



Dr. Nikolaus von Bomhard
Chairman of the Supervisory Board

Dear Readers,

In the 2021 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 98% (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, use was again made of the option to take part in meetings electronically this financial year.

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. In addition, 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, succession planning, 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 six meetings of the Supervisory Board in the reporting year. 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, with a particular focus last year on the digitalisation and sustainability strategies. Besides the above-mentioned issues, we dealt specifically with the following topics at the individual meetings in 2021:

The meeting on 24 February focused on the preliminary figures for the 2020 Company and Group financial statements and the Board of Management's proposal for appropriation of the net retained profits.

The meeting on 16 March focused among other things on the Company and Group financial statements for 2020, the combined management report (including the combined non-financial statement) and the Supervisory Board's motions for resolution by the 2021 Annual General Meeting. We also discussed and made a decision about the extension of the appointment of Torsten Jeworrek, Christoph Jurecka and Joachim Wenning to the Board of Management. Furthermore, we took a decision on the adjustment of the remuneration system for the members of the Board of Management, in particular the introduction of an ESG category of objective for the multi-year bonus as of 2022. We discussed and decided how to measure the annual bonus for 2020.

The meeting on 27 April addressed the self-assessment that insurance supervisory law requires the members of the Supervisory Board to undertake concerning their knowledge of topics that are important for providing advice and supervision to the Munich Re Board of Management. The high level of collective expertise on the Supervisory Board was maintained. The Supervisory Board 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. The shareholder representatives adopted a resolution regarding the publication of their individual competencies. We also received the Board of Management's report on the status of business performance in 2021. 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 – again took the form of an online event.

On 13 July, we adopted a resolution on the extension of the appointment of Nicholas Gartside to the Board of Management. We also discussed the Group-wide remuneration report submitted to us for the 2020 financial year in line with Solvency II and the Remuneration Regulation for Insurance Companies (VersVergV). The Board of Management informed us about the property-casualty reinsurance business in Asia-Pacific and Africa, and about the market environment, strategy and future vision of the Risk Solutions business.

In the meeting on 13 October, we discussed succession planning for the Board of Management. 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 2021. We made the requisite adjustments to the rules of procedure for the Supervisory Board and the Audit Committee in accordance with the German Act to Strengthen Financial Market Integrity (FISG). Furthermore, the objectives concerning the composition of the Supervisory Board and the competence profile for the Supervisory Board as a whole were updated, as was the set of criteria for the selection of shareholder representatives. In addition, we adopted resolutions concerning changes to the allocation of responsibilities within the Supervisory Board: fundamental responsibility for regularly addressing ESG topics was reallocated to the Standing Committee. In addition, the Board of Management updated us on ERGO's current performance and the implementation status of the Munich Re Group's ESG ambition.

We reviewed the compensation of the Board of Management on 9 December and, following a comprehensive discussion, we established the amount of their remuneration with effect from 2022. We also adopted the assessment bases for variable remuneration in 2022, and discussed the draft of the remuneration report with respect to the Board of Management and Supervisory Board, pursuant to the Act Implementing the Second Shareholders' Rights Directive (ARUG II). In addition, we adapted the rules on fringe benefits, remuneration in kind and other regulations concerning members of the Board of Management. 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. The Board of Management also informed us about the strategy and structure of reinsurance business in North America, and about the investment strategy – particularly as regards the Munich Re Group's sustainable investments. We also approved the financial planning for 2022 during this meeting.

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 three meetings in the reporting period. The Committee essentially prepared the resolutions on matters involving the Board of Management, unless these fell under the remit of the Remuneration Committee. One focus of the Personnel Committee's work was the confirmation of fitness and propriety requisite for the extension of several Board of Management members' appointments. 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 of Management positions.

The Remuneration Committee met four times in the reporting period. 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 remuneration 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 pursuant to ARUG II and the expectations of investors and other stakeholders as regards the remuneration report for the Board of Management and the Supervisory Board.

