Munich Re Group

Balance sheet media conference for 2024 financial statements

26 February 2025

Please note: Presentation based on 2024 preliminary figures

Munich RE

Balance sheet media conference

Agenda

01

Munich Re

Highlights 2024

Strong results based on underwriting excellence

Financial performance

Exceeding guidance for the fourth time in a row with a net result of €**5.7**bn – strong underlying performance across all segments

Capital repatriation

- DPS lifted to €**20**[1] (+33%)
- Share buy-back increased to €**2**bn[2] (+€0.5bn)

Resilience

Diversification and prudent reserving protects capital and earnings, reducing volatility from major claims and capital market risks

Market outlook

Macroeconomic and geopolitical uncertainties, elevated industry nat cat losses and limited inflow of new capacity support ongoing good market prospects

1 Subject to the approval of the Annual General Meeting. 2 Subject to the approval of the Supervisory Board's Praesidium and Sustainability Committee.

Ambition 2025

Munich Re has (over-)delivered on all intermediate targets

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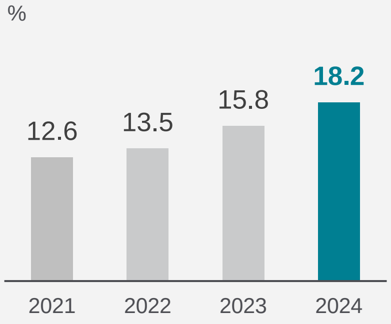
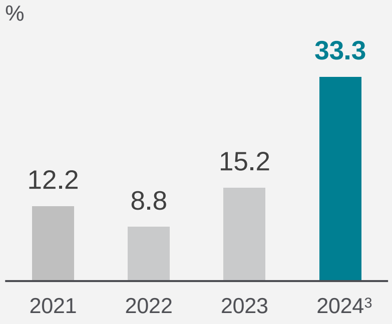


RoE improvement

Profitability well above cost of capital

14–16%

Ambition 2025[1]

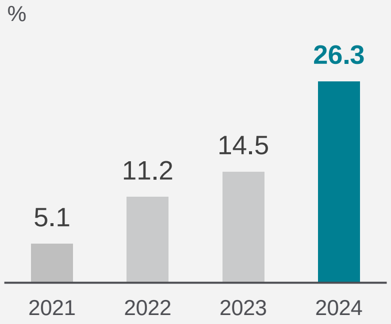


DPS growth

Shareholders participate in growing earnings

≥5%

Ambition 2025[2]

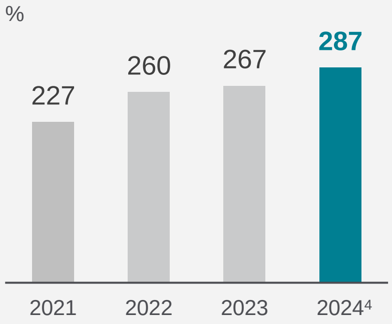


EPS growth

Profitable expansion across all lines of business

≥5%

Ambition 2025[2]



Solvency II

Well above optimal range, providing financial flexibility

175–220%

Ambition 2025

1 Until 2022, IFRS 4 target of 12–14%. 2 CAGR – compound annual growth rate 2020–25 (EPS 2020 normalised, based on IFRS 4). 3 Subject to the approval of the Annual General Meeting. 4 Proposed dividend already deducted. Considering share buy-back, the Solvency II ratio stands at ~276%.

Ambition 2025

Execution across all three dimensions

– ILLUSTRATION –

1 **Underwriting**

2 **Investments**

3 **Capital**

Seizing business opportunities in an attractive market environment

Active investment management accelerating the tailwind from higher interest rates

High capital return in line with strong earnings growth sustaining an attractive ROE

1

New reporting segmentation from 2025

Underlining the ambition to expand less cyclical and less volatile business segments

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Reinsurance

P-C

L&H

P&C

GSI

L&H

Already >30% of revenues within P&C

ERGO

L&H Germany

P-C Germany

International

Germany

International

~70% of revenues within ERGO

~30% of revenues within ERGO

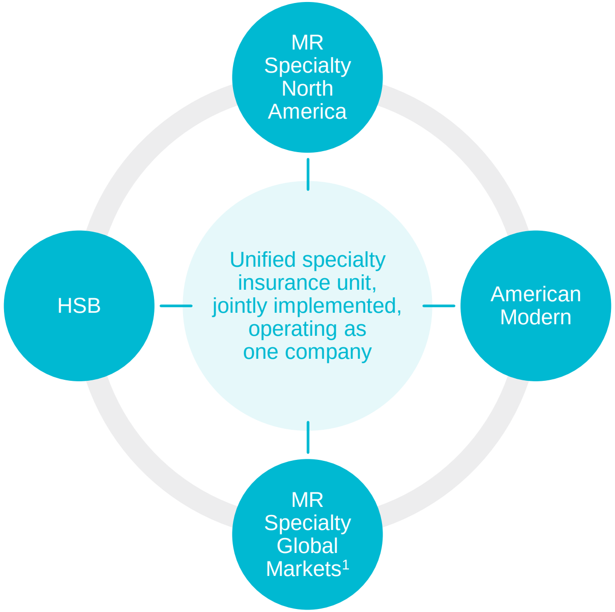
Less cyclical and less volatile business segments

Global Specialty Insurance

To become a more powerful player in specialty insurance worldwide

Munich RE

Growing commercial insurer with emphasis on small and mid-market in North America



Leveraging engineering, loss control and product development to drive underwriting excellence

