

# Munich Re Group **Ambition 2030**

11 December 2025

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02 Group Finance Christoph Jurecka

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# Ambition 2030 CEO Perspective

Joachim Wenning

# Munich Re Ambition 2025

✓ Scaled ✓ Shaped ✓ Succeeded

○ Net result  
— Outlook

Ambition 2020

2018-2020

€1.2bn

€2.9bn

€3.4bn

€4.6bn

€5.7bn

€6.0bn

## Ambition 2025

- ✓ **Scaled** our core business
- ✓ **Shaped** the insurance value chain
- ✓ **Succeeded** for the benefit of our stakeholders

2021-2025

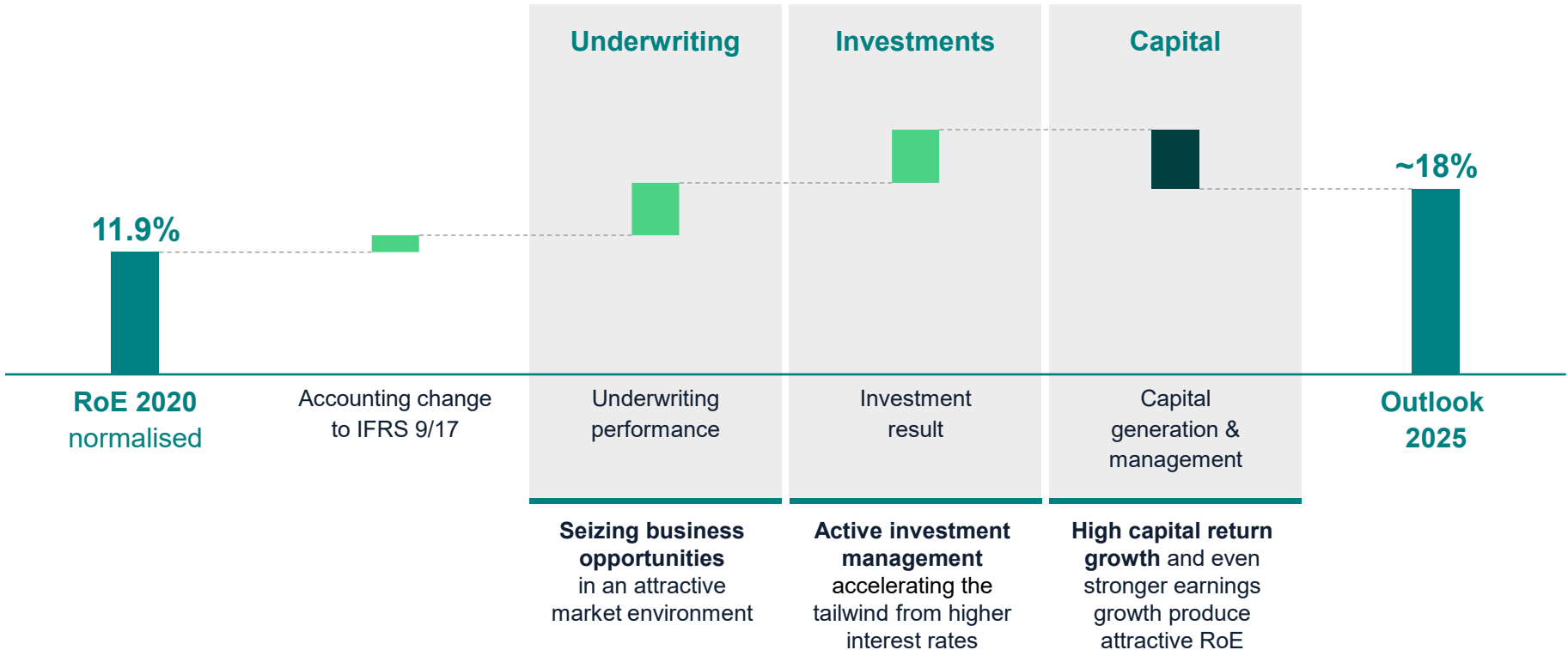
# We have overdelivered on all our targets

	Achievement					Group Ambition
	2021	2022	2023	2024	Outlook 2025	2025
<b>RoE<sup>1</sup></b>	12.6% ✓	13.5% ✓	15.8% ✓	18.2% ✓	~18% ✓	14–16%
<b>EPS growth<sup>2</sup></b>	5.1% ✓	11.2% ✓	19.4% ✓	21.1% ✓	~18% ✓	≥5%
<b>DPS growth<sup>3</sup></b>	12.2% ✓	8.8% ✓	15.2% ✓	19.5% ✓	≥15% <sup>4</sup> ✓	≥5%
<b>Solvency II ratio</b>	227% ✓✓	260% ✓✓	267% ✓✓	287% ✓✓	~293% <sup>5</sup> ✓✓	175–220%

✓ 2021–2025

1 Until 2022, IFRS 4 target of 12–14%, change to IFRS 9/17 in 2023. 2 CAGR from 2020 (normalised) to respective year. 3 CAGR from 2020 (paid in 2021) to respective year. 4 Based on the assumption of at least unchanged DPS of €20. Actual amount to be disclosed on 26 February 2026. 5 As at Q3 2025.

# Ambition 2025 lifted our results to new heights



Our highly consistent performance – extending several levels down the organisation – was fundamental for this success

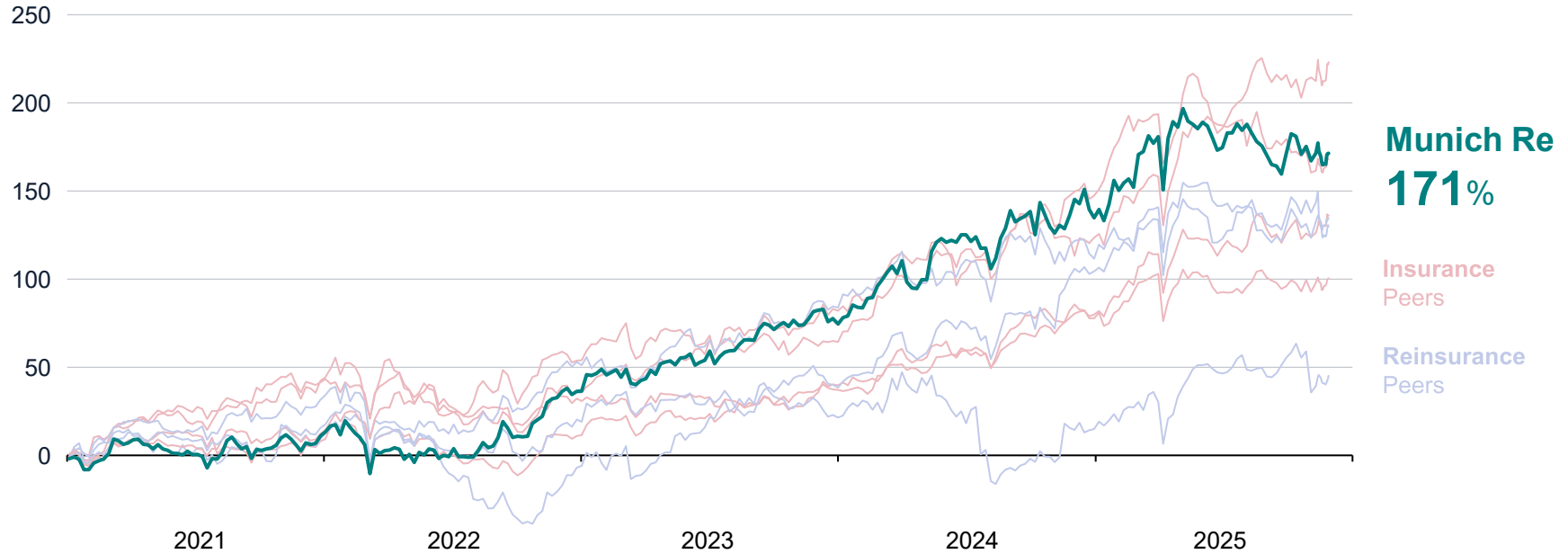


 Delivery on Ambition 2025

# Consequently, we rose to a top spot

## Total shareholder return of Munich Re and its peers

1 Jan. 2021 to 30 Nov. 2025



## Highlights in Ambition 2025 period

### Performance focus

1. Underwriting excellence – grow if risk/return is attractive, otherwise shrink
2. Cost competitiveness and excellence
3. Increased return contribution of investment portfolio beyond the tailwind from higher interest rates through active management

## Selected KPIs



**net result CAGR** outperformance vs. peer average<sup>1</sup> over period 2020–2024

### Scale through diversification

1. Sharp rise in new business in L&H reinsurance
2. Dynamically growing Global Specialty Insurance in target markets
3. Organically growing ERGO, accelerated by selective M&A



of IFRS net result for L&H reinsurance, GSI and ERGO equal the **dividend payments** in 2024

### Disciplined capital management

1. Substantially increasing capital repatriation
2. Further enhancing reserve prudence to protect strong balance sheet and support smooth earnings trajectory
3. Value-creating capital deployment



**capital repatriation** of earnings over period 2020–2024<sup>2</sup>

<sup>1</sup> Peers: Allianz, AXA, Generali, Hannover Re, Scor, Swiss Re, Zurich. Source: Annual reports, own calculations.

<sup>2</sup> Total payout ratio, defined as the sum of announced dividend and share buy-back divided by IFRS net result.

# Our success benefits all stakeholders



## Shareholders

€7.7bn

Total dividend payments, actuals 2021–2024<sup>1</sup>

€5.5bn

Total share buy-backs, actuals 2021–2024<sup>2</sup>

2025 figures to be announced in February 2026



## Clients & Intermediaries

63

Reinsurance Net Promotor Score<sup>3</sup>

94%

Rate ERGO “good” or higher<sup>4</sup>



## Employees

87% • 79% • 88%

Favourable engagement<sup>5</sup>



## Communities

~€25bn

Munich Re Group’s worldwide contribution to tax revenue 2021–2025<sup>6</sup>

● Munich Re Group ● Reinsurance ● ERGO ● MEAG

<sup>1</sup> For financial year, paid in following year. <sup>2</sup> For financial year, announced after full year. <sup>3</sup> Munich Re Client Survey 2024, rated on a scale of -100 to +100. <sup>4</sup> Rating of ERGO or its local companies in the core markets on a range from “poor” to “adequate”, “good”, “very good”, or “excellent” in 2024. <sup>5</sup> 2025 Engagement Index Results. Financial Services Norm for Engagement Index: 83%. Results in 2024 were 86%, 78%, 87% respectively for Reinsurance, ERGO and MEAG. <sup>6</sup> Includes income taxes paid, and indirect taxes borne by Munich Re Group as well as taxes paid for third parties such as insurance tax, value-added tax, payroll tax, withholding tax and other taxes paid to the tax authorities for third parties. Assumption for 2025 based on the average of the past three years.



# Ambition 2030

Outpeak • Outpace • Outperform



# Peak performance and a high pace needed to extend our leading position



## Outpeak

Climbing higher

Take superior decisions in underwriting and investments

Attract, grow and retain the best talents

Diversify portfolios for earnings resilience



## Outpace

Moving faster

Reduce complexity

Accelerate decision-making

Be the first to anticipate risk and business trends



## Outperform

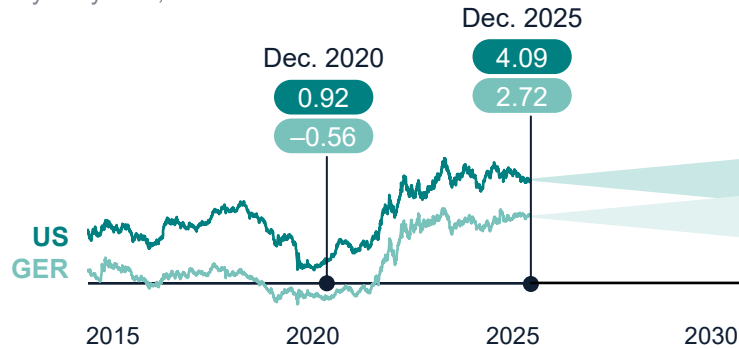
Staying ahead of the competition

# We will continue to grow earnings in the foreseeable macroeconomic environment

## Macroeconomic developments

### Interest rate development

10-year yields, %



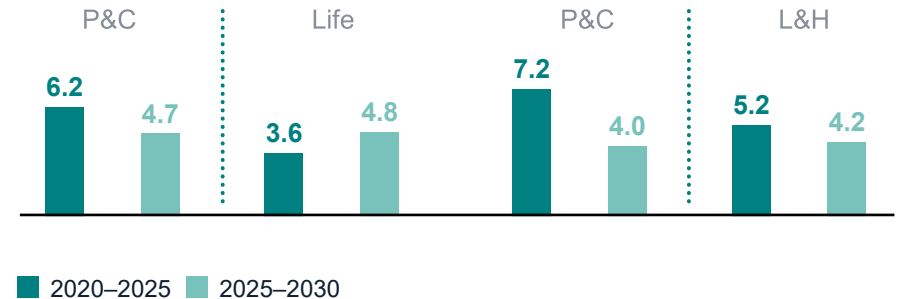
Growth in investment income due to higher reinvestment yields

