV Solarpark Franken 1 GmbH & Co. KG, Düsseldorf	100.0000	277	203
KS SPV 23 Limited, London	100.0000	18,569	631
Larus Vermögensverwaltungsgesellschaft mbH, Munich	100.0000	36	-1
LCM Logistic Center Management GmbH, Hamburg	50.0000	80	55
Legal Net GmbH, Munich	100.0000	600	75
Leggle B.V., Amsterdam	100.0000	712	129
LEGAL AG, Munich	100.0000	8,331	631
Lietuva Demetra GmbH, Munich ¹	100.0000	28,623	5
Lloyds Modern Corporation, Dallas, Texas ²	100.0000	0	0
Longial GmbH, Düsseldorf	100.0000	1,351	245
Lynt Farm Solar Limited, London	100.0000	30,560	1,037
M 31 Beteiligungsgesellschaft mbH & Co. Energie KG, Düsseldorf	18.6246	1,089,427	71,210
m:editerran Power S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000	6,069	182
m:solarPOWER GmbH & Co. KG, Düsseldorf	0.0000	450	170
MAGAZ FOTOVOLTAICA S.L.U., Alcobendas	100.0000	17,834	874
Mandaat B.V., Druten	100.0000	-1,406	-2,443

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Marbury Agency Inc., Amelia, Ohio ²	100.0000	0	0
Marina Sp.z.o.o., Sopot	100.0000	27,142	-69
MEAG Cash Management GmbH, Munich	100.0000	59	-1
MEAG Hong Kong Limited, Hong Kong	100.0000	4,955	623
MEAG Luxembourg S.à r.l., Luxembourg	100.0000	744	5
MEAG New York Corporation, Wilmington, Delaware	100.0000	13,587	4,997
Mediastream Consulting GmbH, Grünwald	100.0000	32	-2
Mediastream Film GmbH, Grünwald	100.0000	15	-2
Mediastream Zweite Film GmbH, Grünwald	100.0000	81	-2
MedNet Bahrain W.L.L., Manama	100.0000	1,509	-177
MedNet Egypt LLC, Cairo	100.0000	-2,274	51
MedNet Europa GmbH, Munich	100.0000	2	-1
MedNet Global Healthcare Solutions LLC, Dubai	100.0000	1,545	-957
MedNet Greece S.A., Athens	78.1419	959	-233
MedNet Holding GmbH, Munich	100.0000	16,757	-89
MedNet Jordan Co. W.L.L., Amman	100.0000	1,521	109
MedNet Saudi Arabia LLC, Jeddah	100.0000	172	-1,115
MedNet UAE FZ LLC, Dubai	100.0000	2,375	-1,418
Merkur Grundstücks- und Beteiligungs-Gesellschaft mit beschränkter Haftung, Düsseldorf ¹	100.0000	2,997	0
Meshify Inc., Dover, Delaware	100.0000	-758	-480
MFI Munich Finance and Investment Holding Ltd., Ta' Xbiex	100.0000	624,212	-27
MFI Munich Finance and Investment Ltd., Ta' Xbiex	100.0000	569,328	-61,687
miCura Pflegedienste Berlin GmbH, Berlin	100.0000	-555	-32
miCura Pflegedienste Bremen GmbH, Bremen ¹	100.0000	99	0
miCura Pflegedienste Düsseldorf GmbH, Düsseldorf ¹	100.0000	174	0
miCura Pflegedienste GmbH, Cologne	100.0000	-513	-3
miCura Pflegedienste Hamburg GmbH, Hamburg	100.0000	-148	7
miCura Pflegedienste Krefeld GmbH, Krefeld ¹	100.0000	191	0
miCura Pflegedienste München / Dachau GmbH, Dachau	51.0000	427	53
miCura Pflegedienste München Ost GmbH, Munich	65.0000	250	1
miCura Pflegedienste Münster GmbH, Münster ¹	100.0000	144	0
miCura Pflegedienste Nürnberg GmbH, Nuremberg	51.0000	558	150
Midwest Enterprises Inc., Miami, Florida	100.0000	-10,599	2
MR Bazos LP, Dover, Delaware	100.0000	124,225	1,867
MR Beteiligungen 1. GmbH, Munich ¹	100.0000	547,832	0
MR Beteiligungen 2. EUR AG & Co. KG, Grünwald	100.0000	1,470,958	44,519
MR Beteiligungen 2. GmbH, Munich ^{1,2}	100.0000	25	0
MR Beteiligungen 3. EUR AG & Co. KG, Grünwald	100.0000	840,959	9,308
MR Beteiligungen 3. GmbH, Munich ^{1,2}	100.0000	25	0
MR Beteiligungen 15. GmbH, Munich ^{1,2}	100.0000	25	0
MR Beteiligungen 16. GmbH, Munich ¹	100.0000	609,515	0
MR Beteiligungen 17. GmbH, Munich ²	100.0000	44	-1
MR Beteiligungen 18. GmbH & Co. Immobilien KG, Grünwald	100.0000	464,902	3,115
MR Beteiligungen 18. GmbH & Co. Real Estate KG, Grünwald	100.0000	516,066	-44
MR Beteiligungen 18. GmbH, Grünwald	100.0000	34	2
MR Beteiligungen 19. GmbH, Munich	100.0000	28,747	-58
MR Beteiligungen AG, Grünwald	100.0000	1,021	52
MR Beteiligungen EUR AG & Co. KG, Grünwald	100.0000	2,114,211	46,888
MR Beteiligungen GBP AG & Co. KG, Grünwald	100.0000	836,370	-9,579
MR Beteiligungen USD AG & Co. KG, Grünwald	100.0000	1,807,979	115,213
MR Debt Finance GmbH, Munich	100.0000	44,834	1,585
MR Electra LP, Dover, Delaware	100.0000	105,089	3,500
MR ERGO Beteiligungen GmbH, Grünwald	100.0000	392,018	-7,545
MR Financial Group GmbH, Munich	100.0000	146	-1
MR Forest GmbH, Munich ^{1,2}	100.0000	75	0
MR Gotham LP, Dover, Delaware ²	100.0000	0	0
MR HealthTech Ltd., Nicosia	100.0000	5,108	-1,663
MR Infrastructure Inc., Dover, Delaware	100.0000	2,645	780
MR Infrastructure Investment GmbH, Munich ¹	100.0000	664,311	0
MR Investment Inc., Dover, Delaware	100.0000	905,759	3,027
MR Jordan LP, Dover, Delaware	100.0000	169,098	-3,416
MR Olivia LP, Dover, Delaware	100.0000	135,893	0
MR RENT UK Investment Limited, London	100.0000	55,973	147