Strong footprint in niche personal lines business in the US admitted market

Global specialty business with Lloyds' market access

Key focus areas

- Grow share in existing specialty products
- Add additional specialty products and further expand business outside North America
- Leverage GSI platform to realise operational synergies
- Manage P&L volatility

1 Includes MR Syndicate.

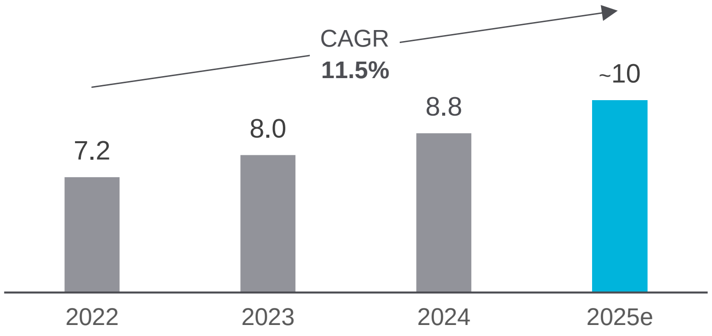
Global Specialty Insurance

Ongoing promising growth prospects at attractive profitability levels

Insurance revenue

€bn

Strong organic growth across all units, taking advantage of attractive market opportunities



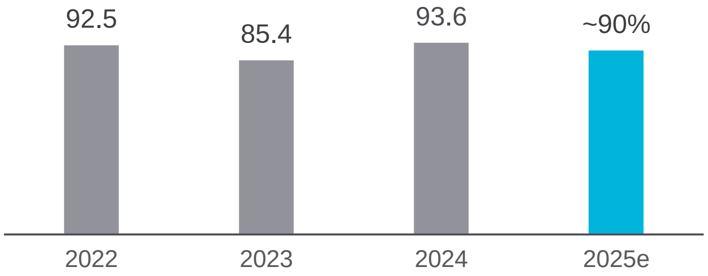
Outlook 2025

Strong growth expected to continue

Combined ratio

%

Sound underlying performance, while also impacted by major losses



Outlook 2025

Rates generally expected to continue at strong levels – ongoing disciplined cycle management supporting profitability

Global Specialty Insurance

Capitalising on a strong, diverse portfolio of specialty businesses

Munich RE

GSI units		Outlook 2025
American MODERN. A Munich Re company	American Modern	Discipline in risk selection and pricing in response to elevated weather-related loss potential – underwriting actions taken in 2024 will earn through in 2025
HSB. A Munich Re company	HSB	Delivery of exceptional customer service plus further innovative solutions facilitate continued solid growth and strong profitability
Munich RE Munich Re Specialty	MR Specialty North America	Good rate environment due to elevated loss trends – growth in US surplus lines market expected to continue
Munich RE Munich Re Specialty	MR Specialty Global Markets[1]	Strong technical pricing – slowing growth in London partially offset by growth in other geographies

1 Includes MR Syndicate.

P&C reinsurance

January renewals: Profitability remains at a very attractive level

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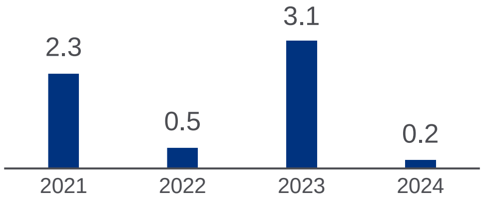
Price change[1]

Renewals 2021–2024

%



2021	2022	2023	2024
2.4%	**0.7%**	**2.3%**	**0.3%**

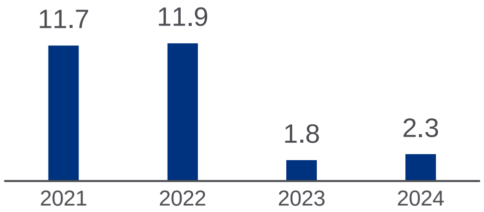
January only

January renewals 2025[2]

–0.6%

Focus on portfolio quality and client relationships

Volume change



2021	2022	2023	2024
10.9%	**14.5%**	**1.3%**	**3.5%**

January only

–2.4%

Portfolio optimisation and selective growth

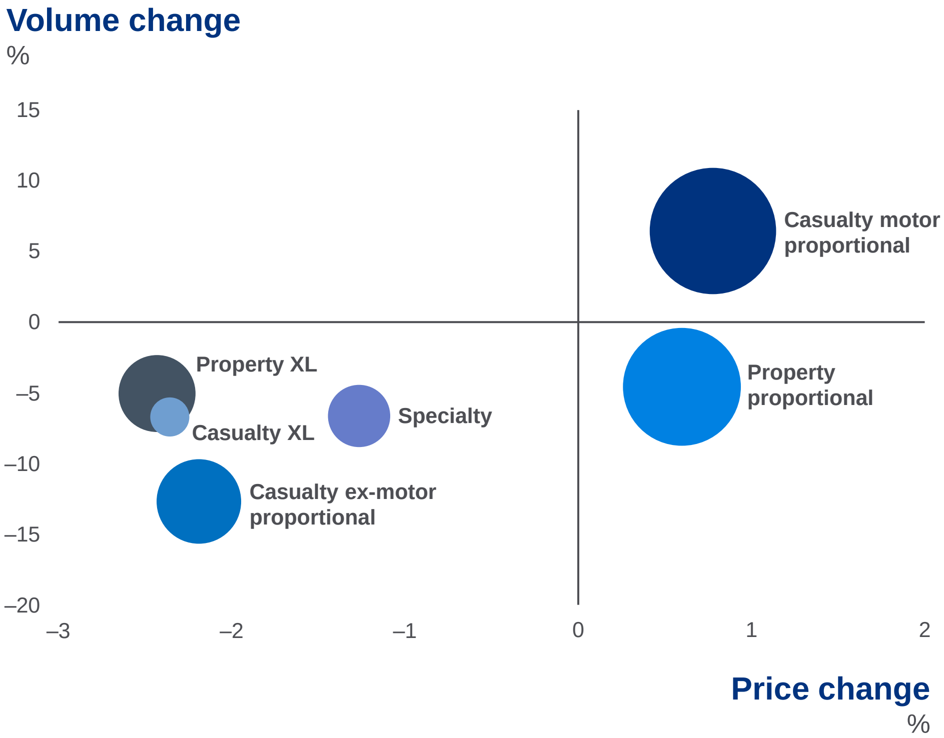
Ensuring profitability and portfolio quality by means of disciplined underwriting

