



Dr. Nikolaus von Bomhard
Chairman of the Supervisory Board

Ladies and Gentlemen,

In the 2020 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. The overall attendance of members at meetings of the Supervisory Board and its committees was 99.2% (an overview of attendance can be found at the end of the Report of the Supervisory Board and at www.munichre.com/supervisory-board). In light of the coronavirus pandemic, increased use was made of the option to take part in meetings electronically from March 2020 onwards.

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 the planned dividend payment for the 2019 financial year and the prospects regarding the overall result for the year 2020 and the profit guidance for 2021. 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, I held regular discussions with the Chairman of the Board of Management, Joachim Wenning. We discussed questions of strategic orientation, risk management, compliance, the current business situation and the impact of the coronavirus pandemic on Munich Re. Also between meetings, the Chair of the Audit Committee Maximilian Zimmerer remained in close contact with Chief Financial Officer Christoph Jurecka.

Focal points of the meetings of the full Supervisory Board

There were eight meetings of the Supervisory Board in 2020. 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 and the development of the pandemic and its impact. 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, investment

and sustainability strategies. Besides the above-mentioned issues, we dealt with the following topics at the individual meetings in 2020:

The meeting on 26 February, which took the form of a telephone conference, focused on the preliminary figures for the 2019 Company and Group financial statements and the Board of Management's dividend proposal.

The meeting on 17 March focused among other things on the Company and Group financial statements for 2019, the combined management report, the separate non-financial (Group) statement for 2019 and the Supervisory Board's motions for resolution by the 2020 Annual General Meeting. Furthermore, we conferred and took decisions regarding the evaluation of the 2019 annual bonuses and the consequent bonus payments to the individual members of the Board of Management. We also adopted an update to the list of business transactions requiring approval of the Supervisory Board found in the rules of procedure of the Board of Management. In addition, we received information about the impact of the coronavirus pandemic on Munich Re and the measures taken around the world to protect staff and maintain business operations.

The meeting on 28 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 2017-2019. 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 the Munich Re Board of Management. The good level of collective expertise on the Supervisory Board was maintained. The Supervisory Board thus possesses the appropriate diversity of qualifications, knowledge and experience to provide advice and supervision to proficiently monitor and accompany the business performance of Munich Re, taking account of the characteristics specific to the Company and the Group. We also received the Board of Management's report on the status of business performance in 2020. We used the meeting to make last-minute preparations for the Annual General Meeting, which took place the next day and – as a result of the coronavirus pandemic – took the form of an online event for the first time.

A workshop was held on 13 July in which we discussed in depth the strategic development of Munich Re and the individual fields of business.

On 14 July, we adopted a resolution on the restructuring of the Munich Re pension plan for the members of the Board of Management and a corresponding adjustment of Board of Management contracts. We also discussed the need for any action regarding the remuneration system for the Board of Management in light of the German Act implementing the Second Shareholders' Rights Directive (ARUG II) and the fundamental revision of the German Corporate Governance Code. Furthermore, we considered the Group-wide remuneration report for the 2019 financial year in line with Solvency II and the Remuneration Regulation for Insurance Companies (VersVergV). The Board of Management provided us with up-to-date information concerning not only the impact of the coronavirus pandemic on the claims burden of Munich Re, but also digital transformation within the Group.

On 15 October we approved the appointment of Stefan Golling to the Board of Management. We also adapted the rules on fringe benefits, remuneration in kind and other regulations concerning members of the Board of Management and discussed proposals to modify the remuneration system for the members of the Board of Management as of 1 January 2021, taking into account ARUG II, the German Corporate Governance Code and the requirements of our investors and other stakeholders. Topics related to corporate governance were regularly on the agenda: the resolution regarding the Declaration of Conformity with the German Corporate Governance Code and the discussion of the self-assessment findings of the Supervisory Board and its committees in 2020. In addition, we adopted resolutions concerning changes to the allocation of responsibilities within the Supervisory Board. In light of the integration of the non-financial statement into the combined management report, for example, the responsibility for preparing the audit of the combined non-financial statement was reallocated from the Standing Committee to the Audit Committee. Furthermore, the objectives concerning the composition of the Supervisory Board and the competence profile for the Supervisory Board as a whole were updated. The set of criteria for the selection of shareholder representatives was updated. Further topics included the implementation of the Munich Re investment strategy, and the setting of a target in accordance with which 25% of

members of the Board of Management should be women by the end of 2025 in implementation of the Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors.

On 8 December, the Board of Management informed us about the Munich Re “Strategy and Ambition 2025”. As well as evaluating the Ambition 2025, presented by the Group Chief Risk Officer, we discussed the Group’s risk strategy and approved the financial planning for 2021.