Company and registered seat	% share of capital	Equity €k	Result for the year €k
MR RENT-Investment GmbH, Munich ¹	100.0000	630,356	0
MR RENT-Management GmbH, Munich	100.0000	67	4
MR Solar GmbH & Co. KG, Düsseldorf	100.0000	27,345	2,114
MR SOLAR SAS DER WELVIT SOLAR ITALIA S.r.l., Bolzano	100.0000	11,546	381
MRS&G UK Services Limited, London ²	100.0000	1	0
Münchener Consultora Internacional SRL, Santiago de Chile	100.0000	932	46
Münchener de Argentina Servicios Técnicos S.R.L., Buenos Aires	100.0000	92	51
Münchener de Mexico S.A., Mexico	100.0000	2,646	504
Münchener de Venezuela C.A. Intermediaria de Reaseguros, Caracas	100.0000	1	1
Münchener Finanzgruppe AG Beteiligungen, Munich ²	100.0000	49	-1
MÜNCHENER RÜCKVERSICHERUNGS - GESELLSCHAFT AKTIENGESELLSCHAFT IN MÜNCHEN ESCRITÓRIO DE REPRESENTAÇÃO NO BRASIL LTDA, São Paulo	100.0000	-11	-15
Münchener Vermögensverwaltung GmbH, Munich ²	100.0000	25	-1
Munich Canada Systems Corporation, Toronto, Ontario ²	100.0000	1	0
Munich Health Alpha GmbH, Munich ¹	100.0000	129,231	0
Munich Health Daman Holding Ltd., Abu Dhabi	51.0000	75,988	113
Munich Health Holding AG, Munich ¹	100.0000	610,155	0
Munich Life Holding Corporation, Wilmington, Delaware	100.0000	1,709,967	-9
Munich Management Pte. Ltd., Singapore	100.0000	3,771	3,227
Munich Re America Brokers Inc., Wilmington, Delaware	100.0000	634	-2
Munich Re America Management Ltd., London	100.0000	11,961	1,720
Munich Re America Services Inc., Wilmington, Delaware	100.0000	37,136	1,607
Munich Re Automation Solutions GmbH, Munich	100.0000	88	9
Munich Re Automation Solutions Inc., Wilmington, Delaware	100.0000	354	127
Munich Re Automation Solutions K.K., Tokyo	100.0000	185	37
Munich Re Automation Solutions Limited, Dublin	100.0000	12,733	6,660
Munich Re Automation Solutions Pte. Ltd., Singapore	100.0000	167	38
Munich Re Automation Solutions Pty Ltd, Sydney	100.0000	233	41
Munich Re Capital Markets GmbH, Munich	100.0000	1,966	-41
Munich Re Capital No.2 Limited, London	100.0000	11	10
Munich Re CVC Investment Corp., Dover, Delaware	100.0000	120,343	48
Munich Re Digital Partners Limited, London	100.0000	192	-21
Munich Re Digital Partners US Holding Corporation, Dover, Delaware	100.0000	77,936	-12,257
Munich Re Fund I LP, Dover, Delaware	100.0000	93,461	-5,604
Munich Re India Services Private Limited, Mumbai ²	100.0000	1,287	-27
Munich Re Innovation Systems Inc., Toronto, Ontario	100.0000	3,849	-1,614
Munich Re Investment Partners GmbH, Munich	100.0000	59	-1
Munich Re New Ventures Inc., Toronto, Ontario	100.0000	46,111	-534
Munich Re PCC Limited, Ta' Xbiex	100.0000	5,545	-614
Munich Re Reserve Risk Financing Inc., Dover, Delaware	100.0000	218,295	-1,842
Munich Re Risk Solution Ireland Limited, Dublin ²	100.0000	1	0
Munich Re Service GmbH, Munich	100.0000	78	-47
Munich Re Specialty Group Insurance Services Inc., Schaumburg, Illinois ²	100.0000	1	0
Munich Re Specialty Group Ltd., London	100.0000	84,530	19,352
Munich Re Specialty Group N.A. Inc., Schaumburg, Illinois	100.0000	10,515	-5
Munich Re Syndicate Labuan Limited, Labuan	100.0000	151	0
Munich Re Syndicate Limited, London	100.0000	2,100	277
Munich Re Syndicate Middle East Ltd., Dubai	100.0000	532	115
Munich Re Syndicate Singapore Ltd., Singapore	100.0000	199	0
Munich Re Trading LLC, Wilmington, Delaware	100.0000	51,134	14,856
Munich Re Underwriting Agents (DIFC) Ltd., Dubai	100.0000	2,701	1,108
Munich Re Ventures Inc., Dover, Delaware	100.0000	31	-23
Munich Re Ventures LLC, Dover, Delaware	100.0000	-6	-6
Munich Re Weather & Commodity Risk Holding Inc., Wilmington, Delaware	100.0000	372,436	7,213
Munich ReThink GmbH, Munich	100.0000	23	-2
Munich-Canada Management Corp. Ltd., Toronto, Ontario ²	100.0000	4	0
MunichFinancialGroup AG Holding, Munich ²	100.0000	49	-1
MunichFinancialGroup GmbH, Munich	100.0000	1,567	779
MunichFinancialServices AG Holding, Munich ²	100.0000	50	-1
Munichre Service Limited, Hong Kong	100.0000	5,562	1,084
Naretoblera 170017 S.L., Valencia	100.0000	-217	-15
Neokami GmbH, Munich	100.0000	-420	-59
Neokami Inc., Wilmington, Delaware	100.0000	2,517	-321