- Good renewal in a very attractive market environment; pricing improvements of past years largely sustained
- Portfolio quality unchanged by maintaining improved terms and conditions (including higher attachment points) or implementing further risk-mitigating measures
- Rigorous portfolio management – volume decline due to the deliberate reduction of business not meeting risk/return requirements, partially offset by selective growth opportunities
- Price change is risk-adjusted, including inflation assumptions and risk model changes (RMS)

1 Calculation until 2023 based on gross written premium (IFRS 4). 2 From 2024 calculation of price change based on insurance revenue (IFRS 17), i.e. premiums are adjusted for ceding commissions which leads to shifts in portfolio weights (stronger weighting of non-proportional business) and a smaller denominator.

P&C reinsurance

January renewals: Leveraging strong capacity and long-standing client relationships



Property XL

Leveraging our strong balance sheet in a healthy market environment and benefiting from good client relationships, but also relinquishing business where appropriate

Casualty motor proportional

Growth by participating in rate increases in original markets and seizing selective business opportunities

Property proportional

Overall slight reduction with improved portfolio mix leading to better margins

Casualty ex-motor proportional

Active exposure reduction (including US casualty), while negative price change reflects cautious loss cost assumptions

Other lines of business

Specialty lines under pressure but still demonstrating attractive profitability; development of casualty XL driven by few individual treaties

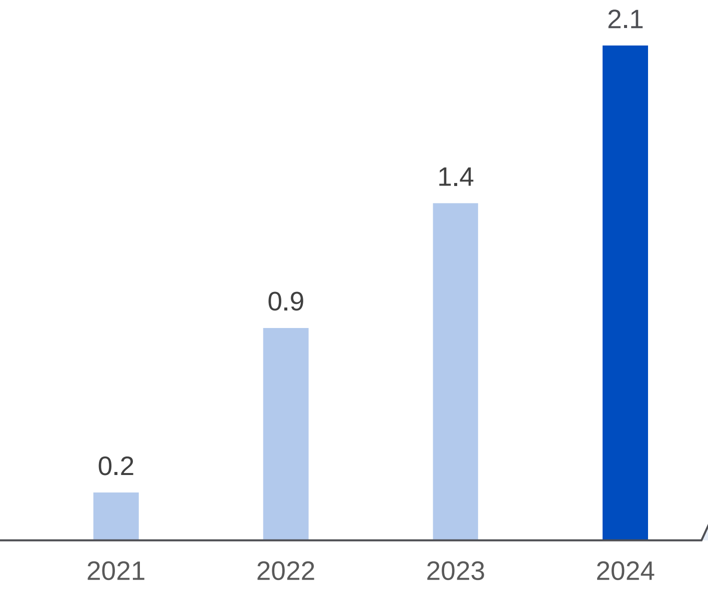
Bubble size reflects relative volume up for renewal. Price and volume changes based on IFRS 4 GWP.

L&H reinsurance

Very positive development beyond expectations

Total technical result[1]

€bn



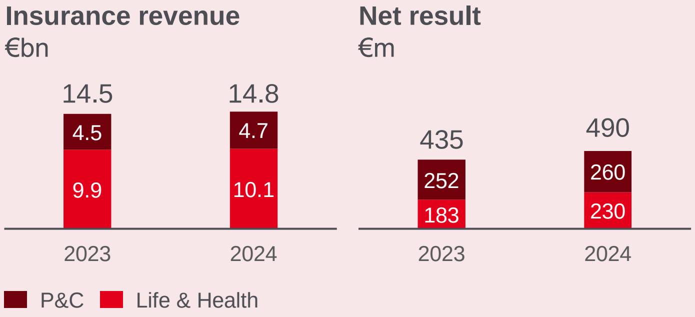
New business	Exceptionally strong growth in 2024 – new business expected to continue to outgrow portfolio run-off
Reliable earnings	Stock of CSM increased to ~€14.5bn, facilitating high sustainable annual earnings contribution
Risk-transfer business	Strong performance supported by favourable biometric experience
FinMoRe business	Very good development leading to significant earnings share in total technical result

1 For 2021 and 2022, technical result including fee income based on IFRS 4.

ERGO Germany

Delivering on profitable growth ambition

ERGO Germany



Profitable growth in Life & Health and P&C

- Ongoing top-line growth driven by established hybrid-customer sales model and award-winning products (e.g., dental, term life)
- Sustainable profitability achieved by strong underwriting capabilities (e.g., continuous de-risking) and rigorous cost management (p&c expense ratio: –0.9pp vs. 2023)

P&C Germany

Top-line share by line of business in 2024

Favourable portfolio mix

- Focus on lines of business with attractive combined ratios, e.g., higher share in non-motor retail and lower share of motor business compared to market
- Market-wide claims inflation in motor countered by significant premium adjustments and better claims cost control through network expansion of car repair shops