### Global (re)insurance growth

GWP CAGR, %

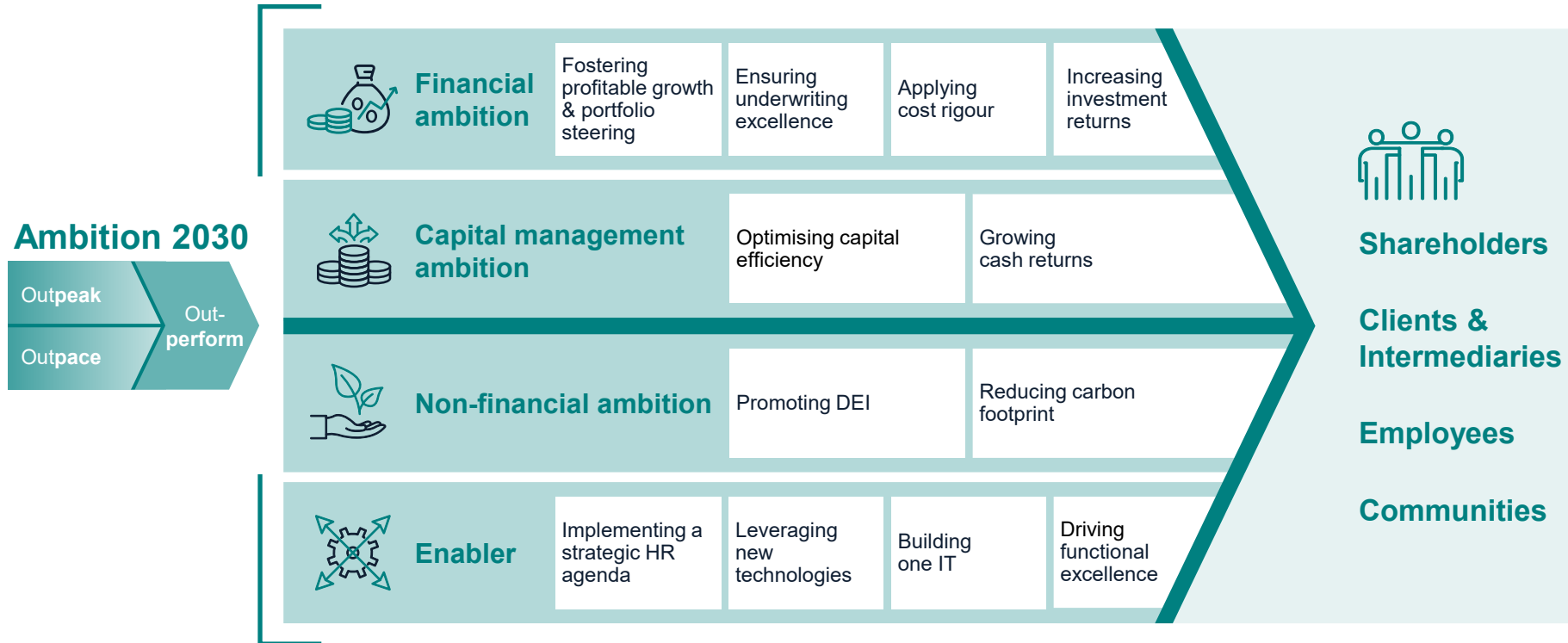
#### Primary insurance

#### Reinsurance



Ongoing growth opportunities

# Ambition 2030 is a holistic strategy aimed at generating sustainable outperformance for all stakeholders



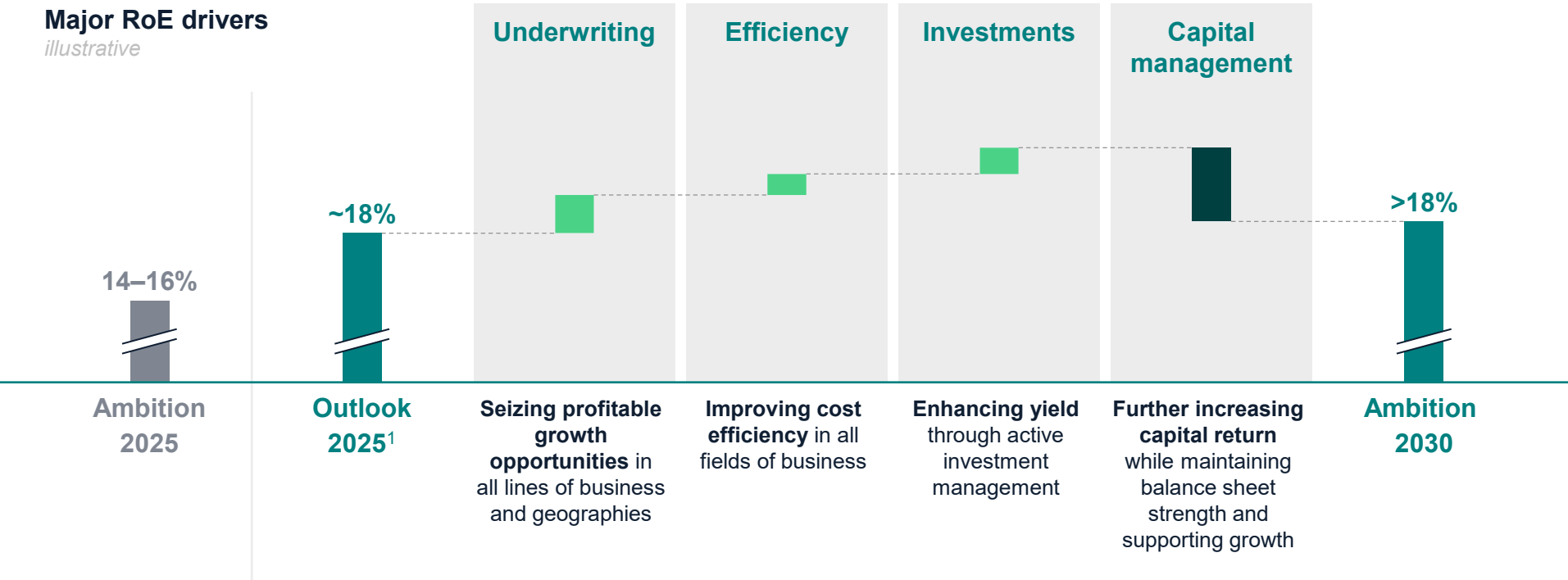


# Financial & capital management ambition

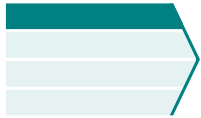
We will further improve our profitability

## Major RoE drivers

*illustrative*



<sup>1</sup> Based on expected IFRS net income of €6bn.



# Financial ambition

## Ensuring delivery on committed profitability



### Financial ambition

#### Fostering profitable growth & portfolio steering

- Growing businesses in line with underlying markets
- Overproportionally expanding businesses in selected growth areas
- Managing portfolio mix to support diversification

#### Ensuring underwriting excellence

- Investing in underwriting technology and expertise
- Ensuring consistent company-wide underwriting strategy
- Actively managing the portfolio, not compromising on profitability

#### Applying cost rigour

- Setting clear cost-saving targets for all areas of the Group
- Leveraging shoring opportunities
- Managing costs by optimising processes and IT system as well as reducing organisational complexity

#### Increasing investment returns

- Gradually taking more investment risk by increasing alternative investments
- Increasing return on investment from MEAG and external asset managers
- Enhancing investment function by deploying AI

**Group-wide strategic levers** to drive consistent performance



# Non-financial ambition

## Group DEI and Climate Ambition 2030

### DEI Ambition

We see DEI as a business imperative, helping us to attract, grow and inspire a **diverse, inclusive and equitable workforce** that better enable us to serve our customers, investors, and communities.

Globally, we strive to build balanced teams across all aspects of difference.



### Climate Ambition



2030 targets  
(base year 2025)

Long-term aims

#### Investments

Listed enterprises	-12% emissions intensity
Direct infrastructure, private equity/debt	-20% emissions intensity
Real estate equity	-20% emissions intensity
Thermal coal	Phase-out
Oil and gas	-12% absolute emissions
Climate tackling investments	+€1.5bn
Engagement	30 high-emission investments (sum since 2020)

#### (Re)insurance

##### Munich Re Facultative & Corporate Global

Clients with reported emissions	-20% emissions intensity
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##### Munich Re Group single-risk

Thermal coal mining	-35% absolute emissions
Thermal coal power	-45% absolute emissions
Oil and gas production	No portfolio expansion

Thermal coal	Phase-out by 2040 incl. treaty
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#### Own Operations

100% purchased electricity from renewable energy sources

Net zero by 2050



# Enabler

Highest execution excellence in all our activities

## Group-wide enablers

support future success of each field of business

### Implementing a strategic HR agenda

- Attract and retain the best talents within a performance-enhancing corporate culture
- Foster operational excellence, implement IT solutions and promote data-driven HR operations

### Leveraging new technologies

- Stay ahead by identifying trends and adopting new technologies early on
- Leverage AI and digital self-services to boost efficiency and effectiveness

### Building one IT

- One IT infrastructure yields cost advantages and strengthens IT security
- One IT enables us to accelerate the adoption of new technology

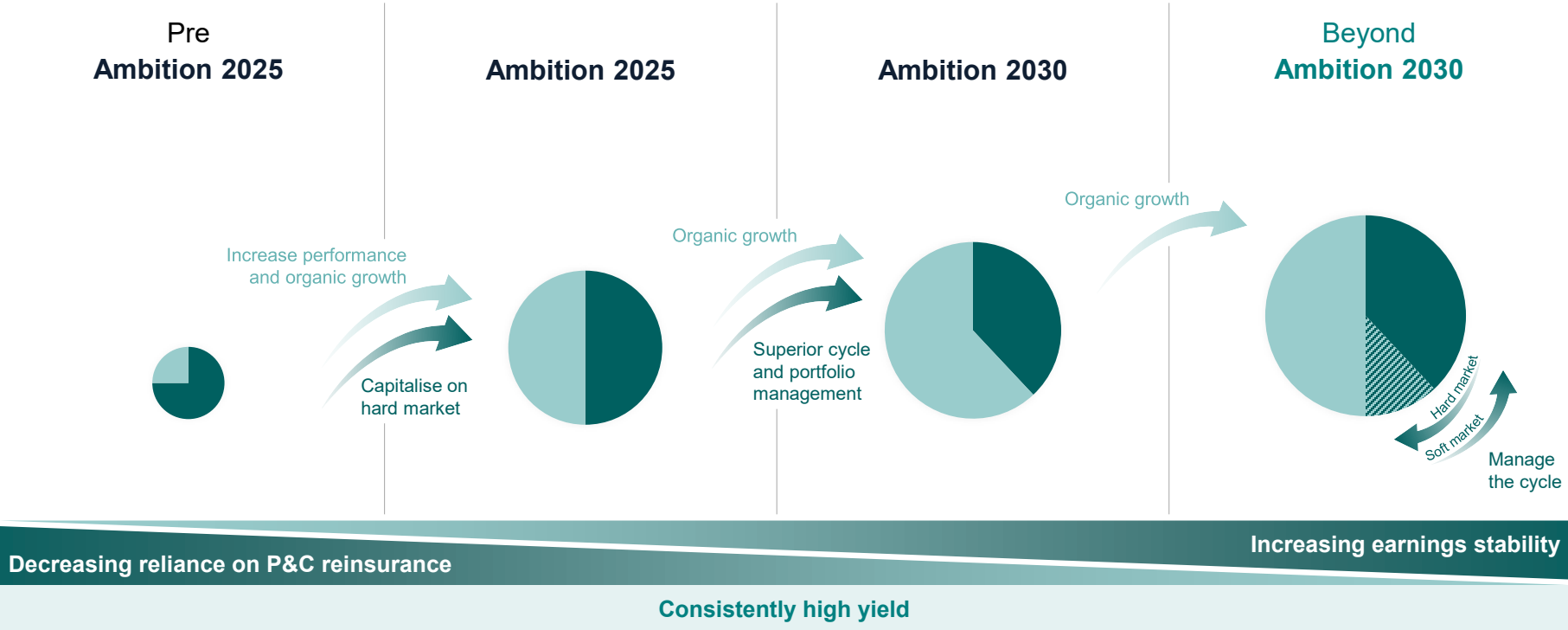
### Driving functional excellence

- Harmonise processes, reduce system complexity and related costs globally
- Evolve central divisions' capabilities and delivery to support business with technology and insights



Enabler

# Strategic path: Reinsurer and primary insurer at scale

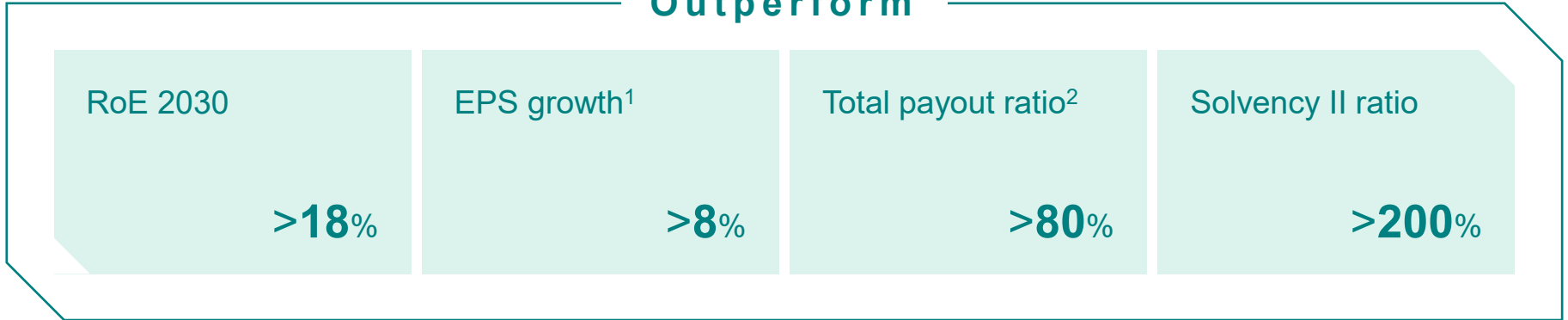


Earnings power (illustrative) | ■ P&C reinsurance ■ Non-P&C reinsurance

# Our commitment to **Outperform**



## Outperform



## Industry-leading financial performance

<sup>1</sup> CAGR 2025-2030. <sup>2</sup> Total payout ratio is defined as the sum of announced dividend and share buy-back divided by IFRS net result.





