



Munich Re Group

Analysts' and Investors' Call 2023

23 February 2023

Please note: Presentation based on 2022 preliminary figures



Analysts' and Investors' Call 2023

Agenda

01

Munich Re

02

Group finance and risk

03

Additional information



tampatra - stock.adobe.com

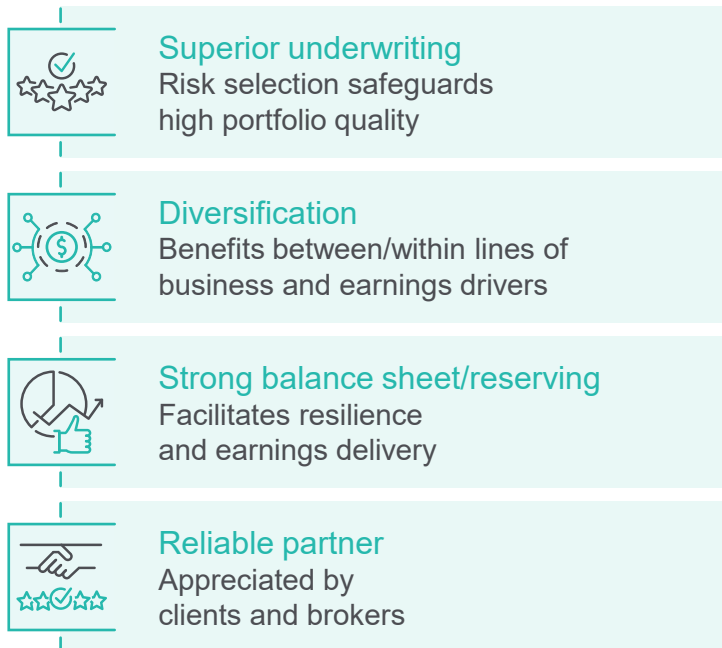
01

Munich Re

Munich Re delivers in 2022

Strong performance despite macroeconomic turbulences and high major industry losses

Munich Re's strong credentials ...



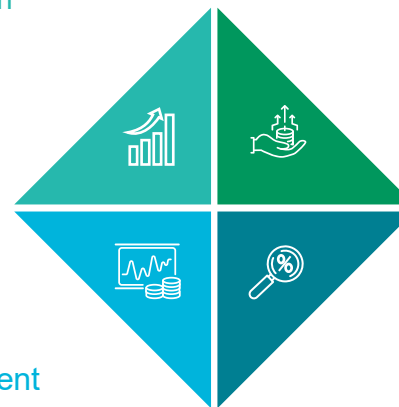
... built the basis for delivering in 2022

Financial performance

Guidance exceeded, with
a net income of **€3.4bn**

Capital repatriation

Attractive pay-out to shareholders –
DPS lifted to **€11.6¹**;
€1bn share buy-back



Economic environment

Proven active inflation
management and prudent re-
serving protect capital and earnings

Major losses

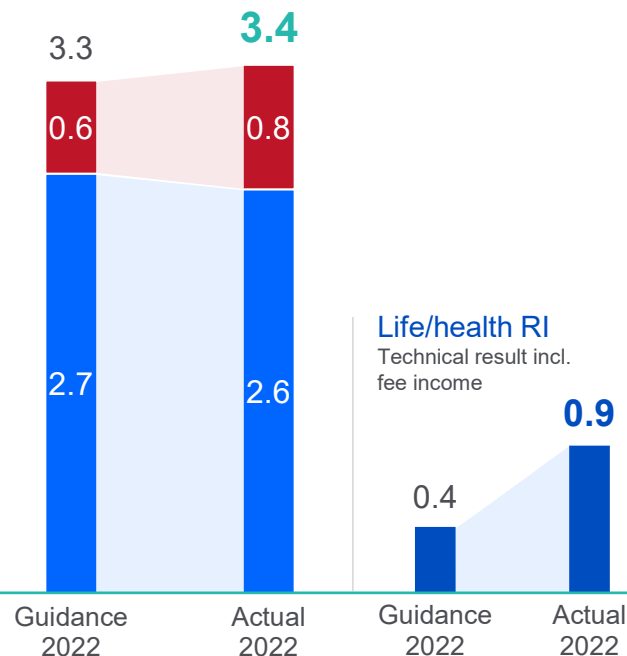
Earnings resilience
despite elevated industry
nat cat losses

Diversification of business and earnings drivers pays off



Consolidated result 2022

€bn



Pleasing technical profitability offsetting lower investment result

ERGO

- Strong underlying performance and benefit from higher interest rates ...
- ... compensating for slightly lower result in reinsurance

Reinsurance

- Life/health segment with very strong technical performance
- P-C business absorbing high industry losses and inflation spike

Shareholders participate in strong 2022 results, underlining trajectory to deliver on Ambition 2025 targets



AMBITION 2025 (IFRS 4)

Achievements in 2022

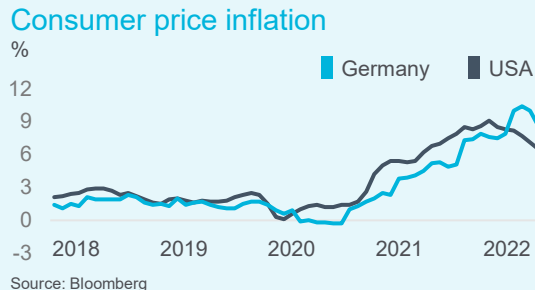
| | | | | |
|----------|--|--------------------|---|--|
| 12–14% | RoE  | 13.5% | ✓ | Profitability well above cost of capital – both in reinsurance and at ERGO |
| ≥5% | EPS growth ¹  | +11.2% | ✓ | Ongoing profitable business expansion – leveraging favourable market environment |
| ≥5% | DPS growth ¹  | +5.5% ² | ✓ | Shareholders participate in strong earnings growth |
| 175–220% | Solvency II ratio  | 260% ³ | ✓ | Sound capitalisation supports Ambition 2025 capital management strategy |

¹ CAGR – compound annual growth rate 2020–25 (EPS 2020 normalised). ² Subject to the approval of the Annual General Meeting.
³ Proposed dividend already deducted. Considering share buy-back the Solvency II ratio stands at ~ 254%.

Insurance industry facing high level of inflation and nat cat losses in 2022 – Munich Re managing volatility to deliver

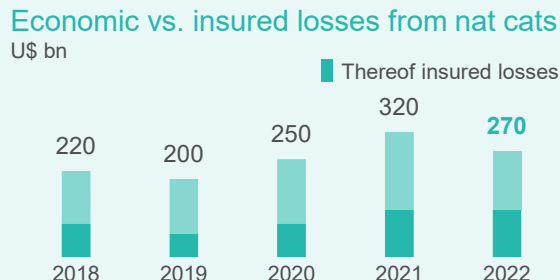


1 Inflation persisted at multi-decade high



- 1.1 Prudently reflecting impact on underwriting and reserving¹ – prolongs hardening market
- 1.2 Higher (nominal) reinvestment yields

2 Another year with high nat cat losses

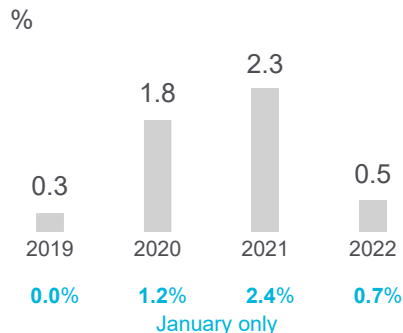


- 2.1 State-of-the-art risk models and exposure/cycle management safeguard profitability. Protection gap and increasing risk awareness expected to drive demand
- 2.2 Dampening IFRS P&L volatility through portfolio diversification

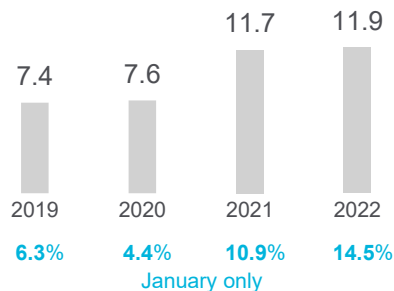


Price
change

Renewals 2019–2022



Volume
change



January renewals 2023¹

+2.3%

Optimistic about
April and July renewals

+1.3%

Well positioned for
further business growth

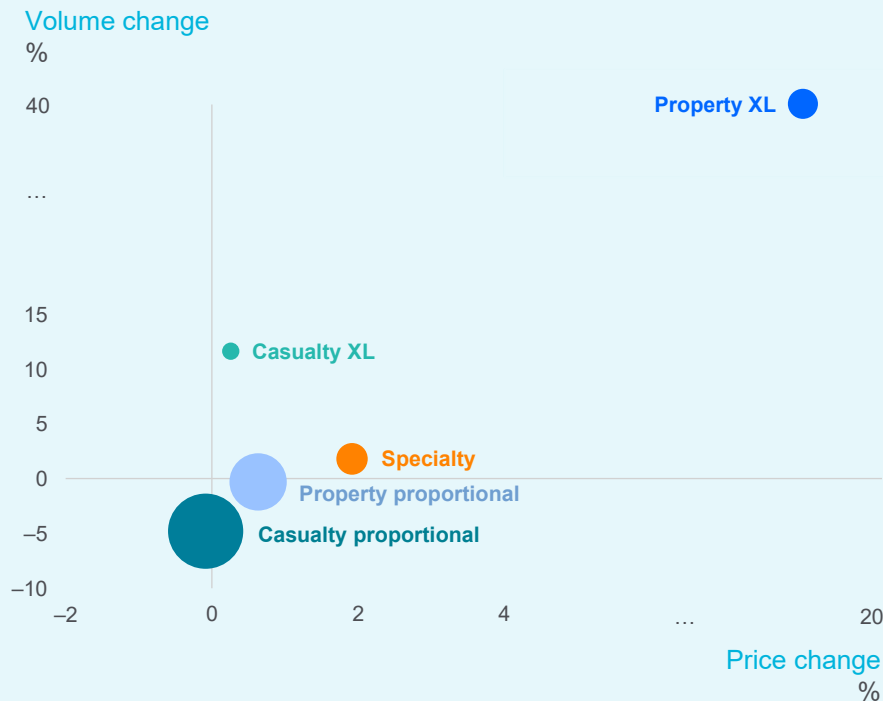
Higher risk-adjusted pricing

- Individual price changes by line of business at a stable portfolio composition amount to 1.3% – additional price increase of almost 1% due to changed portfolio mix with a higher share of property XL business
- Conservative inflation and other loss-trend assumptions (e.g. nat cat modelling) fully reflected in risk-adjusted price change

Improved portfolio quality

- Material improvement in terms and conditions (e.g. hours clauses, exclusions and clearer coverage definitions) in addition to higher attachment points and distinct pricing of covered perils, making portfolio more robust though not fully captured in numbers
- Market discipline allowed typical soft market features to be eliminated and many reinsurance programmes to be restructured favourably

Strong capacity supports risk-return optimisation



Bubble size reflects relative volume up for renewal.

Property XL – Nat cat provides highly attractive margins

- Munich Re continues to have capacity within its overall risk appetite for cat business in a healthy pricing environment
- Strong growth with a material price improvement only partially reflected in +2.3% overall price change as property XL only represents about 10% of the renewed portfolio in January

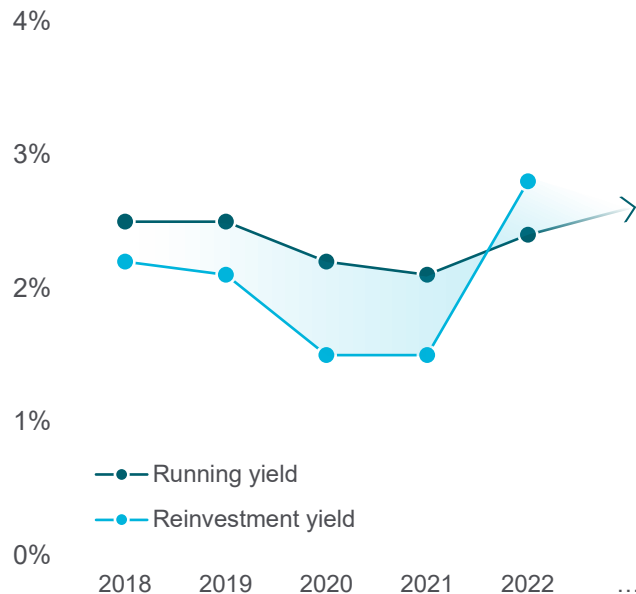
Other lines of business – Higher inflation fully compensated

- Substantial nominal price increases protect margins of new business
- Reduction of proportional casualty business mainly in the US – growth in XL programmes mainly based on significant rate increases
- Implementing targeted exposure and risk-mitigating measures to improve portfolio quality

Higher interest rates improving quality of investment result with higher contribution of sustainable income

Fixed-income portfolio

Reinvestment yield exceeds running yield



Impact of rising interest rates



Induce manageable short-term headwind for the investment return



Munich Re's investment managers have leeway for portfolio reallocations, leading to temporarily unavoidable and deliberately accepted disposal losses, ...

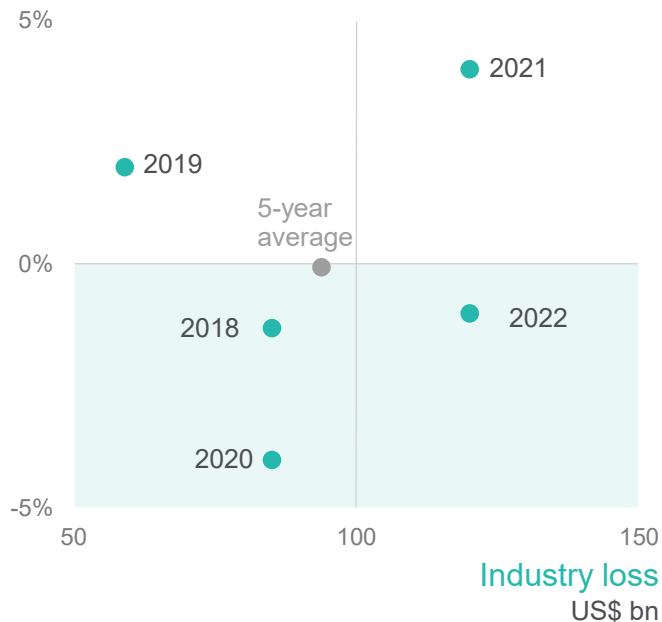


... while accelerating the trajectory of an increasing running yield by reinvestments at higher yields

Economically beneficial as the Solvency II ratio improved substantially

Nat cat one of the most profitable lines of business despite high industry losses in recent years

Munich Re nat cat ratio vs. budget¹



State-of-the art risk models

- Nat cat risks well captured in risk models – 5-year loss average meets expectations
- Increasing industry loss trend manageable – in 2022 nat cat ratio is even below budget despite Hurricane Ian



Exposure and cycle management

- Superior risk selection safeguards high portfolio quality
- Smart growth in line with strong risk-bearing capacity



Business opportunities

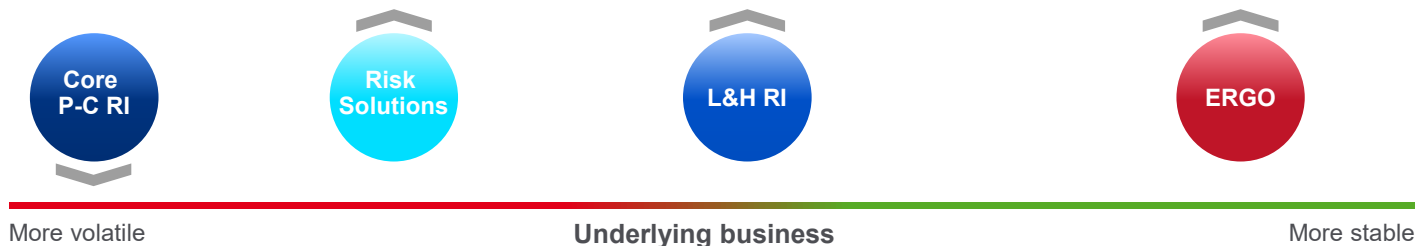
- Munich Re well positioned as tier 1 reinsurer to benefit from long-term growth prospects, ...
- ... deriving from protection gap and increasing risk awareness

¹ Expected major nat cat losses in % of net earned premiums: 2018 – 2021: 8.0%, 2022: 8.5%.

Promising earnings trend beyond core P-C RI facilitates increasing diversification of earnings profile

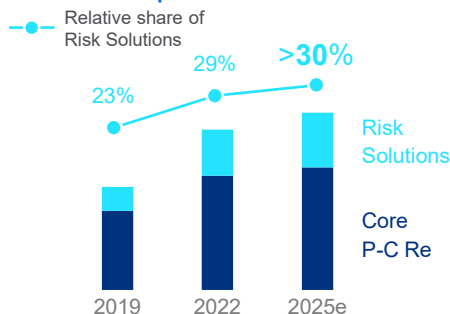
Relative earnings contribution over the cycle

Development of earnings contribution relative to Munich Re's Group result. High relative earnings contribution of core P-C RI will reduce over time.



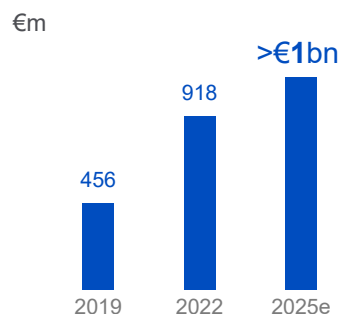
Risk Solutions, L&H reinsurance and ERGO expected to deliver higher earnings contribution to Munich Re Group's result by 2025

P-C RI: Top line¹



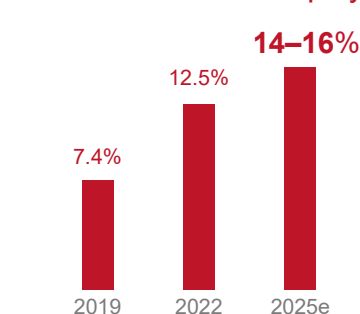
Growth of Risk Solutions expected to outgrow core P-C RI across the cycle

L&H RI: Total technical result²



Strong earnings trajectory beyond expectations of Ambition 2025

ERGO: Return on equity³



Well on track to continuously increase earnings contribution

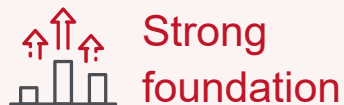
¹ Based on gross premiums written. From 2023, Risk Solutions reorganised to Global Specialty Insurance; F&C business no longer included.

² Expectation for 2025 based on IFRS 17 total technical result. ³ ROE for 2025 based on IFRS 17.

Risk Solutions will be further strengthened by bundling responsibility under Global Specialty Insurance (GSI)



ERGO delivered in 2022 – sustainably contributing to Munich Re's earnings diversification



**Strong
foundation**

Successful completion
of ERGO Strategy
Programme



Achievements in 2022

- Strong premium growth across all segments and regions
- Superior underwriting results, especially in Germany
- Continued focus on cost discipline
- Ongoing digital transformation with significant investments in AI, robotics, voice and virtual-reality technologies



Ambition 2025

- Above-market growth in all major markets
- Leading digitalisation technologies to enhance customer experience and process efficiency
- Completion of migration in German life back book and sales systems
- Further increase of net results to achieve leading RoE figures based on German and international businesses

Munich Re Group approach to decarbonisation

Lead by climate action – leveraging role as investor, underwriter and audible public voice



Delivery on climate ambition through emission reductions

Achievements in 2022

Decarbonisation achievements 2022 vs. 2019



Assets²

GHG emissions¹

| | |
|--------------|------|
| Total | –46% |
| Thermal coal | –48% |
| Oil and gas | –29% |

- Green bond investments: **€2.3bn**
- Forestry investments⁴: **€1.5bn**
- Certified real estate: **€2.6bn**
- Renewable energies: **€2.4bn**



Liabilities³

| | |
|------------------------|------|
| Coal-fired powerplants | –29% |
| Thermal coal mining | –37% |
| Oil and gas | –40% |

- Reduction achieved by active portfolio management supported by our clients' transformation
- Oil and gas influenced by external factors, including sanctions as well as internal implementation of decarbonisation measures



Own emissions

| | |
|--------------------|------|
| Total per employee | –22% |
|--------------------|------|

Targets

- 2025: –12% emissions per employee
- 2030: Net-zero own emissions

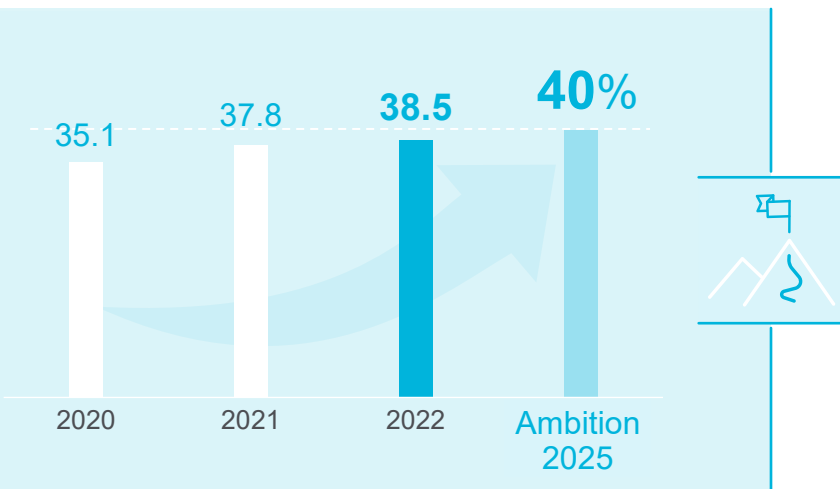
¹ Reduction compared to base year 2019, measured in CO₂e. ² Assets based on sub-portfolio of listed shares, corporate bonds and directly-held real estate. If we were to use the nominal value instead of the market value for debt instruments, this would result in a reduction of 38% (instead of 46%). ³ "Tonnes of thermal coal" and "installed operational capacity in MW" of insureds used as proxy for coal emissions; liabilities comprise primary insurance, direct and facultative business; oil and gas comprises operational property business for exploration and production with self-calculated scope 1–3 GHG emissions linked to the insurance policy. ⁴ Certified forestry management.