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Nerruze 120012 S.L., Valencia	100.0000	-219	-15
nexible GmbH, Düsseldorf ¹	100.0000	5,025	0
Next Insurance Inc., Wilmington, Delaware	6.2900	81,360	-24,700
NMU Specialty Ltd., Leeds	100.0000	170	0
Olivia Holdings LLC, Wilmington, Delaware	8.8000	135,893	0
Orrazipo 110011 S.L., Valencia	100.0000	-223	-15
P.A.N. Verwaltungs GmbH, Grünwald ²	100.0000	58	-1
Pan Estates LLC, Wilmington, Delaware	100.0000	64,862	-25
Parametrix Group Holdings Inc., Wilmington, Delaware	5.0000	6,846	0
Pegasos Holding GmbH, Munich ¹	100.0000	18,118	0
PERILS AG, Zurich	10.0000	9,753	386
Picus Silva Inc., Wilmington, Delaware	100.0000	65,708	2,227
PLATINIA Verwaltungs-GmbH, Munich	100.0000	34	1
PORT Schiffsverwaltungsgesellschaft mbH, Bramstedt	100.0000	21	2
PRORENDITA DREI GmbH & Co. KG, Hamburg	0.0260	3,971	-51
PRORENDITA Drei Verwaltungsgesellschaft mbH, Hamburg	100.0000	50	5
PRORENDITA EINS GmbH & Co. KG, Hamburg	0.0590	6,986	-232
PRORENDITA EINS Verwaltungsgesellschaft mbH, Hamburg	100.0000	40	2
PRORENDITA FÜNF GmbH & Co. KG, Hamburg	0.0384	12,808	-179
PRORENDITA FÜNF Verwaltungsgesellschaft mbH, Hamburg	100.0000	47	3
PRORENDITA VIER GmbH & Co. KG, Hamburg	0.0029	7,591	71
PRORENDITA VIER Verwaltungsgesellschaft mbH, Hamburg	100.0000	48	4
Prorendita Zwei GmbH & Co. KG, Hamburg	0.0100	4,381	-67
PRORENDITA Zwei Verwaltungsgesellschaft mbH, Hamburg	100.0000	50	5
Prosper Pass-Thru Trust I Series 2018-1, Wilmington, Delaware	95.0000	11,409	518
Prosper Pass-Thru Trust I Series 2018-2, Wilmington, Delaware	95.0000	16,305	978
Prosper Pass-Thru Trust I Series 2019-01, Wilmington, Delaware	95.0000	18,789	724
Prosper Pass-Thru Trust I Series 2019-02, Wilmington, Delaware	95.0000	17,764	756
Prosper Pass-Thru Trust I Series 2019-03, Wilmington, Delaware	95.0000	18,893	571
Prosper Pass-Thru Trust I Series 2019-04, Wilmington, Delaware	95.0000	20,417	41
Prosper Pass-Thru Trust I Series 2019-05, Wilmington, Delaware	95.0000	19,991	-34
Prosper Pass-Thru Trust I Series 2019-06, Wilmington, Delaware	95.0000	18,516	-294
Proximetry LLC, Wilmington, Delaware	100.0000	8,681	-4,754
Proximetry Poland Sp. Z o.o, Katowice	100.0000	409	110
PS Louisiana I LLC, Wilmington, Delaware	100.0000	12,182	-5
PS Louisiana II LLC, Wilmington, Delaware	100.0000	12,735	-26
Reaseguradora de las Américas S.A., Havana ²	100.0000	34	-1
Relayr GmbH, Pullach i. Isartal	100.0000	-7,875	1,185
Relayr Inc., Wilmington, Delaware	100.0000	51,694	-20,014
Relayr Limited, Watford	100.0000	-374	-146
Renaissance Hotel Realbesitz GmbH, Vienna	60.0000	3,904	966
Ridecell Inc., Wilmington, Delaware	2.6000	20,247	-20,475
RMS Australian Forests Fund I L.P., George Town, Grand Cayman	37.4257	72,029	19,321
RMS Forest Growth International L.P., George Town, Grand Cayman	43.4700	87,634	6,488
Roanoke Insurance Group Inc., Schaumburg, Illinois	100.0000	5,676	-207
Roanoke International Brokers Limited, London	100.0000	7,700	1,547
SAINT LEON ENERGIE S.A.R.L., Saargemünd	100.0000	123	116
Sana Kliniken AG, Munich	22.4904	530,072	13,347
Schloss Hohenkammer GmbH, Hohenkammer ¹	100.0000	4,288	0
Schrömbgens & Stephan GmbH Versicherungsmakler, Düsseldorf	100.0000	1,860	323
Scout Moor Group Limited, London	100.0000	11,596	492
Scout Moor Holdings (No. 1) Limited, London	100.0000	4,379	2,144
Scout Moor Holdings (No. 2) Limited, London	100.0000	883	3,884
Scout Moor Wind Farm Limited, London	100.0000	39,023	6,976
SEBA Beteiligungsgesellschaft mbH, Nuremberg	48.9966	124,868	10,025
Silvanus Vermögensverwaltungsges. mbH, Munich ¹	100.0000	422,014	0
SIP Social Impact Partners GmbH, Munich	50.0000	174	-522
Slice Labs Inc., Ottawa, Ontario	7.6300	13,653	-7,696
Smart Thinking Consulting (Beijing) Co. Ltd., Beijing	100.0000	2,810	-766
Solarfonds Götterborn 2 GmbH & Co. KG, Düsseldorf	34.4234	591	801
Solarpark 1000 Jahre Fürth GmbH & Co. KG, Düsseldorf	0.9091	703	128
Solarpark Fusion 3 GmbH, Düsseldorf	100.0000	8,326	345
Solomon Associates Limited, Farnborough	100.0000	801	-49

