

# Statement on Corporate Governance pursuant to Section 289f and Section 315d of the German Commercial Code (HGB)<sup>1</sup>

## including corporate governance reporting

Pursuant to Section 289f and Section 315d of the German Commercial Code (HGB), Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München (Munich Reinsurance Company Joint-Stock Company in Munich) has issued the following Statement on Corporate Governance and Group Statement on Corporate Governance. This Statement includes corporate governance reporting within the meaning of the German Corporate Governance Code in the version dated 7 February 2017 (published on 24 April 2017). The remuneration report can be found on pages 36 ff. of the combined management report. More information on corporate governance can be found at [www.munichre.com/cg-en](http://www.munichre.com/cg-en).

We apply the highest standards to our operations and activities and therefore comply with all the recommendations and proposals of the German Corporate Governance Code.

Declaration of Conformity by the Board of Management and Supervisory Board of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München with the German Corporate Governance Code in accordance with Section 161 of the German Stock Corporation Act (AktG)

Since issuing its last Declaration of Conformity in November 2018, Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München 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 (published on 24 April 2017).

Munich, November 2019

The Board of Management

The Supervisory Board

## Corporate legal structure

Munich Reinsurance Company has three governing bodies: the Annual General Meeting, the Board of Management, and the Supervisory Board. Their functions and powers are defined by law, the Articles of Association, the Co-Determination Agreement applicable to Munich Reinsurance Company, and by rules of procedure and internal guidelines. Employee co-determination on the Supervisory Board is governed by the Co-Determination Agreement concluded pursuant to the German Act on the Co-Determination of Employees in Cross-Border Mergers (MgVG). The principle of parity co-determination on the Supervisory Board has been strengthened by taking into account staff employed in the European Union and in the European Economic Area (EU/EEA).

Additional corporate governance requirements are set out in the regulatory requirements for (re)insurance companies, especially the German Insurance Supervision Act (VAG) and the European supervisory regulations (Solvency II). They include specific rules on various issues such as business organisation or the qualifications and remuneration of members of the Board of Management, Supervisory Board members and other individuals.

## Annual General Meeting

The principle of “one share, one vote” applies at the Annual General Meeting of Munich Reinsurance Company. With the aim of making it easier for shareholders to take part and exercise their voting rights, the Company offers the possibility of postal and electronic voting as well as online participation in the Annual General Meeting.

The documents required by law for the Annual General Meeting and the agenda will be available on the Munich Re website with effect from the day the AGM is called. Shareholders who are unable or do not wish to attend the Annual General Meeting in person may also have their voting rights exercised at the Annual General Meeting by one of the proxies nominated by Munich Reinsurance Company. These proxies will exercise the voting rights solely in accordance with the instructions they receive from the shareholders. Power of attorney and instructions may also be issued to the Company proxies via the internet. In addition, shareholders may watch the whole Annual General Meeting live on the internet and change their instructions right up to the end of the general debate – provided they have issued power of attorney to the Company proxies.

<sup>1</sup> The Statement on Corporate Governance, including corporate governance reporting, is part of the combined management report and was not audited.

## Board of Management

In 2019, the Board of Management of Munich Reinsurance Company initially comprised eight members, and from 18 March 2019 there were nine members; there is one woman on the Board. The members of the Board of Management and their divisional responsibilities can be found on page 24.

The Board of Management is responsible for managing the Company, in particular for setting the Company's objectives and determining strategy. It is bound to act in the Company's best interests. It should take account of the interests of shareholders, employees, and other stakeholders of Munich Reinsurance Company, with the objective of sustainable value creation. The Board of Management is responsible for effecting adequate risk management and risk control in the Company. It must ensure that statutory requirements and internal Company rules are observed, and works to ensure compliance by Group companies.

### Compliance

The Group Compliance and Legal division (GCL) of Munich Reinsurance Company reports directly to the Chairman of the Board of Management. GCL draws up Group-wide compliance rules and monitors their implementation by means of the Compliance Management System (CMS). The CMS is the methodical framework for the structured implementation of early warning, risk control, consulting and monitoring functions.

In order to further strengthen compliance within the Group, the compliance whistleblowing portal serves as another channel of communication to complement the independent external ombudsperson. Staff members and third parties can use the portal to anonymously report any activity that may cause reputational damage, suspected contraventions of the law, especially financial crime (such as corruption offences, and money laundering), contraventions of antitrust law, insurance supervisory law, market abuse law, data protection law, and any serious breach of associated internal rules and regulations.

Munich Re has a Group-wide system for reporting contraventions of laws and regulations, and for monitoring enquiries and changes with regard to legal and regulatory requirements. The system allows for ongoing documentation and rapid reporting up to the Board of Management.

Further information about compliance and the key features of the CMS can be found at [www.munichre.com/en/compliance](http://www.munichre.com/en/compliance).