On 10 December, we adopted a resolution concerning the remuneration system for the Board of Management as of 1 January 2021 – to be put to the Annual General Meeting for approval on 28 April 2021 – and a resolution concerning adjustments to the contracts for Board members. Furthermore, we reviewed the compensation of the Board of Management and, following a comprehensive discussion, we established the amount of remuneration for the Board of Management with effect from 2021. We also adopted the assessment bases for variable remuneration in 2021. The shareholder representatives adopted a resolution concerning a change on the Supervisory Board. During this meeting, the Group Chief Risk Officer informed us about the risk situation of the Group. Furthermore, the Board of Management reported on current topics, presented us with the Group human resources report, and explained the focal points of human resources work within the Group. It also informed us about the Munich Re sustainability strategy.

By way of a resolution adopted by written consent, we approved the proposals of the Board of Management regarding the online execution of the 2020 Annual General Meeting in April.

Also by way of a resolution adopted by written consent, at the beginning of May we elected Maximilian Zimmerer to succeed Kurt Wilhelm Bock on the Nomination Committee, the Standing Committee and the Conference Committee.

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 included in the Statement on Corporate Governance and on our website at www.munichre.com/supervisory-board.

The Personnel Committee held six meetings in the reporting period. 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 was the assessment of the fitness and propriety of new members 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. Taking into account diversity aspects, it also dealt with the Group-wide succession planning – in particular as regards Board members.

The Remuneration Committee also met six times in 2020. 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 remuneration system for the Board of Management, the amount of remuneration, the establishment of the assessment basis for variable remuneration and the corresponding evaluation, fringe benefits and benefits in kind, as well as the sections of the Board members’ contracts relating to remuneration. A significant focus of the Committee’s work in the reporting year related to the intensive discussion of the requirements and resultant need for action pursuant to ARUG II and the German Corporate Governance Code as well as the expectations of investors and other stakeholders as regards Board of Management remuneration.

At its six meetings, the Standing Committee dealt with the preparation of the respective Supervisory Board meetings and, in particular, with topics of corporate governance. It prepared the assessment of the effectiveness of the Supervisory Board as a whole and its individual committees on the basis of a comprehensive self-assessment form. Furthermore, it approved

proposals by the Board of Management concerning the share buy-back programme and the procedure regarding answering questions at the virtual Annual General Meeting. In deliberations spanning a number of meetings, the Standing Committee also discussed the internal procedure set up to assess whether related-party transactions are entered into in the ordinary course of business and concluded on normal market terms. The Chairman of the Board of Management gave the Standing Committee regular updates on the shareholder structure.

The Audit Committee also held six meetings in the reporting period. All of these meetings were attended by the external auditors. In its meetings in February and March 2020, 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 2019 financial year. The Committee also discussed in detail the quarterly statements for Q1 and Q3 2020 and, together with the auditors, examined in detail the 2020 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. In one meeting, the Head of the Actuarial Function gave a report on significant developments at Munich Re. The internal control system and compliance topics were discussed regularly. The Group Chief Auditor informed the members of the Committee in full about the outcome of the audits for 2019 and the audit planning for 2020. The Committee received 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 auditors on a regular basis. In addition, the Audit Committee and the external auditors 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 additional activities beyond the auditing of the annual financial statements and on the utilisation of the statutory limit for awarding such contracts. The auditors presented the Audit Committee with explanations of the key audit matters for the 2020 financial year. The quality of the audit was regularly assessed by the Audit Committee. The Audit Committee also prepared a report for the full Supervisory Board on the appointment of the external auditors for the 2020 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 Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY), Munich, with the audit for the 2020 financial year, and also commissioned the auditor's review of the 2020 Half-Year Financial Report.

The Nomination Committee held two meetings in the reporting period. It discussed the medium-term succession planning of the Supervisory Board and deliberated on suitable candidates for nomination to the Supervisory Board. When making proposals for nomination, the Committee took into account the objectives approved by the Supervisory Board regarding its composition, the competence profile for the Supervisory Board as a whole, and the set of criteria for the selection of shareholder representatives.

There was again no need to convene the Conference Committee in the 2020 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 2020. Since issuing its last Declaration of Conformity in November 2019, Munich Re has complied with all of the recommendations of the German Corporate Governance Code as amended on 7 February 2017 (published on 24 April 2017). Munich Re also fulfils all the recommendations of the German Corporate Governance Code of 16 December 2019 (published on 20 March 2020) and will continue to do so in future. In accordance with their own assessment, all ten shareholder representatives may be considered independent within the meaning of the German Corporate Governance Code.

In order to avoid even the semblance of work or decision-making processes being influenced by personal interests, each member of the Supervisory Board promptly discloses any conflicts of interest. Where a current Supervisory Board member was on the Board of Management during a period which is currently being dealt with by the Supervisory Board, the member in question does not participate in any of the discussions of the matter or in any related resolutions. This was the approach I took for two agenda items in the 2020 financial year.

The Supervisory Board also met without the Board of Management.