Company and registered seat	% share of capital	Equity €k	Result for the year €k
Sopockie Towarzystwo Doradcze Sp.z.o.o., Sopot	100.0000	29	2
Specialty Insurance Services Corp., Amelia, Ohio	100.0000	1,750	109
Spruce Holdings Inc., Wilmington, Delaware	10.8500	12,990	-3,307
SR Texas Wind Holdings 1 LLC, Dover, Delaware	49.0000	529,997	51,958
STEAG Fernwärme GmbH, Essen	49.0000	20,600	14,400
Stichting Aandelen Beheer D.A.S. Holding, Amsterdam	100.0000	284	0
SunEnergy & Partners S.r.l., Brixen	100.0000	53,340	2,016
Super Home Inc., Wilmington, Delaware	15.5000	8,230	-6,782
Sustainable Finance Risk Consulting GmbH, Munich	100.0000	44	-360
Sydney Euro-Center Pty Ltd, Sydney	100.0000	171	19
T&R MLP GmbH, Bonn	10.0020	20	-3
T&R Real Estate GmbH, Bonn	10.0020	298,800	9,400
TAS Touristik Assekuranz-Service GmbH, Frankfurt am Main ¹	100.0000	256	0
Taunus Holding B.V., Rotterdam	23.1913	67	-5
Team8 Partners II L.P., George Town, Grand Cayman	8.5300	5,014	-2,565
Teko - Technisches Kontor für Versicherungen Gesellschaft mit beschränkter Haftung, Düsseldorf	30.0000	111	30
The Atlas Insurance Agency Inc., Amelia, Ohio	100.0000	-457	-887
The Midland Company, Cincinnati, Ohio	100.0000	66,572	59,099
The Polytechnic Club Inc., Hartford, Connecticut ²	100.0000	0	0
Ticker Limited, London	15.0000	3,604	-1,605
TIERdirekt GmbH, Munich	75.0000	972	-78
Tillobesta 180018 S.L., Valencia	100.0000	-218	-16
Tir Mostyn and Foel Goch Limited, London	100.0000	-3,569	1,896
Triple IP B.V., Culemborg	100.0000	300	122
Trov Inc., Dover, Delaware	3.9800	10,805	-22,934
T-Solar Global Operating Assets S.L., Madrid	37.0000	166,804	67,755
T-Solar Luxembourg GP S.à.r.l., Luxembourg	37.0000	32	-43
UAB Agra Aurata, Vilnius	100.0000	1,687	40
UAB Agra Corp., Vilnius	100.0000	6,062	140
UAB Agra Optima, Vilnius	100.0000	1,466	45
UAB Agrofondas, Vilnius	100.0000	220	43
UAB Agrolaukai, Vilnius	100.0000	437	47
UAB Agrora, Vilnius	100.0000	751	11
UAB Agrovalda, Vilnius	100.0000	1,615	158
UAB Agrovesta, Vilnius	100.0000	710	55
UAB G.Q.F., Vilnius	100.0000	320	37
UAB Lila, Vilnius	100.0000	1,160	62
UAB Sietuve, Vilnius	100.0000	2,444	344
UAB Terra Culta, Vilnius	100.0000	973	51
UAB Ukelis, Vilnius	100.0000	612	54
UAB Vasaros Brizas, Vilnius	100.0000	569	69
UAB VL Investment Vilnius 1, Vilnius	100.0000	1,277	99
UAB VL Investment Vilnius 2, Vilnius	100.0000	1,076	93
UAB VL Investment Vilnius 3, Vilnius	100.0000	1,297	97
UAB VL Investment Vilnius 4, Vilnius	100.0000	1,374	83
UAB VL Investment Vilnius 5, Vilnius	100.0000	1,773	97
UAB VL Investment Vilnius 6, Vilnius	100.0000	1,139	99
UAB VL Investment Vilnius 7, Vilnius	100.0000	1,136	99
UAB VL Investment Vilnius 8, Vilnius	100.0000	1,268	97
UAB VL Investment Vilnius 9, Vilnius	100.0000	1,515	101
UAB VL Investment Vilnius 10, Vilnius	100.0000	1,047	87
UAB VL Investment Vilnius, Vilnius	100.0000	12,273	871
UK Wind Holdings Ltd., London	100.0000	9	-4
Umspannwerk Hellberge GmbH & Co. KG, Zossen	6.9000	0	-217
US PROPERTIES VA Verwaltungs-GmbH, Düsseldorf	100.0000	113	31
vers.diagnose GmbH, Hanover	49.0000	26	21
Verwaltungsgesellschaft "PORT ELISABETH" mbH, Bramstedt	100.0000	32	3
Verwaltungsgesellschaft "PORT LOUIS" mbH, Bramstedt	100.0000	40	1
Verwaltungsgesellschaft "PORT MOUTON" mbH, Bramstedt	100.0000	-9	28
Verwaltungsgesellschaft "PORT RUSSEL" mbH, Bramstedt	100.0000	45	2
Verwaltungsgesellschaft "PORT STEWART" mbH, Bramstedt	100.0000	32	-5
VHDK Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	1,350	-172
VICTORIA Asien Immobilienbeteiligungs GmbH & Co. KG, Munich	100.0000	423	354