1 Source: GDV.

ERGO International

Further growth above market with increasing profit

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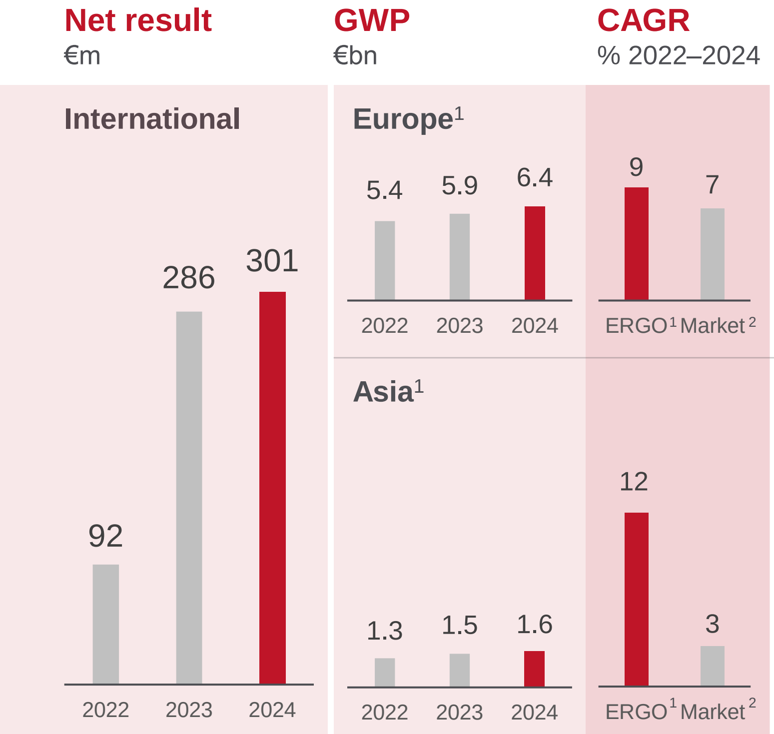


Strengthening leading position in major markets

- Profitable growth driven in part by Poland P&C and Belgium Health
- Promising development in M&A activities in Baltics P&C and Nordics Health
- Price adjustments and efficient claims management as well as continuous performance monitoring

Focus on reinforcing profitability

India

- Organic growth due to successful distribution partnership with HDFC Bank
- Further enhanced underwriting and claims management in retail P&C and health business

Thailand

- Outperformance of market thanks to M&A and organic growth
- Strict focus on streamlining all areas of the business (e.g. product development, sales)

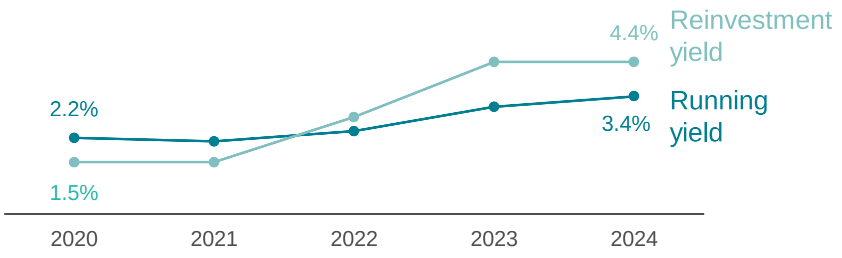
1 Including ERGO share of JVs. 2 Source Munich Re, Axco.

Investment result

Higher interest rates and active investment management increase returns

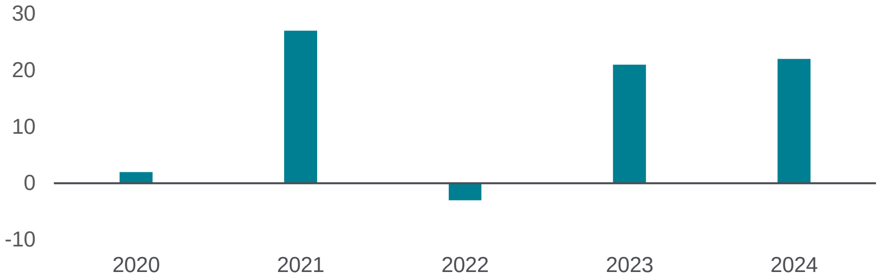
Beneficial market environment

Fixed-income portfolio yield benefits from higher interest rates



Active investment management

Indicative return contribution to Group RoI (bps)



Running yield expected to increase further

- Reinvestments in fixed-income portfolios benefit from higher yields without changing the risk profile
- Accepting deliberate disposal losses (in 2024: ~€760m in reinsurance) to seize tactical opportunities, accelerating the increase of running yield
- Fixed-income running yield expected to increase further by at least 10bps in 2025, based on current gap between reinvestment and running yield

Expanding the return contribution

- Well-constructed portfolio of alternative investments proves very resilient even after rates have risen – attractive new investments in real assets following a revaluation in this sector
- Tactical allocation in 2024 continues to successfully exploit opportunities across different markets and currencies, e.g., overweight in US and Japanese equities and reallocations within the fixed-income portfolio to earn higher coupons

Capital repatriation

Shareholders participate in Munich Re's earnings growth

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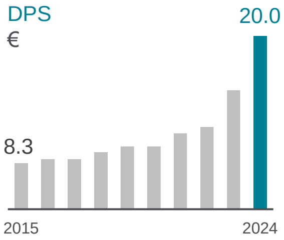
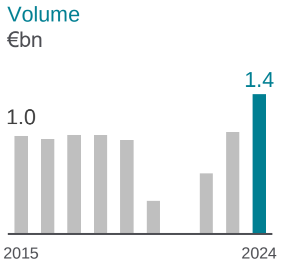
Total payout[1]
2015–2024