# Ambition 2030 Group Finance

Christoph Jurecka

# Munich Re has set new, ambitious financial targets that are directly linked to boosting total shareholder return

## Major TSR drivers

## Ambition 2030

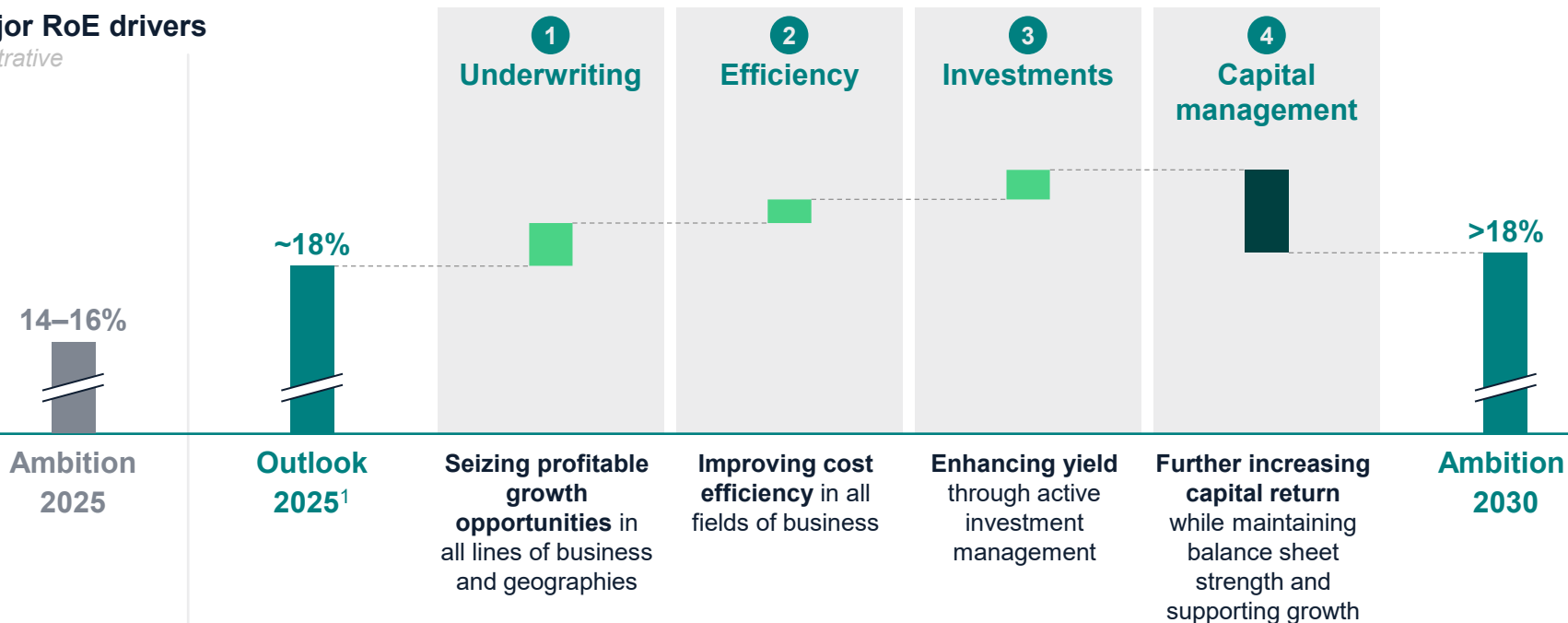
 Expected RoE	<b>RoE 2030</b>	<b>&gt;18%</b>	<div data-bbox="1255 333 1362 431" data-label="Image"> </div> <p data-bbox="1381 343 1680 420"><b>Key elements of Ambition 2030</b></p> <ul data-bbox="1255 469 1874 917" style="list-style-type: none"> <li>– Profitable business expansion remains key, although most likely not at the same pace as in the last five years</li> <li>– Shareholders continue to participate in Munich Re’s earnings growth through even higher capital repatriation</li> <li>– Based on a strong balance sheet, further increasing capital efficiency to maintain high level of RoE while reducing cost of capital</li> </ul>
 Expected EPS growth	<b>EPS growth<sup>1</sup></b>	<b>&gt;8%</b>	
 Expected dividend growth	<b>Total payout ratio<sup>2</sup></b>	<b>&gt;80%</b>	
 Change in cost of capital	<b>Solvency II ratio</b>	<b>&gt;200%</b>	

<sup>1</sup> CAGR 2025 – 2030. <sup>2</sup> Total payout ratio is defined as the sum of announced dividend and share buy-back divided by IFRS net result.

# Maintaining high level of RoE through execution across all four dimensions

## Major RoE drivers

*illustrative*



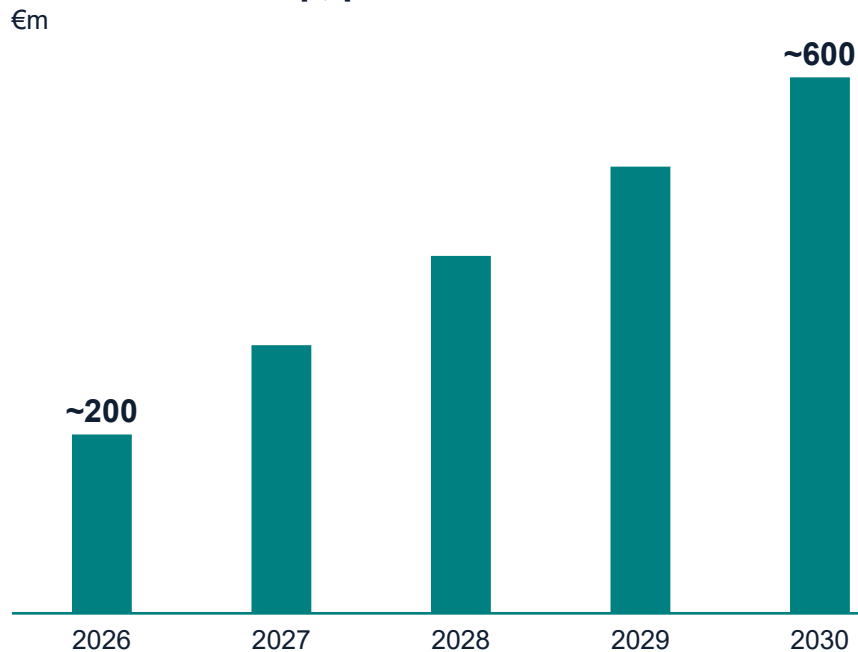
<sup>1</sup> Based on expected IFRS net income of €6bn.

# 1 Seizing profitable growth opportunities in all lines of business and geographies without constraints

	Revenue growth (CAGR <sup>1</sup> )	Profitability <sup>2</sup>
L&H reinsurance	8%–12%	Total technical result <b>€2.4bn–€2.7bn</b>
P&C reinsurance	0%–3%	Combined ratio <b>79%–83%</b>
GSI	5%–9%	Combined ratio <b>87%–90%</b>
ERGO Germany	3%–5%	Combined ratio <b>87%–89%</b>
ERGO International	6%–10%	Combined ratio <b>86%–88%</b>

## 2 Improving cost efficiency in all fields of business

### Expected annual primary cost savings Munich Re Group, pre-tax



### Cost-saving initiatives

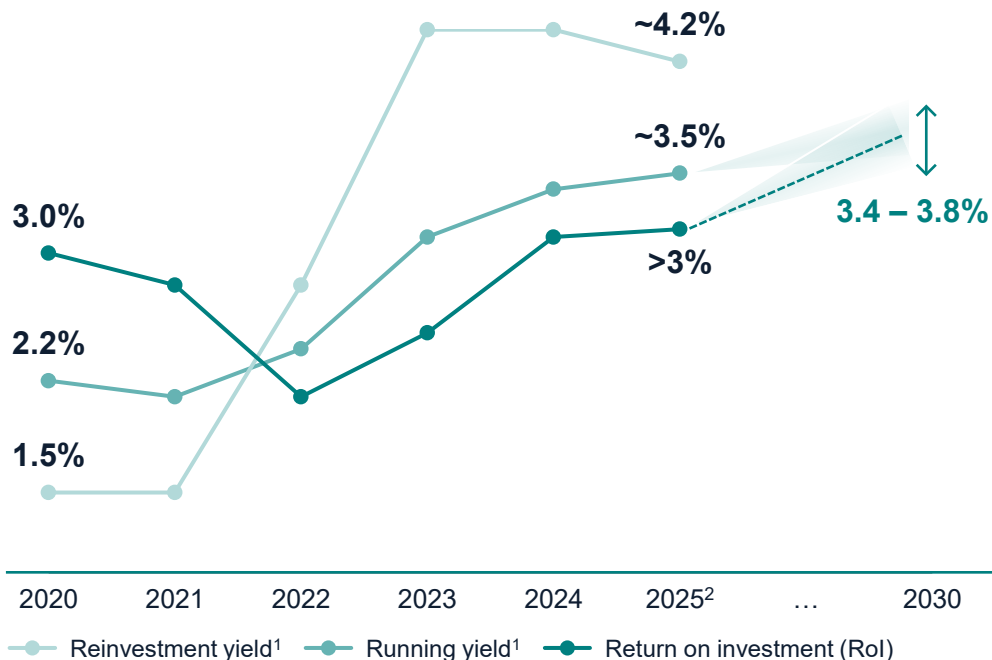
- Counteract an inflation-driven cost increase
- Help absorb inflationary pressures and business investments, resulting in a more efficient organisation with a higher degree of automation and strategic use of AI
- Deeply rooted in the organisation, as costs are managed directly throughout the Group involving Reinsurance, ERGO, GIM and MEAG
- Savings will affect various IFRS income statement and balance sheet items with corresponding effects on our main KPIs, e.g. combined ratio, total technical result, investment result, other result, and CSM

### 3 Levers for sustainably increasing investment returns



### 3 Enhancing yield through active investment management

#### Development and projection of investment returns



<sup>1</sup> Fixed-income portfolio. <sup>2</sup> RoI based on Outlook 2025.

#### Supporting drivers

Favourable market environment

- Reinvestments in fixed-income portfolios benefit from higher yields without changing the risk profile
- Running yield expected to increase further

+

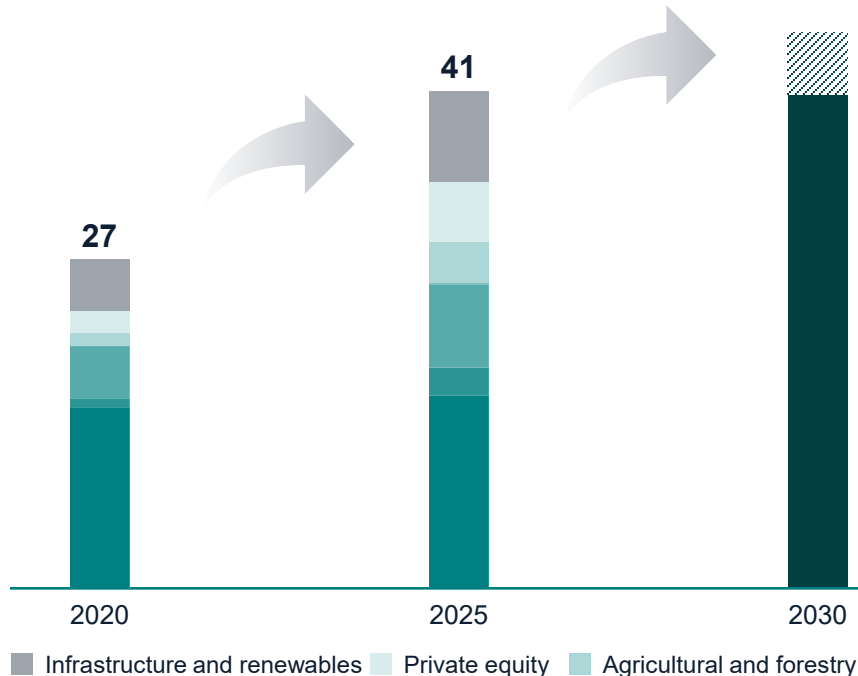
Active investment management

- Expansion of alternative investments
- Increasing share of actively managed portfolios
- Carry on proven track record of tactically exploiting market opportunities
- Further increasing MEAG's performance through AI-based enhancement of investment process

### 3 Gradually taking more asset risk, while balancing insurance and investment risk

#### Further expansion of alternative investments

€bn



#### Alternative risk taking

- Investment risk gradually rising due to increased alternative investments
- Yield pick-up via complexity and illiquidity premiums
- Enhanced overall portfolio diversification
- Highly flexible approach to seizing attractive market opportunities, e.g.
  - alongside long-term structural trends, (e.g. infrastructure supporting sustainability, digitisation and defence) not accessible via public markets
  - accessing markets beyond Europe and the US
  - further expansion of our asset manager universe

## 4 Strong capitalisation across all metrics paves the way for sustainable earnings growth

### Based on a strong balance sheet ...

IFRS	Solid shareholders' equity <sup>1</sup>  €32.4bn	Strong reserving position  6% annual release in RI P&C
Economic	Strong Solvency II ratio <sup>1</sup>  293%	High-quality EOF <sup>2</sup>  89% Tier 1
German GAAP/ rating	High HGB distributable earnings <sup>2</sup>  €9.1bn	Strong financial ratings  AA

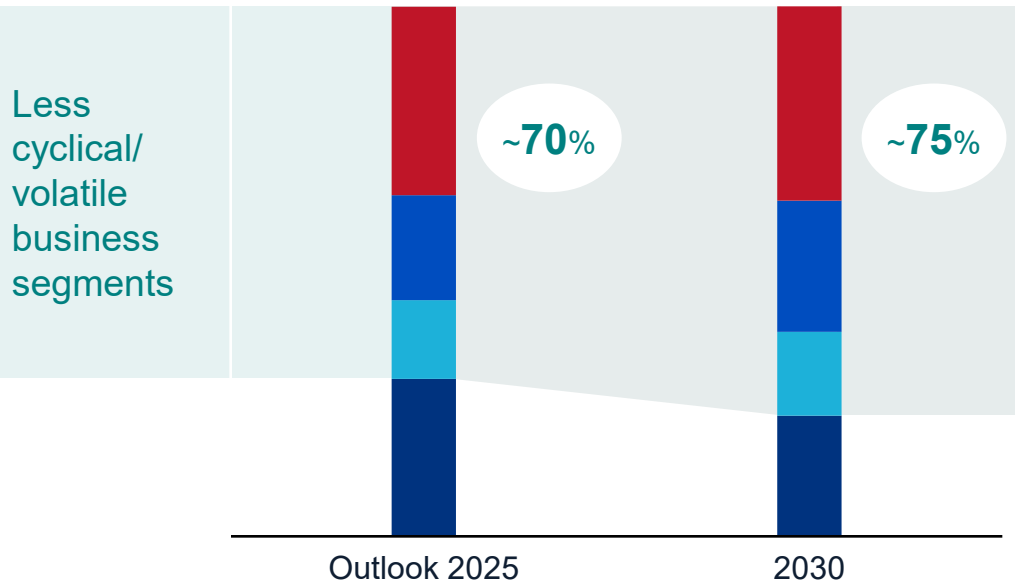
### ... further improving capital efficiency

- **Diversification of earnings** through expansion of less cyclical/volatile business
- **Optimising capital structure** to manage cost of capital
- **Active capital management** unlocking the full spectrum

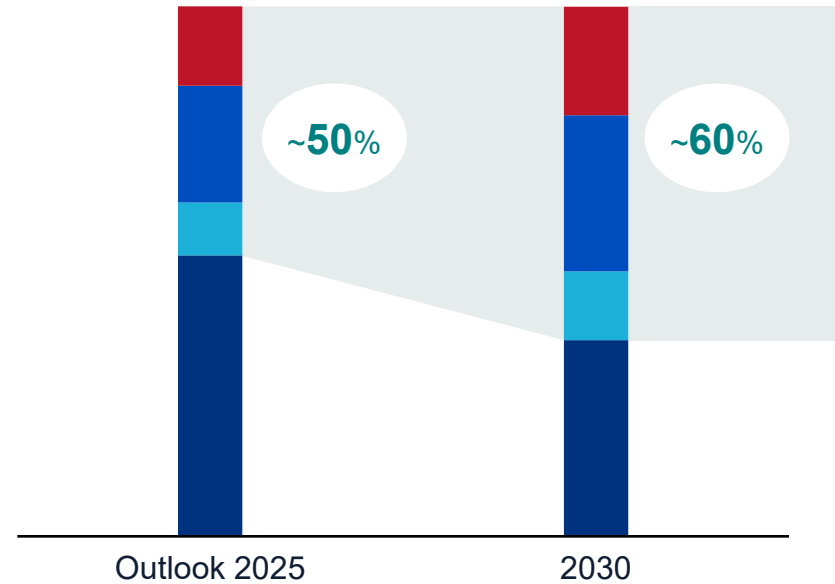
# 4 Expanding less cyclical/volatile business segments to continuously increase earnings contribution

Ongoing profitable revenue growth ...