Company and registered seat	% share of capital	Equity €k	Result for the year €k
VICTORIA Immobilien-Fonds GmbH, Düsseldorf	100.0000	6,614	133
VICTORIA Italy Property GmbH, Düsseldorf	100.0000	9,754	164
Victoria US Property Investment GmbH, Düsseldorf	100.0000	79,935	216
VICTORIA Vierte Beteiligungsgesellschaft mbH, Düsseldorf	100.0000	191,782	5,631
Victoria Vierter Bauabschnitt GmbH & Co. KG, Düsseldorf	100.0000	62,305	4,405
Victoria Vierter Bauabschnitt Management GmbH, Düsseldorf	100.0000	30	1
Vier Gas Investments S.à r.l., Luxembourg	43.7516	309,603	42,705
Viwis GmbH, Munich ¹	100.0000	1,013	0
Volksbanken-Versicherungsdienst GmbH, Vienna	25.2319	3,953	87
Vorsorge Service GmbH, Düsseldorf	100.0000	20,228	414
VV Immobilien Verwaltungs und Beteiligungs GmbH, Munich	30.0000	1,838	-11
VV-Consulting Gesellschaft für Risikoanalyse, Vorsorgeberatung und Versicherungsvermittlung GmbH, Vienna	100.0000	591	135
We Predict Limited, Swansea	13.5900	146	-2,407
welivit GmbH, Düsseldorf	100.0000	1,851	487
welivit New Energy GmbH, Düsseldorf	100.0000	671	491
welivit Solar España GmbH, Düsseldorf	100.0000	89	47
welivit Solar Italia s.r.l., Bolzano	100.0000	360	127
welivit Solarfonds GmbH & Co. KG, Düsseldorf	100.0000	22,665	1,084
welivit Solarfonds S.a.s. di welivit Solar Italia S.r.l., Bolzano	100.0000	16,815	674
welivit TOP SOLAR GmbH & Co. KG, Düsseldorf	0.0000	72	55
WFB Stockholm Management AB, Stockholm	50.0000	53,157	2,888
Wind Farm Jenasen AB, Hässleholm	100.0000	97,005	0
Wind Farms Götaland Svealand AB, Hässleholm	100.0000	58,022	0
Windpark Langengrassau Infrastruktur GbR, Bremen ²	83.3300	0	0
Windpark MR-B GmbH & Co. KG, Bremen	100.0000	6,961	390
Windpark MR-D GmbH & Co. KG, Bremen	100.0000	4,861	1,240
Windpark MR-N GmbH & Co. KG, Bremen	100.0000	740	417
Windpark MR-S GmbH & Co. KG, Bremen	100.0000	1,298	364
Windpark MR-T GmbH & Co. KG, Bremen	100.0000	904	225
Windpark Osterhausen-Mittelhausen Infrastruktur GbR, Bremen	58.9400	225	-22
WNE Solarfonds Süddeutschland 2 GmbH & Co. KG, Düsseldorf	100.0000	527	639
Wohnungsgesellschaft Brela mbH, Hamburg ¹	100.0000	102	0
WP Kladrum/Dargelütz GbR, Bremen	55.0000	0	-30
wse Solarpark Spanien 1 GmbH & Co. KG, Düsseldorf	75.1243	5,258	60
Zacubu 110011 S.L., Valencia	100.0000	-125	-15
Zacuba 6006 S.L., Valencia	100.0000	-126	-15
Zacubacon 150015 S.L., Valencia	100.0000	-138	-30
Zafacesbe 120012 S.L., Valencia	100.0000	-121	-15
Zapacubi 8008 S.L., Valencia	100.0000	-145	-30
Zarzacolumbu 100010 S.L., Valencia	100.0000	-124	-16
Zeguro Inc., Wilmington, Delaware	3.5100	1,658	-1,419
Zetaza 4004 S.L., Valencia	100.0000	-185	-16
Zicobucar 140014 S.L., Valencia	100.0000	-127	-16
Zucaelo 130013 S.L., Valencia	100.0000	-125	-17
Zucampobi 3003 S.L., Valencia	100.0000	-125	-14
Zucarrobiso 2002 S.L., Valencia	100.0000	-126	-16
Zucobaco 7007 S.L., Valencia	100.0000	-125	-15
Zulazor 3003 S.L., Valencia	100.0000	-181	-16
Zumbicobi 5005 S.L., Valencia	100.0000	-125	-14
Zumcasba 1001 S.L., Valencia	100.0000	-60	-18
Zuncabu 4004 S.L., Valencia	100.0000	-128	-15
Zuncolubo 9009 S.L., Valencia	100.0000	-123	-13