## Working procedures of the Board of Management

The work of the Board of Management, in particular the allocation of responsibilities among the individual Board members, matters reserved for the full Board of Management, and the majority required to pass

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

Meetings of the Board of Management take place as required, but generally at least once a month, and are presided over by the Chairman of the Board of Management. The adoption of a resolution requires the majority of votes cast; in the event of a tie, the Chairman has the casting vote. The members of the Board of Management cooperate closely for the benefit of the Company. On an ongoing basis, they inform each other about all important business transactions.

## Composition and working procedures of the Board of Management committees

Three Board of Management committees ensure efficient work by the Board of Management: the Group Committee, the Reinsurance Committee, and the Strategy Committee.

The composition of these committees can be found on page 25.

### Group Committee

The Group Committee (GC) is the central management committee of the Group. It decides in particular on fundamental issues concerning the strategic and financial management of the Group for all fields of business, and on the principles of general business policy and organisation within the Group. The Committee also makes decisions on all matters of fundamental importance relating to the divisions headed by its voting members. In addition, it serves as an executive committee with responsibility for important ongoing issues, in particular the approval of significant individual transactions.

### Reinsurance Committee

The Reinsurance Committee (RC) is the central management committee of the reinsurance field of business. It decides on all matters of fundamental importance for this field of business, except investments.

### Strategy Committee

The Strategy Committee (StratC) is the central management committee for fundamental strategic matters in the fields of business (reinsurance, primary insurance). It makes decisions on all strategic matters of fundamental importance for the fields of business, including own investments and administered (third-party) funds.

The following applies to all Board of Management committees: Where decisions within the sphere of responsibility of a committee relate to issues reserved

for the full Board of Management, the respective committee will prepare these matters for decision. Committee meetings are held regularly, and as required. Only members of the Board of Management have voting rights on the committees. The committees are further governed by their respective rules of procedure, as adopted by the full Board of Management.

### Subcommittees of the Board of Management Committees

Both the Group Committee and the Reinsurance Committee have set up subcommittees. The Group Committee has set up the Group Investment Committee and the Group Risk Committee; the Reinsurance Committee has set up the Global Underwriting and Risk Committee as well as the Board Committee IT Investments. The members of these subcommittees also include other Board members and other senior executives from Munich Reinsurance Company and the Group. Only members of the Board of Management that are members of the main committee have voting rights on these subcommittees.

The work of these subcommittees is governed by their own written rules of procedure. The Group Investment Committee is responsible for substantiating investment principles for the Group and the fields of business, and for other important issues in relation to investments. Both the Group Risk Committee and the Global Underwriting and Risk Committee deal with risk management issues, albeit with different emphases. The Board Committee IT Investments is responsible for IT investments.

### Collaboration between Board of Management and Supervisory Board

The Board of Management and the Supervisory Board work together closely and in a spirit of trust for the benefit of the Company.

The Board of Management determines the strategic direction of the Company in conjunction with the Supervisory Board. The Board of Management reports regularly and as needed to the Supervisory Board about all questions relevant to the Company. The Chairman of the Supervisory Board maintains regular contact with the Board of Management between meetings – in particular with the Chairman of the Board of Management – in order to discuss issues of strategy, planning, business development, the risk situation, risk management and Company compliance. The Supervisory Board has defined the Board of Management's information and reporting obligations in detail. Specific types of transaction, such as certain investments and divestments, require the Supervisory Board's consent. The Supervisory Board's approval is also required for sideline activities assumed by members of the Board of Management, and (within the scope of the German Corporate Governance Code) for important transactions involving members of the Board of Management or persons or undertakings closely associated with them.

### Supervisory Board

Pursuant to the Articles of Association, the Supervisory Board of Munich Reinsurance Company comprises twenty members: half are shareholder representatives and are elected by the Annual General Meeting. The other ten members are elected employee representatives from Group companies in the EU and EEA.

The Supervisory Board advises the Board of Management and monitors the management of the Company, but it is not authorised to take management action in place of the Board of Management. In accordance with a special rule applicable to (re)insurance companies, the Supervisory Board in particular also appoints the external auditor for the Company and Group financial statements and for the Half-Year Financial Report.

### Working procedures of the Supervisory Board

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

The Supervisory Board normally meets at least six times during the financial year. Supervisory Board meetings are generally held with the members of the Supervisory Board personally present at the meeting (face-to-face meeting). If the Chairman of the Supervisory Board so rules, meetings of the Supervisory Board may also be held using electronic media, and individual members of the Supervisory Board may attend meetings via electronic media. The members of the Board of Management attend the meetings of the Supervisory Board unless the Chairman of the Supervisory Board decides otherwise. The Supervisory Board should also meet regularly without the Board of Management.