Dividends
Profit participation



€15.8bn

Share buy-backs
Reducing excess capital



€8.4bn

Dividends vs. share buy-backs

- Capital repatriation well-funded by high amount of German GAAP distributable earnings and sound solvency position
- Around **85**% of IFRS net earnings paid out to shareholders over the last 10 years
- Proposed dividend increase for 2024 exceeding earnings growth
  - reflecting high earnings share of less volatile/ cyclical business segments
  - strengthening dividend yield and emphasising future dividend ambition
- Increase of proposed share buy-back for 2025/2026 to maintain attractive payout – buy-backs continue to be a flexible tool to manage capital

1 Dividend payout relates to the proposed dividend of the financial year, e.g., for 2024, dividend paid in 2025.
Share buy-back is the actual amount purchased in a single year.

Non-financial targets – Decarbonisation

Full delivery on our promise

Munich RE

GHG emission reduction[1]		Ambition 2025	Achievements in 2024	
Assets[2] Financed GHG emissions[3]	Total	–25 to –29%		–55%
	Thermal coal	–35%		–54%
	Oil and gas	–25%		–56%
Liabilities[4] Insurance-related GHG emissions[5]	Thermal coal	–35%	Thermal coal mining	–56%
			Coal-fired power plants	–47%
	Oil and gas	–5%		–96%
Own emissions GHG emissions from operational processes[6]	Total per employee	–12%		–26%

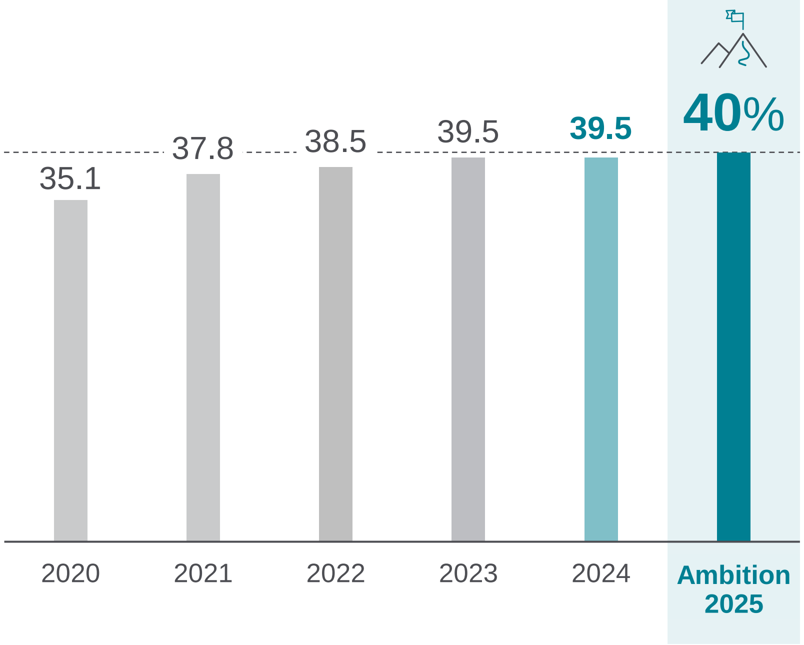
1 Reduction compared to base year 2019, measured in CO2e. 2 Listed equities, corporate bonds and – for total – direct real estate. For total, if we were to use the nominal value instead of the market value for debt instruments, this would result in a reduction of 51% instead of 55%. 3 Scope 1 and 2.
4 Applies to primary insurance, direct and facultative (re)insurance. 5 Metric tonnes of insured thermal coal produced annually/installed operational capacity (in MW) of insured coal-fired powerplants of insureds used as an equivalent for approximate development of emissions. Oil and gas emissions refer to scope 1-3 life-cycle emissions of the insured oil and gas production volumes of the insureds associated with our operational property business.
6 Scope 1, 2 and 3 (business travel, paper, water, waste).

Non-financial targets – Gender Ambition

Approaching the targeted 40% women in leadership roles

Share of women at management level

Achievements in 2024



Growth

Munich Re Group representation remained stable at **39.5**% in 2024

Talent

Representation of women in talent programmes has increased from **48.4**% in 2023 to **48.8**% in 2024

Diversity, Equity & Inclusion

Group-wide DEI assessment conducted, findings and recommendations assimilated into our DEI strategy, revised DEI Commitment published