1 This company has a profit and loss transfer agreement.

2 No active business operations.

3 This company, over which Munich Reinsurance Company does not exercise control, is not required to prepare or disclose financial statements. Accordingly, we make use of the option to make this company exempt in accordance with Section 286(3) sentence 2 of the German Commercial Code, and forgo the disclosures on equity and the result for the year.

Drawn up and released for publication,
Munich, 6 March 2020.

The Board of Management

Independent auditor's report

To Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich

Report on the audit of the annual financial statements and of the combined management report

Opinions

We have audited the annual financial statements of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, which comprise the balance sheet as at 31 December 2019, the income statement for the financial year from 1 January to 31 December 2019, and the Notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, (Munich Reinsurance Company; the Company) for the financial year from 1 January to 31 December 2019. In compliance with German legal requirements, we did not audit the contents of those parts of the combined management report mentioned in the "Other information" section of our auditor's report.

On pages 31, 33, 38 and 72, the combined management report contains cross-references to the Group's website, which are not provided for by law. In compliance with German legal requirements, we did not audit the contents of these cross-references or the information to which they refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to insurance companies and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2019 and of its financial performance for the financial year from 1 January to 31 December 2019 in compliance with German generally accepted accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion of the combined management report does not cover the contents of those elements of the combined management report mentioned in the "Other information" section of our auditor's report. On pages 31, 33, 38 and 72, the combined management

report contains cross-references to the Group's website, which are not provided for by law. Our audit opinion does not cover these cross-references or the information to which they refer.

Pursuant to Section 322(3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the combined management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10(2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5(1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2019. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

Valuation of the provision for outstanding claims in property-casualty business

For information on the accounting and valuation policies used, please see the notes to the annual financial statements on page 17. Further information about the line items in the annual financial statements can be found on page 25. Information about risks can be found in the combined management report on pages 75-76.

The financial statement risk

The provision for outstanding claims in property-casualty business amounted to €37,555m at the reporting date, of which €13,541m refers to third-party liability. Major losses had an impact of €8,616m on the financial year.

The determination of the provision for outstanding claims results from the cedant's statements and from the application of actuarial processes in line with statistical methods, which require a sufficiently lengthy data history and stability of the observed data. The expected value takes account of assumptions about premium, ultimate loss ratios, run-off periods, factors and speed of settlement that are based on past experience. Management bases the final amount of the provision for outstanding claims on the results of actuarial procedures and after making allowance for calculating associated uncertainties. The provision for outstanding claims under German accounting rules is valued in accordance with the principle of prudence. Major losses are viewed separately when measuring provisions.

Estimation of the provision for outstanding claims is subject to uncertainty and depends on the exercise of judgement. Uncertainties in estimation arise in particular from the occurrence, amount and speed of settlement of large claims, long-term claims development (especially in third-party liability) and in relation to the estimation of special loss scenarios, such as provisions for asbestos and environmental claims. With major losses in particular it can take a long time before all claims notifications are received from cedants. Where no adequate claims notifications are available, provisions for these major losses are estimated on the basis of internal analyses of market loss and the company's own losses on the basis of cover it has provided.