The Supervisory Board is quorate if all its members have been invited to the meeting or called upon to vote, and if ten members, including the Chairman, participate in the vote. Alternatively, it is quorate if fifteen members participate in the vote. Supervisory Board resolutions are adopted by a majority of votes cast, unless the law or the Articles of Association require otherwise. In the event of a Supervisory Board vote being tied, should a second vote on the same motion also result in a tie, the Chairman of the Supervisory Board has a casting vote. The Chairman is authorised to make declarations for the Supervisory Board based on resolutions.

### Composition and working procedures of the Supervisory Board committees

The Supervisory Board has set up six committees from among its members – the Standing Committee, the Personnel Committee, the Remuneration Committee, the Audit Committee, the Nomination Committee and the

Conference Committee. The committees adopt decisions by the majority of votes cast. With the exception of the Conference Committee, the Chairman of the Supervisory Board has a casting vote in case of a tie. The full Supervisory Board is regularly informed about the work of the committees by their respective chairs.

The composition of the committees appears on page 28.

Further details of the work of the Supervisory Board committees can be found in the report of the Supervisory Board on pages 11 f. and at [www.munichre.com/supervisoryboard](http://www.munichre.com/supervisoryboard).

The main responsibilities of the committees are as follows:

#### Standing Committee

The Standing Committee prepares meetings of the Supervisory Board, unless another committee is responsible for doing so. It decides on matters of Company business requiring the Supervisory Board's consent, unless the full Supervisory Board or another committee is responsible. The Standing Committee also prepares the Report of the Supervisory Board to the Annual General Meeting, the Declaration of Conformity with the German Corporate Governance Code pursuant to Section 161 of the Stock Corporation Act (AktG), and the Statement on Corporate Governance - including the corporate governance reporting for the Supervisory Board. It also prepares the annual review of the efficiency of the Supervisory Board and its committees. Further details about the efficiency review of the past financial year can be found on page 11 of the Report of the Supervisory Board. The Standing Committee is also responsible for preparing the Supervisory Board's review of the separate non-financial reporting. This includes preparing the selection and appointment of the auditor for a voluntary external audit of the separate (combined) non-financial statement.

#### Personnel Committee

The Personnel Committee prepares the appointment of members to the Board of Management. It also prepares the long-term succession planning together with the Board of Management, including setting targets for the number of women on the Board of Management. In addition, the Personnel Committee represents the Company in matters concerning the members of the Board of Management, and is responsible for personnel matters involving members of the Board of Management, unless these are issues that are the responsibility of the full Supervisory Board or the Remuneration Committee. This Committee approves loan transactions between the Company and members of the Board of Management and their related parties. The Personnel Committee also decides whether to approve sideline activities of members of the Board of Management, particularly mandates in supervisory boards or similar committees.

#### Remuneration Committee

The Remuneration Committee is responsible for preparing the Supervisory Board's resolutions on determining, amending, and regularly reviewing the remuneration system for the Board of Management; this Committee also determines and reviews the total remuneration of the individual members of the Board of Management. In addition, the Remuneration Committee prepares the Supervisory Board's resolutions regarding determination of the level of variable remuneration components, determination of the performance criteria and objectives for variable remuneration, the assessment of objectives in cooperation with the Personnel Committee, and the determination of the variable remuneration to be granted to the individual Board of Management members. This Committee is also responsible for preparing the remuneration components of the employment contracts of members of the Board of Management, and for remuneration reporting with regard to the remuneration of members of the Board of Management and the Supervisory Board.

#### Audit Committee

The Audit Committee prepares Supervisory Board resolutions on the adoption of the Company's annual financial statements and approval of the Group financial statements. It discusses the material information underlying the Half-Year Financial Report and the quarterly reports, and receives the audit reports, other reports and statements by the external auditor. The Audit Committee also discusses the essential components of the Solvency II reporting with the Board of Management.

This Committee oversees the accounting, the accounting process, and the appropriateness and effectiveness of the internal control system. It also oversees the appropriateness and effectiveness of the risk management system, the compliance management system (including whistleblowing) and handling of material compliance cases, the actuarial function system and the internal audit system. Furthermore, the Audit Committee is responsible for examining potential claims due to breach of duty by members of the Board of Management.

This Committee prepares decisions on the appointment of the external auditor, carries out the selection process, and makes recommendations in this regard to the full Supervisory Board. The Audit Committee is responsible for assessing performance and monitoring the independence of the external auditor; it also assures the quality of the audit and any additional services provided by the external auditor. In particular, it appoints the external auditor for the Company and Group financial statements, determines focal points of the audits and agrees the auditor's fee for the annual audit; the same applies to the review of the Half-Year Financial Report and the review of the solvency balance sheets. Beyond this, the Committee handles the approval and monitoring of non-audit services.

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

In this connection, the Audit Committee hears reports not only from the Board of Management but also directly from the Group Chief Compliance Officer, the Group Chief Auditor, the Group Chief Risk Officer, the Head of the Actuarial Function and, if required, from the General Counsel.