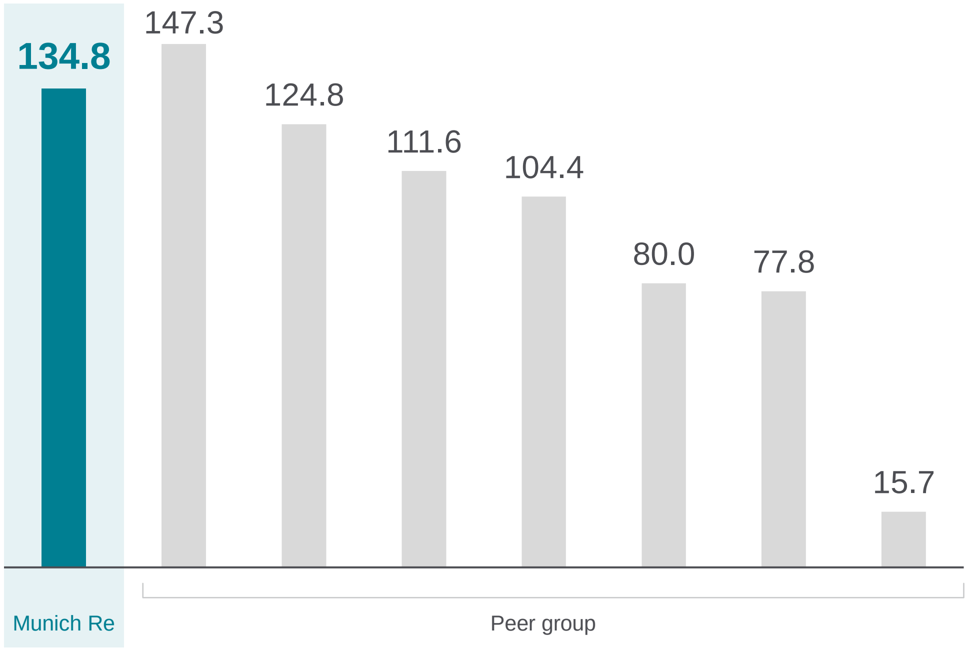
Our commitment to success

Leading total shareholder return (TSR)

Growth	Strong balance sheet – deploying substantial capital in an attractive market, but prepared to manage the cycle
Profitability	Leveraging diversification, superior underwriting and active investment management
Capital repatriation	Shareholders participate via growing dividends and share buy-backs

TSR 1.1.2021 – 31.12.2024[1]

%



1 Source: Bloomberg. Peers: Allianz, Axa, Generali, Hannover Re, Scor, Swiss Re, Zurich.

Outlook 2025

On course for another record year

Group	Insurance revenue (gross) ~€64bn	Net result ~€6.0bn	Return on investment >3.0%		
ERGO	Insurance revenue (gross) ~€22bn	Net result ~€0.9bn	Combined ratio Germany ~89%	Combined ratio International ~90%	
Reinsurance	Insurance revenue (gross) ~€42bn	Net result ~€5.1bn	Combined ratio P&C ~79%	Combined ratio GSI ~90%	Total technical result Life & Health ~€1.7bn


EschCollection / Getty Images

02

Group finance and risk

Financial results 2024

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Strong earnings and capitalisation, with future earnings power further strengthened

IFRS

IFRS net result

€5.7bn
(€4.6bn)

- Very pleasing underwriting performance across all segments contributes to net result above guidance
- Better-than-expected investment result (RoI: 3.1%) includes deliberate fixed-income disposal losses in favour of future investment income

Economic

Solvency II ratio[1]

287%
(267%)

- Well above the upper end of target capitalisation
- Economic earnings[2] of ~€9.3bn driven by strong operating performance, profitable new business growth and positive FX
- Largely stable required capital reflects well-balanced risk profile

Capital

HGB result

€4.8bn
(€3.9bn)

- Significantly higher investment result
- Distributable earnings further increased

Figures as at 31.12.2024 (31.12.2023). 1 Proposed dividend already deducted. Considering the share buy-back, the Solvency II ratio stands at ~276%.
2 Comprehensive disclosure on economic earnings will be available on 19 March 2025.

Investment result

Higher interest rate levels continue to benefit regular income

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IFRS

Regular income

Increase driven by higher interest rates and active portfolio management

Disposal gains/losses

Accepting losses on fixed-income investments (Reinsurance ~€760m, ERGO ~€340m) to accelerate trajectory of increasing regular income

Fair value changes

Benign capital market environment

ERGO – IFRS key financials 2024

Significant revenue and net result growth across all segments

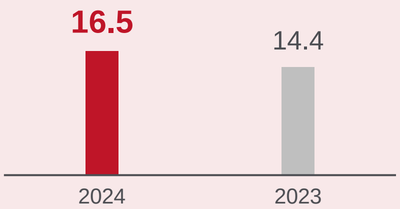
IFRS

ERGO

Insurance revenue €20.8bn (€20.1bn)

Net result €791m (€721m)

Return on equity[1]
%

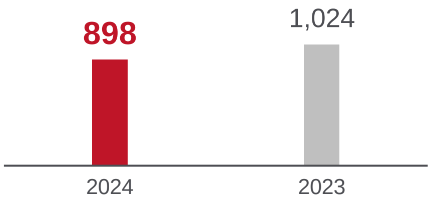


L&H Germany

€10.1bn (€9.9bn)
Continued growth in long- and short-term health (e.g., dental cover) as well as travel

€230m (€183m)
CSM release as expected, higher claims in short-term business (PAA), positive one-offs

Total technical result
€m

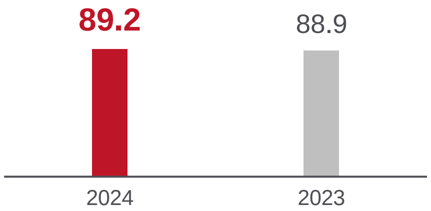


P&C Germany

€4.7bn (€4.5bn)
Growth driven by fire/property and motor, mainly due to rate increases

€260m (€252m)
Good operating performance despite higher major losses; very strong net financial result

Combined ratio
%

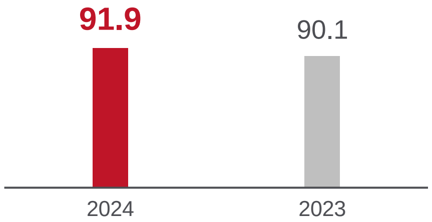


International

€6.0bn (€5.6bn)
Increase mainly from Poland P&C, Thailand P&C and Spain Health

€301m (€286m)
Very good net result driven by Poland P&C, Belgium Health and Greece P&C; high nat cat losses; high claims in Spain Health

Combined ratio
%



Figures as at 31.12.2024 (31.12.2023). 1 2023 figures adjusted due to a shift between “retained earnings” and “other comprehensive income”.