Our audit approach

In auditing the provision for outstanding claims, we engaged actuaries as part of the audit team. In particular, we carried out the following key audit procedures:

- We assessed the process for setting aside provisions, identified key controls, and tested their design and effectiveness. The controls include the completeness and accuracy of the data used, and the qualitative and quantitative aspects of valuation.
- We requested explanations on the derivation of key assumptions used - including loss ratios and assumptions about run-off patterns - and assessed those assumptions.
- Substantive audit procedures on major losses were mainly made on the basis of selected specific items, whereby we drew conclusions about the appropriateness of key assumptions used on the basis of available external information.
- We carried out our own reserve calculations for certain segments based on our assessment of risk considerations. We set a point estimate on the basis of best estimates and defined an appropriate range based on statistical probabilities, and compared these with the Company's calculations.
- We assessed the level of reserves at the reporting date with that in previous years. We assessed the appropriateness of the amendments to actuarial estimates made by management on the basis of prudent commercial sense, by inspecting the underlying calculations or qualitative reasoning and subjecting them to critical analysis. We also spoke to the Company's actuaries.
- We assessed the actual development of the provision for outstanding claims set for the previous year on the basis of run-off results in order to draw conclusions about the reliability of the estimates.
- We assessed the appropriateness of provisions for asbestos and environmental claims on the basis of statistics and key figures.

Our observations

The valuation process for the provision for outstanding claims in property-casualty business is appropriate. The valuation assumptions used (including those for major losses) were derived appropriately.

Valuation of provision for future policy benefits and the provision for outstanding claims in life and health

For information on the accounting and valuation policies used, please see the Notes to the financial statements on page 17. Further information about the line items in the financial statements can be found on page 25. Risk information can be found on pages 76-77 of the combined management report.

The financial statement risk

Provisions in life and health mainly comprise the provision for future policy benefits of €9,620m and the provision for outstanding claims of €2,161m.

Valuation of the provision for future policy benefits is based on the principle of prudence, and is derived from the present values of future benefits and future premiums. The selection of actuarial assumptions used is made in accordance with accounting and supervisory regulations. Munich Reinsurance Company uses the values reported by cedants or carries out its own valuation if sufficient data is available. In cases where Munich Reinsurance Company thinks the technical provisions in accordance with German accounting rules (HGB) are insufficiently conservative, reserve strengthening is made on the basis of its own assumptions.

There is uncertainty in particular with respect to estimating valuation parameters, especially with respect to realistic biometric actuarial assumptions for mortality, mortality trends, or disability, and socio-economic factors such as assumed behaviour of policyholders (e.g. lapse).

In life reinsurance, the provision for outstanding claims is mainly accounted for on the basis of information from the cedant statements. Own valuations are carried out if there is insufficient data or lack of cedant statements. In health business, the provision for outstanding claims is calculated on the basis of claims experience and expert estimates.

Estimation of the provision for outstanding claims is subject to uncertainty and depends on the exercise of judgement. There is uncertainty about estimates in health business with respect to the number and volume of unreported claims.

Our audit approach

In auditing the provisions in life and health business, we engaged actuaries as part of the audit team. In particular, we carried out the following key audit procedures:

- We assessed the process for setting aside provisions, identified key controls, and tested their design and effectiveness. We focused in particular on the process to check provisions and their appropriateness, and where the assumptions for any required reserve strengthening are decided.
- In particular for the foreign business, we assessed the appropriateness of key assumptions by assessing the actuarial methods used to derive those assumptions. We also examined whether there are adequate reserves from a German accounting (HGB) perspective.
- We compared forecast and actual results of individual operating entities with market developments, thus deriving assessments about the reliability of the estimates.

- We assessed development of the provision for future policy benefits and provision for outstanding claims compared to the previous year, and made an assessment taking into account current business developments and our expectations from market observations.
- If an own measurement was made for the provision for outstanding claims, we checked on the appropriateness by inspecting the underlying calculations or qualitative reasoning and subjecting them to critical analysis.

Our observations

The valuation method used for the provision for future policy benefits and the provision for outstanding claims in life and health is appropriate. The valuation assumptions used were derived appropriately.

Valuation of shares in affiliated companies

With regard to accounting methods, please see page 16 of the disclosures in the Notes to the financial statements; information on further breakdown of this line item can be found on page 19, and information about the presentation of present value and valuation reserves on page 22. See pages 35-16 of the Notes for information about the list of shareholdings. Information about risks can be found in the combined management report on pages 77 ff.

The financial statement risk

Investments in affiliated companies amounted to €34,594m at the reporting date and make up a significant part of the investments.

The shares in affiliated companies are valued at their cost of acquisition or a lower fair value. This fair value is normally determined on the basis of the discounted earnings method or the discounted cash flow method. If the fair value is enduringly above the value of the previous year, the investment can be written up to a maximum of the acquisition cost.