#### Nomination Committee

The Nomination Committee is made up exclusively of shareholder representatives.

This Committee provides the Supervisory Board with names of suitable candidates that the latter can nominate for election at the Annual General Meeting. As a basis for this, the Committee has developed and adopted a list of criteria for the selection of suitable candidates for the Supervisory Board. It also proposes suitable candidates to the Supervisory Board for the election of shareholder representatives to Supervisory Board committees and as chairs of the respective committees.

#### Conference Committee

If the first round of voting concerning the appointment or dismissal of members of the Board of Management does not result in the required two-thirds majority, the matter will be addressed by the Conference Committee before a second vote is held in the Supervisory Board.

### Other corporate governance practices

#### Munich Re Code of Conduct

The Munich Re Code of Conduct clearly states the Group's definition of legally impeccable behaviour based on ethical principles. It contains regulations that are binding on all employees and management of the Group. On the basis of the Code of Conduct, staff undertake to comply with applicable laws and Munich Re corporate regulations to prevent loss, damage or harm to the Group.

Further information can be found on our website under [www.munichre.com/code-of-conduct](http://www.munichre.com/code-of-conduct).

#### United Nations Global Compact

To make clear our understanding of important values inside and outside our Group, Munich Re joined the United Nations Global Compact in 2007. The ten principles of this declaration (covering human rights, labour standards, environmental protection and combating corruption) form the benchmark for our actions in all fields of business within the Group, and thus provide the fundamental framework for our corporate responsibility. Munich Re's Code of Conduct takes full account of these principles.

We report annually on the implementation of these principles in our Communication on Progress for the UN Global Compact.

#### Principles for Responsible Investment

In 2006, we became the first German company to sign the Principles for Responsible Investment (PRI). We implement the principles for sustainable investment through our asset manager MEAG, and we report annually on adherence to these principles.

#### Principles for Sustainable Insurance

The Principles for Sustainable Insurance (PSI) – which Munich Re played an active role in formulating and which we signed in 2012 as one of the first signatories – serve as a guide for anchoring environmental, social and governance (ESG) aspects along the value chain in our core business.

Further information on these voluntary commitments is available on our Corporate Responsibility Portal at [www.munichre.com/cr-en](http://www.munichre.com/cr-en).

### Equal participation of men and women in management positions

As part of implementing the Act on Equal Participation of Men and Women in Private-Sector and Public-Sector Management Positions (FüPoG), the Supervisory Board and Board of Management of Munich Reinsurance Company set the following targets and deadlines to achieve these targets:

As at 1 January 2016, the Supervisory Board set a target quota to be achieved by 31 December 2020 that at least 20% of the members of the Board of Management should be women.

As at 31 December 2019, the percentage of women on the Board of Management was 11.1%. The Supervisory Board is retaining its target of a quota of at least 20% to be achieved by 31 December 2020.

From 1 July 2016, the Board of Management set the target quota for female participation at 4.0% for the first management level below the Board of Management, and 20.1% for the second management level below the Board of Management. Both targets are to be achieved by 31 December 2020.

The Supervisory Board and Board of Management based these targets on the proportions of women at the respective management levels when the targets were set. Where the Act on Equal Participation of Men and Women in Private-Sector and Public-Sector Management Positions is applicable to Group companies, the target figures for the proportion of women are generally also based on the status quo at the beginning of the period. As a general principle, the management levels are defined as follows: A manager at the first management level reports to a member of the Board of Management. A manager at the second management level reports to a manager at the first management

level. For these purposes, only staff members with disciplinary responsibility are categorised as managers.

Moreover, in accordance with the Act and internal criteria, at least 30% of seats on the Supervisory Board of Munich Reinsurance Company must be filled by women, and at least 30% by men.

In accordance with the Co-Determination Agreement, the employee and shareholder representatives ensure separate compliance with the statutory gender quotas on the Supervisory Board.

On 31 December 2019, 55% of seats on the Supervisory Board of Munich Reinsurance Company were occupied by men and 45% by women, of which four women were shareholder representatives and five were employee representatives. The minimum requirements are thus met by both sets of representatives on the Supervisory Board.

### Diversity concepts for the Board of Management and Supervisory Board

Diversity is taken into account when filling management positions in the Company and in the composition of the Board of Management and the Supervisory Board. Diversity is an important part of Munich Re's corporate culture. The tenets of diversity are set out in the Diversity Policy. This applies to all employees across the Group.

#### Diversity concept for the Board of Management

When appointing members of the Board of Management, the Supervisory Board is mindful of diversity in terms of professional and educational background, internationality, age, and gender. The aim is to ensure that the Board's composition is as diverse as possible, complementary, and strong as a whole. Gender diversity is described in the section "Equal participation of men and women in management positions".

Members of the Board of Management bear individual responsibility for the divisions they head, and joint responsibility for overall management of the Company. In addition to the specific knowledge and experience required for each division, all Board members must have a sufficiently broad range of knowledge and experience in all areas of our business to ensure that they can monitor each other.