Less cyclical/volatile business segments



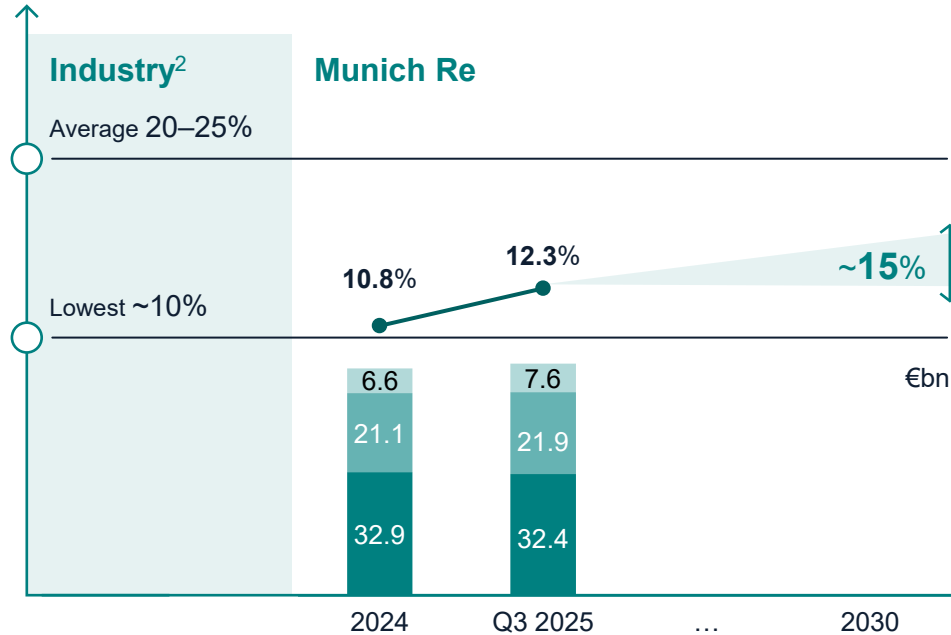
... leading to further expansion of net income contribution



■ ERGO ■ L&H RI ■ GSI ■ P&C RI

# 4 Gradually increasing debt leverage is further improving our capital efficiency

## Munich Re's debt leverage<sup>1</sup> well below the industry's



### Funding strategy

- Intention to gradually increase debt leverage over the medium-term towards a **level<sup>3</sup> of ~15%** without jeopardising Munich Re's target rating
- Even after increase, Munich Re's debt leverage remains among the lowest in the industry
- Moderately higher debt leverage supports the ambition of increasing the RoE and reducing the cost of capital

### Legal entity structure

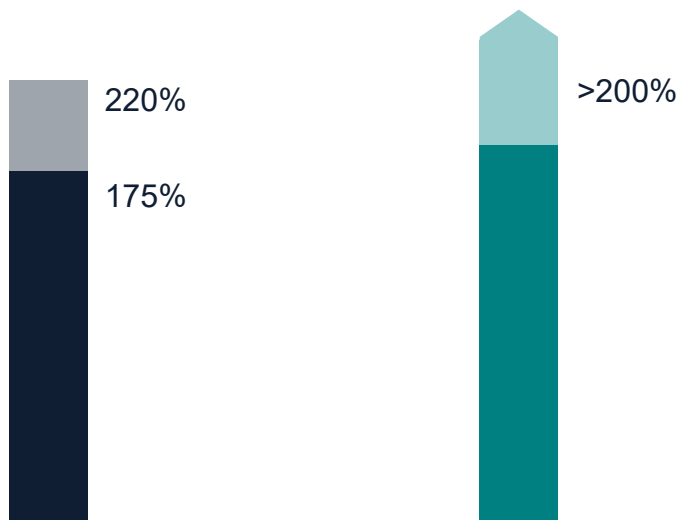
- Optimisation to increase internal capital management efficiency

■ Equity ■ CSM (after tax) ■ Senior and subordinated debt

<sup>1</sup> Strategic debt (bonds and notes issued, and subordinated debt) divided by total capital (strategic debt + equity + CSM net of tax).  
<sup>2</sup> European insurance industry according to analysts' research reports; industry-average and company-individual figures based on partially different calculation methods. <sup>3</sup> Assuming normal course of business over the planning horizon and stable capital market environment.

## 4 Introduction of new SII ratio target provides more flexibility, while keeping the commitment to manage excess capital

### Lower bound as new Solvency II target replaces optimal range



Old target

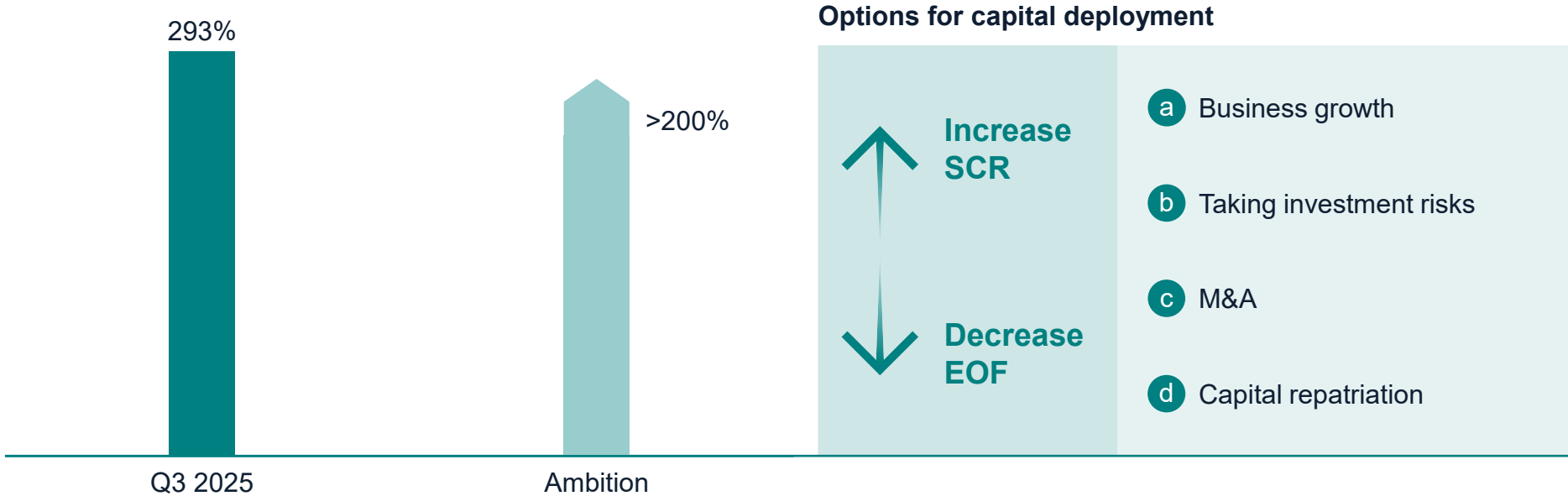
New target

### Rationale for new Solvency II target

- Increasing floor to 200% aligned with target rating of AA
- New target supports business strategy in the context of more severe risk trends and aligns steering impulses as regards peak exposures
- As Munich Re must be in a strong position to provide reliable capacity even in times of stress, it is reasonable to hold a higher buffer in a more uncertain environment
- Release of upper bound provides more flexibility as regards managing profitable peak risk exposures
- Commitment to manage excess capital unchanged

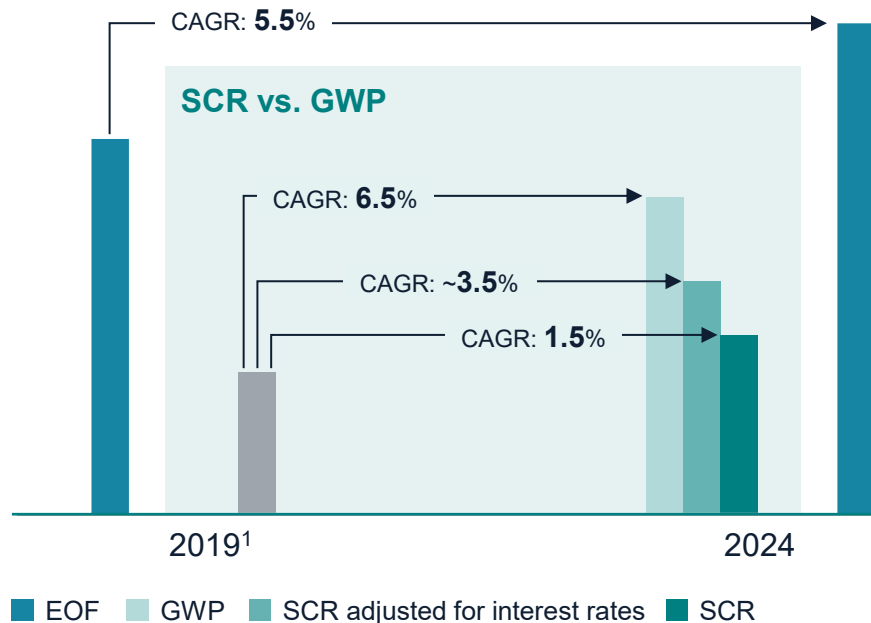
## 4 Active management of Solvency II ratio, unlocking the full spectrum

### Solvency II – Committed to managing excess capital



## 4 Broad diversification allows for capital-efficient business growth

### SCR growth disproportionately lower than premium growth



### EOF

- Strong business growth to remain an important capital generator
- Expected further increase of new business value in RI L&H immediately increasing EOF, while IFRS earnings are gradually accounted for through regular CSM release

### SCR

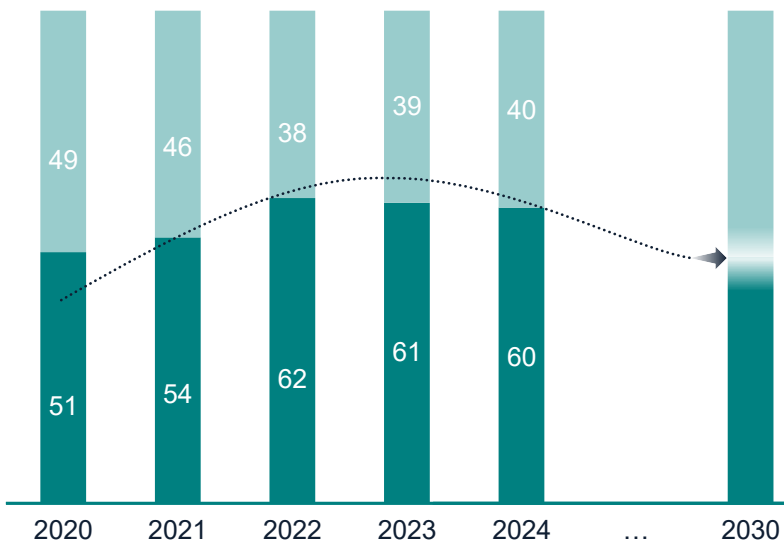
- As business growth is highly diversified within Munich Re Group, total SCR has only increased by 1.5% p.a., while GWP growth was more than 4 times higher
- Even when adjusting for factors that have an impact on SCR, e.g. interest-rate effects, premium growth still significantly exceeds SCR growth

<sup>1</sup> SCR and GWP CAGRs based on starting value of 100 in 2019

## 4 Gradually taking more asset risks will optimise the balance between insurance and investment risks

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

%



■ Investment risks ■ Insurance risks



#### Investment risks

- Expanding alternative investments
- Retaining flexibility to seize investment opportunities



#### Insurance risks

- Managing the cycle, portfolio optimisation
- High diversification between business lines and markets

**Overall, slight expansion of total SCR while diversification benefit between risk categories remains at a high level of >30%**

## 4 Deploying capital for M&A is bound to strict criteria

### Strategic fit

- Aiming at strengthening our strategic footprint with a focus on specialty insurance business (GSI) and certain lines of business, geographies and technologies in primary insurance (ERGO)
- Any potential target company must enhance our value proposition – via its capabilities, knowledge, market access, distribution, technology, or a combination thereof

Munich Re  
applies rigid criteria  
for assessing  
inorganic growth  
opportunities

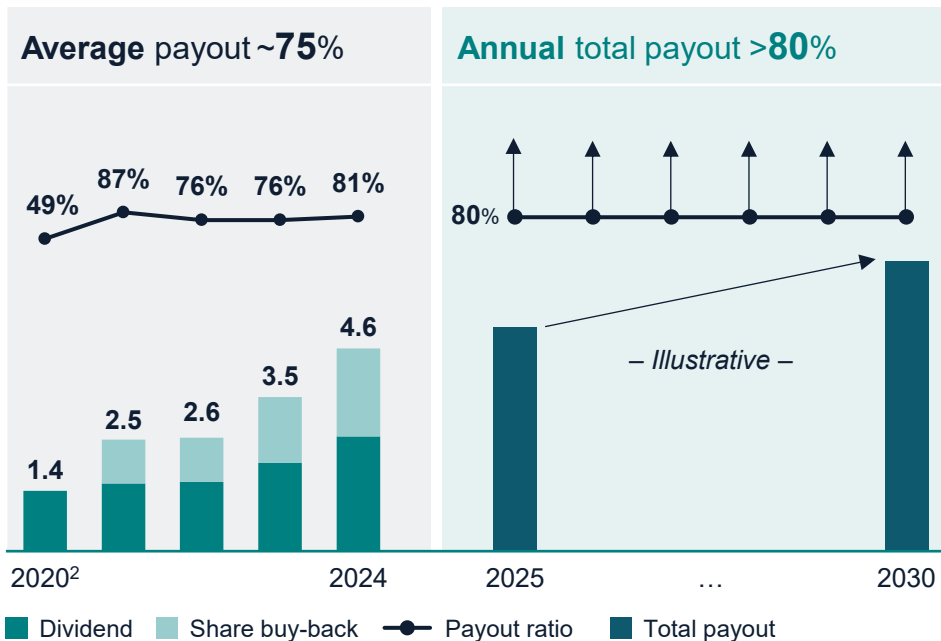
### Financial fit

- Any acquisition must create value for Munich Re's shareholders ...
- ... i.e. the purchase price must be lower than the value we assign to the target company, considering the business case, synergies, cost of capital, etc.