Reinsurance – IFRS key financials 2024

Ongoing profitable growth in both segments, particularly strong result in L&H

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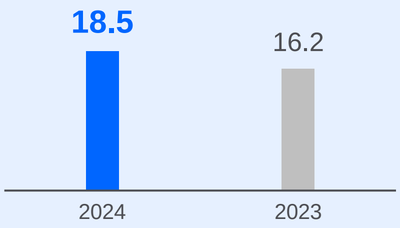
IFRS

Reinsurance

Insurance revenue
€40.1bn
(€37.8bn)

Net result
€4,880m
(€3,876m)

Return on equity



P&C reinsurance

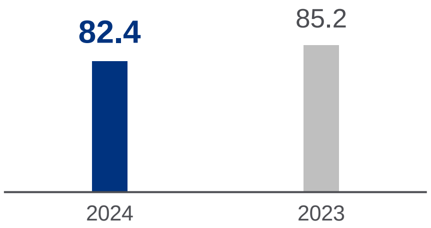
€28.3bn (€27.1bn)

Core P&C: Taking advantage of attractive market conditions; Global Specialty Insurance: significant growth across all units

€3,199m (€2,448m)

Combined ratio and major losses meeting guidance; despite prudently reflecting reserve uncertainty, normalised CR of 82.0% fully in line with expectations; discounting effect of ~8pp; strong investment return (ROI 3.5%)

Combined ratio
%



L&H reinsurance

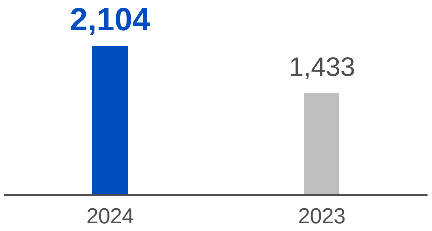
€11.8bn (€10.7bn)

Organic growth in North America and UK

€1,681m (€1,428m)

Very strong performance – release of CSM and RA in line with expectation, strong new business and positive experience variances, once more pleasing development of FinMoRe business

Total technical result
€m



Figures as at 31.12.2024 (31.12.2023).

Global Specialty Insurance – IFRS key financials 2024

Ongoing growth under attractive market conditions

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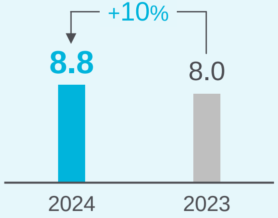
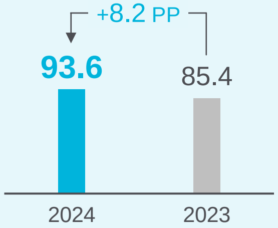
IFRS

		American Modern	HSB	MR Specialty North America	MR Specialty Global Markets
Insurance revenue €bn	Strong organic growth, taking advantage of profitable business opportunities and rate increases	Ongoing strong top-line growth in personal lines book, driven by high rate increases and modest exposure growth	Low single-digit top-line growth in line with expectation. Growth driven by equipment breakdown, while exposure in cyber has been reduced	Ongoing growth driven by business in the US Surplus Lines market	Opportunistic growth in lines where market conditions remain favourable, while moderate in areas where rates have declined
Combined ratio %	Good underlying performance – increased combined ratio due to major losses and reserve prudency	Bottom-line affected by weather-related losses	Continued high profitability	Bottom-line reflecting reserve prudency on growing book of business and some reserve strengthening for US casualty	Result affected by major man-made loss events





Well established reserve prudency protects balance sheet against unexpected developments

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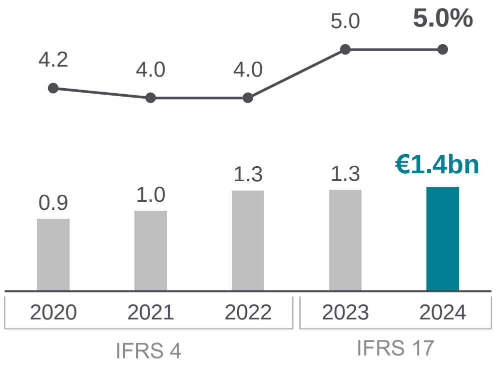
IFRS

Managing industry hot spots	Munich Re measures
US liability High litigation and social inflation trends continue, triggering significant reserve actions in the primary and reinsurance market	Reserve position further strengthened as prudent reaction to elevated loss emergence for soft market years and rising uncertainty regarding more recent underwriting years
Economic inflation Inflation came down in 2024 and uncertainty around future forecast inflation reduced slightly, although concerns remain at individual portfolio level	Lower inflation levels and less forecast uncertainty, while inflation remains on watch in particular areas such as building materials, auto parts, wages, medical costs and social inflation
Major latent loss Situation continues to evolve and increase, with emerging complex litigation risks and changes in legal and regulatory environment; examples include PFAS, sexual molestation, asbestos and opioids	Continued monitoring of developments and reported loss activity as well as prudent reserving approach across various exposure scenarios using our in-depth expertise across underwriting, claims and reserving

Ongoing reserve releases[1]



Significant reserve releases despite cautious reaction to loss trends like US liability – reserve level (including additional €0.5bn prudency for basic losses) considered to be similar to 2023 given volume growth

1 Property-casualty reinsurance. Until 2022: in % of net earned premiums, basic losses after offsetting result-dependent conditions. From 2023: in % of net insurance revenue, discounted basic losses after offsetting result-dependent conditions.