Gender ambition 2025

Approaching the targeted 40% women in leadership roles

Share of women at management level


Achievements in 2022






Growth

Munich Re Group increased representation from 37.8% in 2021 to 38.5% in 2022



Talent

Representation of women in talent programmes has increased from 40.3% in 2021 to 46.1% in 2022



Collaboration

Increased alignment and collaboration across the Group has helped strengthen our processes

Further expansion of diversity, equity and inclusion engagement for the Group concerning additional dimensions of diversity will take place

Ambition 2025 – Well on track to achieve targets

Seizing growth options with a strong balance sheet



AMBITION 2025

(IFRS 9/17)



RoE

14–16%



EPS growth¹

≥5%



DPS growth²

≥5%



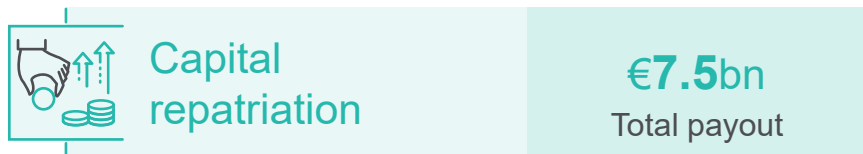
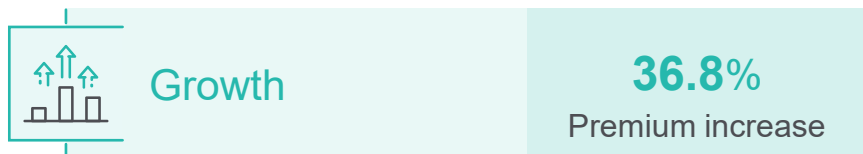
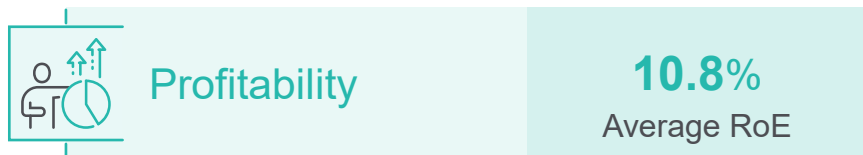
Solvency II ratio

175–220%

Our commitment to success

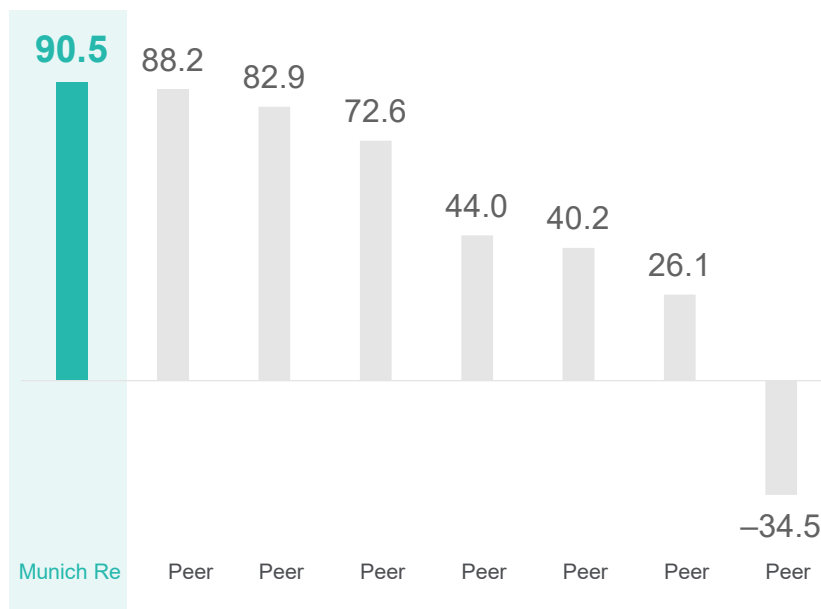
Leading total shareholder return (TSR)

1.1.2019 – 31.12.2022



TSR 1.1.2019 – 31.12.2022¹

%



Outlook 2023 confirmed¹

Group

Insurance revenue (gross)
~ **€58bn**

Net result
~ **€4.0bn**

Return on investment
> **2.2%**

ERGO

Insurance revenue (gross)
~ **€19bn**

Net result
~ **€0.7bn**

Combined ratio
P-C Germany
~ **89%**

International
~ **90%**

Reinsurance

Insurance revenue (gross)
~ **€39bn**

Net result
~ **€3.3bn**

Combined ratio
Property-casualty
~ **86%**

Total technical result
Life and health
~ **€1.0bn**

¹ Unchanged guidance compared to Outlook 2023 provided at Investor Day (IFRS 17) on 15 December 2022.



02

Group finance and risk

Financial results 2022

Strong earnings and capitalisation, net income above guidance



IFRS net income

€3.4bn (€2.9bn)

- Substantial business growth and pleasing underlying profitability more than compensate for lower investment result (RoI: 2.1%)
- Reinsurance: strong technical performance in Life and Health, while property-casualty business proved resilient to inflation
- ERGO: strong net result of €826m, exceeding guidance



Solvency II ratio¹

260% (227%)

- Well above the upper end of target capitalisation
- Economic earnings² of ~ €2.6bn driven by good operating performance and negative market variances
- Decline in required capital reflects benefit from rising interest rates and balanced business growth



HGB result

€1.1bn (€4.1bn)

- Lower investment result due to higher interest rates, positive one-off last year related to equalisation provision
- Distributable earnings remain high, supporting Ambition 2025 capital management strategy

IFRS

Economic

Capital

Financial results Q4 2022

High net income exceeding ambitious guidance

Net income

€1,516m (€871m)



Technical result

€1,409m (€848m)



Investment result

€2,041m (€1,425m)



Reinsurance

€1,393m

P-C reinsurance

Strong underlying performance compensates for increased inflation, high investment result

L&H reinsurance

Very high result driven by strong technical performance and ongoing high fee income

P-C reinsurance

Combined ratio: **94.4%**

Major-loss ratio: **6.9%**

Reserve releases¹: **4.0%**

Normalised C/R: **100.2%**

L&H reinsurance

Technical result including fee income: **€366m** – favourable claims experience (incl. COVID-19) and positive impact from interest rates

Return on investment **3.6%**

▪ **Reinsurance: Rol 5.8%**

Supported by disposal gains from public and private equity investments, disposal losses in fixed income

▪ **ERGO: Rol 1.9%**

Losses on equity derivatives partially offset by disposal gains on equities

▪ **Group: reinvestment yield**

Substantially increased to **3.9%**

ERGO

€124m

Good operating performance in P-C Germany and Life & Health Germany benefits from sound technical result; higher claims in International

P-C Germany

Combined ratio: **91.4%**

International

Combined ratio: **96.1%**

Investment result

Resilient performance given volatile capital markets



- **Regular income**
Increase mainly driven by higher interest rates
- **Write-downs**
Challenging capital market environment
- **Disposal gains/losses**
Gains from equity investments partially offset by losses on fixed income to accelerate trajectory of increasing regular income
- **Derivatives**
Uneconomic losses related to asset-liability management

ERGO – IFRS key financials 2022

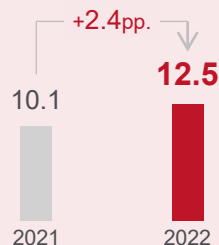
Significantly higher result and strong premium growth across all segments

ERGO

GWP **€19.1bn**
(€18.2bn)

Net result **€826m**
(€605m)

Return on equity
%



L&H Germany

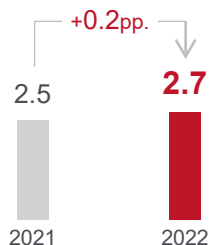
€9.7bn (€9.2bn)

Significant growth driven by travel and Life New Book

€485m (€164m)

Good operating development; higher currency result and one-off effect of ~€200m in life

Return on investment
%



P-C Germany

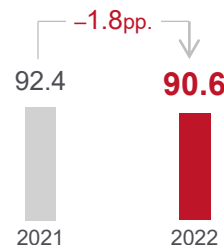
€4.2bn (€3.9bn)

Substantial premium growth driven by almost all lines of business; above expected market growth

€185m (€234m)

Strong technical result; lower investment and currency results

Combined ratio
%



International

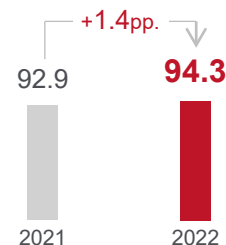
€5.2bn (€5.1bn)

Continued premium growth despite divestments

€155m (€207m)

Exceptionally good result in Health – P-C business in Poland and legal-protection insurance in the Netherlands below prior year; positive one-offs in prior year

Combined ratio
%



Reinsurance – IFRS key financials 2022

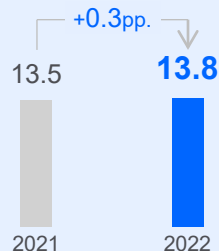
Strong profitable growth in P-C, exceptionally good result in L&H

Reinsurance

GWP **€48.1bn**
(€41.4bn)

Net result **€2,593m**
(€2,328m)

Return on equity



P-C reinsurance

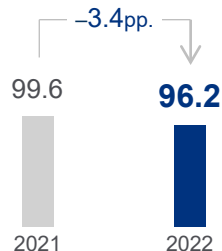
€34.4bn (€28.8bn)

Strong organic growth in almost all lines of business, taking advantage of hardening markets and new business opportunities

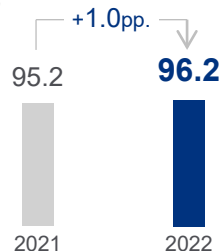
€1,856m (€2,003m)

Major losses slightly better than expected, while inflation-related cautious loss picks visible in higher normalised C/R

Combined ratio
%



Normalised C/R
%



L&H reinsurance

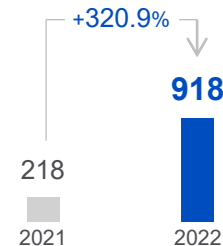
€13.7bn (€12.6bn)

Growth mainly in the US and Asia; positive currency effects

€737m (€325m)

Very strong performance – COVID-19 losses (–€344m) offset by impact from higher interest rates (€119m) and favourable claims experience beyond COVID-19

Technical result incl. fee income
€m

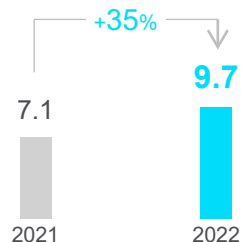


Risk Solutions – ongoing strong organic growth

Combined ratio impacted by large losses and inflation, good underlying performance

Gross premiums written

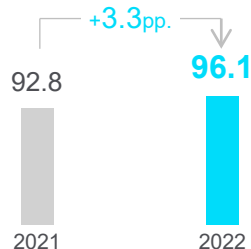
€bn



- Strong organic growth across all units, taking advantage of profitable business opportunities in a hardening market
- MR Specialty Insurance: on track with growth strategy in all their segments
- Hartford Steam Boiler: very profitable growth across lines of business
- Munich Re Syndicate: strong market conditions, ongoing diversification in specialty lines, supporting the sustainably strong growth path

Combined ratio

%



- Profitability impacted by elevated natural catastrophe losses (esp. Hurricane Ian), as well as man-made losses (specialty lines) and cautious reserving for inflation
- MR Specialty Insurance affected by nat cat and inflation – underlying business on track
- Hartford Steam Boiler: commercial book and cyber continue to drive very pleasing and strongly growing performance
- Munich Re Syndicate: another excellent financial year supported by growth and diversification of the book

Prudent reserving protects balance sheet against unexpected developments

Managing industry hot spots

Economic inflation

Significant increase of CPI and construction costs to multi-decade high; high uncertainty regarding future inflation developments and its impact on reserves



US liability

High litigation and ongoing social inflation risks; potential of catch-up effects after court activity picking up to pre-pandemic levels



Major loss complex

New major losses with manifold exposures, high levels of uncertainty and complex coverage topics like COVID-19 and war in Ukraine implications



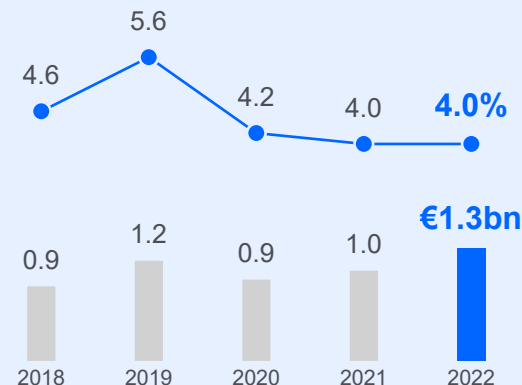
Munich Re measures

Thorough assessment of inflation impact and reallocation of reserves, maintaining conservative prudence level while benefitting from actions from the past

Losses in less mature years well below expectation and below level of previous years; due to immaturity of the loss development, very cautious reaction to provide additional resilience in case of future catch-up effects

Making use of our in-depth expertise across underwriting, claims and reserving to assess various exposure scenarios resulting in a prudent approach

Ongoing reserve releases¹



Significant reserve releases despite reaction to inflation surge – reserve prudence largely unchanged compared to previous year

Inflation surge well manageable, largely unchanged prudence

Inflation fully and consistently reflected in underwriting and reserving approach



Multidisciplinary approach for assessing inflation impact – alignment between pricing of new business and reserving of the back book

New business in 2022

Conservatively assessed based on most recent inflation assumptions in Q4

Prior-year reserving

Customary strong reserve position results in overall positive outcome of reserve review

January 2023 renewals

Current inflation environment fully captured in pricing

New business

Cautious loss picks in 2022 reflected in ~ 2%-pts. higher normalised combined ratio

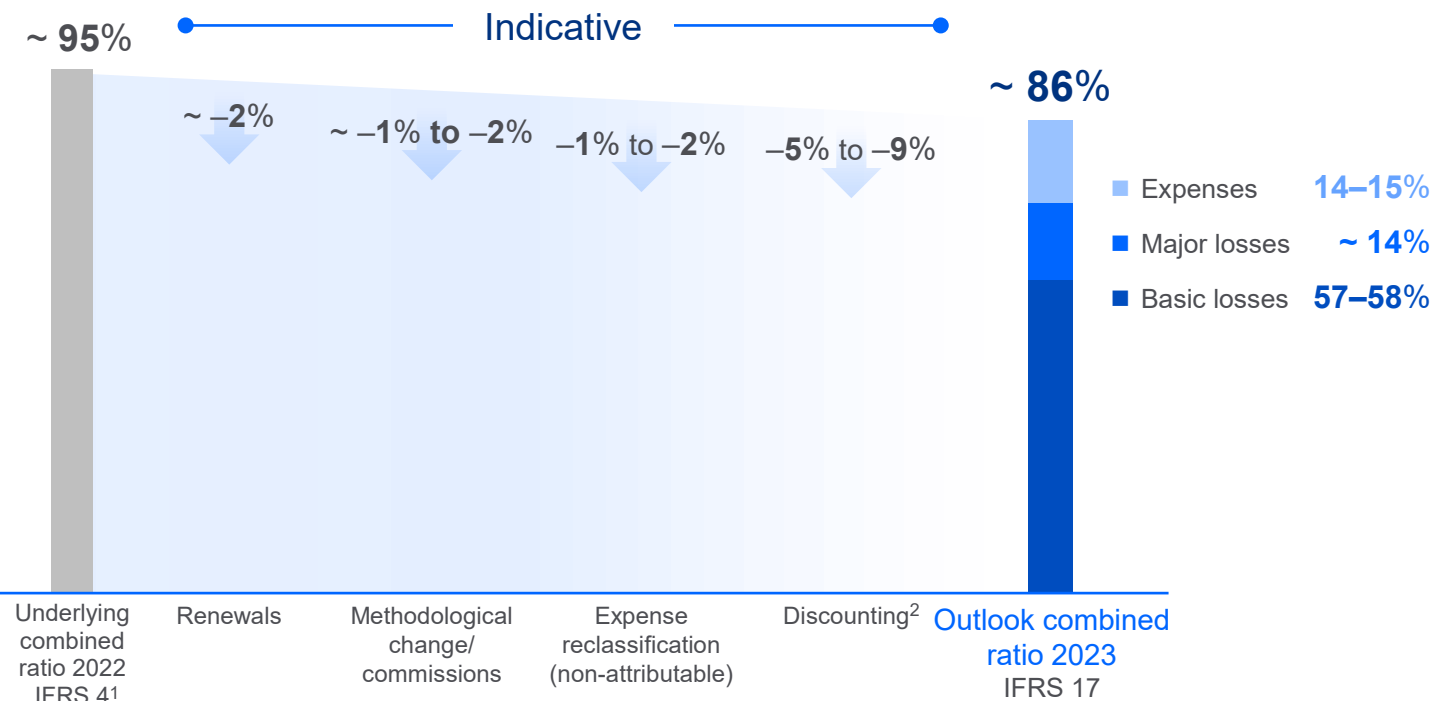
Prior years

Favourable run-off allows for 4%-pts. reserve release and partially covers inflation; reallocation of special “inflation scenario reserve”

Reserve review indicated €1.3bn additional inflation impact – of which ~ 50%/50% for UY 2022 and prior years

Prior-year inflation impact compensated for by overall favourable run-off and reallocation of a special “inflation scenario reserve” built in the past to individual actuarial segments

Reconciliation combined ratio 2023 from IFRS 4 to IFRS 17



Major loss expectation increases from ~ 13% to ~ 14%³ due to growth in property XL

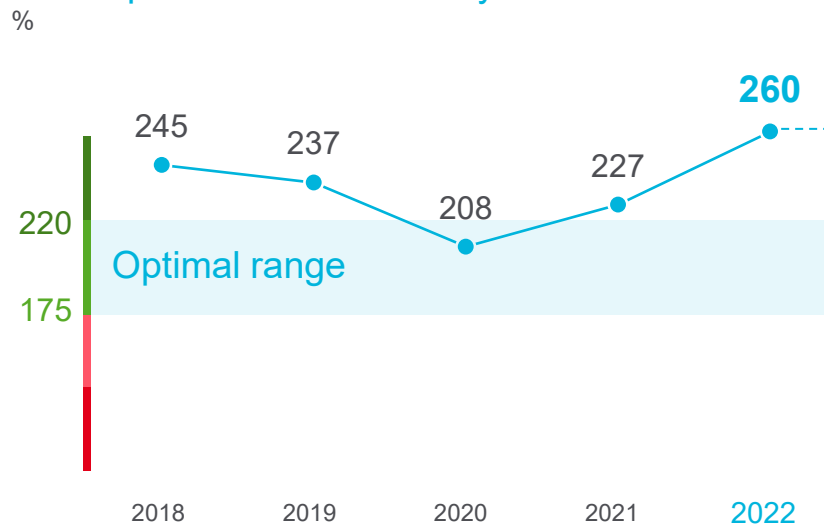
¹ Adjusted for additional inflation impact related to business written in 2022. ² Discounting impact reflects uncertainty around interest-rate developments.
³ Expected major losses of ~ 14% break down to nat cat ~ 10% and man-made ~ 4%.