The Board of Management and Supervisory Board have drawn up a Fit and Proper Policy under Solvency II rules; this policy sets out fitness and propriety requirements for Board members. Accordingly, it must be ensured that the members of the Board of Management have the necessary qualifications in their respective individual areas of responsibility. The policy also requires the Board of Management overall to have adequate qualifications, experience and expertise at least in the business, economic, market and regulatory environment, as well as the business strategy, business model, governance system and risk model of Munich Reinsurance Company, and financial and actuarial analysis.

The differences between the business models within the Group and between divisions in the reinsurance field of business require that the Board of Management have a broad professional and educational background.

In its current composition, the Board of Management shows a diverse range of professional training and education. It includes graduates of various degrees and vocational training (e.g. business and economics, law, mathematics, and physics). The CVs of the individual members of the Board of Management have different focuses – in operative business, in certain markets, or in specialist areas. The diverse careers and personalities within the Board of Management express the versatility of our business model, and reflect the complex requirements faced by the Board.

The internationality of the Board is also taken into account. The global business activities of Munich Re mean that all members of the Board of Management have international management experience.

The average age of the members of the Board of Management at the end of the 2019 financial year was 53; the youngest Board member is 44, and the oldest is 59. The age limit for membership of the Board of Management is 67; members of the Board of Management must leave the Board no later than the end of the calendar year in which they turn 67. The requirements for age limits are thus met.

First-time appointments of members of the Board of Management are for a maximum of three years. A reappointment more than one year before the end of the appointment period with simultaneous cancellation of the current appointment will only be made in special circumstances. With the exception of aspects relating to remuneration, which are dealt with by the Remuneration Committee, preparation for the appointment of members of the Board of Management is the responsibility of the Personnel Committee of the Supervisory Board, which provides suggestions for suitable candidates to the full Supervisory Board. The Personnel Committee is guided by the Fit and Proper Policy, the specific requirements of the relevant function, and the above-mentioned diversity considerations. In conjunction with the Board of Management, the Personnel Committee is also responsible for succession planning. Succession planning for the Board of Management is systematic and long-term. Some candidates are drawn from the Group's top talent pool, called the Group Management Platform. Care is taken to make sure that there is a balanced composition of experience, gender and internationality. The succession plan is continually updated at the annual Group Career Session by the participating heads of the fields of business.

The Board members' CVs can be found at [www.munichre.com/board-of-management](http://www.munichre.com/board-of-management).

### Diversity concept for the Supervisory Board/Objectives of the Supervisory Board concerning its composition and competences

The composition of the Supervisory Board also follows a concept of diversity with regard to its members' professional and educational background, internationality, age, and gender. Gender diversity is described in the section "Equal participation of men and women in management positions". The aim of the diversity concept is to bring a pluralistic wealth of experience to the Supervisory Board through the interaction of members that have different professional and educational backgrounds and are diverse in terms of internationality, age and gender, thereby enhancing the Board's efficiency for the benefit of the Company.

Members of the Supervisory Board of Munich Reinsurance Company must meet fitness and propriety requirements. Overseeing the Company professionally and competently and actively accompanying its development demands an appropriate level of diversity on the Supervisory Board in terms of qualifications, knowledge and relevant experience.

The Supervisory Board has set itself the following objectives concerning its composition and has defined requirements (list of criteria) regarding the competencies of its members:

It must be ensured that – in terms of the professional and educational background of its members – the Supervisory Board as a whole has adequate knowledge, skills and experience with regard to the markets, business processes, competition and the requirements of reinsurance, primary insurance and investment in order to perform its duties properly. Appropriate knowledge of the following fields is also required: risk management, accounting, controlling, internal audit, asset-liability management, law, regulatory supervision, compliance, tax, and strategically relevant topics, such as innovation and digitalisation. The list of criteria also includes a good overall understanding of the business model. Board members must collectively be familiar with the sector in which the Company operates.

Any additional requirements for specific duties will be defined on a case-by-case basis. At least one independent member of the Audit Committee must have expertise in accounting or auditing.

When proposing candidates for election to the Supervisory Board, the Supervisory Board generally only considers nominees aged 70 or under (age limit). The Supervisory Board has deliberately opted for a flexible target age limit, which provides sufficient room for manoeuvre for assessing the circumstances of the individual case. This expands the pool of potential candidates and allows in particular for the re-election of members of the Supervisory Board with many years of experience. Future nominations of candidates for election to the Supervisory Board should also take into account that at the time of election no candidate should already have been on the Supervisory Board for a continuous period of more than ten years. Normally, Supervisory Board

members should not serve on the Board for a continuous period of more than twelve years.