Members of the Supervisory Board were again invited to participate in an internal information event in 2020 as part of their specific further training. Almost all members used the opportunity to learn more about innovation, the IFRS 9 and IFRS 17 accounting standards, and the Munich Re equity story from the perspective of an investor. 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 specially compiled informational material to prepare for their new role.

Further to the annual information event, members of the Supervisory Board were invited to participate in additional information sessions concerning action required regarding the remuneration system for the members of the Board of Management owing to the introduction of ARUG II and the revised German Corporate Governance Code. These events also met with great interest.

In my role as Chairman of the Supervisory Board, I 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 was the remuneration system for the Board of Management that will be put to the Annual General Meeting for approval on 28 April 2021.

Changes on the Board of Management

For personal reasons, Hermann Pohlchristoph did not extend his appointment that expired on 30 April 2020, and has left the Company. Achim Kassow was appointed his successor with effect from 1 May 2020, and he took over responsibility for the Asia Pacific and Africa division and for the Central Procurement and Services central divisions.

Board member Peter Röder retired on 31 December 2020. Stefan Golling was appointed his successor with effect from 1 January 2021. In addition to the Global Clients and North America division, he is also responsible for the US subsidiaries HSB and AMIG, and the Lloyd's and Bermuda markets.

Changes on the Supervisory Board

Kurt Wilhelm Bock resigned from the Supervisory Board with effect from the end of the 2020 Annual General Meeting. On 29 April 2020, the Annual General Meeting elected Carsten Spohr for the remainder of Kurt Wilhelm Bock's term of office.

Further general information on corporate governance can be found in the Statement of Corporate Governance.

Company and Group financial statements for 2020, Solvency II reporting and non-financial information

The auditors EY duly audited the annual financial statements of Munich Reinsurance Company, the Group financial statements and the combined management report as at 31 December 2020, and issued them with an unqualified auditor's opinion. The German Public Auditor responsible for the engagement is Thomas Kagermeier. It is the first time that he has been responsible for the audit of the Company and Group financial statements.

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 23 February 2021, the Audit Committee intensively discussed the preliminary year-end figures as at 31 December 2020, along with the Board of Management's proposal for appropriation of the net retained profits. At its meeting on 24 February 2021, the Supervisory Board also intensively discussed the preliminary year-end figures as at 31 December 2020, along with the Board of

Management's proposal for appropriation of the net retained profits. On 15 March 2021, 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 (including the combined non-financial statement) in advance. It discussed these at length with the external auditors 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 (including the combined non-financial statement). 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 16 March 2021 in the presence of the external auditors. The audit findings of the combined non-financial statement were also considered by the Supervisory Board. The auditors reported on the scope, the main points, and the key results of the audit, going into particular detail on the key audit matters (please refer to the independent auditor's report for information) and the audit activity conducted. There were no reports of material weaknesses in the internal control system or the risk management system.

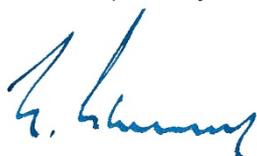
On the basis of this comprehensive examination, the Supervisory Board raised no objections concerning the outcome of the external audit. It approved the Company and Group financial statements on 16 March 2021. The financial statements were thus adopted. Having carefully weighed all relevant aspects, the Supervisory Board followed the proposal of the Board of Management for appropriation of the net retained profits.

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 gratifying result for Munich Re – despite the challenges presented by the coronavirus pandemic.

Munich, 16 March 2021

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 2020

Member of the Supervisory Board	Supervisory Board	Participation quota Supervisory Board	Personnel Committee	Remuneration Committee	Standing Committee	Audit Committee	Nomination Committee
Nikolaus von Bomhard	8/8	100%	6/6		6/6	6/6	2/2
Anne Horstmann	8/8	100%			6/6		
Ann-Kristin Achleitner	8/8	100%		6/6		6/6	2/2
Kurt Wilhelm Bock ¹	3/3	100%			3/3		1/1
Clement Booth	8/8	100%					
Ruth Brown	8/8	100%					
Stephan Eberl	8/8	100%	6/6	6/6	6/6		
Frank Fassin	8/8	100%					
Benita Ferrero-Waldner	7/8	88%					
Ursula Gather	8/8	100%					
Gerd Häusler	8/8	100%			6/6		
Eva-Maria Haiduk	8/8	100%					
Renata Jungo Brüngger	7/8	88%	6/6	6/6			
Stefan Kaindl	8/8	100%				6/6	
Gabriele Mücke	8/8	100%					
Ulrich Plottke	8/8	100%				6/6	
Manfred Rassy	8/8	100%					
Gabriele Sinz-Toporzysek	8/8	100%					
Carsten Spohr ²	5/5	100%					
Karl-Heinz Streibich	8/8	100%					
Maximilian Zimmerer	8/8	100%			3/3	6/6	1/1
Participation quota (average)		99%	100%	100%	100%	100%	100%

¹ Member of the Supervisory Board until 29 April 2020.

² Member of the Supervisory Board from 29 April 2020.