Solvency II ratio

Strong capitalisation supports growth and attractive capital repatriation

Economic

Development of the Solvency II ratio¹



SII sensitivities



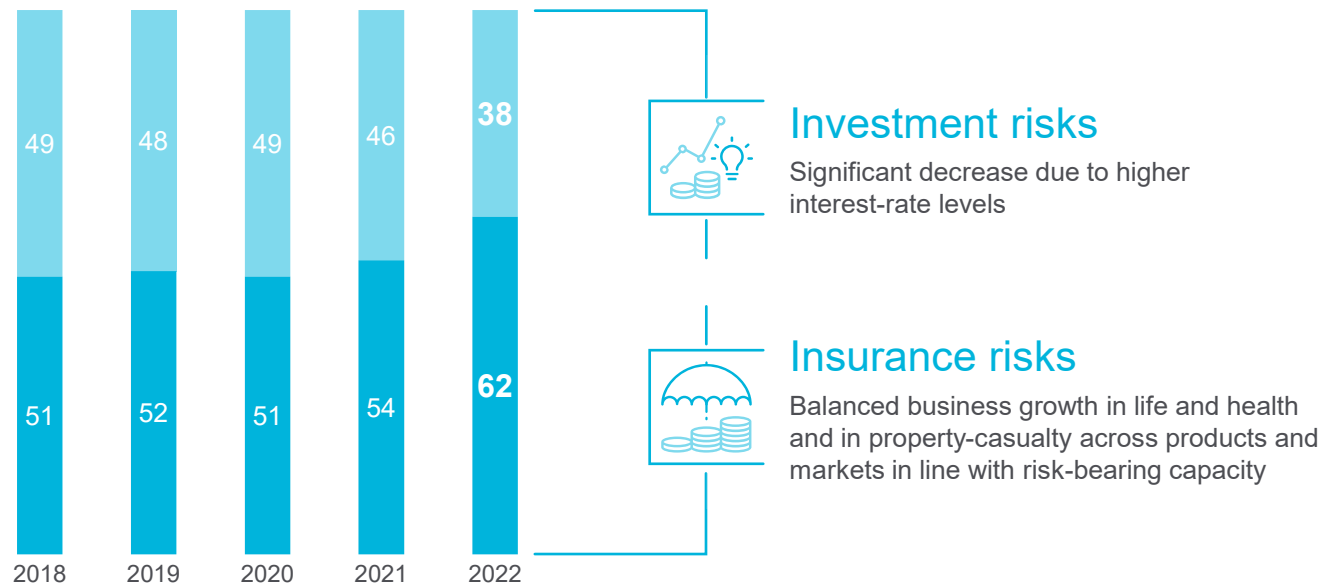
Developments 2022 vs. 2021

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|-----|------|------|------|------|---------|
| EOF | 36.0 | 41.5 | 39.9 | 46.6 | €46.0bn |
| SCR | 14.7 | 17.5 | 19.2 | 20.5 | €17.7bn |

- EOF decrease due to deduction of dividend. Negative market variances offset by strong operating and other earnings. Adjusted for share buy-back to be deducted in Q1 2023, the SII ratio stands at ~ 254%
- Strong SCR decrease mainly driven by sharp increase of interest rates. By far overcompensates effects from balanced growth

Continuously increasing share of insurance risks while keeping overall well-balanced risk profile

SCR composition of investment and insurance risks %



Stable diversification benefit between risk categories of **>30%**

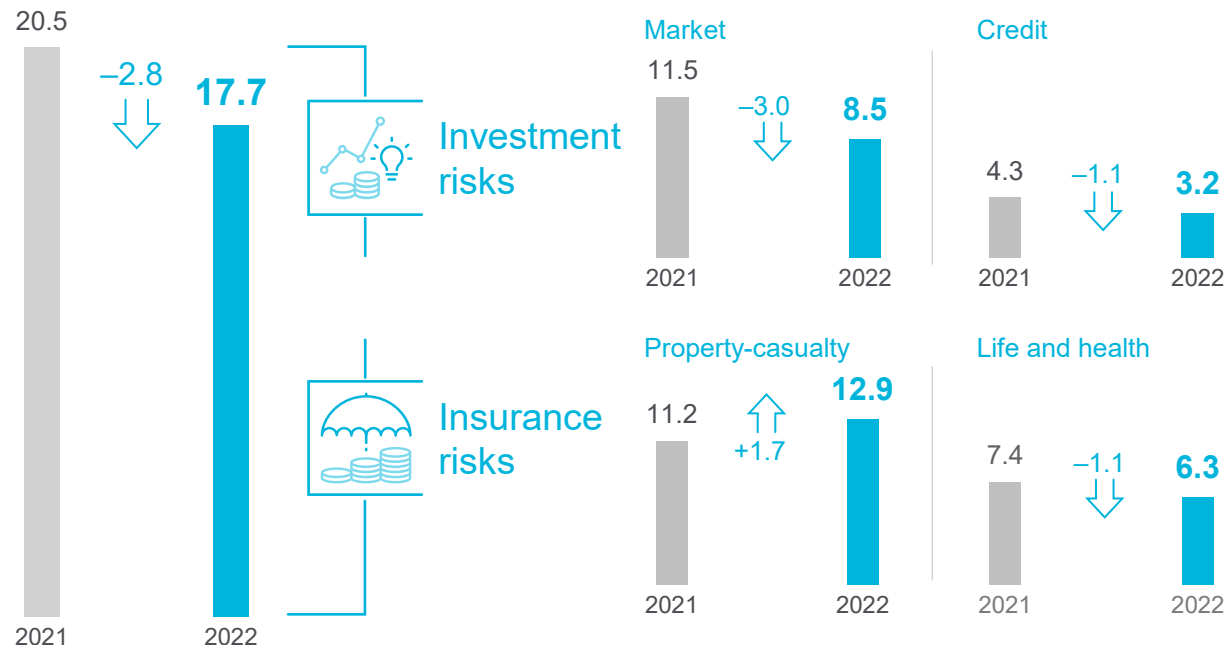
SCR development

Decrease due to sharp increase in interest rates; balanced business growth

Economic 

Total SCR (incl. diversification)

€bn



SCR decrease in investment risks mainly driven by higher interest rates that result in

- ability to earn interest-rate guarantees at ERGO life business more easily
- lower exposure in fixed-income assets

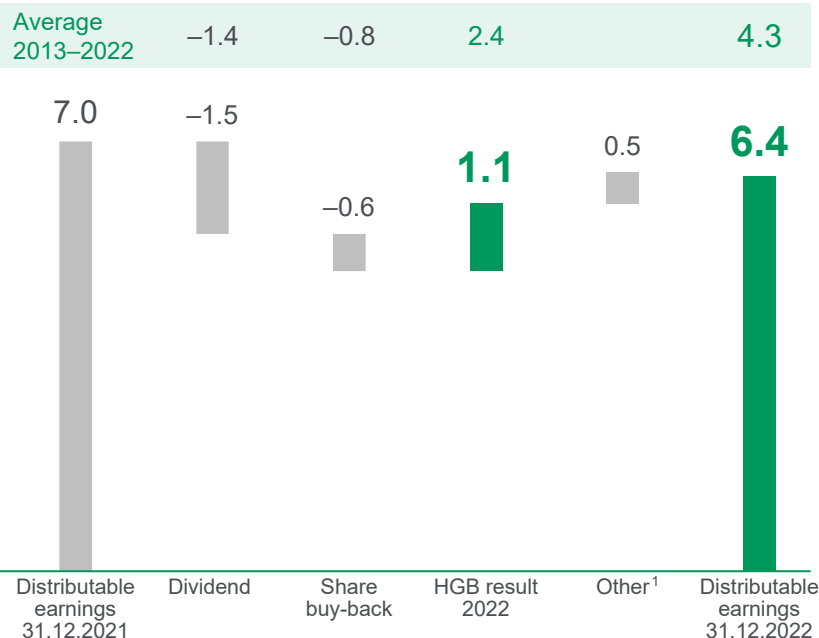
- Property-casualty: SCR increase mainly driven by well-balanced business growth in nat cat across all perils and regions and stronger USD

- Life and health: SCR decrease due to higher interest rates, overcompensating further business growth

German GAAP (HGB) result 2022

High distributable earnings support Ambition 2025 capital management strategy

€bn



HGB result 2021 **€4.1bn**

Underwriting result -1.0

Investment result -3.2

Other +1.2

HGB result 2022 **€1.1bn**

- Higher underwriting result adjusted for positive one-off in 2021 (equalisation provision)
- Lower investment result due to increase in interest rates
- Lower tax expenditures in line with lower HGB earnings

1 Changes in restrictions on distribution.



imaginima / Getty Images

03

Additional information

Segment income statement Q4 2022

| €m | Reinsurance L/H ¹ | Reinsurance P-C | ERGO L/H Germany | ERGO P-C Germany | ERGO International | Total Q4 2022 |
|---|---------------------------------|--------------------|---------------------|---------------------|-----------------------|------------------|
| Gross premiums written | 3,548 | 8,168 | 2,400 | 813 | 1,293 | 16,222 |
| Net earned premiums | 3,174 | 8,931 | 2,437 | 1,045 | 1,247 | 16,834 |
| Income from technical interest | 191 | 257 | 498 | 10 | 134 | 1,089 |
| Net expenses for claims and benefits | -2,566 | -5,529 | -2,236 | -622 | -954 | -11,907 |
| Net operating expenses | -532 | -2,908 | -447 | -339 | -382 | -4,607 |
| Technical result | 267 | 751 | 252 | 94 | 45 | 1,409 |
| Investment result | 320 | 1,112 | 478 | 39 | 93 | 2,041 |
| Insurance-related investment result | 43 | 18 | 148 | 0 | 89 | 298 |
| Other operating result | 43 | -135 | -92 | -33 | -58 | -274 |
| Deduction of income from technical interest | -191 | -257 | -498 | -10 | -134 | -1,089 |
| Non-technical result | 215 | 738 | 35 | -4 | -10 | 976 |
| Operating result | 482 | 1,489 | 287 | 91 | 36 | 2,385 |
| Other non-operating result | -9 | -14 | -32 | -2 | 4 | -52 |
| Currency result | -97 | -262 | -274 | -30 | -9 | -672 |
| Net finance costs | -5 | -29 | 7 | -4 | -11 | -42 |
| Taxes on income | -126 | -37 | 49 | 6 | 4 | -104 |
| Consolidated result | 245 | 1,148 | 38 | 62 | 24 | 1,516 |
| Tax rate | 33.9% | 3.1% | 431.8% | -11.1% | -20.9% | 6.4% |

1 Technical result, incl. fee income: €366m.

Segment income statement 2022

| €m | Reinsurance L/H ¹ | Reinsurance P-C | ERGO L/H Germany | ERGO P-C Germany | ERGO International | Total 2022 |
|---|---------------------------------|--------------------|---------------------|---------------------|-----------------------|---------------|
| Gross premiums written | 13,676 | 34,399 | 9,703 | 4,198 | 5,157 | 67,133 |
| Net earned premiums | 12,434 | 32,530 | 9,642 | 3,996 | 4,860 | 63,462 |
| Income from technical interest | 706 | 1,004 | 1,893 | 42 | -211 | 3,435 |
| Net expenses for claims and benefits | -10,534 | -21,665 | -9,379 | -2,433 | -2,946 | -46,957 |
| Net operating expenses | -2,011 | -9,658 | -1,627 | -1,210 | -1,401 | -15,907 |
| Technical result | 595 | 2,211 | 530 | 394 | 301 | 4,032 |
| Investment result | 719 | 801 | 3,037 | 109 | 237 | 4,903 |
| Insurance-related investment result | 145 | 130 | -880 | 0 | -390 | -994 |
| Other operating result | 116 | -434 | -322 | -156 | -128 | -924 |
| Deduction of income from technical interest | -706 | -1,004 | -1,893 | -42 | 211 | -3,435 |
| Non-technical result | 274 | -507 | -59 | -89 | -70 | -450 |
| Operating result | 869 | 1,704 | 471 | 306 | 231 | 3,582 |
| Other non-operating result | -14 | -20 | -44 | -9 | 6 | -81 |
| Currency result | 79 | 362 | 257 | -17 | -4 | 676 |
| Net finance costs | -26 | -127 | 16 | -7 | -35 | -179 |
| Taxes on income | -171 | -64 | -214 | -87 | -43 | -580 |
| Consolidated result | 737 | 1,856 | 485 | 185 | 155 | 3,419 |
| Tax rate | 18.8% | 3.3% | 30.6% | 32.0% | 21.7% | 14.5% |

1 Technical result, incl. fee income: €918m.

Actual vs. analysts' consensus Q4 2022

Operating result – Actual vs. analysts' consensus¹

| €m | Q4 2022 | Consensus | Delta |
|--------------------------------|---------|-----------|-------|
| Property-casualty reinsurance | 1,489 | 1,414 | 75 |
| Life and health reinsurance | 482 | 317 | 165 |
| ERGO Life and Health Germany | 287 | 46 | 241 |
| ERGO Property-casualty Germany | 91 | 93 | –2 |
| ERGO International | 36 | 58 | –22 |
| Operating result | 2,385 | 1,929 | 456 |

| | | | |
|---------------------|-------|-------|-----|
| FX | –672 | | |
| Other | –94 | | |
| Taxes | –104 | | |
| Consolidated result | 1,516 | 1,399 | 117 |

KPIs – Actual vs. analysts' consensus¹

| % | Q4 2022 | Consensus | Impact ² |
|---|---------|-----------|---------------------|
| Combined ratio | 94.4 | 92.4 | –176 |
| Tech. result, incl. fee income | €366m | €256m | €110m |
| Policyholder participation in FX result | | | |
| Combined ratio | 91.4 | 92.3 | 9 |
| Combined ratio | 96.1 | 94.5 | –15 |

Segment ROI

| % | Q4 2022 |
|--------------------------------|---------|
| Property-casualty reinsurance | 6.2 |
| Life and health reinsurance | 4.7 |
| ERGO Life and Health Germany | 1.9 |
| ERGO Property-casualty Germany | 2.1 |
| ERGO International | 2.1 |

1 Simple average of estimates the Munich Re Investor Relations team has gathered from analysts covering Munich Re, not taking into account any external data providers. 2 For combined ratios: delta between actual and consensus times net earned premiums.

Capital position

Equity

€m

| | | | |
|-------------------------|---------------|--|--------------|
| Equity 31.12.2021 | 30,945 | | Change in Q4 |
| Consolidated result | 3,419 | | 1,516 |
| Changes | | | |
| Dividend | –1,541 | | 0 |
| Unrealised gains/losses | –12,423 | | –68 |
| Exchange rates | 882 | | –1,226 |
| Share buy-backs | –605 | | –289 |
| Other | 524 | | –148 |
| Equity 31.12.2022 | 21,202 | | –215 |

Unrealised gains/losses

Fixed-interest securities

2022: **–€11,152m** Q4: **€478m**

Non-fixed-interest securities

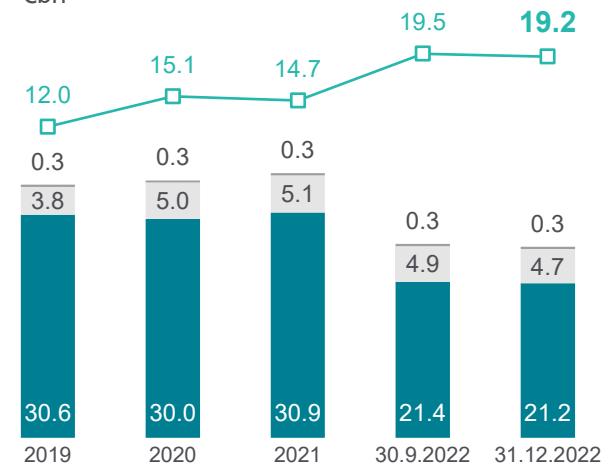
2022: **–€1,231m** Q4: **–€518m**

Exchange rates

Mainly driven by USD

Capitalisation

€bn



— Debt leverage¹ (%)

■ Bonds issued

■ Subordinated debt

■ Equity

1 Strategic debt (bonds issued and subordinated debt) divided by total capital (strategic debt + equity).

Premium development

Gross premiums written

€m

2021 59,567

Foreign exchange 3,241

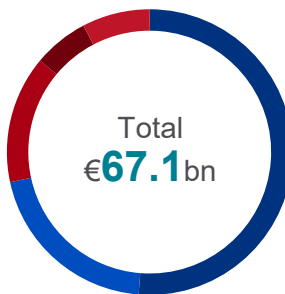
Divestments/
investments -122

Organic change 4,447

2022 67,133

Segmental breakdown

€bn

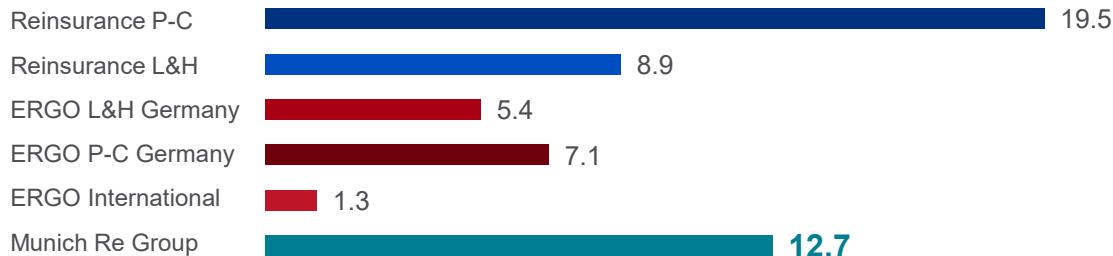


- Reinsurance Property-casualty
- Reinsurance Life and Health
- ERGO Life and Health Germany
- ERGO Property-casualty Germany
- ERGO International

| GWP | Share |
|-------------|------------|
| 34.4 | 51% |
| 13.7 | 20% |
| 9.7 | 14% |
| 4.2 | 6% |
| 5.2 | 8% |

Gross premiums written change vs. 2021

%



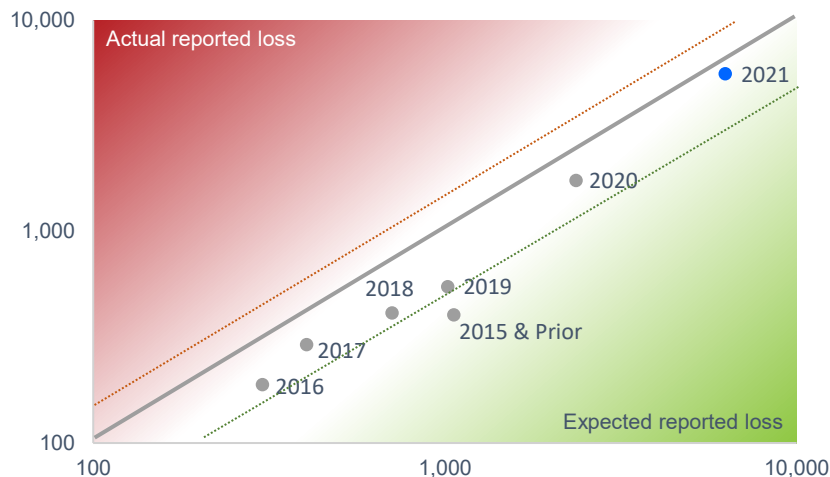
Very strong reserve position

Actual basic losses continue to be consistently below actuarial expectations

Reinsurance group – Comparison of incremental expected losses with actual reported losses¹

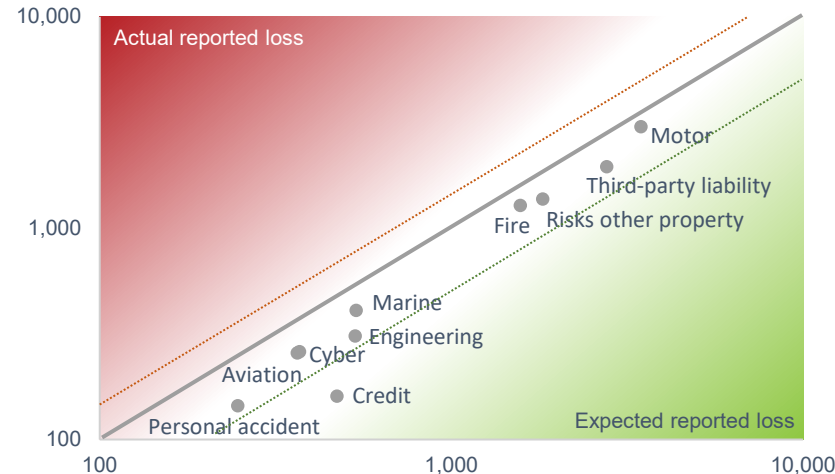
€m

By exposure year



Actuals below expectation for all exposure years – overall picture consistent with previous years

By line of business



All actuals are below expectations in a line-of-business view, too

Legend: **Green** actuals below expectation **Red** actuals above expectation **Solid line** actuals equal expectation **Dotted line** actuals 50% above/below expectations

Once again high positive run-off result, despite impact of elevated economic inflation

Ultimate losses¹ – Favourable actual vs. expected comparison facilitates ultimate reductions for prior years