## 4 Commitment to even higher capital repatriation

### Dividends and share buy-backs<sup>1</sup>

€bn



### Higher future shareholder participation in increasing earnings

- Capital repatriation well-funded by German GAAP distributable earnings and sound solvency position
- Dividend largely covered by earnings from less cyclical and less volatile business at ERGO, GSI and L&H reinsurance
- **New total payout target of >80% p.a. with prior-year dividend per share as the floor**
- DPS growth in line with EPS growth remains paramount, while share buy-backs continue to offer a flexible tool

<sup>1</sup> Total payout ratio is defined as the sum of announced dividend and share buy-back divided by IFRS net result. Example for 2024: Dividend of €2.6bn plus share buy-back of €2bn (both announced in 2025) divided by net income of €5.7bn. <sup>2</sup> Payout ratio in 2020 based on normalised net result of €2.8bn.

# Outlook 2026 – We project another record-breaking year

Group	Insurance revenue (gross)  <b>~€64bn</b>	Net result  <b>~€6.3bn</b>	Return on investment  <b>&gt;3.5%</b>		
ERGO	Insurance revenue (gross)  <b>~€24bn</b>	Net result  <b>~€0.9bn</b>	Combined ratio Germany  <b>~89%</b>	Combined ratio International  <b>~89%</b>	
Reinsurance	Insurance revenue (gross)  <b>~€40bn</b>	Net result  <b>~€5.4bn</b>	Combined ratio P&C  <b>~80%</b>	Combined ratio GSI  <b>~90%</b>	Total technical result L&H  <b>~€1.9bn</b>

# Ambition 2030 ERGO

Markus Riess

# ERGO's strategy programmes have led to continuous improvements over the past decade

## 2016



Combined ratio		Return on equity
Germany	International	
97%	98%	1%

- Weak financial performance
- No clear (international) strategy
- Complex legacy systems

## 2020



Combined ratio		Return on equity
Germany	International	
92%	93%	9%

- Competitive positioning in Germany
- Hybrid customer business model introduced
- International portfolio optimised

## Outlook 2025

Combined ratio		Return on equity
Germany	International	
~89%	~90%	14-16%

- Top peer profitability
- Even stronger presence in the German market
- Targeted international expansion (Baltics, Nordics, Thailand, US)

# ERGO will deliver peak performance by strengthening key aspects of its core business



## Outpeak

Further improve market positions in all regions

Successfully integrate NEXT with significant profit contribution by 2030

Expand excellence in underwriting

Systematically adopt (Gen)AI across the value chain

Enhance digital transformation with a global IT infrastructure

Accelerate efficiency in uncertain inflationary environment



## Outpace

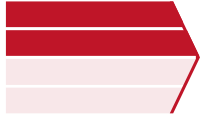


## Outperform

Be an efficient technical and digital leader to create long-term value for all stakeholders

# Guided by the Ambition 2030 framework, ERGO will contribute to the financial ambition and deliver additional value for all stakeholders

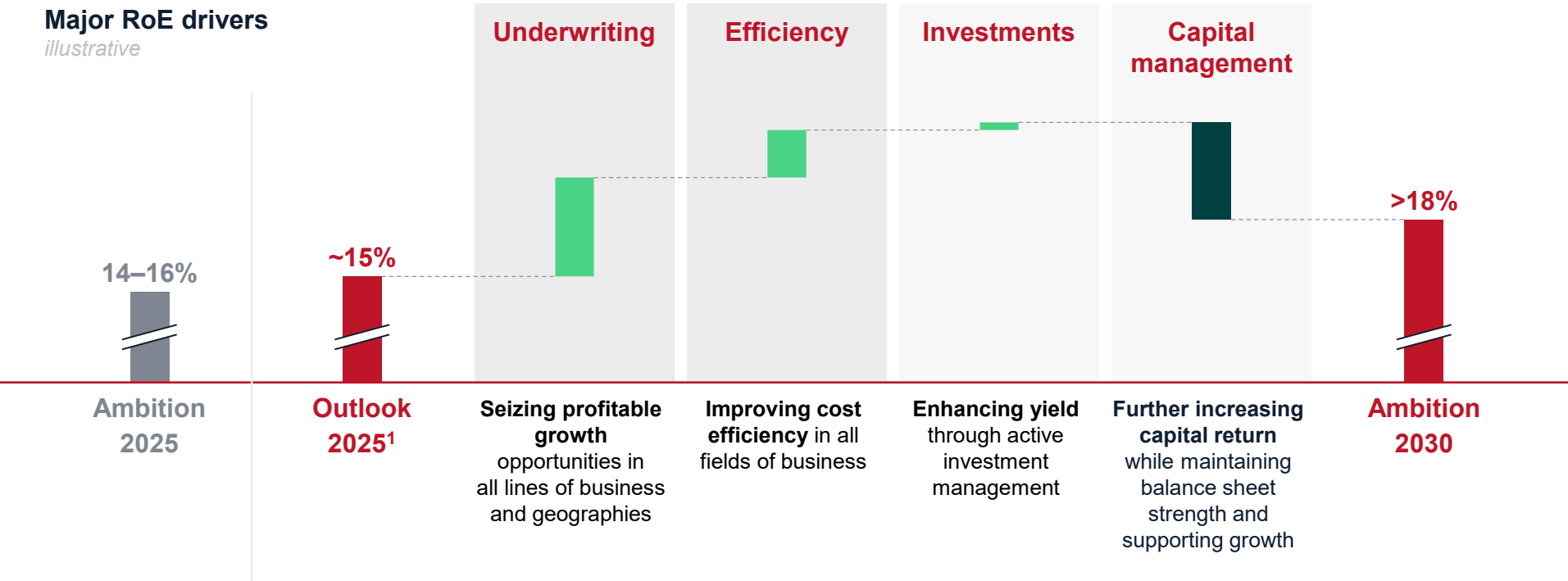




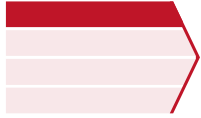
# ERGO will further improve profitability, driven by enhanced underwriting and efficiency

## Major RoE drivers

*illustrative*



1 Based on expected IFRS net income of €0.9bn



# At ERGO, the financial ambition is driven by excellence in our core



## Financial ambition

### Fostering profitable growth & portfolio steering

- Strong international diversification through elevated growth
- Steering portfolio mix across geographies to reduce volatility
- Economic value creation across Life, Health and P&C portfolios

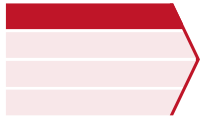
### Ensuring underwriting excellence

- Investing in underwriting technology and portfolio data management
- Providing central guidance through a strong matrix organisation
- Strong product management execution

### Applying cost rigour

- Leveraging strict benchmark-oriented cost discipline at ERGO Germany
- Setting clear cost-saving targets at ERGO International
- Increasing efficiency by leveraging shoring opportunities

**Group-wide strategic levers** to drive consistent performance



# Profitable growth at ERGO Germany and International will yield a more diversified portfolio on a global scale

## Outlook

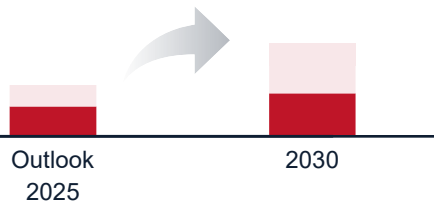
### Insurance revenue

(gross)  
€bn



### Profit contribution

*illustrative*



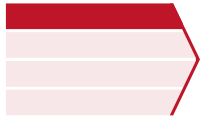
Germany International

## Germany

- Sustained growth in P&C fostered by advanced pricing in retail and operational excellence with new target operating model in commercial
- Strengthening Health through cost discipline and product enhancement
- Continued expansion of Life market share via modern products, balancing run-off of classic portfolio

## International

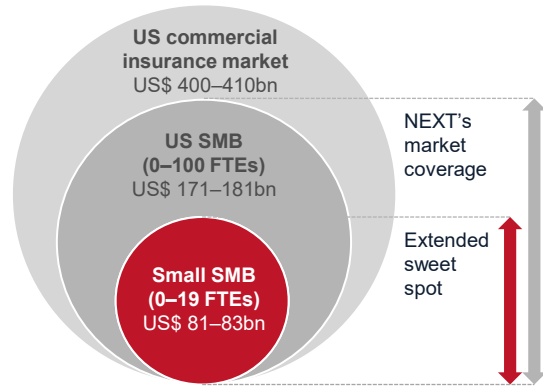
- Driving diversification through well-established European segments, dynamic Asian markets and new US market
- Focussing on profitability, pursuing top positions in terms of expenses and combined ratio vs. relevant peers
- Unlocking value through PMIs and leveraging cross-border synergies



# Entering the highly attractive US SMB market will translate into financial benefits and synergies

## US SMB market

2024



- 99% of US firms are SMBs, offering a resilient demand base
- US SMB insurance market is underserved by legacy carriers

## Strategic fit

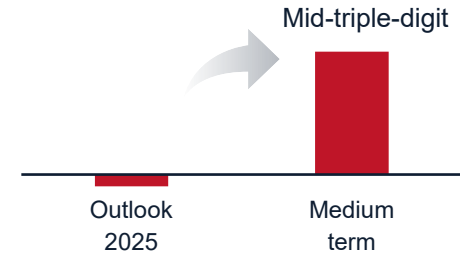
- Entering attractive, less cyclical US SMB segment
- Capital-light, digital-native model complements our strategic direction
- Access to NEXТ's fully digital tech stack and underwriting

## Synergies

- Management integration into ERGO
- Legal integration into Munich Re America Corporation
- Internalisation of R/I margins and unwinding of fronting structures

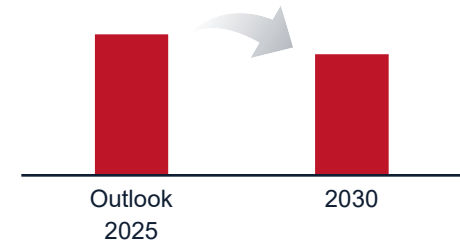
## Net result

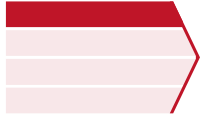
€m



## Combined ratio

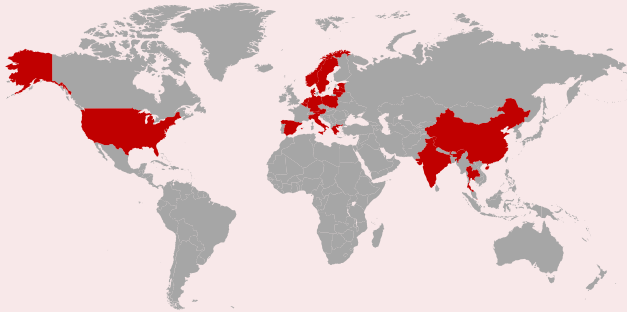
%





ERGO will maximise cross-border synergies to realise further efficiency and scale benefits

## Leveraging global experience and capabilities to realise cross-border synergies



## Cross-border initiatives centrally and locally

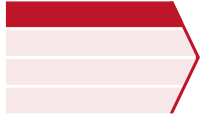
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### Central initiatives rooted in Group capabilities

- ✓ (Gen)AI solutions
- ✓ Global business services
- ✓ Health underwriting platform
- ✓ Pricing hub

### Local initiatives for global adoption

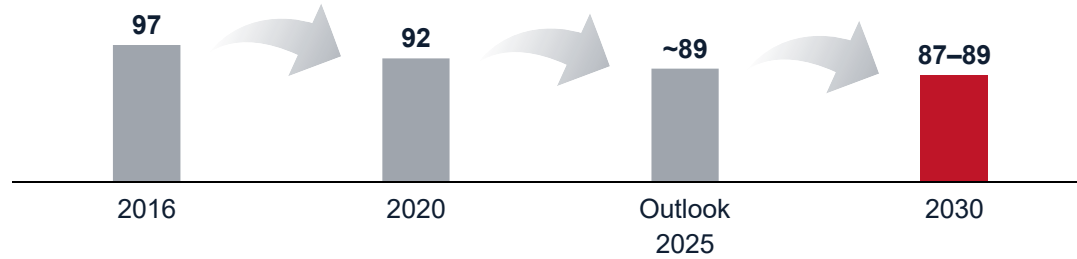
- ✓ Streamlined SME strategy
- ✓ Top-tier solutions for claims and data management