At its five meetings, the Standing Committee dealt with the preparation of the respective Supervisory Board meetings and, in particular, with topics of corporate governance. It prepared, among other items, the assessment of the effectiveness of the Supervisory Board as a whole and its individual committees (self-assessment). The Standing Committee also approved proposals by the Board of Management concerning the procedure regarding answering questions at the virtual Annual General Meeting. In addition, the Standing Committee assessed related-party transactions (internal procedure as per Section 111(2) of the Stock Corporation Act [AktG]). The Chairman of the Board of Management gave the Standing Committee regular updates on the shareholder structure.

In the reporting period, the Audit Committee held six meetings; all of these meetings were attended by the external auditor. At its meetings in February and March 2021, 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 2020 financial year. The Committee also discussed in detail the quarterly statements for Q1 and Q3 2021, and scrutinised both the 2021 Half-Year Financial Report and the findings of the external auditor's review. The Audit Committee furthermore heard regular reports on the key Solvency II figures and discussed the quarterly reporting to the Supervisory Authority in these meetings. In August 2021, the Committee thoroughly addressed the reforms specified in the German Act to Strengthen Financial Market Integrity (FISG). Other key tasks of the Audit Committee consisted in monitoring the Group's risk situation and risk management on an ongoing basis, and developing a risk strategy. In addition to the CRO's quarterly written reports, the Committee also obtained detailed verbal information from the Group Chief Risk Officer on several occasions. At one meeting, the Head of the Actuarial Function reported on significant developments at Munich Re. There were regular discussions about the internal control system and compliance topics – particularly individual compliance violations that were presented to the Audit Committee. The Group Chief Auditor informed the members of the Committee in full about the outcome of the audits for 2020 and the audit planning for 2021. The Audit Committee also received updates on the current status of individual audits. Without the Board of Management being present, the members of the Committee took the opportunity to regularly confer amongst themselves or with the Group Chief Auditor, the Group Chief Compliance Officer, the Group Chief Risk Officer, or the external auditor. In addition, the

Audit Committee and the external auditor exchanged views on selected topics on an ad-hoc basis between meetings. Furthermore, the Committee closely reviewed and monitored the auditor's independence. It regularly called for reports on the auditor's non-audit activities and on the utilisation of the statutory limit for awarding such contracts. The auditor also presented the Audit Committee with explanations of the key audit matters for the 2021 financial year. The Audit Committee regularly assessed the quality of the audit. In this context, the Committee continually examined the role of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (EY) as the auditor of Wirecard AG. The Audit Committee currently finds no indications of a negative impact on the audit of Munich Re. The Committee is satisfied with the qualifications and integrity of the persons on EY's audit team. Munich Re and EY discuss the composition of the audit team at least once a year. The Audit Committee also prepared a report for the full Supervisory Board on the appointment of the external auditor for the 2021 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 Committee commissioned EY with the audit for the 2021 financial year and also commissioned the auditor's review of the 2021 Half-Year Financial Report.

The Nomination Committee held one meeting in the reporting period. It discussed the medium-term succession planning of the Supervisory Board and deliberated on potential future candidates for nomination to the Supervisory Board. In this regard, 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 2021 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 2021. Since issuing its last Declaration of Conformity in November 2020, Munich Re has complied with all of the recommendations of the German Corporate Governance Code as amended on 16 December 2019 (published on 20 March 2020).

Together with the Board of Management, we decided in December 2021 to update the Declaration of Conformity. The Supervisory Board member Renata Jungo Brüngger sits on the Board of Management of Daimler AG (now known as Mercedes-Benz Group AG, effective 1 February 2022). Following restructuring measures undertaken by the Daimler Group, she accepted two supervisory board memberships at companies that are now to be classified as non-group companies. This deviation from recommendation C.5 of the German Corporate Governance Code necessitated an update of the Declaration of Conformity.

In accordance with their own assessment, all ten shareholder representatives are 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 one agenda item in the 2021 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 2021. Nearly all members used the opportunity to learn more about the latest topics in sustainability reporting, underwriting, cyber security and information security. The Company also provided the members of the Supervisory Board with extensive electronic training material for self-study focusing on underwriting, risk management, accounting, investment, controlling, sustainability, digitalisation, etc. Before they took up their appointments, new members of the Supervisory Board also received specially compiled informational material to prepare for their

new role. Some Supervisory Board members also took advantage of one-on-one info sessions with designated Company staff members.