A range of judgemental parameters are determined for the valuation. Important factors influencing the valuation are the determination of cash flow projections, discount rates and growth rates. Both business performance and a sustainable return on investment need to be determined. Determining the discount rate requires particular judgement in determining the risk spread and the beta factor, and the same applies to the growth rate.

Our audit approach

In auditing the investments in affiliated companies, we engaged valuation specialists as part of the audit team. In particular, we carried out the following key audit procedures:

- We assessed the adequacy of the internal controls set up for the valuations process and are convinced of their effectiveness after carrying out functional tests. Our focus was on quality assurance controls.
- Within the scope of a risk-based sample, we critically assessed the assumptions used for cash flow projections in the light of our understanding of the business and branches and the overall economic developments.
- In order to assess the quality of internal forecast processes, we compared with sampled projections with internal business plans, and compared previous planning forecasts with the realised results.
- In order to ensure that the valuation models used were correct, we recalculated the Company's calculations on the basis of risk-based samples.
- We compared the interest rates used for discounting with own assumptions, and checked observable market parameters against independent sources. We used our own valuation specialists for this purpose.
- In order to take account of existing forecast uncertainty, we also analysed the fair value (sensitivity analyses) of possible changes to the discount factor, long-term growth rates and the combined ratio by calculating alternative scenarios and comparing them with the Company's valuation results.
- We assessed whether the subsequent measurement based on the valuation results was correct.

Our observations

The process underlying the impairment test for shares in affiliated companies is appropriate and is in line with valuation principles. The Company's assumptions and parameters are appropriate. Subsequent accounting measurements and determination of the impact on profit or loss are appropriate.

Other information

Management and/or the Supervisory Board is responsible for the other information.

The other information comprises the following parts of the combined management report, the contents of which were not audited:

- The Statement on Corporate Governance, which is contained in the section "Statement on Corporate Governance pursuant to Section 289f and Section 315d of the German Commercial Code (HGB) including corporate governance reporting" of the combined management report, and
- The combined non-financial statement, to which the combined management report refers.

The other information also includes the remaining parts of the annual report. The other information does not include the annual financial statements and the audited contents of the combined management report, or our accompanying auditor's report.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the aforementioned other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited contents of the combined management report, or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we come to the conclusion that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Supervisory Board for the annual financial statements and the combined management report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to insurance companies, and that the annual

financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German generally accepted accounting principles. In addition, management is responsible for such internal control as they, in accordance with German generally accepted accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's responsibilities for the audit of the annual financial statements and of the combined management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German generally accepted accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Further Information pursuant to Article 10 of the EU Audit Regulation

We were selected as Group auditor by the Supervisory Board on 19 March 2019. We were engaged by the Chair of the Audit Committee of the Supervisory Board on 19 July 2019. We have been the Group auditor of the Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München, Munich, for more than 25 consecutive years.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German public auditor responsible for the engagement

The German public auditor responsible for the engagement is Dr. Frank Ellenbürger.

Munich, 6 March 2020

KPMG Bayerische Treuhandgesellschaft
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Dr. Ellenbürger
Wirtschaftsprüfer
(German public auditor)

Voß
Wirtschaftsprüferin
(German public auditor)

Responsibility statement

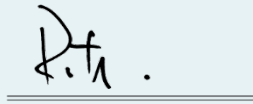
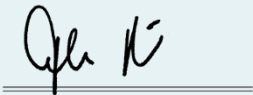
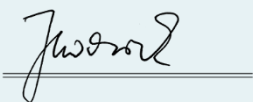
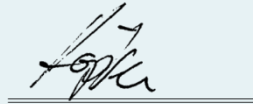
“To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the combined management report for the Company and the Group includes a fair review of the development and performance of the business and the position of the Company, together with a description of the material opportunities and risks associated with the expected development of the Company.”

Munich, 17 March 2020



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Münchener Rückversicherungs-Gesellschaft (Munich Reinsurance Company) is a reinsurance company organised under the laws of Germany. In some countries, including the United States, Munich Reinsurance Company holds the status of an unauthorised reinsurer. Policies are underwritten by Munich Reinsurance Company or its affiliated insurance and reinsurance subsidiaries. Certain coverages are not available in all jurisdictions.

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Picture credits

Andreas Pohlmann

The official German original of this report is also available from the Company. In addition, you can find our Annual Report and interim reports, along with further information about Munich Re, on the internet at www.munichre.com.

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Important dates 2020

28 February 2020
Balance sheet media conference for
2019 consolidated financial statements

18 March 2020
Publication of the 2019 Annual Reports

29 April 2020
Annual General Meeting

7 May 2020
Quarterly Statement as at 31 March 2020

6 August 2020
Half-Year Financial Report as at 30 June 2020

5 November 2020
Quarterly Statement as at 30 September 2020

Important dates 2021

25 February 2021
Balance sheet media conference for
2020 consolidated financial statements

17 March 2021
Publication of the 2020 Annual Reports

28 April 2021
Annual General Meeting

6 May 2021
Quarterly Statement as at 31 March 2021

10 August 2021
Half-Year Financial Report as at 30 June 2021

9 November 2021
Quarterly Statement as at 30 September 2021