# ERGO will continue to deliver excellence in pricing and underwriting for low-volatility multi-line business

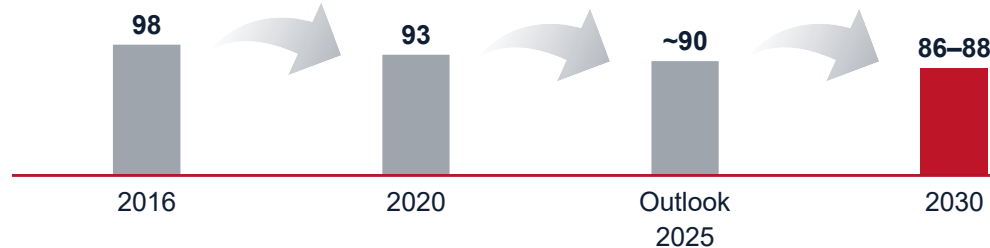
## Combined ratio P&C Germany

2016–2030, %



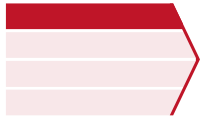
## Combined ratio International

2016–2030, %



### Maintaining a strong matrix organisation to drive local technical excellence with two new central initiatives

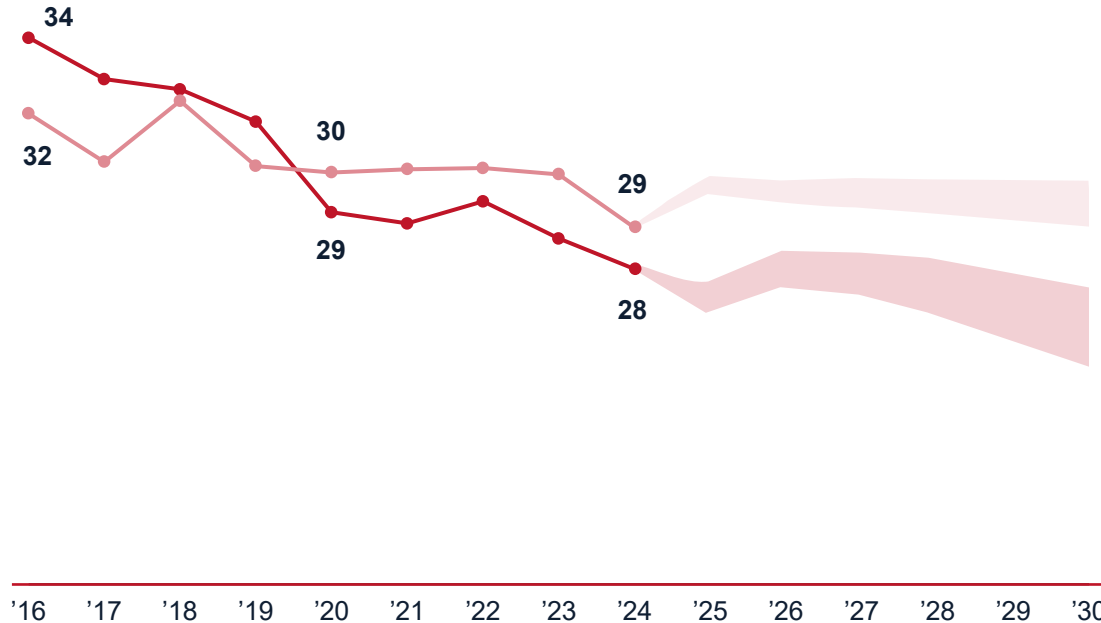
- Pricing hub that centrally offers actuarial services for other ERGO entities
- Health underwriting platform that automates portfolio monitoring and management
- These two central initiatives will be supplemented by multiple local initiatives



# Costs and productivity will be rigorously managed to achieve even more competitive levels

## Cost ratios

2016–2030, %



— ERGO P&C Germany (HGB, direct business)

— ERGO International (net ratio, excl. disposed companies, 2016-2022 IFRS 4, 2023-2024 IFRS 17)

## Driving cost levels for Germany and International based on peer comparisons

- Strictly benchmark-oriented cost discipline leveraging efficiency gains from digitalisation and (Gen)AI
- Germany/Group: Process benchmarking-based assessment identifies significant upside potential for competitive cost ratios
- International: Competitive cost ratio targets from benchmark or top-down approach for entities



# Execution will be enabled through technology and people management

## Group-wide enablers to support future success

### Implementing a strategic HR agenda

- Define a new HR Target Operating Model for Group-wide harmonisation
- Attract and retain the best talents. Enable and upskill employees for future requirements

### Leveraging new technologies

- Leverage AI and digital self-services to boost efficiency and enhance customer experience
- Pursue a digital-first approach and adopt new technologies for customer interactions and processes

### Building one IT

- One IT infrastructure yields cost advantages and strengthens IT security
- One IT enables us to accelerate the adoption of new technology



**Enabler**



# ERGO will strengthen its people management by introducing a global HR Target Operating Model



## Three pillars will support the Group-wide people strategy

- Introducing a harmonised HR TOM to optimise Group-wide collaboration through joint processes
- Building a global HR IT solution and leveraging synergies
- Creating tailored trainings & tools and improving employee experience through digital solutions



# Achieving productivity impact and improved customer experience through systematic roll-out of (Gen)AI



## Growing productivity and enhancing customer experience in claims and operations via three main levers

- Reducing incoming workload by implementing voice bots, intent recognition, and digitally enabled self-services
- Expediting processing by basing data extraction, classification and verification on (Gen)AI
- Accelerating remaining activities by automating content synthesis, content creation, and customer interactions



# ERGO will optimise customer interactions and processes by pursuing a digital-first approach

Broad set of fully digital self-services along the entire customer journey

**Customer experience**

**Digital first**

**Sales processes**

**Internal processes**

Brokers, tied agents and customers can experience the sales journey entirely online

Digitalised processes allow employees to focus on the most value-adding activities

## Key levers for ERGO's ongoing evolution into a digital-first company

- Sales processes: Developing performance marketing towards increased use of artificial intelligence
- Customer experience: Expanding digital self-services and leveraging digital tools for claims automation
- Internal processes: Leveraging process mining to reduce processing times for customer services



## One IT in a harmonised Group technology function to enhance resilience, also at ERGO

Reinsurance  
IT



MEAG  
IT



ERGO  
IT



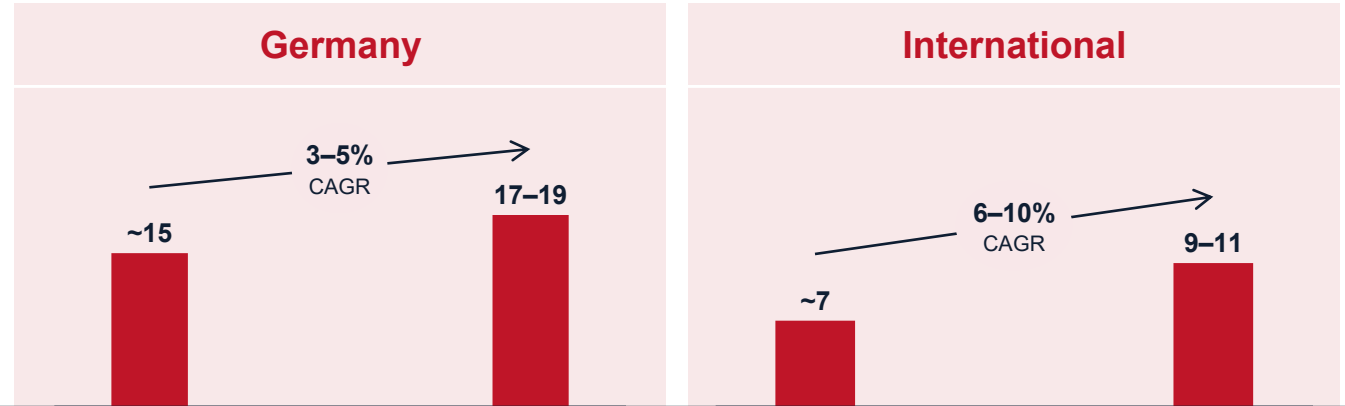
**Munich Re  
Group technology**

### Group technology function with a strong mandate and uniform governance to

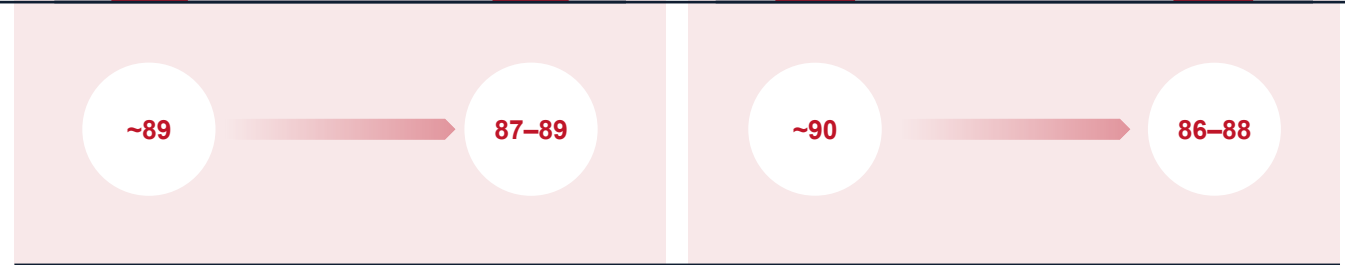
- Improve outcomes through standard-setting, harmonisation of infrastructure operations, and best-in-class solution sharing
- Capitalise on synergies by using global sourcing options flexibly and allocating staff to projects more efficiently
- Ensure security by implementing the highest global security standards and harmonising norms and controls

# Our target picture for Ambition 2030

**Insurance revenue**  
(gross)  
€bn



**Combined ratio**  
%



Outlook  
2025

2030

Outlook  
2025

2030

# With ESP3, ERGO will continue on its successful path and deliver for Ambition 2030



# Ambition 2030 Reinsurance

Thomas Blunck

# Successful completion of Ambition 2025 in sight

## Return on Equity

%

13.4

13.8

16.2

18.5

~18.5

## Total technical result L&H<sup>1</sup>

€bn

0.2

0.9

1.4

1.9

~1.7

## Combined ratio P&C

%

99.6

96.2

85.2

82.4

~74

~87

2021

2022

2023

2024

Outlook 2025<sup>2</sup>

■ P&C RI ■ GSI

Figures until 2022 based on IFRS 4, from 2023 onwards based on IFRS 17. Restated figures for 2022 based on IFRS 17: ROE: 22.2%, TTR: €1.0bn, CR: 83.2%.

1 Technical result including fee income for 2021 and 2022. 2 From 2025 onwards, GSI is reported as a separate segment.



## Outpeak

Excel in our core **strengths**

Highest **underwriting and claims excellence**, extensive risk expertise

Strong **client-centricity and solution orientation** (high NPS)