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 discussions in 2021 addressed the remuneration report with respect to the Board of Management and Supervisory Board, the appointment of the external auditor, and topics that will be submitted to the Annual General Meeting on 28 April 2022.

Changes on the Board of Management

For personal reasons, Doris Höpke did not extend her appointment that will expire on 30 April 2022, and will leave the Company.

Changes on the Supervisory Board

Benita Ferrero-Waldner resigned from the Supervisory Board with effect from the end of the 2021 Annual General Meeting. On 28 April 2021, the Annual General Meeting elected Carinne Knoche-Brouillon for the remainder of Benita Ferrero-Waldner's term of office.

Eva-Maria Haiduk resigned from the Supervisory Board with effect from 30 June 2021. With effect from 1 July 2021, Angelika Judith Herzog – who had been elected as a substitute member by employee representatives in 2019 – became a Supervisory Board member for the remainder of Eva-Maria Haiduk's term of office.

Gabriele Sinz-Toporzyssek resigned from the Supervisory Board with effect from 31 January 2022. With effect from 1 February 2022, Markus Wagner – who had been elected as a substitute member by employee representatives in 2019 – became a Supervisory Board member for the remainder of Gabriele Sinz-Toporzyssek's term of office.

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

Company and Group financial statements for 2021, Solvency II reporting and non-financial information

The external auditor EY duly audited the annual financial statements of Munich Reinsurance Company, the Group financial statements and the combined management report as at 31 December 2021, and issued them with an unqualified auditor's opinion. The German Public Auditor responsible for the engagement is Thomas Kagermeier.

These 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 2022, the Audit Committee intensively discussed the preliminary year-end figures as at 31 December 2021, along with the Board of Management's proposal for appropriation of the net retained profits. At its meeting on 22 February 2022, the Supervisory Board also intensively discussed the preliminary year-end figures as at 31 December 2021, along with the Board of Management's proposal for appropriation of the net retained profits. On 15 March 2022, 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 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 report, 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 2022 in the presence of the external auditor. The audit findings regarding the combined

non-financial statement were also considered by the Supervisory Board. The external auditor reported on the scope, the main points, and the key findings of the audit – and went into particular detail on both the key audit matters 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 2022. 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 very gratifying result for Munich Re.

Munich, 16 March 2022

For the Supervisory Board

A handwritten signature in blue ink, appearing to read 'N. von Bomhard', written in a cursive style.

Nikolaus von Bomhard
Chairman

Attendance of Supervisory Board Members at meetings of the Supervisory Board of Munich Reinsurance Company and its committees in 2021

Member of the Supervisory Board	Supervisory Board	Participation quota Supervisory Board	Personnel Committee	Remuneration Committee	Standing Committee	Audit Committee	Nomination Committee
Nikolaus von Bomhard	6/6	100%	3/3		5/5	6/6	1/1
Anne Horstmann	6/6	100%			5/5		
Ann-Kristin Achleitner	6/6	100%		4/4		6/6	1/1
Clement Booth	6/6	100%					
Ruth Brown	6/6	100%					
Stephan Eberl	6/6	100%	3/3	4/4	5/5		
Frank Fassin	6/6	100%					
Benita Ferrero-Waldner ¹	3/3	100%					
Ursula Gather	6/6	100%					
Gerd Häusler	6/6	100%			5/5		
Eva-Maria Haiduk ²	3/3	100%					
Angelika Judith Herzog ³	3/3	100%					
Renata Jungo Brüngger	6/6	100%	3/3	4/4			
Stefan Kaindl	6/6	100%				6/6	
Carinne Knoche-Brouillon ⁴	3/3	100%					
Gabriele Mücke	6/6	100%					
Ulrich Plottke	5/6	83%				5/6	
Manfred Rassy	6/6	100%					
Gabriele Sinz-Toporzysek ⁵	4/6	67%					
Carsten Spohr	6/6	100%					
Karl-Heinz Streibich	6/6	100%					
Maximilian Zimmerer	6/6	100%			5/5	6/6	1/1
Participation quota (average)		98%	100%	100%	100%	97%	100%

- 1 Member until 28 April 2021.
- 2 Member until 30 June 2021.
- 3 Member from 1 July 2021.
- 4 Member from 28 April 2021.
- 5 Member until 31 January 2022.