The list of criteria also includes other personal qualities of Supervisory Board members, such as entrepreneurial and international experience, having sufficient availability to devote to the role, a strong commitment to corporate governance, commitment to the sustainable, long-term value-creating orientation of the Company and its business policy for shareholders, a solution-oriented approach, strategic expertise and the competence to effect change.

The Nomination Committee of the Supervisory Board selects candidates for the shareholder representatives based on this list of criteria, and prepares the Supervisory Board's election proposals to the Annual General Meeting. This Committee draws up a requirements profile to be used in the selection process. Shareholders receive the detailed CVs of the respective candidates along with their invitation to the Annual General Meeting. When selecting candidates, care is taken to achieve diversity in terms of the composition of the Supervisory Board to ensure that the Supervisory Board as a whole fits the required competence profile.

Half of the members of the Supervisory Board are elected representatives of Group employees in the EU/EEA. The employee representatives on the Supervisory Board are governed by special co-determination rules under the Co-Determination Agreement. The Co-Determination Agreement also specifies a list of criteria, including diversity criteria, which serves as a basis for electing employee representatives to the Supervisory Board. The bodies responsible for making election nominations to the European Electoral Board under the Co-Determination Agreement should take these criteria into account within the limits prescribed by applicable regulations to ensure that the diversity criteria and other requirements are met.

In its current composition, the Supervisory Board demonstrates diversity of professional training and education, and also has the overall knowledge, expertise and professional experience necessary for the proper performance of its duties. Members have diverse professional and educational focuses (including law, economics, mathematics, natural sciences, and commercial and insurance-specific training). The Supervisory Board members also have management experience in various sectors (such as finance and insurance, IT, chemicals, the automobile industry), and extensive experience in academia and politics. The different CVs and personalities within the Supervisory Board reflect the wide range of duties of the Board and meet the associated requirements.

Most of the members of the Supervisory Board also have international experience. The members of the Supervisory Board come from a number of different countries, and this reflects the Company's international activities.

The average age of members of the Supervisory Board at the end of the 2019 financial year was 60; the youngest Board member is 49, and the oldest is 71. There is therefore a sufficient age mix on the Supervisory Board. One member of the Supervisory Board, Benita Ferrero-Waldner, has exceeded the age limit. On the basis of her expertise and after careful consideration of the circumstances in the individual case, the Supervisory Board has determined a justified exception to the target age limit in her case.

The CVs of the members of the Supervisory Board can be found at [www.munichre.com/supervisory-board](http://www.munichre.com/supervisory-board).

### Independence

In implementing the German Corporate Governance Code, the Supervisory Board has also set the objective of having at least 16 independent members within the meaning of section 5.4.2 of the Code, of which at least eight must be shareholder representatives. Members of the Supervisory Board must have no relevant conflicts of interest.

During the selection process, great value is placed on the independence of the candidates. Taking into account the ownership structure, the Board is of the opinion that all 20 members meet the independence criteria within the meaning of section 5.4.2 of the Code. The Supervisory Board is not aware of any business or personal relationship between a member and the Company, its governing bodies, a controlling shareholder or an entity affiliated with such a shareholder, as a result of which a major and not only temporary conflict of interest could arise. Under this definition, the Supervisory Board assumes that the employee representatives on the Supervisory Board elected in accordance with the Act on the Co-Determination of Employees in Cross-Border Mergers (MgVG) and the Co-Determination Agreement are independent as a matter of principle.



## Responsibilities of the members of the Board of Management and their mandates on statutory supervisory boards and comparable bodies

Member of the Board of Management/Responsibilities	Seats held on statutory supervisory boards <sup>1</sup>	Membership of comparable bodies of German and foreign business enterprises <sup>1</sup>
<b>Dr. Joachim Wenning</b> 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 <sup>3</sup> Group Human Resources Group Executive Affairs Group Compliance and Legal	ERGO Group AG, Düsseldorf <sup>2</sup> (Chair)	-
<b>Dr. Thomas Blunck</b> Life and Health Capital Partners Digital Partners Reinsurance Investments (until 17 March 2019)	-	-
<b>Nicholas Gartside</b> (since 18 March 2019) Chief Investment Officer Group Investments Third Party Asset Management	MEAG MUNICH ERGO Kapitalanlagegesellschaft mbH, Munich <sup>2</sup> (Chair)	-
<b>Dr. Doris Höpke</b> Labour Relations Director Europe and Latin America Human Resources	-	New Reinsurance Company Ltd., Switzerland <sup>2</sup> (President)
<b>Dr. Torsten Jeworrek</b> 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 <sup>2</sup> ERGO International AG, Düsseldorf <sup>2</sup>	-
<b>Dr. Christoph Jurecka</b> 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 <sup>2</sup>	-
<b>Hermann Pohlchristoph</b> Asia Pacific and Africa Central Procurement Services	ERGO International AG, Düsseldorf <sup>2</sup>	-
<b>Dr. Markus Rieß</b> Primary Insurance/ERGO Third Party Asset Management (until 17 March 2019)	ERGO International AG, Düsseldorf <sup>2</sup> (Chair) ERGO Digital Ventures AG, Düsseldorf <sup>2</sup> (Chair) ERGO Deutschland AG, Düsseldorf <sup>2</sup> (Chair) ERGO Technology & Services Management AG, Düsseldorf <sup>2</sup> (Chair)	-
<b>Dr. Peter Röder</b> Global Clients and North America	EXTREMUS Versicherungs-AG, Cologne	Munich Re America Corporation, USA <sup>2</sup> (Chair) Munich Reinsurance America Inc., USA <sup>2</sup> (Chair)