**Strong balance sheet** with high and flexible capacities

**Successful business units** with proven track records



## Outpace

Invest in **enablers**

Deepen our **risk expertise** further

Attract and retain the **industry's top talent**

Expand **data analytics and AI** capabilities

Foster **collaboration** across business and central units

Continuously improve our **IT landscape**

Nurture our **performance culture** with a human touch

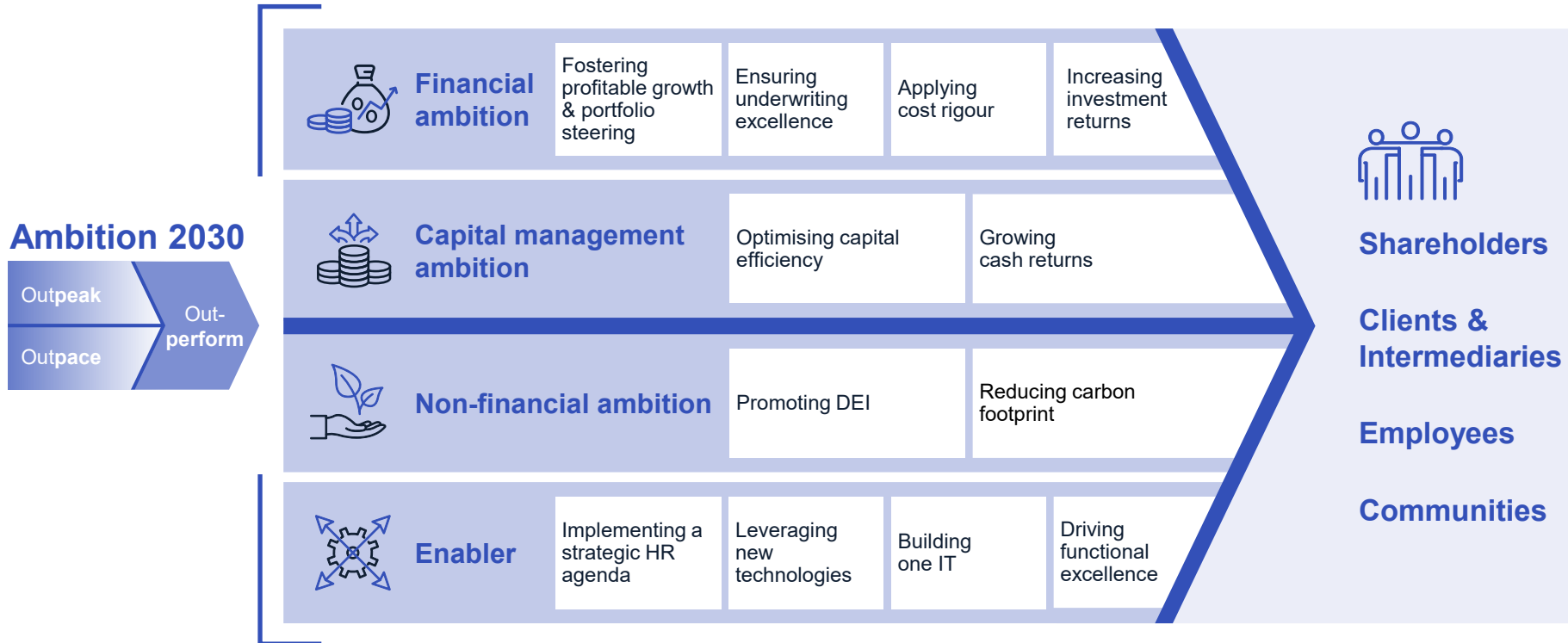


## Outperform

Expand our **leading position**

We commit to growing our net income, while managing costs rigorously

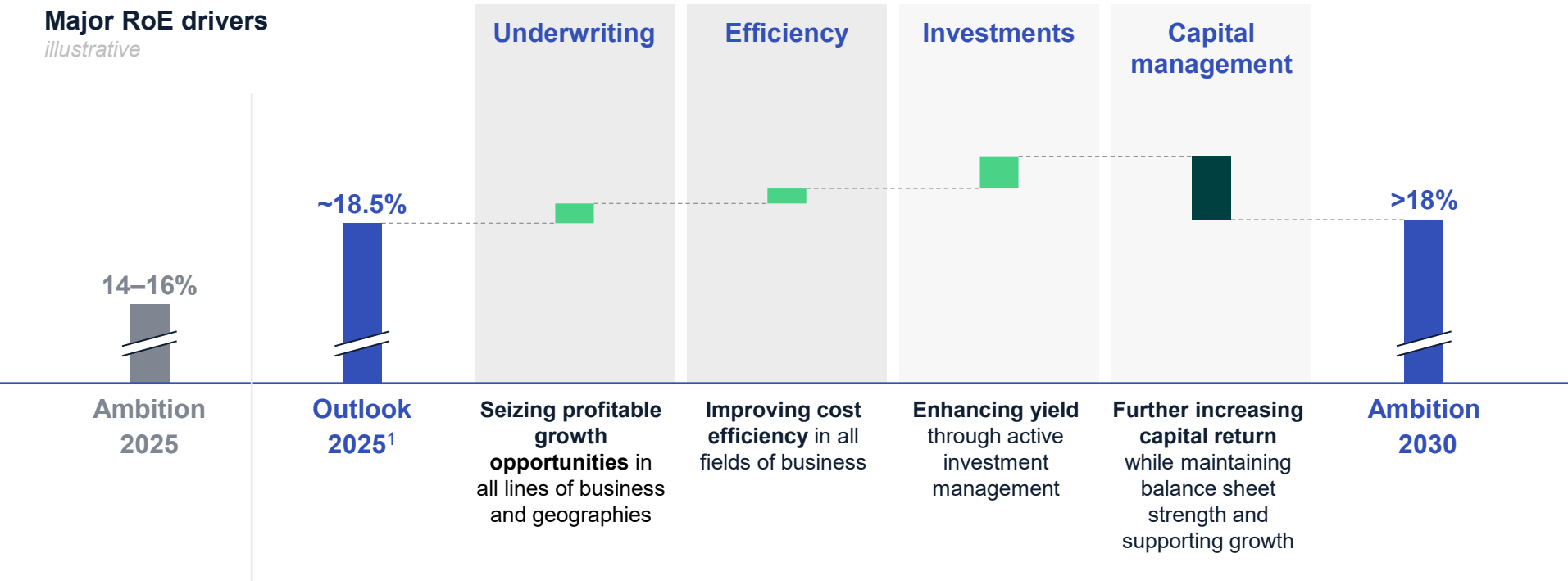
# The Ambition 2030 framework is guiding our priorities and reinforcing our strengths



# We plan for improving financial results compared to the last Ambition

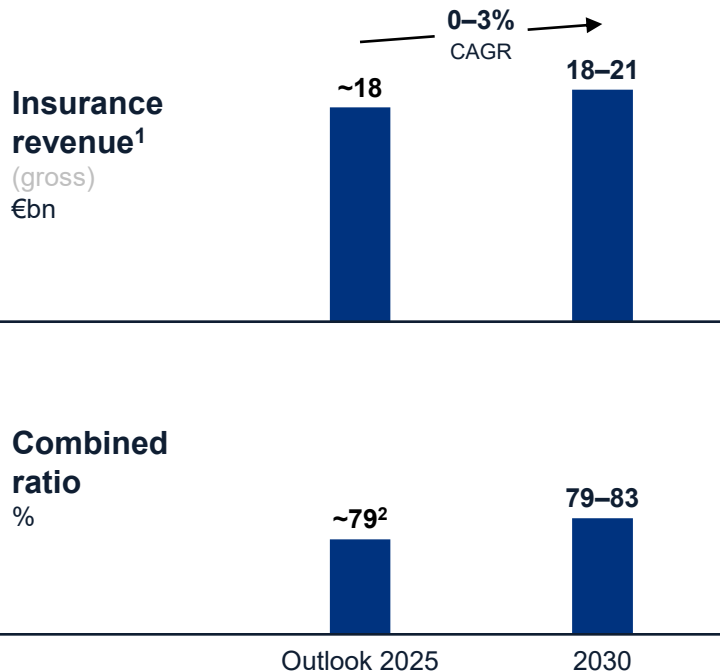
## Major RoE drivers

*illustrative*



<sup>1</sup> Based on expected IFRS net income of €5.1bn.

## Outlook



## Core elements of our strategy

### Markets

- All global markets
- Leading market shaper and builder

### Value proposition

- Deepest risk expertise
- Solvency and (highest) long-term capacity
- Highly valued partner with strong Net Promoter Score; reliability and consistency; leading programmes often with preferential terms
- Full range of products and selected services

### Core initiatives

- Effective cycle management, leveraging a highly flexible business model
- Strong portfolio of local/regional growth initiatives

<sup>1</sup> Based on updated outlook as at November 2025.  
<sup>2</sup> Normalised combined ratio.

# The market price level will fluctuate, but our pricing will deliver an attractive return every year

## Continued growing demand for reinsurance (especially NatCat)



- Growing insurance penetration
- Increasing severity and frequency in NatCat scenarios
- Expanded global exposure through non-peak perils
- Growth of high values in NatCat-exposed zones
- Inflationary pressures
- Lack of significant capital inflow into a market with no more effective business model than reinsurance

## Less price-sensitive portfolio compared to competition



- Leading programmes with high capacities and long-term partnerships with high NPS both foster customer loyalty
- Many treaties with preferential terms or multi-year agreements
- Large, diversified portfolio that drives low risk capital intensities, enabling competitive pricing
- Leading risk and modelling expertise, e.g. highly effective risk and accumulation controls
- No reliance on retrocession

No top-line target, allowing scaling based on local and global market conditions

Strong market position and global presence ensure early access to new opportunities

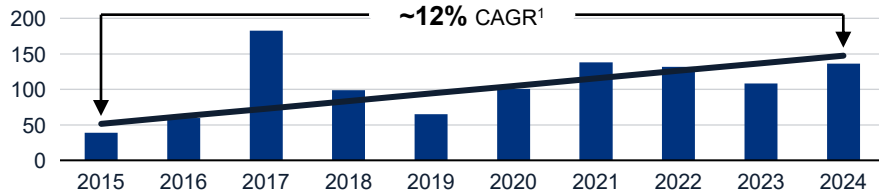
High flexibility allows us to shift capacities and resources between geographies and segments

# Reinsurance is an attractive market with the most effective solutions

## “New normal”: insured NatCat losses above US\$ 100bn

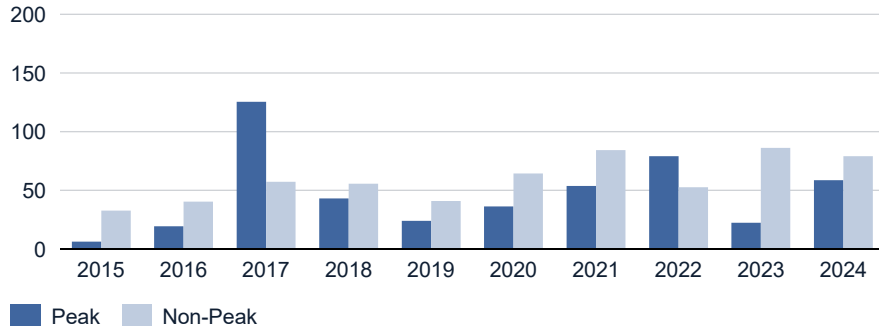
### Global insured losses from natural disasters

US\$ bn (inflation-adjusted)



### Breakdown of peak vs. non-peak peril losses<sup>2</sup>

US\$ bn (inflation-adjusted)

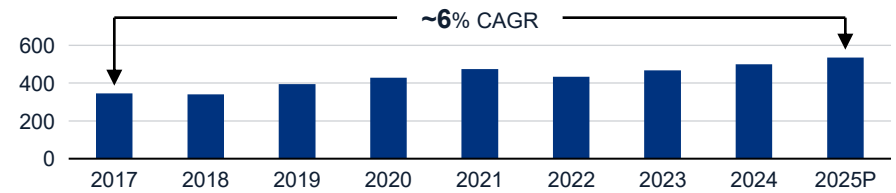


<sup>1</sup> CAGR calculated based on the trendline (median trend) to allow for a robust estimation of loss trends with outlier years. <sup>2</sup> Peak perils include tropical cyclones, earthquakes and European winter storms; non-peak perils include all other perils such as wildfires, flood events, and severe convective storms. Source: Munich Re, NatCatSERVICE, October 2025; Aon.

## No material inflow of alternative capital

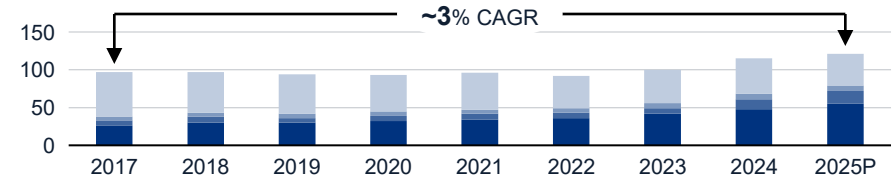
### Dedicated reinsurance capital

US\$ bn



### Alternative capital

US\$ bn

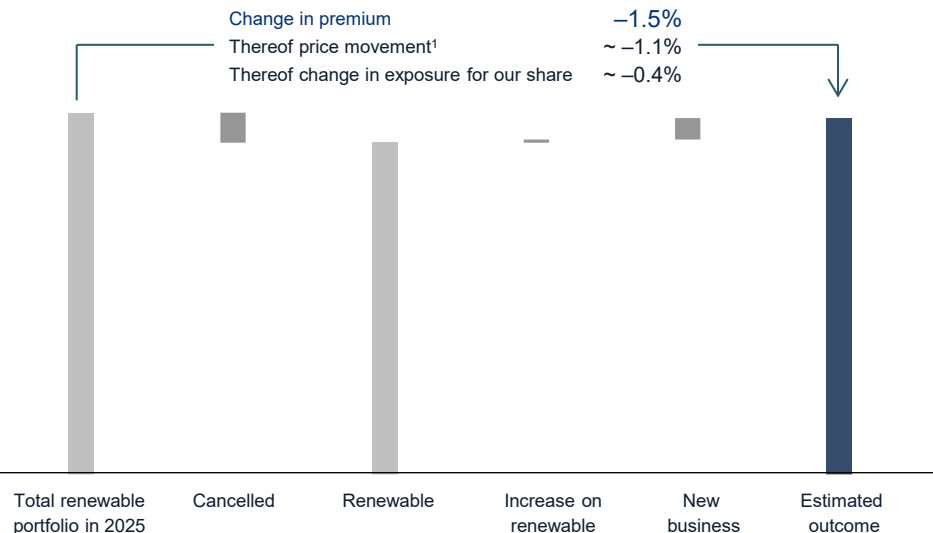


■ CatBonds ■ Sidecars ■ ILW ■ CoRe

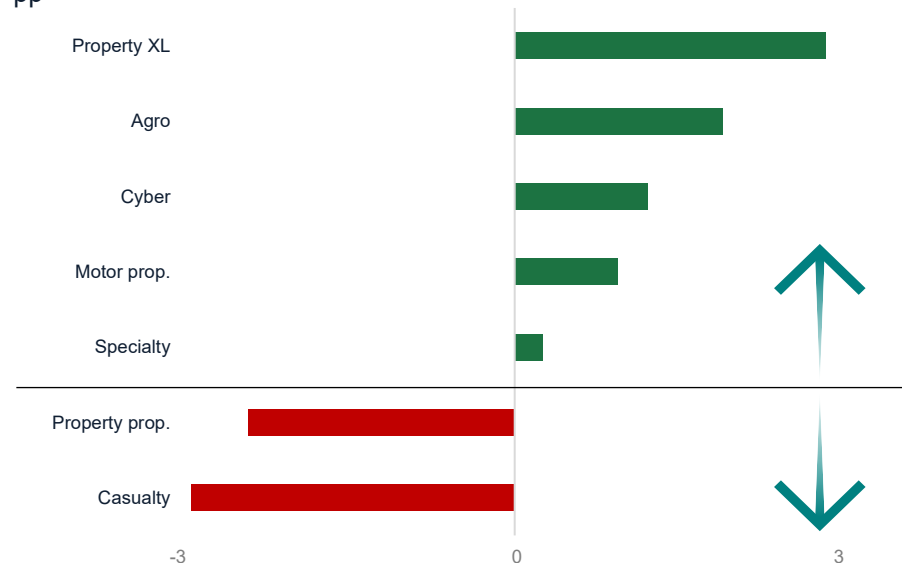
- Traditional and diversified capital is the backbone
- Alternative and non-diversified capital in specific segments
- Alternative capital often one-off only

## Active portfolio and cycle management safeguard high profitability

Outcome of aggregate renewals in 2025



Change in relative portfolio share 2025 compared to 2020 pp

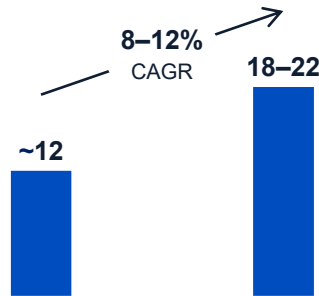


<sup>1</sup> Price movement is risk-adjusted, i.e. includes claims inflation and loss trends. Furthermore, price movement is calculated on a wing-to-wing basis (including cancelled and new business). Based on IFRS 4. Ultimate premium – economic view – not comparable with IFRS figures.