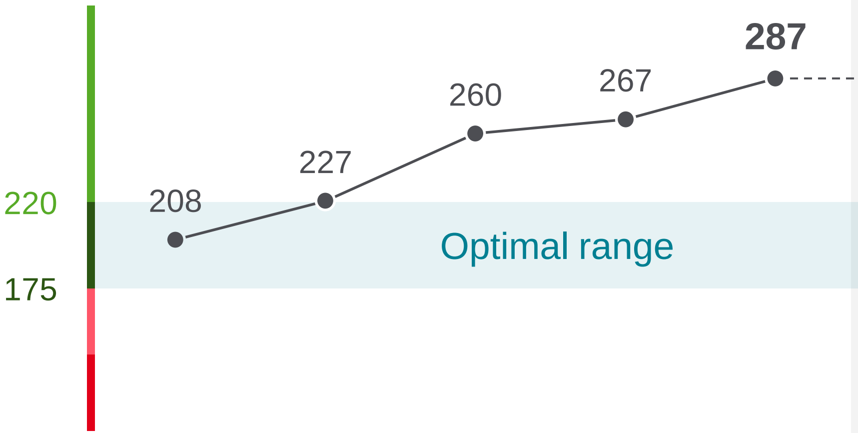
Solvency II ratio

Continued high capital repatriation to bring the SII ratio closer to the optimal range

Economic

Development of the Solvency II ratio

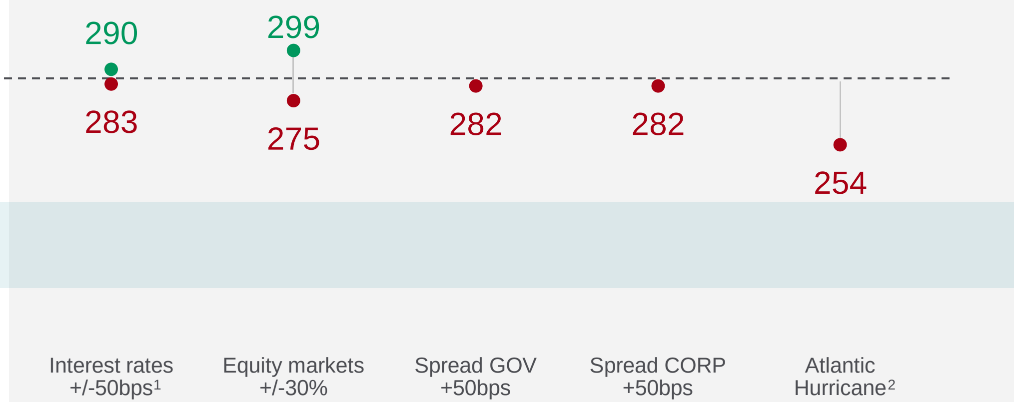
%



	2020	2021	2022	2023	**2024**
EOF	39.9	46.6	46.0	48.0	€**54.3**bn
SCR	19.2	20.5	17.7	18.0	€**18.9**bn

SII sensitivities

%



Developments 2024 vs. 2023

- EOF growth mainly due to strong operating earnings, partially offset by the deduction of the foreseeable dividend[3]
- SCR increase driven by strong USD, higher equity prices and a modest expansion of investment exposure, partially offset by reduced nat cat and credit exposures

1 Parallel shift until last liquid point, extrapolation to unchanged UFR. 2 Based on EOF stress in 200-year event.
3 Adjusted for share buy-back to be deducted in Q1 2025, the SII ratio stands at ~276%.

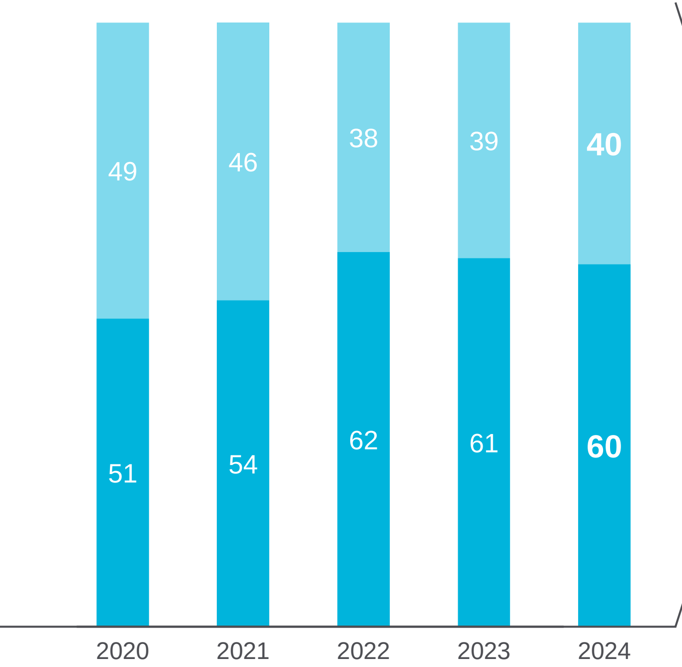
Risk profile

Slight increase of investment risks, diversification remains at high level

Economic

Well-balanced risk profile: SCR composition of investment and insurance risks

%



Investment risks

Increase driven by capital market effects as well as a modest active exposure build-up

Insurance risks

Overall balanced business growth in line with risk-bearing capacity

Diversification benefit between risk categories of >**30**%