1 As at 31 December 2019.

2 Mandate within Munich Re (Group).

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

## Composition of the Board of Management Committees<sup>1</sup>

<b>Group Committee</b>	Dr. Joachim Wenning (Chair) Dr. Christoph Jurecka
<b>Reinsurance Committee</b>	Dr. Torsten Jeworrek (Chair) Dr. Thomas Blunck Dr. Doris Höpke Hermann Pohlchristoph Dr. Peter Röder Chief Financial Officer for the reinsurance field of business <sup>2</sup>
<b>Strategy Committee</b>	Dr. Joachim Wenning (Chair) Nicholas Gartside Dr. Torsten Jeworrek Dr. Christoph Jurecka Dr. Markus Rieß

## Subcommittees of the Board of Management Committees<sup>1</sup>

<b>Group Investment Committee</b>	Dr. Joachim Wenning (Chair) Dr. Christoph Jurecka Nicholas Gartside <sup>2</sup> Chief Risk Officer (Group) <sup>2</sup>
<b>Group Risk Committee</b>	Dr. Christoph Jurecka (Chair) Dr. Joachim Wenning Chief Risk Officer (Group) <sup>2</sup>
<b>Global Underwriting and Risk Committee</b>	Dr. Torsten Jeworrek (Chair) Dr. Thomas Blunck Dr. Peter Röder Chief Financial Officer for the reinsurance field of business <sup>2</sup> Chief Risk Officer (Group) <sup>2</sup> Head of ALM (Asset Liability Management) <sup>2</sup> Head of CU (Corporate Underwriting) <sup>2</sup>
<b>Board Committee IT Investments</b>	Dr. Torsten Jeworrek (Chair) Dr. Thomas Blunck Hermann Pohlchristoph Chief Financial Officer for the reinsurance field of business <sup>2</sup>

<sup>1</sup> As at 31 December 2019.

<sup>2</sup> No voting rights.