€m

| | Accident year (AY) | | | | | | | | | | | | Total |
|----------------------------|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|
| | ≤ 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | | |
| 31.12.2012 | 58,512 | | | | | | | | | | | | |
| 31.12.2013 | 57,594 | 14,433 | | | | | | | | | | | |
| 31.12.2014 | 56,085 | 14,678 | 14,303 | | | | | | | | | | |
| 31.12.2015 | 54,612 | 14,636 | 14,358 | 13,617 | | | | | | | | | |
| 31.12.2016 | 53,528 | 14,332 | 14,341 | 13,667 | 14,504 | | | | | | | | |
| 31.12.2017 | 53,092 | 14,258 | 14,126 | 13,450 | 14,345 | 17,836 | | | | | | | |
| 31.12.2018 | 51,625 | 13,958 | 13,852 | 13,248 | 14,367 | 17,851 | 17,918 | | | | | | |
| 31.12.2019 | 49,953 | 13,807 | 13,667 | 13,096 | 14,184 | 17,726 | 18,715 | 18,859 | | | | | |
| 31.12.2020 | 48,893 | 13,427 | 13,447 | 12,984 | 13,831 | 17,642 | 19,083 | 19,400 | 22,213 | | | | |
| 31.12.2021 | 48,167 | 13,314 | 13,151 | 12,829 | 13,715 | 17,354 | 18,987 | 19,529 | 22,536 | 24,246 | | | |
| 31.12.2022 | 47,384 | 13,189 | 13,014 | 12,694 | 13,661 | 17,001 | 18,634 | 19,346 | 21,972 | 24,427 | 27,690 | | |
| CY 2022 run-off change | 783 | 126 | 137 | 135 | 54 | 354 | 352 | 184 | 564 | –181 | – | 2,506 | |
| CY 2022 run-off change (%) | 1.7 | 1.0 | 1.1 | 1.1 | 0.4 | 2.1 | 1.9 | 0.9 | 2.6 | –0.7 | – | 1.1 | |

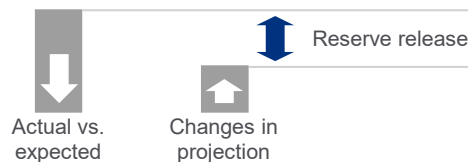
- Again, very favourable overall run-off for basic and major losses
- Positive run-off for major losses driven by reserve releases for almost fully developed major nat cat losses and for COVID-19
- Small remaining negative run-off for AY 2021 due to established prudent reserving approach (responding to individual adverse developments in recent years but not yet incorporating favourable performance to a large extent) as well as additional anticipated inflation impact
- Reserve position largely unchanged

Reinsurance² **€2,367m**
ERGO **€139m**

1 Basic and major losses; accident-year split partly based on approximations. Adjusted to exchange rates as at 31.12.2022.
2 Basic losses: €1,718m, major losses: €649m (reinsurance only)

Response to benign emergence of basic losses in line with considered judgement

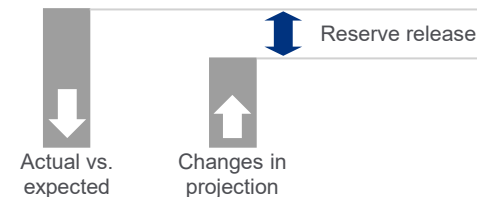
Property



Specialty¹



Casualty



Business rationale

Favourable loss development leads to releases

- Favourable indications across all lines
- Short-tail lines develop relatively quickly
- Releases spread across various property lines of business
- Loss level in line with prior years

Releases follow favourable indications

- Positive actual-versus-expected indications across all lines
- Reserve release primarily in marine and credit
- Cautious reaction to favourable indications in aviation and cyber

Despite favourable indications, only small release

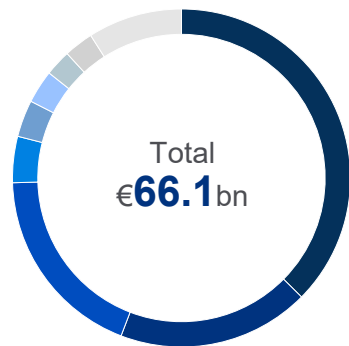
- Clearly favourable actual-versus-expected development across all lines
- Releases mainly in motor for contract years 2020 and prior, loss development in contract year 2021 already shows first signs of economic inflation
- Cautious reaction to favourable indications in third-party liability due to ongoing social inflation trends and anticipated impact of inflation

¹ Aviation, credit, cyber and marine.

Property-casualty provision for outstanding claims

By line of business

%

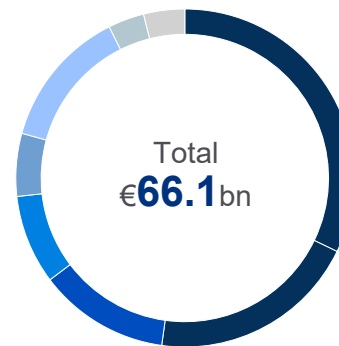


| | | |
|-----------------------|----|------|
| Third-party liability | 37 | (37) |
| Motor | 18 | (20) |
| Fire | 19 | (17) |
| Engineering | 4 | (5) |
| Personal accident | 4 | (4) |

| | | |
|----------|---|-----|
| Marine | 3 | (3) |
| Credit | 2 | (3) |
| Aviation | 3 | (2) |
| Other | 9 | (9) |

By maturity

%



| | | |
|-----------|----|------|
| 0-1 years | 32 | (33) |
| 1-2 years | 20 | (19) |
| 2-3 years | 13 | (12) |
| 3-4 years | 9 | (9) |
| 4-5 years | 6 | (6) |

| | | |
|-------------|----|------|
| 5-10 years | 13 | (13) |
| 10-15 years | 3 | (4) |
| >15 years | 4 | (4) |

Asbestos and environmental survival ratio

Munich Re



Net definitive as at 31 December 2022¹

€m

| | Asbestos | Environmental | A&E total |
|---------------------------------------|------------|---------------|--------------|
| Paid | 3,648 | 1,133 | 4,781 |
| Case reserves | 451 | 174 | 624 |
| IBNR | 501 | 165 | 667 |
| Total reserves | 952 | 339 | 1,291 |
| Three-year average annual paid losses | 53 | 27 | 79 |
| Survival ratio three-year average | 18.1 | 12.8 | 16.3 |

¹ Non-euro currencies converted at rate of exchange year-end 2022.

Investment result

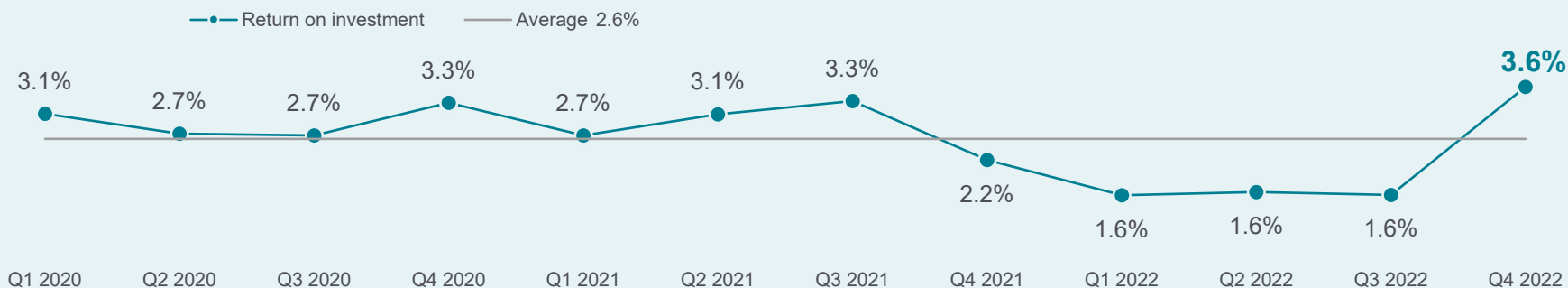
| €m | Q4 2022 | Return ¹ | 2022 | Return ¹ | 2021 | Return ¹ |
|--------------------------|--------------|---------------------|--------------|---------------------|--------------|---------------------|
| Regular income | 1,712 | 3.0% | 6,565 | 2.8% | 6,017 | 2.4% |
| Write-ups/write-downs | –211 | –0.4% | –3,155 | –1.3% | –505 | –0.2% |
| Disposal gains/losses | 1,528 | 2.7% | 3,962 | 1.7% | 3,182 | 1.3% |
| Derivatives ² | –748 | –1.3% | –1,629 | –0.7% | –774 | –0.3% |
| Other income/expenses | –239 | –0.4% | –839 | –0.4% | –764 | –0.3% |
| Investment result | 2,041 | 3.6% | 4,903 | 2.1% | 7,156 | 2.8% |
| Total return | | 2.5% | | –14.6% | | 0.1% |

| 3-month reinvestment yield | | | Write-ups/ write-downs | Disposal gains/losses | Derivatives | 2022 | Write-ups/ write-downs | Disposal gains/losses | Derivatives |
|-------------------------------|------|------------------------------------|---------------------------|--------------------------|-------------|------------------------------------|---------------------------|--------------------------|-------------|
| Q4 2022 | 3.9% | Fixed income | −45 | −250 | −105 | Fixed income | −890 | 593 | −1,388 |
| | | Equities | −132 | 1,391 | −695 | Equities | −1,836 | 2,863 | −354 |
| Q3 2022 | 3.0% | Commodities/inflation ³ | 0 | 0 | 157 | Commodities/inflation ³ | 0 | 55 | 64 |
| Q2 2022 | 2.8% | Other | −34 | 386 | −105 | Other | −429 | 450 | 49 |

Return on investment by asset class and segment

2022

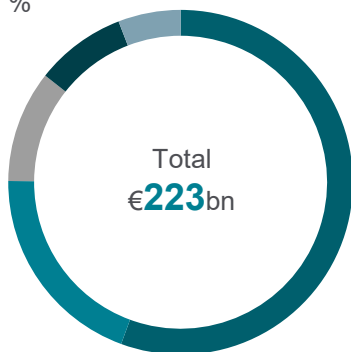
| % ¹ | Regular income | Write-ups/ -downs | Disposal result | Extraord. derivatives result | Other inc./exp. | Rol | Market value (€m) |
|----------------------|----------------|----------------------|-----------------|---------------------------------|-----------------|------------|-------------------|
| Afs fixed-income | 2.2 | -0.6 | -0.1 | 0.0 | 0.0 | 1.5 | 127,459 |
| Afs non-fixed-income | 5.0 | -8.3 | 13.0 | 0.0 | 0.0 | 9.6 | 22,020 |
| Derivatives | 3.2 | 0.0 | 0.0 | -77.8 | -2.7 | -77.4 | 2,093 |
| Loans | 3.0 | -0.3 | 1.3 | 0.0 | 0.0 | 4.0 | 49,938 |
| Real estate | 4.5 | -1.3 | 3.2 | 0.0 | 0.0 | 6.4 | 13,288 |
| Other ² | 2.5 | -1.1 | 0.4 | 0.0 | -3.5 | -1.7 | 22,416 |
| Total | 2.8 | -1.3 | 1.7 | -0.7 | -0.4 | 2.1 | 237,213 |
| Reinsurance | 2.7 | -1.2 | 1.4 | -1.0 | -0.4 | 1.5 | 100,527 |
| ERGO | 2.8 | -1.4 | 1.9 | -0.5 | -0.3 | 2.5 | 136,686 |



Investment portfolio

Investment portfolio

%



| | |
|--|-------------|
| Fixed-interest securities | 55.6 (54.3) |
| Loans | 19.5 (22.8) |
| Miscellaneous ² | 10.5 (9.1) |
| Shares, equity funds and participating interests | 8.5 (8.7) |
| Land and buildings | 5.9 (5.2) |

Fixed-interest securities¹ (%)

| | 31.12.2022 | 31.12.2021 |
|------------------------------|------------|------------|
| Governments/semi-governments | 63 | 65 |
| Pfandbriefe/Covered bonds | 8 | 9 |
| Cash/other | 1 | 0 |
| Corporates | 18 | 19 |
| Banks | 5 | 3 |
| Structured products | 5 | 4 |

Loans¹

| | | |
|---------------------------------------|----|----|
| Governments/semi-governments | 35 | 41 |
| Pfandbriefe/covered bonds | 37 | 37 |
| Loans to policyholders/mortgage loans | 18 | 15 |
| Corporates | 9 | 7 |
| Banks | 1 | 1 |

Miscellaneous

| | | |
|---------------------------------------|----|----|
| Deposits on reinsurance | 40 | 39 |
| Bank deposits | 12 | 14 |
| Investment funds (property and bonds) | 13 | 11 |
| Derivatives | 5 | 5 |
| Other | 30 | 31 |

¹ Approximation – not fully comparable with IFRS figures. Fair values as at 31.12.2022 (31.12.2021).

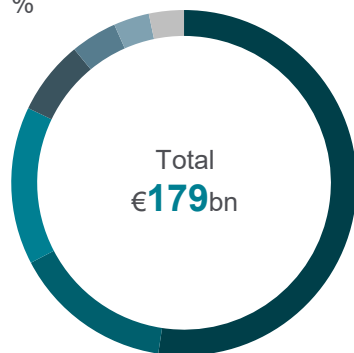
² Deposits retained on assumed reinsurance, deposits with banks, investment funds (excl. equities), derivatives and investments in renewable energies and gold.

Fixed-income portfolio

Total

Fixed-income portfolio

%

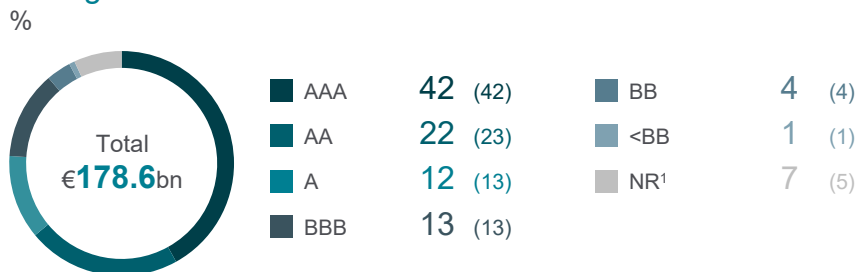


| | | | | | |
|--------------------------------|----|------|---|---|-----|
| ■ Governments/semi-governments | 52 | (55) | ■ Loans to policyholders/mortgage loans | 4 | (4) |
| ■ Corporates | 15 | (14) | ■ Structured products | 3 | (3) |
| ■ Pfandbriefe/covered bonds | 15 | (16) | ■ Bank bonds | 3 | (2) |
| ■ Cash/other | 7 | (6) | | | |

Fixed-income portfolio

Total

Rating structure



Maturity structure



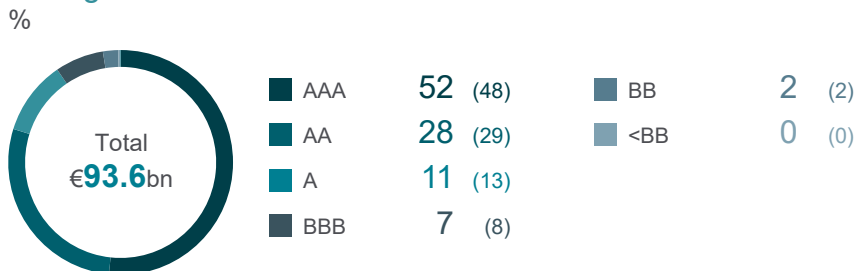
Regional breakdown

| % | Without policyholder participation | With | Total | |
|----------------|--|-------------|--------------|--------------|
| | | | 31.12.2022 | 31.12.2021 |
| Germany | 5.2 | 17.5 | 22.6 | 23.5 |
| US | 17.6 | 2.7 | 20.3 | 18.0 |
| France | 2.1 | 5.0 | 7.1 | 6.8 |
| Canada | 5.3 | 1.1 | 6.4 | 5.2 |
| UK | 2.6 | 1.9 | 4.5 | 4.6 |
| Netherlands | 1.4 | 2.9 | 4.3 | 4.1 |
| Australia | 3.5 | 0.7 | 4.2 | 4.0 |
| Ireland | 0.8 | 1.8 | 2.7 | 2.8 |
| Spain | 0.6 | 1.9 | 2.5 | 2.8 |
| Supranationals | 0.7 | 1.7 | 2.4 | 3.4 |
| Austria | 0.4 | 1.5 | 1.9 | 2.4 |
| Belgium | 0.5 | 1.3 | 1.8 | 2.4 |
| Luxembourg | 0.6 | 1.1 | 1.7 | 1.6 |
| Poland | 1.2 | 0.4 | 1.6 | 1.5 |
| Italy | 0.5 | 0.8 | 1.3 | 1.3 |
| Other | 7.6 | 7.2 | 14.8 | 15.5 |
| Total | 50.7 | 49.3 | 100.0 | 100.0 |

Fixed-income portfolio

Governments/semi-governments

Rating structure



Maturity structure



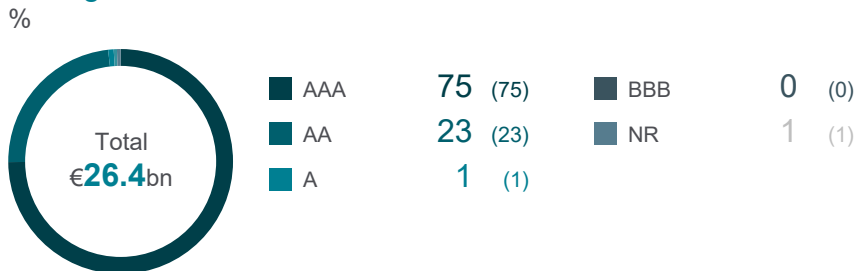
Regional breakdown

| % | Without policyholder participation | With | Total | |
|----------------|--|-------------|--------------|--------------|
| | | | 31.12.2022 | 31.12.2021 |
| US | 20.3 | 2.1 | 22.4 | 19.8 |
| Germany | 4.7 | 15.4 | 20.2 | 21.9 |
| Canada | 7.2 | 1.2 | 8.4 | 7.0 |
| Australia | 6.1 | 0.6 | 6.7 | 6.2 |
| Supranationals | 1.4 | 3.2 | 4.6 | 6.2 |
| France | 1.5 | 2.6 | 4.1 | 3.4 |
| Spain | 0.7 | 2.4 | 3.1 | 3.3 |
| Belgium | 0.8 | 2.2 | 3.0 | 3.9 |
| Poland | 2.2 | 0.7 | 2.8 | 2.7 |
| UK | 2.4 | 0.3 | 2.7 | 2.4 |
| Austria | 0.5 | 1.8 | 2.3 | 3.0 |
| Netherlands | 0.9 | 1.5 | 2.3 | 1.7 |
| Ireland | 0.3 | 0.8 | 1.2 | 1.5 |
| Finland | 0.2 | 1.0 | 1.2 | 1.6 |
| Italy | 0.5 | 0.7 | 1.1 | 1.2 |
| Other | 7.5 | 6.3 | 13.8 | 14.2 |
| Total | 57.3 | 42.7 | 100.0 | 100.0 |

Fixed-income portfolio

Pfandbriefe/covered bonds

Rating structure



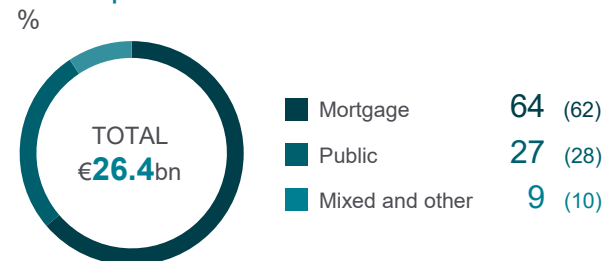
Maturity structure



Regional breakdown

| | 31.12.2022 | 31.12.2021 |
|-------------|------------|------------|
| Germany | 28.5 | 30.0 |
| France | 23.2 | 22.4 |
| UK | 9.9 | 10.5 |
| Netherlands | 9.0 | 8.7 |
| Norway | 5.1 | 5.5 |
| Sweden | 4.4 | 5.3 |
| Spain | 2.0 | 1.9 |
| Italy | 1.2 | 1.2 |
| Ireland | 0.4 | 0.3 |
| Other | 16.2 | 14.2 |

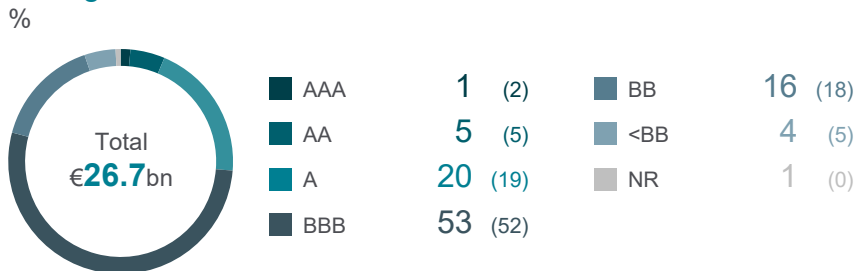
Cover pools



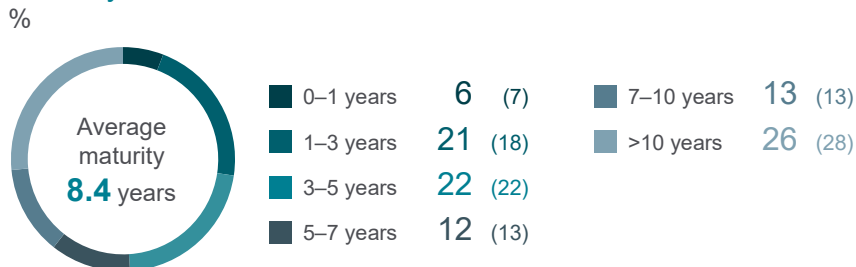
Fixed-income portfolio

Corporate bonds (excluding bank bonds)