## Members of the Supervisory Board and their mandates on statutory supervisory boards and comparable bodies<sup>1</sup>

Members of the Supervisory Board	Seats held on statutory supervisory boards	Membership of comparable bodies of German and foreign business enterprises
<b>Dr. Nikolaus von Bomhard</b> (Chairman) Chairman of the Supervisory Board of Munich Reinsurance Company Member since 30 April 2019	Deutsche Post AG, Bonn (Chair) <sup>4</sup>	Athora Holding Ltd., Bermuda (Chair) <sup>6</sup>
<b>Dr. Anne Horstmann<sup>2</sup></b> (Deputy Chair) Employee of ERGO Group AG Member since 30 April 2014	ERGO Group AG, Düsseldorf <sup>3</sup>	-
<b>Prof. Dr. Dr. Dr. h.c. Ann-Kristin Achleitner</b> 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 <sup>4</sup>
<b>Dr. Kurt Wilhelm Bock</b> Member of the Supervisory Board of Munich Reinsurance Company Member since 25 April 2018	Fresenius Management SE, Bad Homburg <sup>5</sup> Bayerische Motorenwerke AG, Munich <sup>4</sup> Fuchs Petrolub SE, Mannheim (Chair) <sup>4</sup>	-
<b>Clement B. Booth</b> Member of the Board of Directors of Hyperion Insurance Group, United Kingdom Member since 27 April 2016	Euroassekuranz Versicherungsmakler AG, Regensburg (Chair) <sup>6</sup>	Hyperion Insurance Group Ltd., United Kingdom
<b>Ruth Brown<sup>2</sup></b> Foreign Services Specialist at DAS Legal Expenses Insurance Member since 30 April 2019	-	-
<b>Stephan Eberl<sup>2</sup></b> Chair of the Staff Council of Munich Reinsurance Company Member since 30 April 2019	-	-
<b>Frank Fassin<sup>2</sup></b> Regional Section Head Financial Services at ver.di North Rhine-Westphalia Member since 22 April 2009	ERGO Group AG, Düsseldorf <sup>3</sup> Provinzial NordWest Holding AG, Münster	-
<b>Dr. Benita Ferrero-Waldner</b> Member of the Board of Directors of Santander Consumer Finance S.A., Spain Member since 12 February 2010	-	Santander Consumer Finance S.A., Spain
<b>Prof. Dr. Dr. h.c. Ursula Gather</b> Rector of TU Dortmund University Member since 30 April 2014	thyssenkrupp AG, Essen <sup>4</sup>	-
<b>Gerd Häusler</b> Member of the Supervisory Board of Auto1 Group SE, Munich Member since 30 April 2014	Auto1 Group SE, Munich	-
<b>Eva-Maria Haiduk<sup>2</sup></b> Employee of ITERGO Informationstechnologie GmbH Member since 30 April 2019	-	-
<b>Renata Jungo Brüngger</b> Member of the Board of Management of Daimler AG Member since 3 January 2017	-	-
<b>Stefan Kaindl<sup>2</sup></b> 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
<b>Gabriele Mücke<sup>2</sup></b> Chair of the Board of Management of Neue Assekuranz Trade Union – NAG Member since 30 April 2019	-	-
<b>Ulrich Plottke<sup>2</sup></b> Employee of ERGO Group AG Member since 30 April 2014	ERGO Group AG, Düsseldorf <sup>3</sup>	-
<b>Manfred Rassy<sup>2</sup></b> Exempted member of the Staff Council of Munich Reinsurance Company Member since 30 April 2019	-	-
<b>Gabriele Sinz-Toporzyssek<sup>2</sup></b> Employee of ERGO Beratung und Vertrieb AG Member since 30 April 2014	ERGO Beratung und Vertrieb AG, Düsseldorf <sup>3</sup>	-
<b>Karl-Heinz Streibich</b> Co-President of acatech – German Academy of Science and Engineering Member since 30 April 2019	Dürr AG, Bietigheim-Bissingen (Chair) <sup>4</sup> Siemens Healthineers AG, Munich <sup>4</sup> Deutsche Telekom AG, Bonn <sup>4</sup>	-
<b>Dr. Maximilian Zimmerer</b> Member of the Supervisory Board of Munich Reinsurance Company Member since 4 July 2017	Deutsche Beteiligungs AG, Frankfurt <sup>4</sup> Investmentaktiengesellschaft für langfristige Investoren TGV, Bonn (Chair) <sup>6</sup>	Möller & Förster GmbH & Co. KG, Hamburg (Chair of Advisory Council) <sup>5,6</sup>
<b>Christian Fuhrmann<sup>2</sup></b> Head of Divisional Unit at Munich Reinsurance Company Member from 22 April 2009 to 30 April 2019	-	-
<b>Ina Hosenfelder<sup>2</sup></b> Employee of ERGO Group AG Member from 30 April 2014 to 30 April 2019	-	-
<b>Prof. Dr. Dr. E.h. Henning Kagermann</b> 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 <sup>4</sup> KUKA AG, Augsburg <sup>4</sup>	-
<b>Beate Mensch<sup>2</sup></b> Trades Union Secretary, ver.di, Hessen Member from 30 April 2014 to 30 April 2019	-	-
<b>Marco Nörenberg<sup>2</sup></b> Employee of ERGO Group AG Member from 22 April 2009 to 30 April 2019	ERGO Group AG, Düsseldorf <sup>3</sup>	-
<b>Dr. E.h. Bernd Pischetsrieder</b> Chairman of the Supervisory Board of Munich Reinsurance Company Member from 17 April 2002 to 30 April 2019	Daimler AG, Stuttgart <sup>4</sup>	Tetra Laval Group, Switzerland
<b>Andrés Ruiz Feger<sup>2</sup></b> Employee of Munich Re, Sucursal en España, Spain Member from 22 April 2009 to 30 April 2019	-	-
<b>Angelika Wirtz<sup>2</sup></b> 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.

## Composition of the Supervisory Board committees<sup>1</sup>

<b>Standing Committee</b>	Dr. Nikolaus von Bomhard (Chair) Dr. Kurt Wilhelm Bock Stephan Eberl Gerd Häusler Dr. Anne Horstmann
<b>Personnel Committee</b>	Dr. Nikolaus von Bomhard (Chair) Stephan Eberl Renata Jungo Brüngger
<b>Remuneration Committee</b>	Prof. Dr. Dr. Dr. Ann-Kristin Achleitner (Chair) Stephan Eberl Renata Jungo Brüngger
<b>Audit Committee</b>	Dr. Maximilian Zimmerer (Chair) Prof. Dr. Dr. Dr. Ann-Kristin Achleitner Dr. Nikolaus von Bomhard Stefan Kaindl Ulrich Plottke
<b>Nomination Committee</b>	Dr. Nikolaus von Bomhard (Chair) Prof. Dr. Dr. Dr. Ann-Kristin Achleitner Dr. Kurt Wilhelm Bock
<b>Conference Committee</b>	Dr. Nikolaus von Bomhard (Chair) Dr. Kurt Wilhelm Bock Frank Fassin Dr. Anne Horstmann

<sup>1</sup> As at 31 December 2019.