Rating structure



Maturity structure



Sector breakdown

| % | 31.12.2022 | 31.12.2021 |
|-------------------------------|------------|------------|
| Industrial goods and services | 14.8 | 14.1 |
| Utilities | 14.4 | 13.9 |
| Financial services | 9.8 | 9.2 |
| Oil and gas | 8.8 | 9.9 |
| Telecommunications | 7.8 | 8.3 |
| Healthcare | 6.7 | 6.8 |
| Technology | 5.0 | 4.7 |
| Automobiles | 3.9 | 4.1 |
| Real estate | 3.8 | 3.5 |
| Travel and leisure | 3.7 | 3.9 |
| Food and beverages | 3.4 | 3.7 |
| Construction | 3.3 | 3.6 |
| Media | 2.6 | 2.7 |
| Other | 11.9 | 11.7 |

Fixed-income portfolio

Structured products

Structured products portfolio (at market values): Breakdown by rating and region

€m

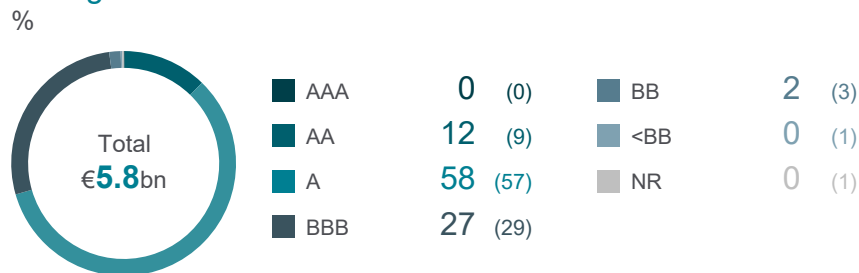
| | | Rating | | | | | | Region | | Total | Market-to-par |
|------------------|------------------------------------|--------------|--------------|------------|-----------|----------|----------|--------------|--------------|--------------|---------------|
| | | AAA | AA | A | BBB | <BBB | NR | USA + RoW | Europe | | |
| ABS | Consumer-related ABS ¹ | 484 | 166 | 17 | 0 | 0 | 0 | 576 | 92 | 668 | 94% |
| | Corporate-related ABS ² | 95 | 9 | 460 | 40 | 0 | 0 | 151 | 453 | 604 | 99% |
| | Subprime HEL | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| CDO/ CLN | Subprime-related | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0% |
| | Non-subprime-related | 1,281 | 1,697 | 13 | 1 | 0 | 0 | 790 | 2,202 | 2,992 | 91% |
| MBS | Agency | 922 | 12 | 0 | 0 | 0 | 0 | 935 | 0 | 935 | 90% |
| | Non-agency prime | 31 | 5 | 0 | 0 | 0 | 0 | 0 | 36 | 36 | 99% |
| | Non-agency other (not subprime) | 26 | 7 | 0 | 0 | 0 | 0 | 0 | 33 | 33 | 99% |
| | Commercial MBS | 448 | 95 | 66 | 0 | 0 | 0 | 533 | 77 | 610 | 91% |
| Total 31.12.2022 | | 3,370 | 1,992 | 556 | 42 | 0 | 0 | 2,984 | 2,976 | 5,959 | 92% |
| In % | | 57% | 33% | 9% | 1% | 0% | 0% | 50% | 50% | 100% | |
| Total 31.12.2021 | | 3,038 | 2,301 | 498 | 47 | 0 | 0 | 2,662 | 3,222 | 5,883 | 101% |

¹ Consumer loans, auto, credit cards, student loans. ² Asset-backed CPs, business and corporate loans, commercial equipment.
Approximation – not fully comparable with IFRS figures. Fair values as at 31.12.2022 (31.12.2021).

Fixed-income portfolio

Bank bonds

Rating structure



Maturity structure



Regional breakdown

| % | Senior bonds | Sub-ordinated | Loss-bearing | Total | |
|-------------|--------------|---------------|--------------|------------|------------|
| | | | | 31.12.2022 | 31.12.2021 |
| US | 31.6 | 2.9 | 0.7 | 35.3 | 37.5 |
| Canada | 18.1 | 0.0 | 0.0 | 18.1 | 11.9 |
| UK | 8.2 | 0.6 | 0.1 | 8.9 | 8.0 |
| France | 6.7 | 0.4 | 0.0 | 7.0 | 7.9 |
| Netherlands | 3.4 | 0.3 | 0.0 | 3.7 | 4.2 |
| Ireland | 3.6 | 0.0 | 0.0 | 3.6 | 5.3 |
| Japan | 3.2 | 0.1 | 0.0 | 3.3 | 2.2 |
| Germany | 2.7 | 0.2 | 0.2 | 3.2 | 6.9 |
| Switzerland | 2.0 | 0.0 | 0.0 | 2.0 | 2.1 |
| Other | 11.2 | 3.2 | 0.5 | 15.0 | 14.1 |

Cover pools



Sensitivities to interest rates, spreads and equities¹

Sensitivity to risk-free interest in €bn (change in basis points)

| | –50bps | –25bps | +50bps | +100bps |
|---|--------|--------|--------|---------|
| Change in market value, gross | +5.8 | +2.9 | –5.4 | –10.3 |
| Change in on-balance-sheet reserves, net | +1.8 | +0.9 | –1.7 | –3.2 |
| Change in off-balance-sheet reserves, net | +0.2 | +0.1 | –0.2 | –0.4 |
| P&L (investment result), gross | +0.1 | +0.0 | –0.1 | –0.2 |
| P&L, net | +0.0 | +0.0 | –0.0 | –0.1 |

Sensitivity to spreads² in €bn (change in basis points)

| | | +50bps | +100bps |
|---|--|--------|---------|
| Change in market value, gross | | –3.5 | –6.8 |
| Change in on-balance-sheet reserves, net | | –0.9 | –1.8 |
| Change in off-balance-sheet reserves, net | | –0.2 | –0.3 |
| P&L (investment result), gross | | +0.0 | +0.0 |
| P&L, net | | +0.0 | +0.1 |

Sensitivity to share prices³ in €bn (change in %)

| | –30% | –10% | +10% | +30% |
|--|------|------|------|------|
| Change in market value, gross | –1.2 | –0.5 | +0.5 | +1.5 |
| Change in on-balance-sheet reserves, net | –0.0 | +0.1 | +0.4 | +1.2 |
| P&L (investment result), gross | –1.2 | –0.6 | –0.4 | –1.2 |
| P&L, net | –0.9 | –0.4 | –0.0 | –0.1 |

¹ Rough calculation with limited reliability assuming unchanged portfolio as at 31.12.2022. After rough estimation of policyholder participation and deferred tax; linearity of relations cannot be assumed. Approximation – not fully comparable with IFRS figures. ² Sensitivities to changes of spreads are calculated for every category of fixed-income portfolio, except government securities with AAA ratings. ³ Sensitivities to change in share prices are calculated for listed shares only; assumptions: equity impairments as soon as market value drops below acquisition cost and best-estimate calculation of hedging impact.

On- and off-balance-sheet reserves

| €m | 31.12. 2020 | 31.12. 2021 | 30.9. 2022 | 31.12. 2022 | ▲ in Q4 |
|--|----------------|----------------|---------------|----------------|------------|
| Market value of investments | 252,789 | 257,485 | 228,298 | 223,471 | –4,827 |
| Total reserves | 37,269 | 30,357 | –8,597 | –9,228 | –631 |
| On-balance-sheet reserves | | | | | |
| Fixed-interest securities | 14,426 | 8,078 | –16,037 | –15,015 | 1,022 |
| Non-fixed-interest securities | 2,866 | 4,888 | 2,759 | 1,950 | –809 |
| Other on-balance-sheet reserves ¹ | 137 | 205 | 196 | 163 | –32 |
| Subtotal | 17,430 | 13,172 | –13,082 | –12,902 | 180 |
| Off-balance-sheet reserves | | | | | |
| Real estate ² | 5,592 | 6,291 | 6,057 | 5,753 | –305 |
| Loans ³ | 12,778 | 8,270 | –4,109 | –4,956 | –847 |
| Associates | 1,469 | 2,624 | 2,537 | 2,878 | 341 |
| Subtotal | 19,839 | 17,185 | 4,485 | 3,674 | –811 |
| Reserve ratio | 14.7% | 11.8% | –3.8% | –4.1% | –0.4%pp. |

1 Unrealised gains/losses from unconsolidated affiliated companies, measured using the equity method and cash-flow hedging.
2 Excluding reserves from owner-occupied property. 3 Excluding insurance-related loans.

On- and off-balance-sheet reserves

€m

| | On-balance-sheet reserves | | Off-balance-sheet reserves ¹ | |
|--|---------------------------|----------------|---|----------------|
| | 31.12. 2022 | 31.12. 2021 | 31.12. 2022 | 31.12. 2021 |
| Total reserves (gross) | −12,902 | 13,172 | 3,674 | 17,185 |
| Provision for deferred premium refunds | 4,479 | −5,409 | 1,758 | −8,115 |
| Deferred tax | 1,831 | −1,848 | −1,335 | −2,496 |
| Minority interests | 0 | −10 | | |
| Consolidation and currency effects | −366 | −127 | | |
| Shareholders' stake | −6,958 | 5,778 | 4,098 | 6,574 |

¹ Excluding reserves for owner-occupied property and insurance-related loans.

Breakdown of SCR

Decrease mainly driven by higher interest rates

SCR by risk category

€bn

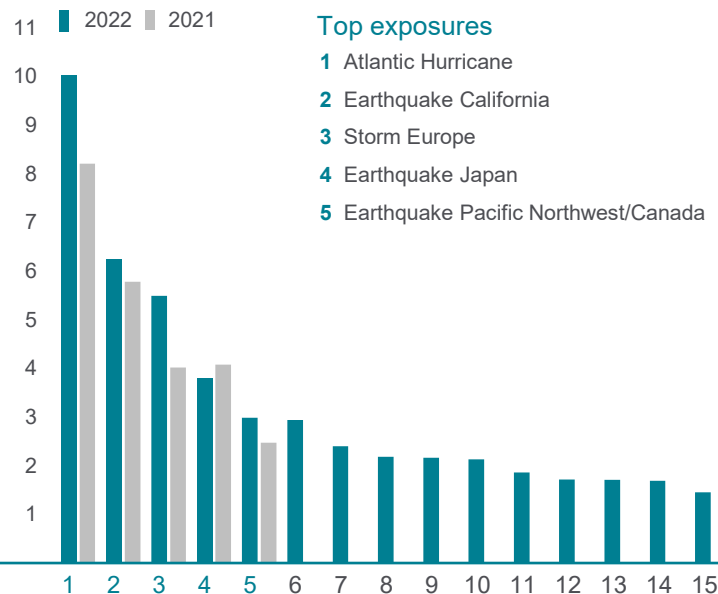
| | Group | | | RI | ERGO | Div. | |
|--------------------|-------------|-------------|-------------|-------------|------------|-------------|--|
| | 2021 | 2022 | Delta | 2022 | 2022 | 2022 | |
| Property-casualty | 11.2 | 12.9 | 1.7 | 12.8 | 0.7 | −0.6 | Business growth and stronger USD |
| Life and health | 7.4 | 6.3 | −1.1 | 5.8 | 0.9 | −0.3 | Reduction in SCR due to higher interest rates (discounting effects) overcompensating further business growth |
| Market | 11.5 | 8.5 | −3.0 | 6.2 | 3.5 | −1.2 | Significant reduction of risk due to sharp increase in interest rates; financing policyholder guarantees at ERGO has become a lot easier |
| Credit | 4.3 | 3.2 | −1.1 | 2.4 | 0.9 | −0.1 | Higher interest rates lead to lower market values of fixed-income assets and higher risk-mitigating buffers at ERGO (lower credit risk) |
| Operational risk | 1.2 | 1.6 | 0.4 | 1.0 | 0.7 | −0.2 | |
| Other ¹ | 0.8 | 0.8 | 0.0 | 0.5 | 0.3 | | |
| Simple sum | 36.4 | 33.4 | −3.0 | 28.6 | 7.1 | −2.4 | |
| Diversification | −12.3 | −11.8 | 0.6 | −10.0 | −1.6 | | Stable diversification effect |
| Tax | −3.6 | −3.9 | −0.4 | −3.4 | −1.0 | | |
| Total SCR | 20.5 | 17.7 | −2.8 | 15.2 | 4.6 | −2.1 | |

Property-casualty risk

Growth in almost all scenarios facilitated by excellent risk-bearing capacity

Top scenario exposures of the Group (net of retrocession) – AggVaR¹

€bn



€bn

2022

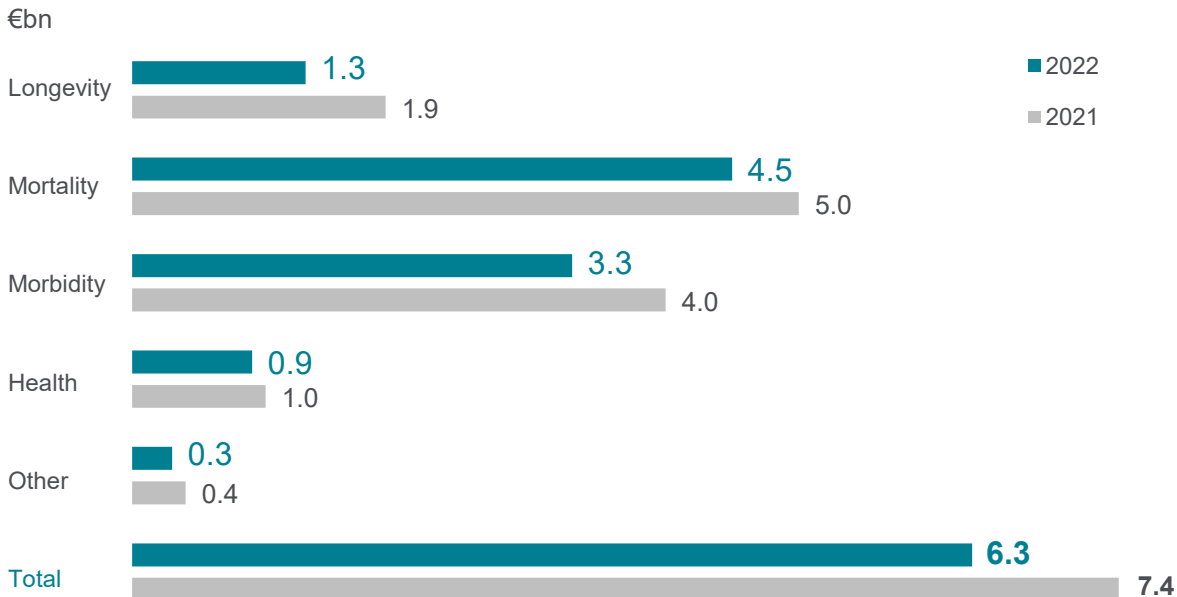
2021

| | | |
|---------------------------|-------------|-------------|
| Basic losses | 5.0 | 4.7 |
| Major losses ² | 12.4 | 10.6 |
| Diversification | -4.4 | -4.1 |
| Total | 12.9 | 11.2 |

- Taking opportunity of highly attractive nat cat peak risks while keeping well-diversified portfolio across perils and regions
- Increase of exposures also in many mid-sized scenarios that showed price hardening, e.g. flood Germany
- US exposures further increased by appreciation of USD

Life and health risk

Life and health – VaR¹



- Overall decrease in SCR due to significantly higher interest rates leading to stronger discounting of the impact of biometric stresses
- Partially offset by business growth in reinsurance and the appreciation of the USD

Market risk

SCR by risk category

€bn

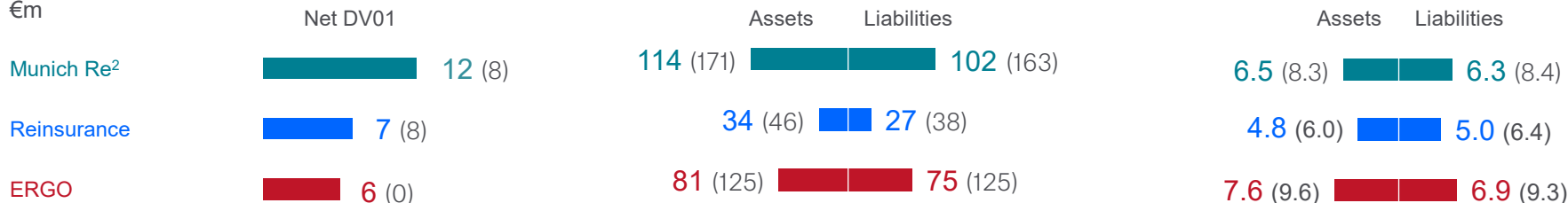
| | Group | | RI | ERGO | Div. | |
|------------------------------|-------------|------------|------------|------------|-------------|--|
| | 2021 | 2022 | 2022 | 2022 | 2022 | |
| Equity | 5.7 | 4.5 | 2.9 | 1.7 | −0.2 | Exposure reduction and significant increase of risk-mitigating buffers at ERGO |
| Interest rate | 5.5 | 3.7 | 2.7 | 2.0 | −1.0 | Increasing interest rates lead to lower market values of fixed-income assets as well as higher risk-mitigation buffers at ERGO, both reducing interest-rate risk |
| General interest rate | 2.6 | 2.8 | 2.0 | 1.3 | −0.5 | |
| Credit spread | 4.0 | 2.2 | 1.1 | 1.5 | −0.4 | |
| Diversification | −1.1 | −1.4 | −0.5 | −0.8 | | |
| Real estate | 2.4 | 2.4 | 1.7 | 0.8 | −0.1 | |
| Currency | 5.1 | 4.4 | 4.2 | 0.2 | 0.0 | Reduction of FX mismatch position |
| Simple sum | 18.7 | 14.9 | 11.6 | 4.7 | −1.4 | |
| Diversification | −7.2 | −6.4 | −5.4 | −1.2 | | |
| Total market risk SCR | 11.5 | 8.5 | 6.2 | 3.5 | −1.2 | |

Market risk

Asset-liability mismatch

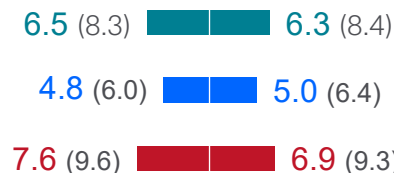
DV01¹

€m



Portfolio duration

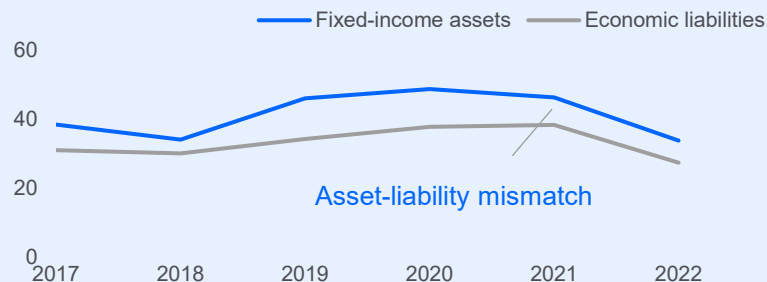
Assets Liabilities



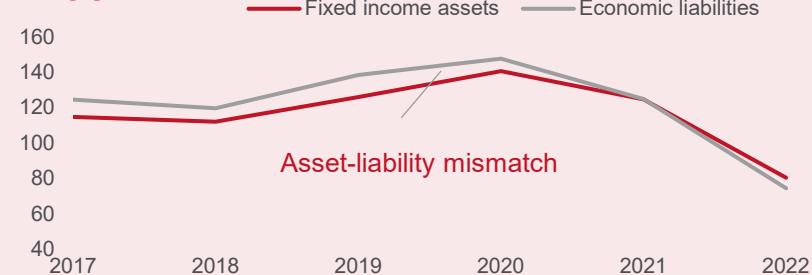
DV01 development

€m

Reinsurance

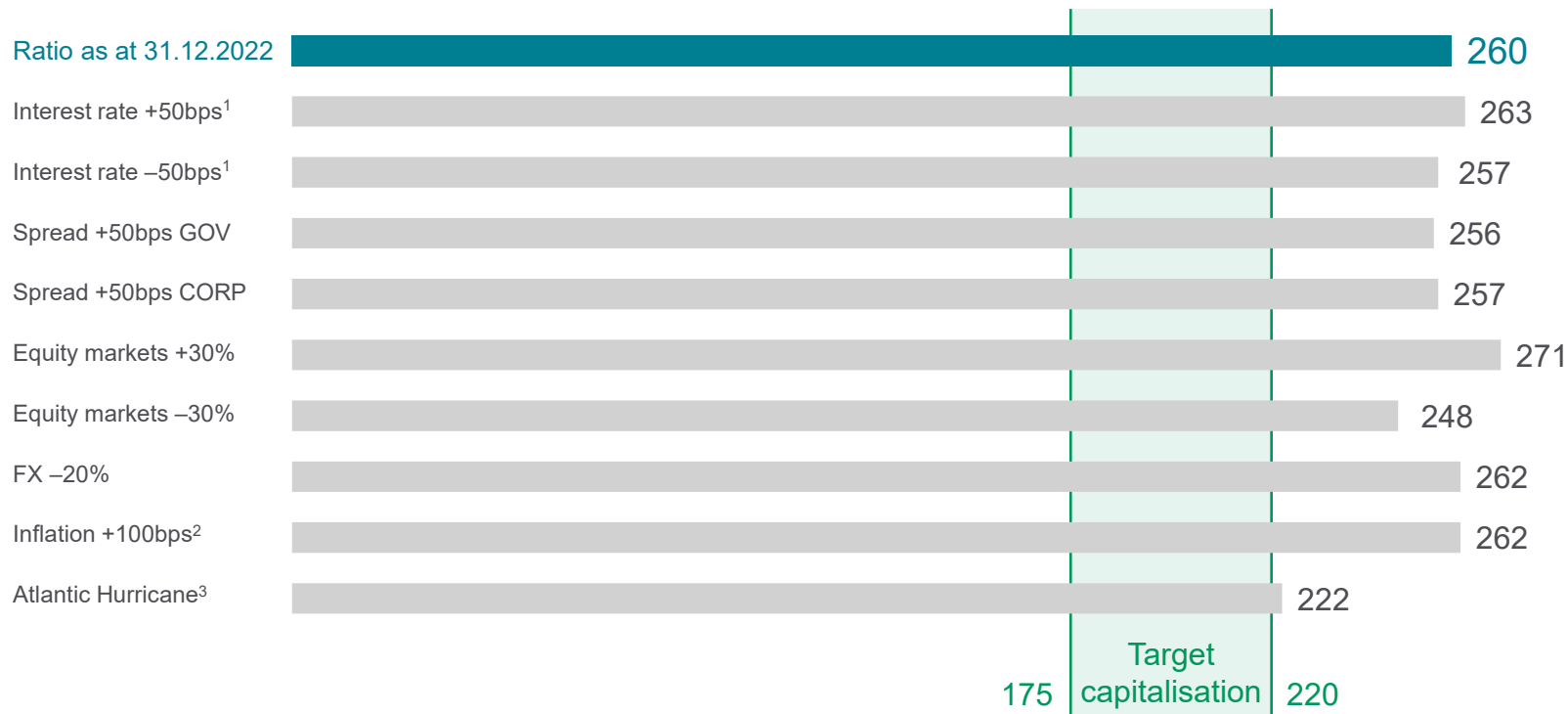


ERGO



¹ Fair values as at 31.12.2022 (31.12.2021): market value change due to a parallel downward shift in yield curve by one basis point, considering the portfolio size of assets and liabilities (pre-tax). Negative net DV01 means rising interest rates are beneficial. ² Liabilities comprise technical provisions in accordance with to Solvency II. ³ Figures for ERGO and consequently the Munich Re Group include VA.

Sensitivities of SII ratio



¹ Parallel shift until last liquid point, extrapolation to unchanged UFR.

² Sensitivity to changes of the CPI only, which can be hedged by the asset side.

³ Based on 200-year event.

Preliminary SII ratios

Munich Re and solo entities¹

Internal model

€bn

| | EOF (without TM ²) | SCR (without TM ²) | S-II Ratio (without TM ²) | S-II Ratio (incl. TM ²) |
|----------------------------|-----------------------------------|-----------------------------------|--|--|
| Munich Re | 46.0 | 17.7 | 260% | 289% |
| Munich Reinsurance Company | 46.8 | 17.7 | 265% | 293% |
| Munich Re of Malta | 2.5 | 0.8 | 319% | - |
| GLISE | 0.8 | 0.5 | 156% | - |
| ERGO Versicherung AG | 3.3 | 0.7 | 490% | - |
| DKV | 4.1 | 1.2 | 350% | - |
| ERGO Poland P-C (PLN bn) | 2.4 | 1.0 | 228% | - |

Standard formula

| | | | | |
|---------------------|------------------|-----|------|------|
| ERGO Leben | 2.6 ³ | 1.0 | 247% | 654% |
| Victoria Leben | 1.2 ⁴ | 0.4 | 332% | 779% |
| ERGO Vorsorge Leben | 0.9 | 0.1 | 606% | - |
| ERGO Austria | 0.5 ⁵ | 0.3 | 212% | 360% |
| ERGO Belgium Life | 0.6 | 0.3 | 223% | - |

¹ Entities with internal model and selected companies with standard formula application. ² Transitional measures. ³ EOF including transitional measures: €5.8bn.
⁴ EOF including transitional measures: €2.8bn. ⁵ EOF including transitional measures: €0.9bn.

ERGO Life and Health Germany

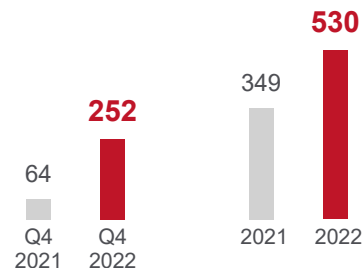
Gross premiums written

€m



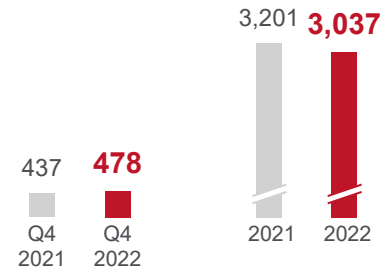
Technical result

€m



Investment result

€m



Investment result

€m

| | Q4 2022 | Return ¹ | 2022 | Return ¹ | 2021 | Return ¹ |
|--------------------------|------------|---------------------|--------------|---------------------|--------------|---------------------|
| Regular income | 794 | 3.1% | 3,399 | 3.1% | 3,304 | 2.6% |
| Write-ups/write-downs | -150 | -0.6% | -1,758 | -1.6% | -334 | -0.3% |
| Disposal gains/losses | 674 | 2.6% | 2,427 | 2.2% | 1,379 | 1.1% |
| Derivatives ² | -734 | -2.9% | -645 | -0.6% | -769 | -0.6% |
| Other income/expenses | -106 | -0.4% | -387 | -0.3% | -379 | -0.3% |
| Investment result | 478 | 1.9% | 3,037 | 2.7% | 3,201 | 2.5% |
| Average market value | 101,935 | | 110,626 | | 125,916 | |

ERGO Life and Health Germany

Key figures

Life Germany

%

| Key figures ¹ | 2020 | 2021 | 2022 |
|--------------------------------|------|------|------------|
| Reinvestment yield | 1.9 | 1.9 | 2.6 |
| Average yield | 2.7 | 2.4 | 2.4 |
| Average guarantee ² | 1.7 | 1.5 | 1.5 |

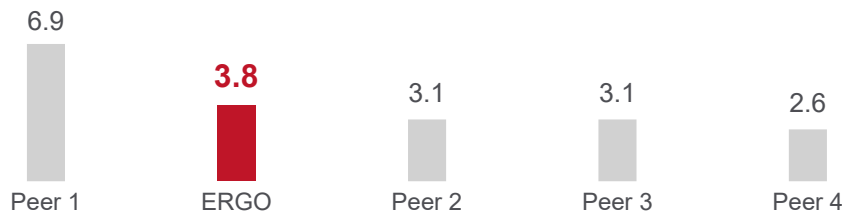
€bn

| Key financials ¹ | 2020 | 2021 | 2022 |
|-----------------------------|------|------|-------------|
| Free RfB | 1.6 | 1.7 | 1.8 |
| Terminal bonus fund | 0.8 | 0.7 | 0.6 |
| Unrealised gains | 14.8 | 9.9 | -5.7 |
| Accumulated ZZR | 7.0 | 7.7 | 7.4 |

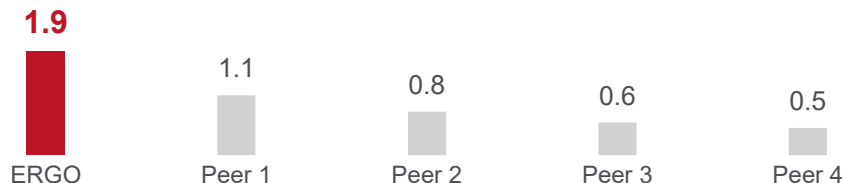
Health Germany GWP – Market view³

€bn

Comprehensive insurance – ERGO is number 2 in German market



Supplementary insurance – ERGO is clear market leader



ERGO Property-casualty Germany

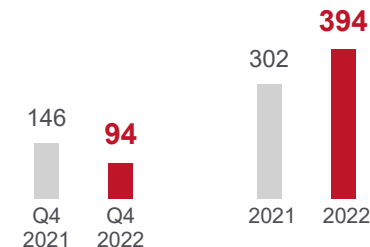
Gross premiums written

€m



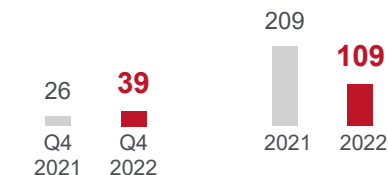
Technical result

€m



Investment result

€m



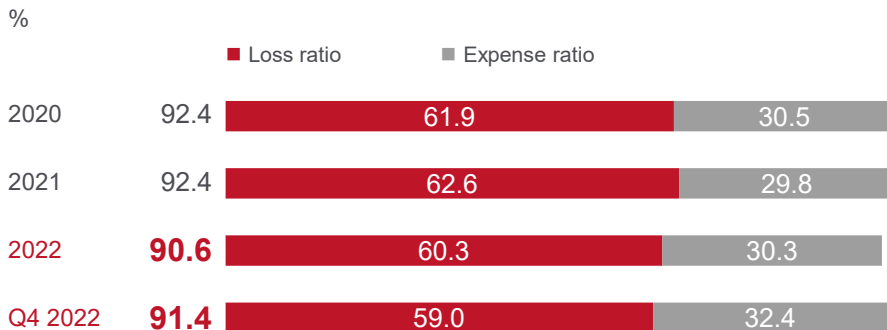
Investment result

€m

| | Q4 2022 | Return ¹ | 2022 | Return ¹ | 2021 | Return ¹ |
|--------------------------|-----------|---------------------|------------|---------------------|------------|---------------------|
| Regular income | 58 | 3.2% | 184 | 2.4% | 188 | 2.4% |
| Write-ups/write-downs | -8 | -0.5% | -123 | -1.6% | -27 | -0.4% |
| Disposal gains/losses | 8 | 0.5% | 52 | 0.7% | 75 | 1.0% |
| Derivatives ² | -9 | -0.5% | 25 | 0.3% | -4 | -0.1% |
| Other income/expenses | -10 | -0.5% | -28 | -0.4% | -22 | -0.3% |
| Investment result | 39 | 2.1% | 109 | 1.5% | 209 | 2.7% |
| Average market value | | 7,372 | | 7,516 | | 7,745 |

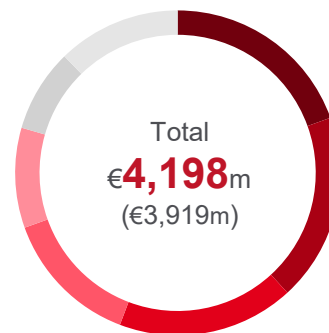
ERGO Property-casualty Germany

Combined ratio



Gross premiums written in 2022 (2021)

€m



| | | | |
|-------------------|-----------|------------------|-----------|
| Fire/property | 818 (742) | Legal protection | 418 (415) |
| Liability | 785 (718) | Marine | 346 (320) |
| Motor | 738 (728) | Other | 515 (413) |
| Personal accident | 577 (583) | | |

ERGO International

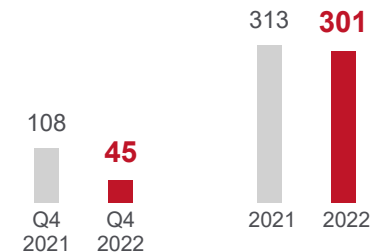
Gross premiums written

€m



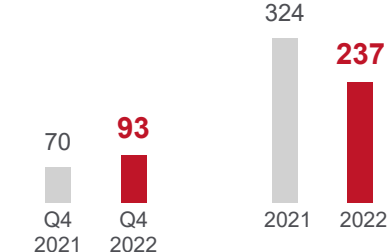
Technical result

€m



Investment result

€m



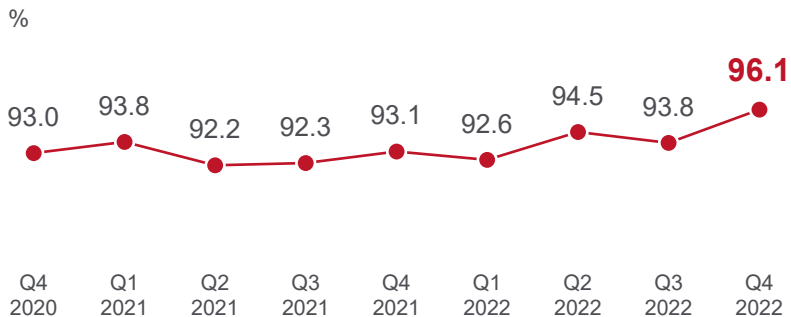
Investment result

€m

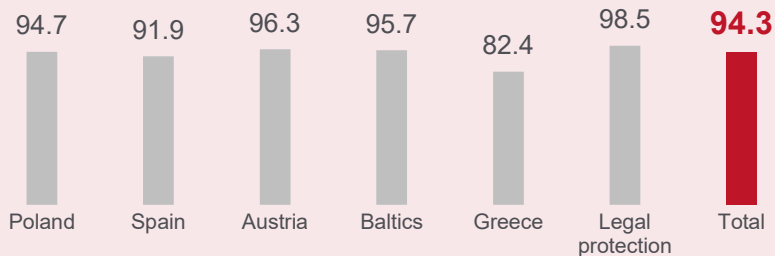
| | Q4 2022 | Return ¹ | 2022 | Return ¹ | 2021 | Return ¹ |
|--------------------------|-----------|---------------------|------------|---------------------|------------|---------------------|
| Regular income | 68 | 1.6% | 260 | 1.4% | 272 | 1.3% |
| Write-ups/write-downs | -7 | -0.2% | -60 | -0.3% | 2 | 0.0% |
| Disposal gains/losses | 41 | 0.9% | 82 | 0.4% | 118 | 0.6% |
| Derivatives ² | -4 | -0.1% | -27 | -0.1% | -47 | -0.2% |
| Other income/expenses | -6 | -0.1% | -18 | -0.1% | -21 | -0.1% |
| Investment result | 93 | 2.1% | 237 | 1.3% | 324 | 1.6% |
| Average market value | | 17,288 | | 18,545 | | 20,310 |

ERGO International

Combined ratio



2022



Gross premiums written in 2022 (2021)

€m



| P-C | 2022 | 2021 | Life | 2022 | 2021 |
|------------------|-------|-------|----------|------|------|
| Thereof: | | | Thereof: | | |
| Poland | 1,640 | 1,625 | Austria | 288 | 305 |
| Legal protection | 735 | 715 | Belgium | 129 | 137 |
| Greece | 253 | 249 | Health | 2022 | 2021 |
| Baltics | 226 | 199 | Thereof: | | |
| Austria | 129 | 115 | Spain | 880 | 882 |
| | | | Belgium | 681 | 656 |

Strong position in biometric risk solutions supplemented by financially-motivated reinsurance and data-driven services

Gross premiums written



27% USA

- Expand biometric risk business
- Grow FinMoRe business
- Predictive analytics
- Promote financial markets business
- Active management of in-force business

14% Canada

- Leading position in biometric risk business
- Predictive analytics
- Grow Group business
- Promote FinMoRe

11% Continental Europe

- Sound but stagnating biometric risk business
- Promote digital services
- Tailor-made FinMoRe solutions
- Expand financial markets business

26% Asia/MENA

- Strong local presence across the region
- Grow biometric risk business
- Data-driven services
- Strong footprint in FinMoRe
- Expand financial markets business

12% UK/Ireland

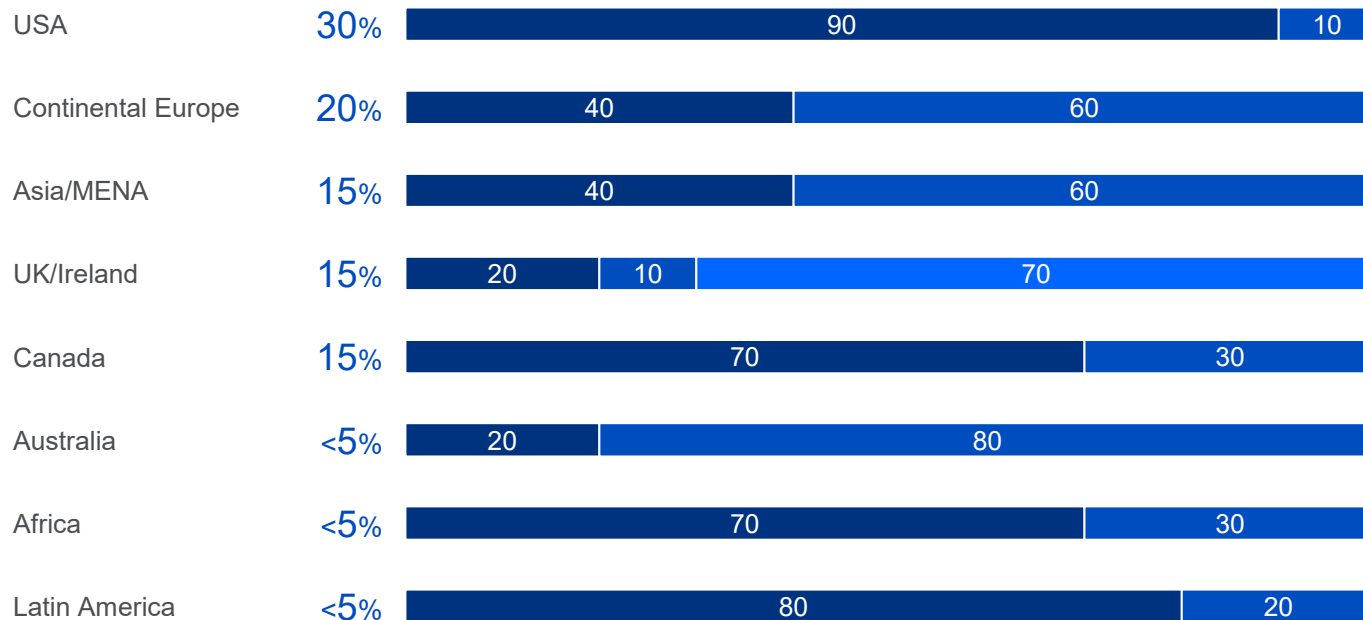
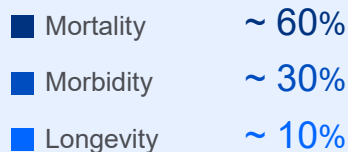
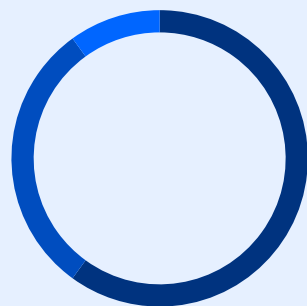
- Established FinMoRe proposition
- Grow longevity book along defined risk appetite
- Contained new business in protection lines

6% Australia

- Top priority: rehabilitation of disability book
- Highly selective new business proposition

Overweight in North America and traditional mortality risk

Present value of future claims



Life and health reinsurance

Gross premiums written

€m



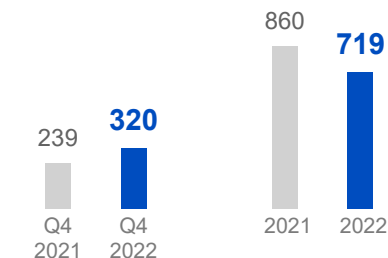
Technical result

€m



Investment result

€m



Investment result

€m

| | Q4 2022 | Return ¹ | 2022 | Return ¹ | 2021 | Return ¹ |
|--------------------------|------------|---------------------|------------|---------------------|------------|---------------------|
| Regular income | 225 | 3.3% | 795 | 2.8% | 701 | 2.4% |
| Write-ups/write-downs | -16 | -0.2% | -109 | -0.4% | -6 | 0.0% |
| Disposal gains/losses | 132 | 1.9% | 180 | 0.6% | 237 | 0.8% |
| Derivatives ² | 0 | 0.0% | -62 | -0.2% | 5 | 0.0% |
| Other income/expenses | -20 | -0.3% | -84 | -0.3% | -77 | -0.3% |
| Investment result | 320 | 4.7% | 719 | 2.5% | 860 | 2.9% |
| Average market value | | 27,199 | | 28,273 | | 29,665 |

IFRS result considerably above expectations

Pleasing technical result despite COVID-19 – strong development of fee income

€m

| | 2022 | 2021 |
|------------------------|---------------|--------|
| Gross premiums written | 13,676 | 12,561 |
| Mortality | 7,001 | 6,354 |
| Morbidity | 5,247 | 5,021 |
| Other | 1,428 | 1,186 |
| Technical result | 595 | –9 |
| Mortality | –12 | –494 |
| Morbidity | 559 | 438 |
| Other | 48 | 47 |
| Fee income | 322 | 227 |

Biometric risk
solutions
91.6%



Financially-motivated
reinsurance
8.4%

Technical result

- Very pleasing result, exceeding expectations considerably
- COVID-19 claims declined considerably compared to previous year
- On aggregate, favourable biometric experience beyond COVID-19, particularly across Asia, Europe and Australia
- Positive impact from rising interest rates on claims reserves as well as from annual reserve review
- Positive FX impact

Fee income

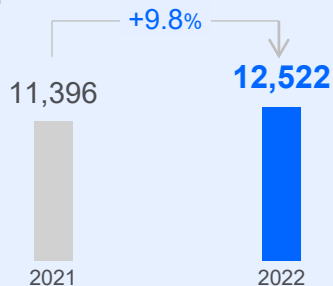
- Strong growth continued through 2022, particularly in Asia and the US, including benefit from rising interest rates
- Performance of portfolio as expected, unaffected by COVID-19

Biometric risk solutions

Strong foundation supplemented by promising business opportunities

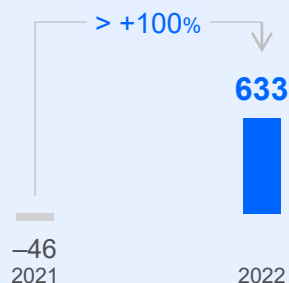
Gross premiums written

€m



Technical result

€m



Portfolio



- Leading footprint in all major markets
- Strong new business proposition building on excellence in assessment of biometric risks, enhanced by digital solutions and data-driven services
- Growth across many regional markets, particularly in North America and Asia
- Expansion of longevity business

Outlook



- Maintain our underwriting and pricing discipline
- Watch product trends and experience closely
- Foster growth by further developing predictive analytics
- Blending increasingly with our digital initiatives
- Continue in-force management where needed

Biometric risk solutions

Selective growth in longevity business – new products in financial markets

Longevity

Successful growth path –
maintaining prudent underwriting approach

Portfolio development



- Market entry in 2011 after in-depth research
- Focus on UK market
- First transaction written outside the UK in 2020
- Five new transactions added in 2022
- Gross premiums written grew to €1.4bn
- Claims evolve better than assumed in pricing
- Positive hedge against adverse mortality during pandemic

Expectations going forward



- Maintain prudent underwriting and valuation approach
- Prepared to write higher volumes of new business if opportunities are attractive and meet our risk appetite
- Carefully expand beyond UK and extend product offering

Financial markets

Comprehensive market risk solutions
for the financial services industry

- Expansion across Europe, Asia, and NA
- Explore business potential in LA and Australia
- New business development negatively affected by COVID-19 environment
- Portfolio accretive to IFRS bottom line
- Asset-liability hedging successfully managed the volatile capital market environment during the pandemic

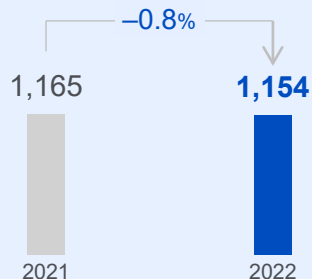
- Intensify coverage of existing markets and expand into further markets
- Support growth by further scaling up the organisation
- Broaden product, service and regulatory scope
- Grow contribution to IFRS earnings

Financially-motivated reinsurance

Strong demand prevails

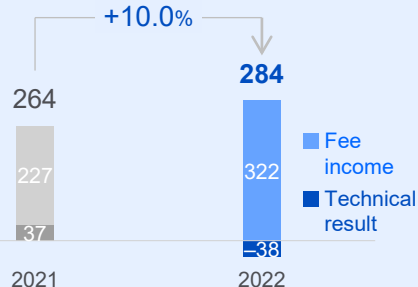
Gross premiums written

€m



Technical result incl. fee income

€m



Portfolio



- Portfolio comprises ~ 280 transactions worldwide
- 38 new treaties executed during 2022
- Largest part of new business generated in Asia and the US
- Top line declining slightly as majority of new business recognised as “fee income” (as part of “insurance-related investment result” and “other operating result”)
- Bottom line dominated by fee income, in 2022 including tailwind from rising interest rates; technical result burdened by negative claims experience of one treaty

Outlook



- Demand expected to remain high
- Success depends on ability to structure tailor-made client solutions
- Execution power supported by strong balance sheet

Property-casualty reinsurance

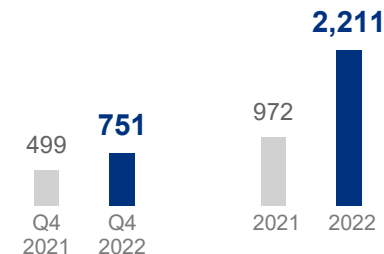
Gross premiums written

€m



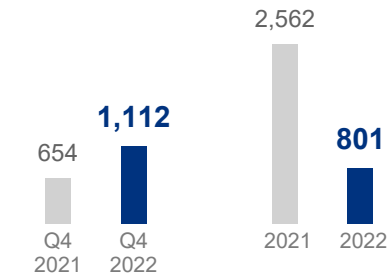
Technical result

€m



Investment result

€m



Investment result

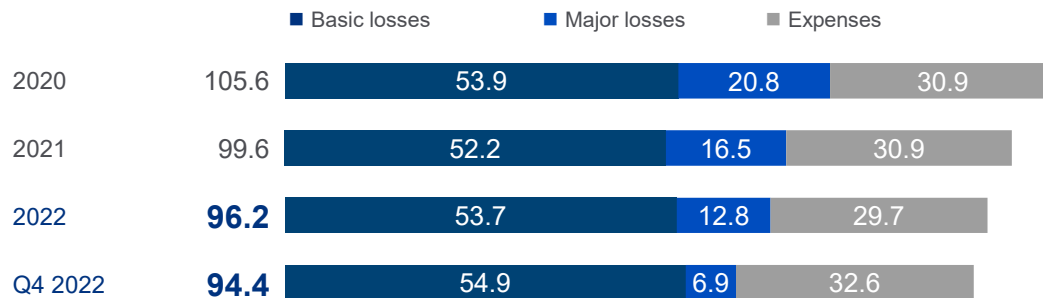
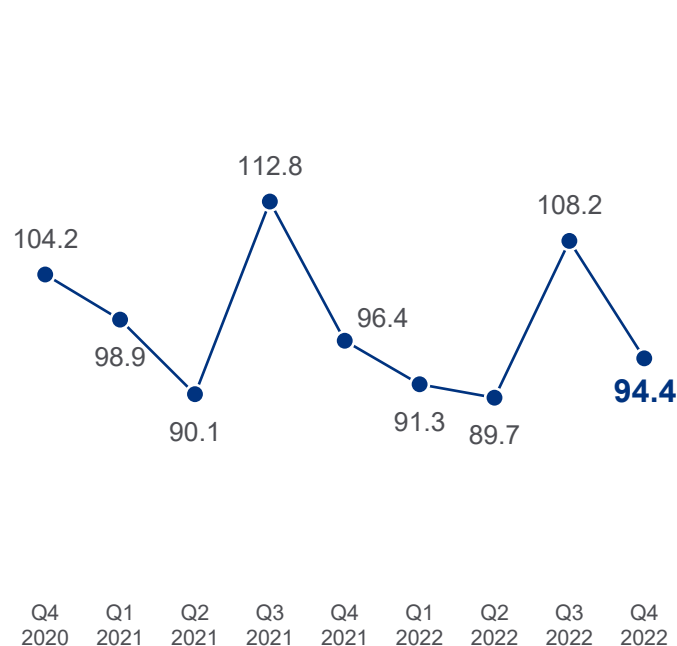
€m

| | Q4 2022 | Return ¹ | 2022 | Return ¹ | 2021 | Return ¹ |
|--------------------------|--------------|---------------------|------------|---------------------|--------------|---------------------|
| Regular income | 567 | 3.1% | 1,927 | 2.7% | 1,552 | 2.3% |
| Write-ups/write-downs | -30 | -0.2% | -1,105 | -1.5% | -139 | -0.2% |
| Disposal gains/losses | 673 | 3.7% | 1,222 | 1.7% | 1,373 | 2.0% |
| Derivatives ² | -1 | 0.0% | -920 | -1.3% | 41 | 0.1% |
| Other income/expenses | -97 | -0.5% | -321 | -0.4% | -265 | -0.4% |
| Investment result | 1,112 | 6.2% | 801 | 1.1% | 2,562 | 3.7% |
| Average market value | | 72,091 | | 72,254 | | 68,856 |

Property-casualty reinsurance

Combined ratio

%



| | Major losses ¹ | Nat cat ¹ | Man-made ¹ | Reserve releases ² | Normalised combined ratio ³ |
|----------------------|---------------------------|----------------------|-----------------------|-------------------------------|--|
| 2022 | 12.8 | 7.5 | 5.4 | −4.0 | 96.2 |
| Q4 2022 | 6.9 | −1.5 | 8.4 | −4.0 | 100.2 |
| Ø Annual expectation | ~ 13.0 | ~ 8.5 | ~ 4.5 | −4.0 | |

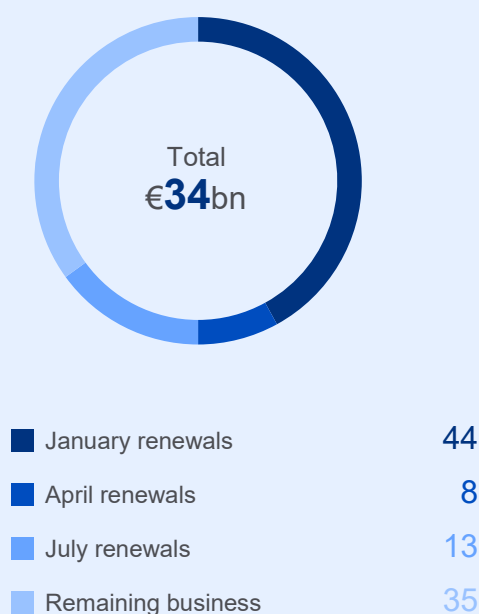
1 Absolute figures Q4/2022: major losses €615m/€4,173m; nat cat −€131m/€2,430m, man-made €746m/€1,742m.

2 Basic losses in prior years, already adjusted for directly corresponding sliding-scale and profit-commission effects. Absolute figures Q4/2022: −€361m/−€1,304m.

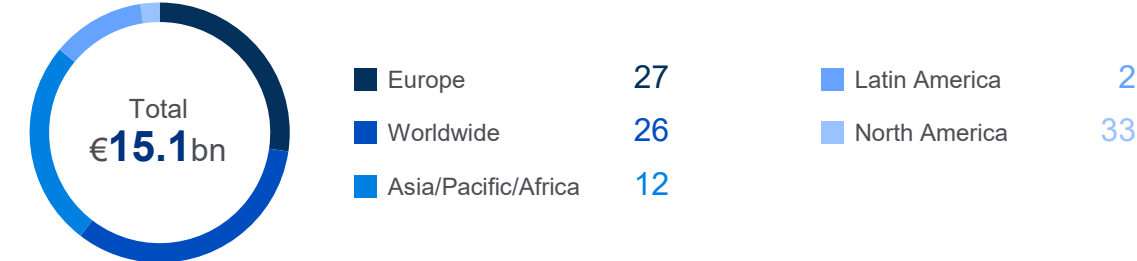
3 Based on reserve releases of 4 pp.; adjusted for additional expenditure related to the war in Ukraine in Q1 and for adverse one-off commission effects not related to the current financial year in Q2 and Q4 (in total corresponding to −0.4 pps. in Q4 and −0.2 pps. in FY).

January renewals

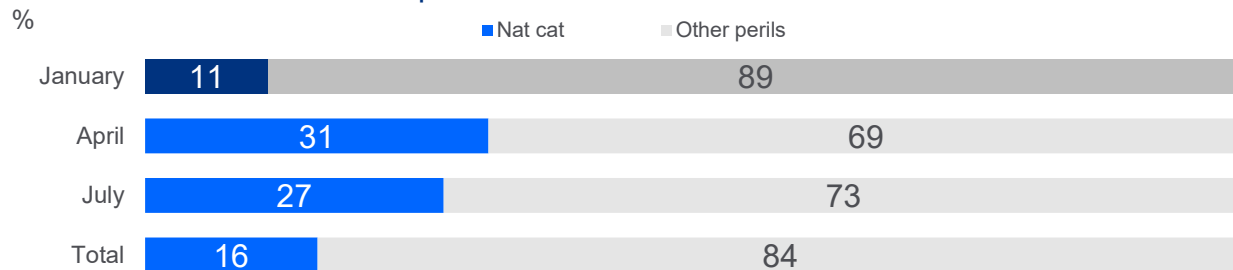
Total property-casualty book¹



Regional allocation of January renewals



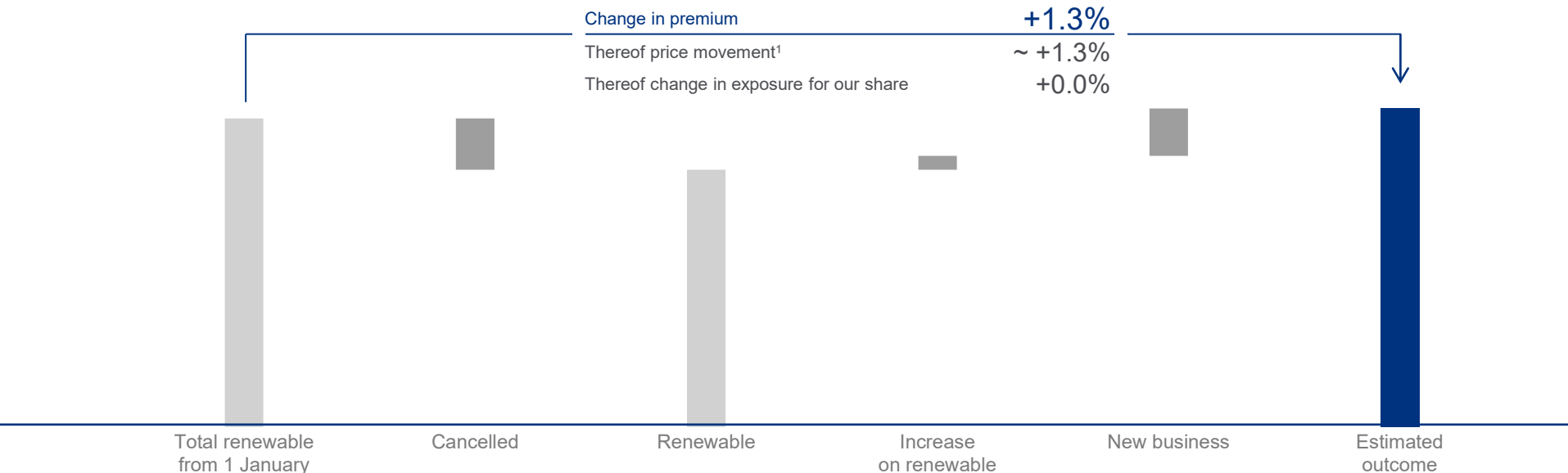
Nat cat shares of renewable portfolio²



January renewals

Selective growth and portfolio optimisation

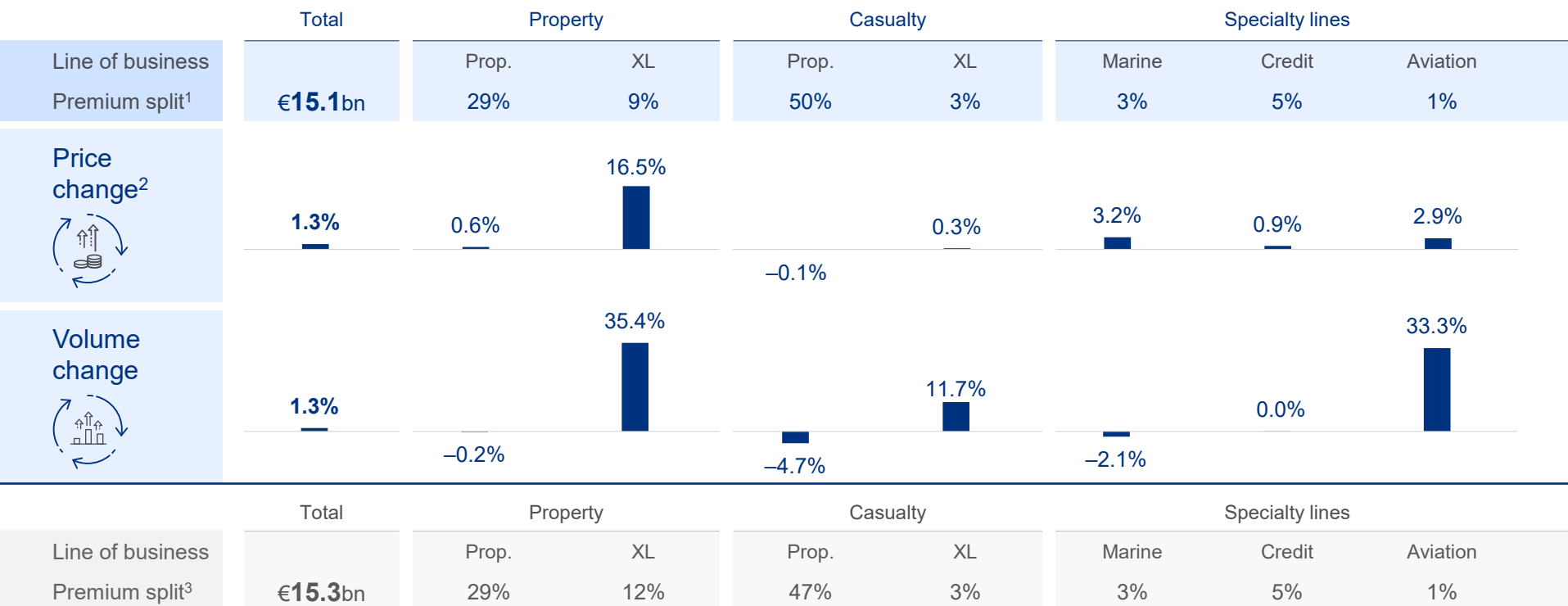
| | | | | | | |
|----|--------|--------|--------|------|------|---------------|
| % | 100 | -6.7 | 93.3 | +1.8 | +6.2 | 101.3 |
| €m | 15,096 | -1,010 | 14,086 | +276 | +929 | 15,291 |



¹ Price movement is risk-adjusted, i.e. includes claims inflation and loss trends. Furthermore, price movement is calculated on a wing-to-wing basis (including cancelled and new business). Price change excludes business mix effects of almost 1%.

January renewals

Price and volume change in major lines of business



¹ Relative premium share in relation to total renewable business in January. ² Price change excludes business mix effects.

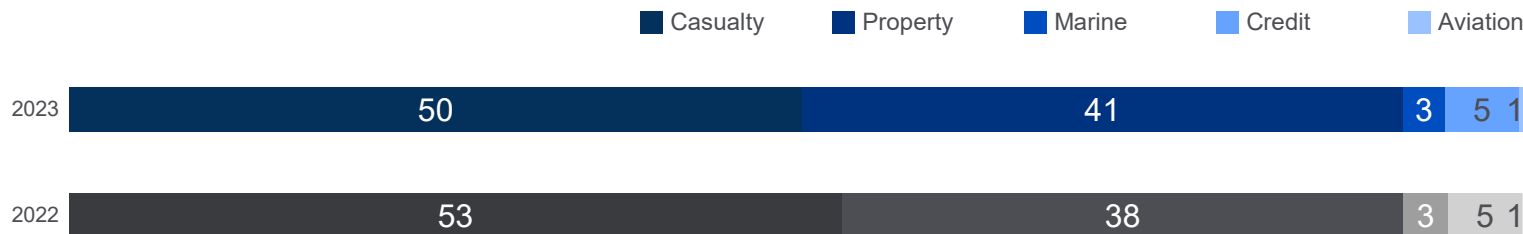
³ Relative premium share in relation to post-renewal portfolio.

January renewals

Split by line of business and region

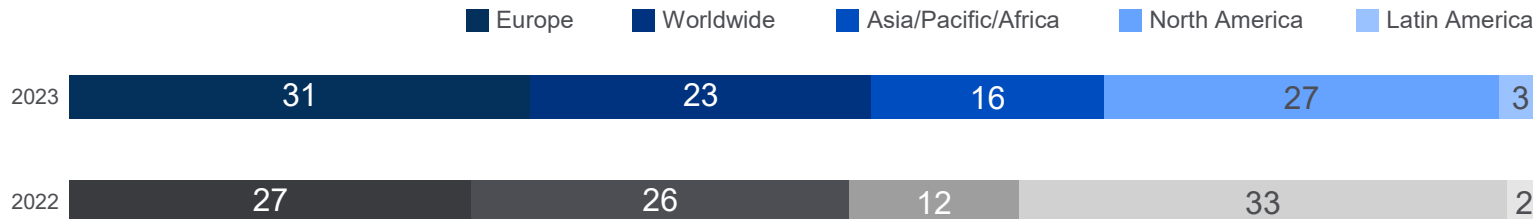
Split by line of business

%



Split by region

%



Positive outlook for upcoming renewals

Total P-C book¹
%



| | |
|-----------|----|
| January | 44 |
| April | 8 |
| July | 13 |
| Remaining | 35 |

Nat cat share: **16%**

Treaty business
January



| | |
|---------------------|---------------|
| Asia/Pacific/Africa | North America |
| Europe | Worldwide |
| Latin America | |

Focus: USA, Europe
Nat cat share: **15%**

Price increase: ~ +2.3%

April



| | |
|-----------------------------|---------------|
| Rest of Asia/Pacific/Africa | North America |
| Europe | Japan |
| Latin America | Worldwide |

Focus: **Japan**
Nat cat share: **31%**

Claims experience in individual market segments will play a major role

July



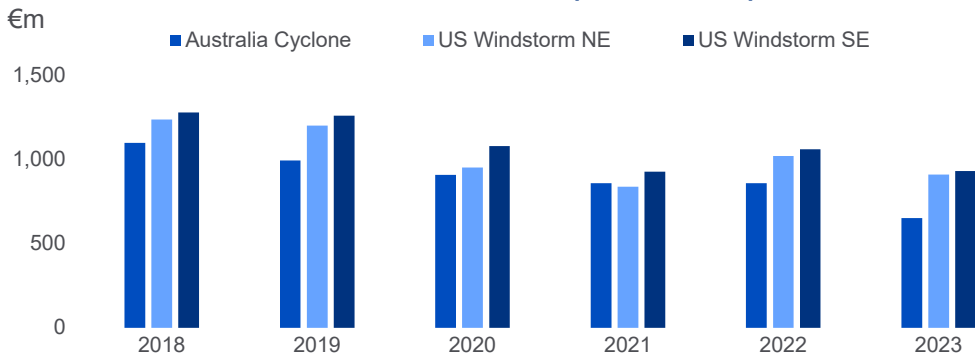
| | |
|-----------------------------|-----------------------|
| Rest of Asia/Pacific/Africa | Australia/New Zealand |
| Latin America | Europe |
| North America | Worldwide |

Focus: **USA, LA, Australia**
Nat cat share: **27%**

Retrocession

Continuity despite a difficult market

Retrocession – Maximum in-force protection per nat cat scenario¹



- Protection against peak risks mainly via traditional retrocession (CXL) and sidecars
- Well-balanced buying strategy reflects
 - strong Munich Re capital base and risk-bearing capacity
 - expected IFRS result stabilisation and market terms
- Multi-format programme providing material scalability and access to rated-paper capacity, as well as multiple and diverse investment buckets
- For US Wind only slightly reduced capacity

Munich Re key channels

Traditional retrocession

- Despite a very challenging market environment, Munich Re placement robust
- Overall, Munich Re diligently balancing price and placement volume

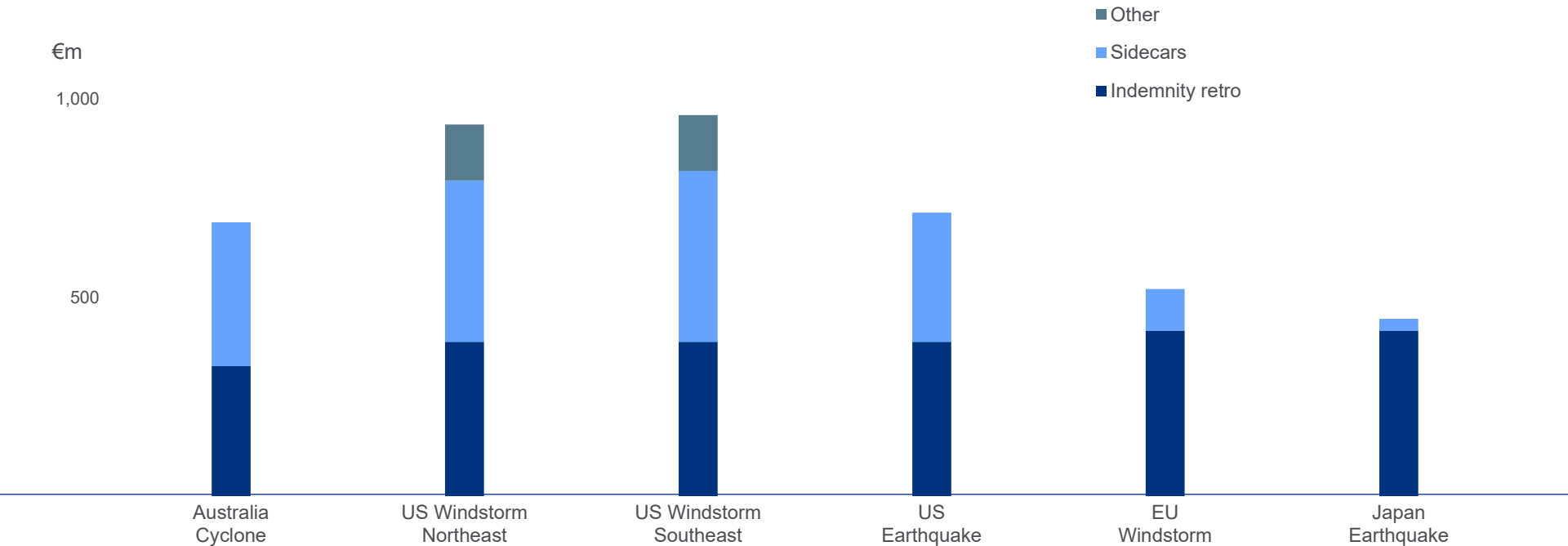
Sidecar programme

- Quota share cessions of certain lines of business, collateralised by US\$ 531m in 2023
- Targeting long-term partnerships with institutional investors, predominantly pension funds

¹ Group indemnity retrocession, ILW/derivatives, risk swaps, cat bonds and the sidecars including Eden Re. Selection of main scenarios.

Retrocession

Nat cat protection before reinstatement premiums



P-C reinsurance portfolio

Total P-C book²
%



Total¹
€34bn

■ Core P-C reinsurance 71 (73)
■ Risk Solutions 29 (27)

Core P-C reinsurance²
%



Total
€24bn

■ Casualty 47 (47)
■ Specialty³ 8 (8)
■ Other property 34 (33)
■ Nat cat XL 11 (11)

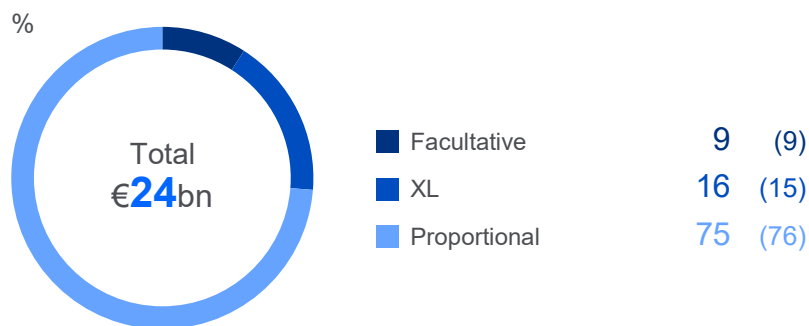
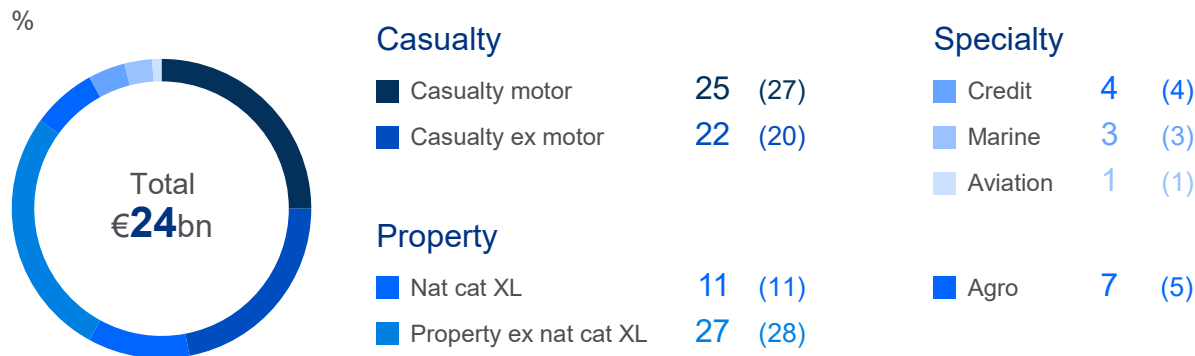
Risk Solutions
%



Total
€10bn

■ American Modern 17 (18)
■ Hartford Steam Boiler 20 (18)
■ Facultative & Corporate Direct 17 (21)
■ MR Specialty Insurance 25 (22)
■ Munich Re Syndicate 14 (12)
■ Aerospace 6 (6)

Core P-C reinsurance portfolio



Specialty

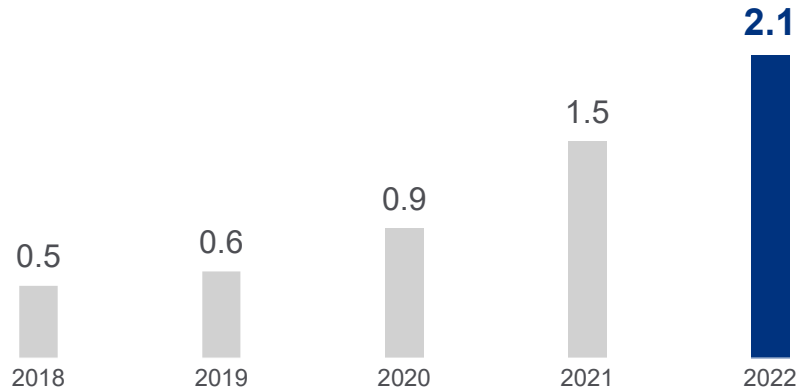
| | | |
|----------|---|-----|
| Credit | 4 | (4) |
| Marine | 3 | (3) |
| Aviation | 1 | (1) |
| Agro | 7 | (5) |

- Well-balanced portfolio
- Strong capacity supports risk/return optimisation
- Slight shift to XL business

Cyber business: Sustainable profitability and selective growth based on a disciplined approach

Gross premiums written

US\$ bn



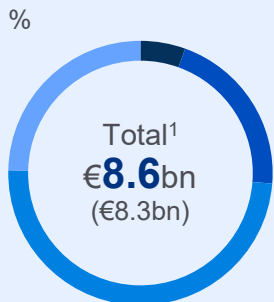
- Premium increase in line with aspiration and strategy
- Profitability further improved due to increased robustness of portfolio
- Continuous investments in multidisciplinary cyber teams with in-depth expertise

- Munich Re continues to provide sustainable capacity in a cyber market with ever-increasing demand and adequate terms and conditions
- Effective cyber risk management (e.g. state-of-the-art pricing and accumulation models as well as continuous exchange with model vendors) safeguards profitability
- Dedicated cyber data strategy continually improves quality and quantity of data (e.g. for comprehensive risk understanding, trend detection and portfolio steering)
- Actively tackling core challenges of cyber exposure to clearly define risks and consciously addressing systemic risks (e.g. consistent coverage for defined exposures while acknowledging limits of insurability such as infrastructure failure and cyber war)
- Ongoing measures and initiatives to increase cyber resilience within the market (e.g. setting minimum cybersecurity requirements, quantification of cyber risk)

US casualty

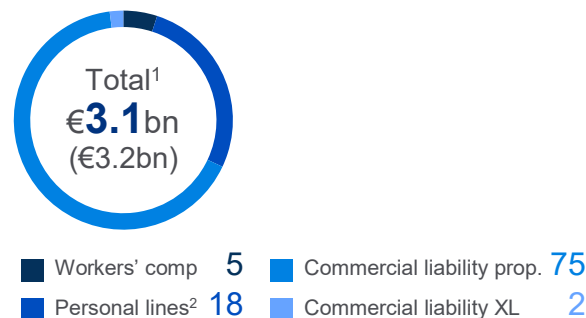
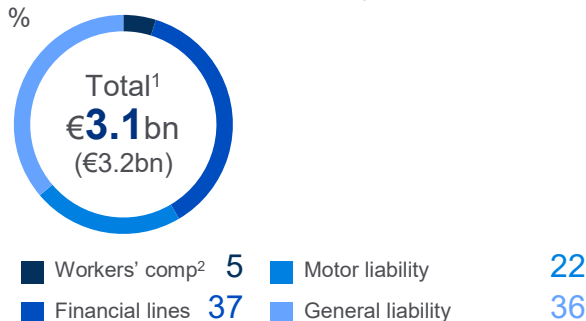
Portfolio quality further improved, well positioned for selective future growth

Global traditional casualty book



| | |
|----------------------------|----|
| Workers' comp ² | 5 |
| Financial lines | 21 |
| Motor liability | 49 |
| General liability | 25 |

US traditional casualty book

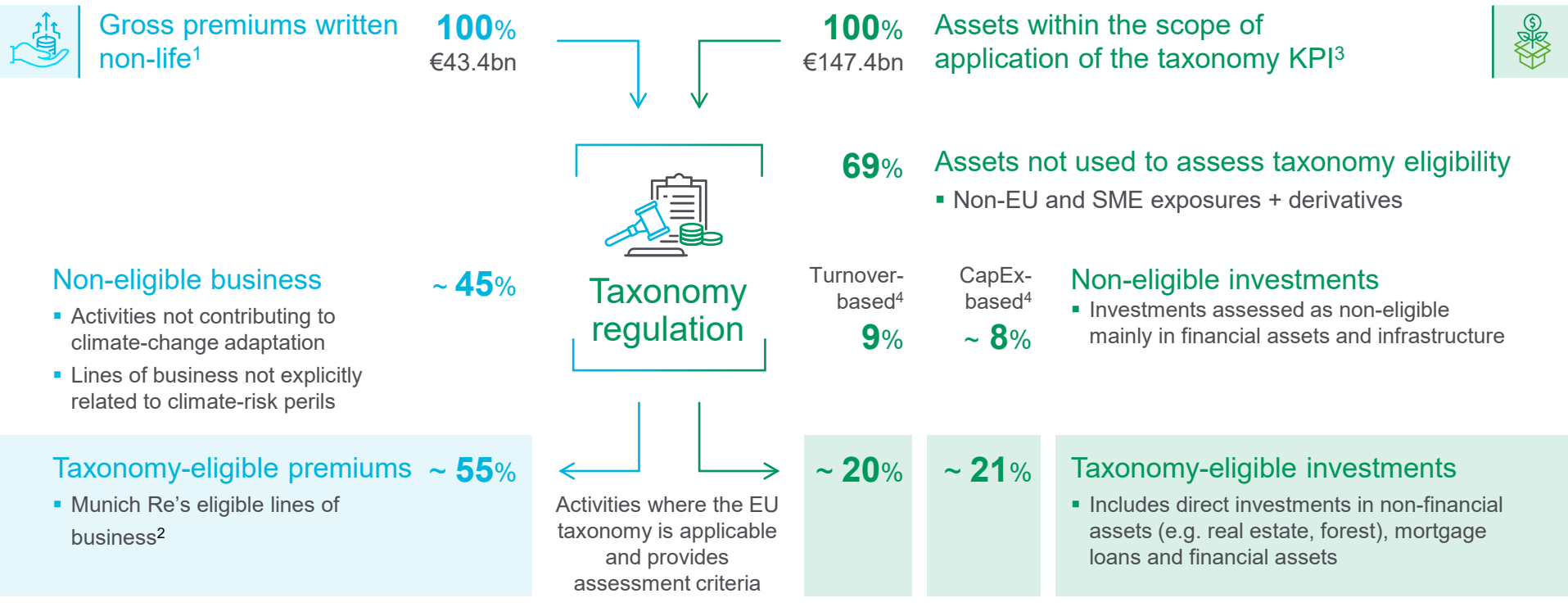


- US traditional casualty book stable at less than 40% of global traditional casualty book
- Profitability metrics have improved given higher interest rates and better original rates
- Share of proportional reinsurance (>90% of portfolio) remains high
- Risk appetite remains conservative, reflecting continued vigilance around social and economic inflation as well as from potential recession
- Special attention is paid to limit deployment, both at primary insurance and reinsurance level, and alignment of interest with our cedants
- New business has a high hurdle rate

Risk Solutions

- Additional casualty premium of ~ €1.1bn (thereof ~ €1.0bn US casualty)
- Taking advantage of still strong market momentum and selectively growing the book at attractive margins, ...
- ... while continuing to focus on smaller commercial and personal lines

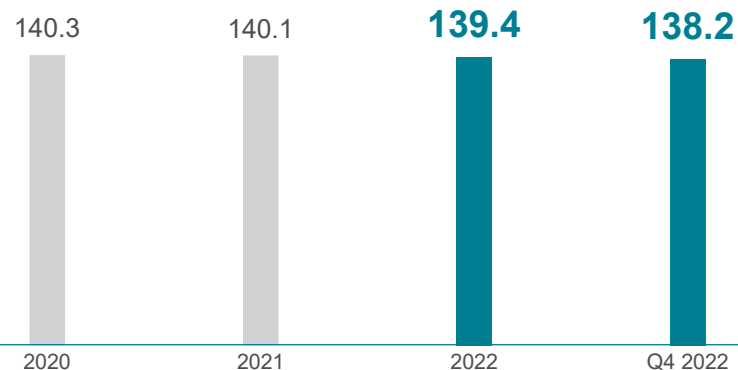
Disclosure of taxonomy-eligible investments and liabilities



Changes to shares in circulation

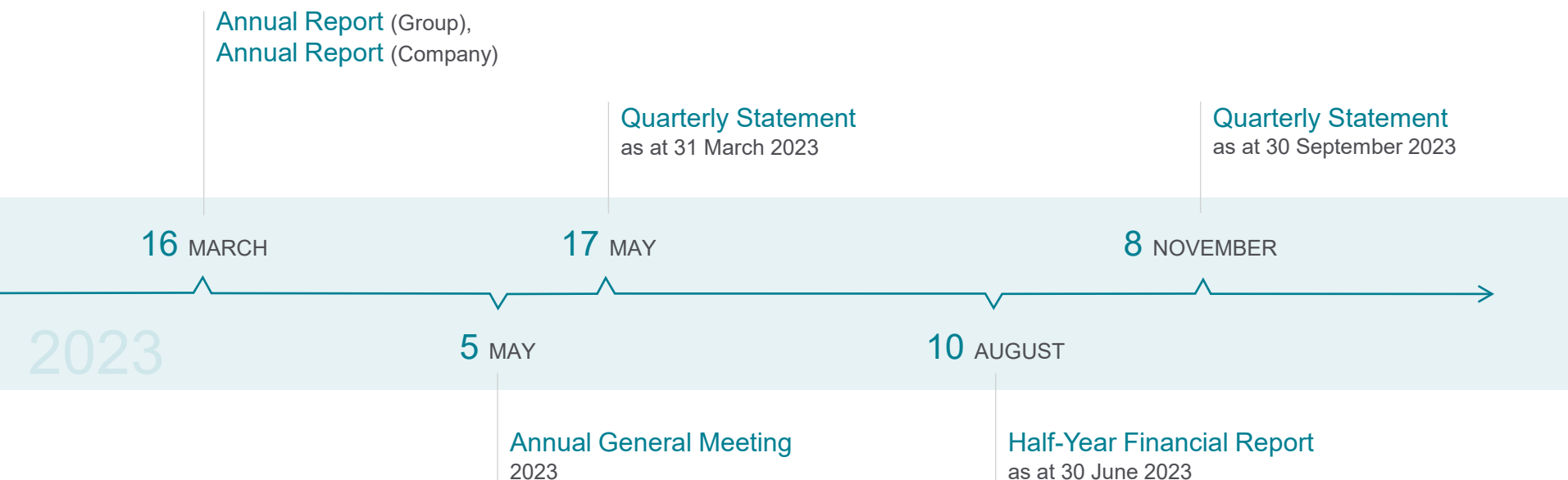
| Shares (millions) | 31.12. 2021 | Acquisition of own shares in 2022 | Retirement of own shares in 2022 | 31.12. 2022 |
|--------------------------|----------------|---|--|----------------|
| Shares in circulation | 140.1 | -2.5 | – | 137.6 |
| Treasury shares | – | 2.5 | – | 2.5 |
| Total | 140.1 | – | – | 140.1 |

Weighted average number of shares in circulation (millions)



Financial calendar

2023



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