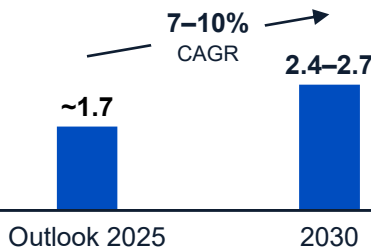
# We plan to increase the New Business CSM and Total Technical Result each year

## Outlook

**Insurance revenue<sup>1</sup>**  
(gross)  
€bn



**Total technical result**  
€bn



## Core elements of our strategy

### Markets

- All global markets
- L&H insurers, other market participants such as asset managers and banks


### Value proposition

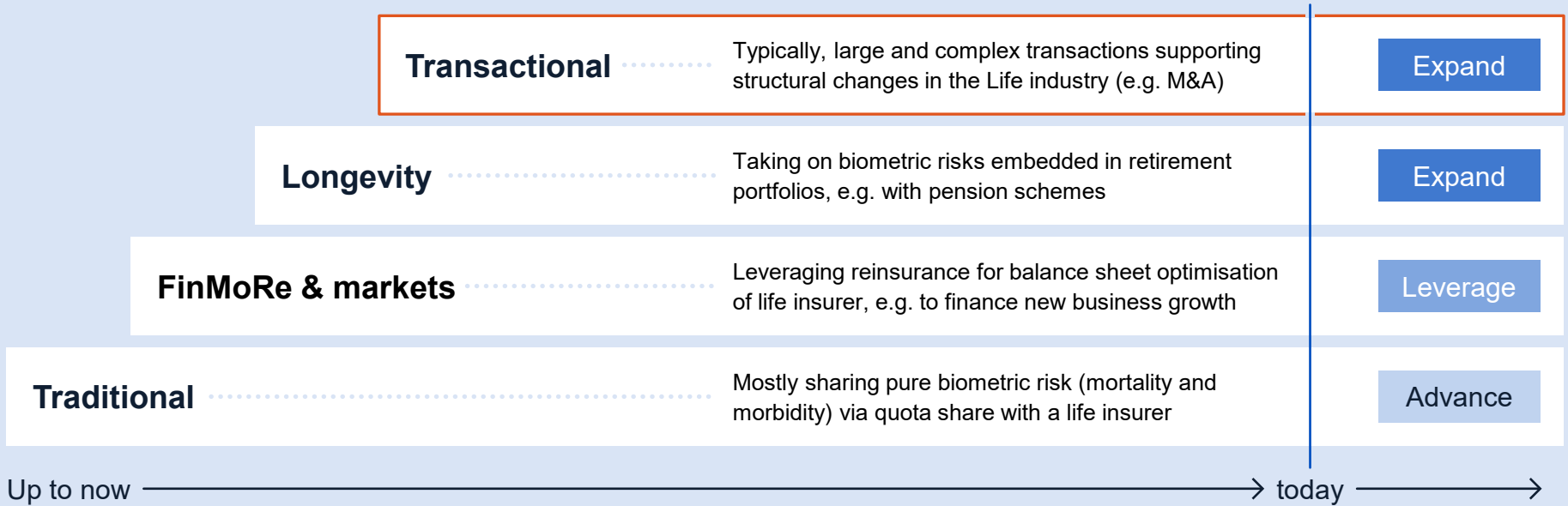
- Specialist for complex and tailor-made solutions
- Leading expertise in biometric risk management and selection
- Single risk capacity, high solvency
- Value-generating service offering, e.g. digital services and product development
- Highly valued partner with high NPS
- Market risk transfer capabilities

### Core initiatives

- Expand business in large and complex transactions
- Expand longevity proposition

# Over the years, we have added additional profit pools to the L&H portfolio

See next slide for details 



Manage, protect, and remain disciplined

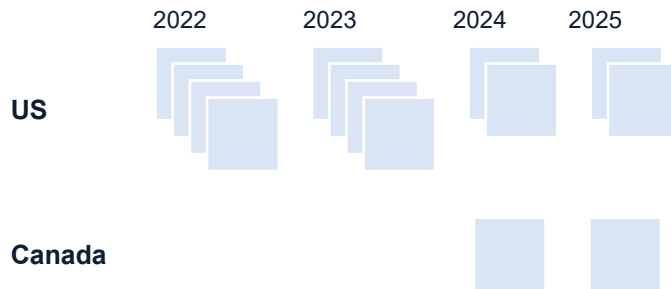
# We have a strong track record in large transactions and anticipate a full deal pipeline in the future

## Key business characteristics

- Driven by **structural changes** in the Life industry (e.g. consolidation, M&A, spin-offs, regulatory changes, asset manager engagements)
- **Main market dynamics still in the UK & US**, but growing internationally (e.g. Japan)
- Often related to **asset-intensive** business
- **Single large and complex** (multidimensional) transactions
- **Dedicated and highly skilled teams** for each transaction

## Munich Re's track record

**Dedicated focus since 2022, with >10 deals considered to be large transactions** since then in the US and Canada, exclusively taking biometric risk



New business CSM and operating changes

>€3bn

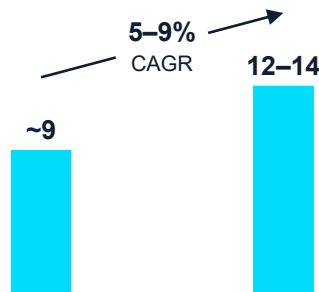
## Ambition going forward

- **Expansion of partnerships** with core players, e.g. consolidators and alternative asset managers
- Development of/participation in **new risk-sharing structures**, e.g. self-sponsored or third-party sidecars
- Leverage **regulatory and capital regime-related know-how** as well as **structuring capabilities**

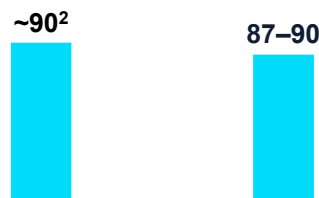
# Continuous growth of top- and bottom-line in our direct Specialty business

## Outlook

**Insurance revenue<sup>1</sup>**  
(gross)  
€bn



**Combined ratio**  
%



Outlook 2025

2030

<sup>1</sup> Based on updated outlook as at November 2025.  
<sup>2</sup> Original guidance for 2025.

## Core elements of our strategy

### Markets

- Core: US, Canada, Lloyd's
- Expansion: Continental Europe + APAC
- Focus on personal and commercial risks
- Diverse distribution

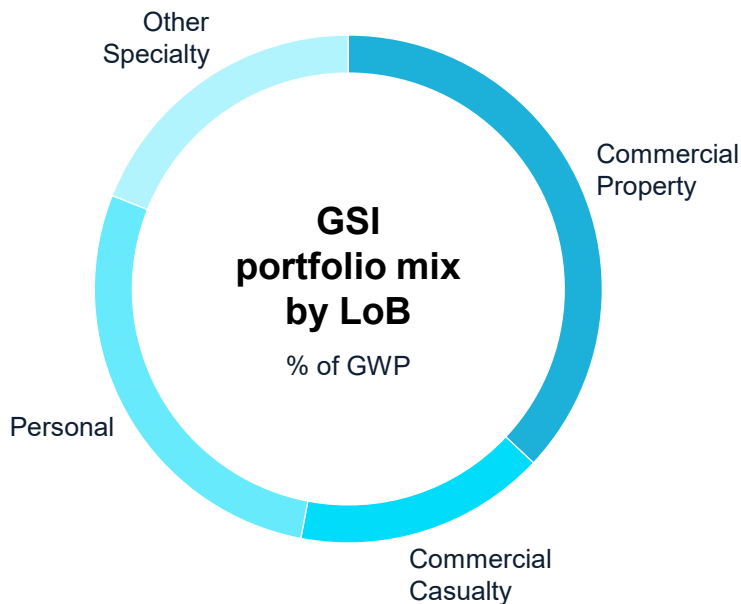
### Value proposition

- Leveraging Munich Re's strengths (capacity, solvency, reputation, ...)
- Segment-specific expertise
- Long-term partnerships with key distributors
- Stability and consistency
- Top-tier client and partner experience

### Core initiatives

- Regional expansion: Continental European and APAC markets
- Product expansion (e.g. additional products and increased market share)
- Technology, AI, and data investments
- Volatility management

## Tailwind from nicely growing Specialty markets, in which we continue to selectively expand



### GSI portfolio as a growth platform

- **Sustained market growth**  
Core LoBs expected to grow by 5–10% p.a., providing substantial tailwind for our portfolio
- **Upside from market share gains**  
Several sub-LoBs with currently modest market positions offer significant potential for market share expansion
- **Differentiated positioning**  
Our united specialty approach is increasingly recognised by clients and brokers, serving as a catalyst for above-market growth
- **Selective and disciplined**  
Growth is pursued with strict underwriting discipline and profitability focus, ensuring sustainable value creation

# GSI actively manages NatCat volatility to deliver stable and resilient earnings

## GSI core pillars for managing NatCat volatility

### Accumulation management

- Actively steer portfolio composition to avoid excessive NatCat concentrations and maintain diversification
- Define and monitor clear exposure limits to ensure adherence to risk appetite
- Allocate capacity based on expected profitability and modelled loss metrics to balance growth and resilience



### External reinsurance

- Primarily for risk transfer purposes, to control volatility by ensuring that accumulations and peak exposures do not exceed risk appetite
- Selective placements, esp. through excess-of-loss structures
- Active optimisation of retention levels and reinsurance costs to balance protection and profitability



### Internal reinsurance

- Potential to leverage internal reinsurance to further mitigate earnings volatility
- Enhances capital efficiency and portfolio resilience
- Optional lever to flexibly adapt to changing market and risk appetite conditions



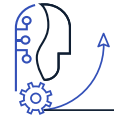
A dedicated set of cost levers will improve our cost position over the Ambition period

## Important levers

Process and IT **harmonisation**



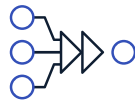
Gradually **applying AI** for **efficiency** improvements



Making use of normal **staff turnover**



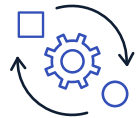
**Reducing complexity** of legal structures



Leveraging **shoring** potential



**Restructuring** of selected segments



## Reinsurance's enablers

support future success of each pillar

### Geared-up people strategy

- Global HR organisation for **partnership and synergies** across areas of business (e.g. new MR Academy)
- **Talent attraction** (e.g. employer value proposition and social media strategy)
- **Strategic workforce planning** to manage generational transition

### State-of-the-art technologies

- **AI and LLMs in pricing, portfolio management and loss trend detection** (e.g. predictive and augmented mortality underwriting)
- **Meaningful digital services for cedants** (e.g. L&H underwriting without blood testing, digital exposure management in Agro)
- **Efficiency in internal services** (e.g. data intake, wording checks)

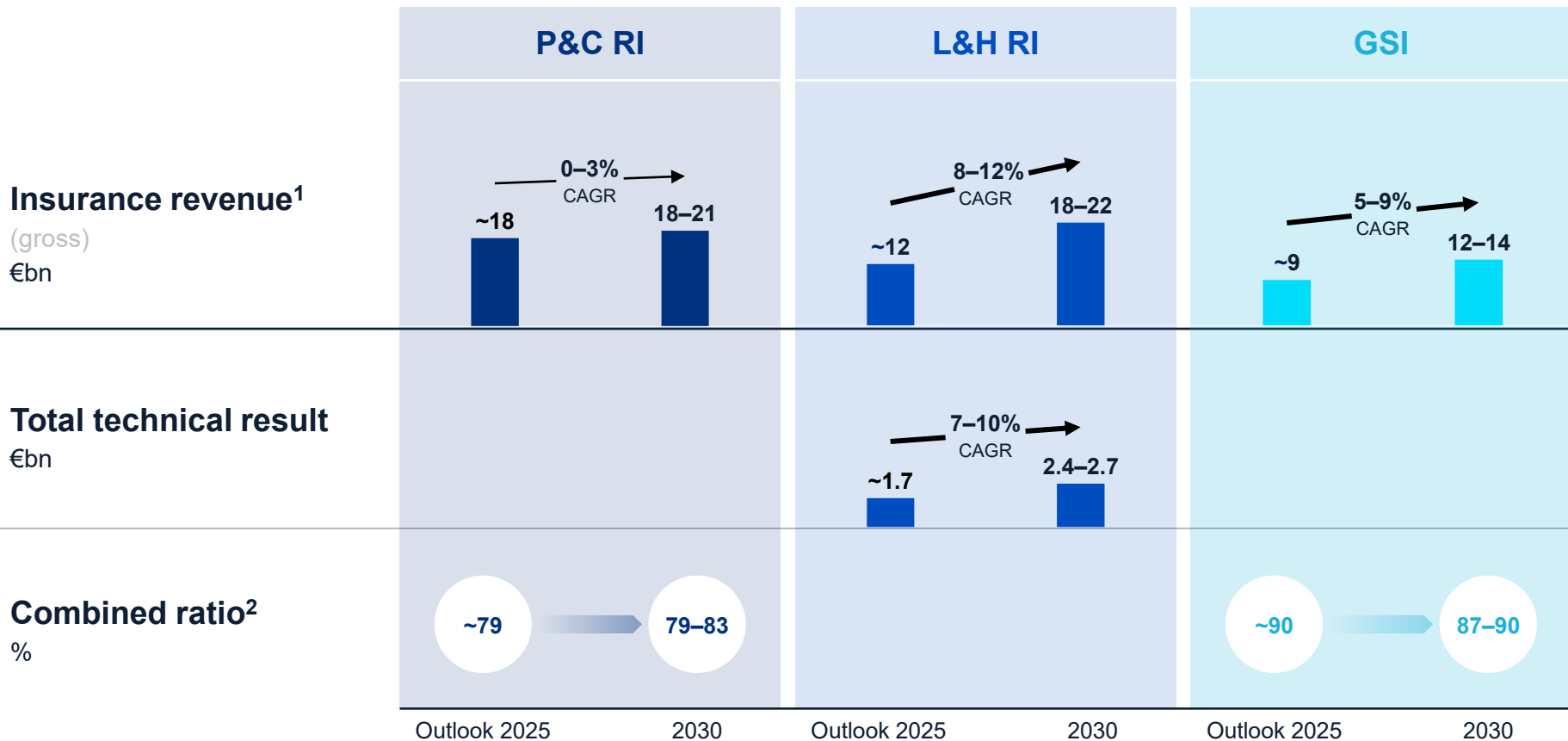
### Leading risk expertise

- Up- and re-skill in **MR Academy with underwriting faculty**
- **Models and pricing tools with increased data and granularity usage** through new technologies
- **Global topic knowledge leadership** (e.g. PFAS, opioids)
- **Product development** (e.g. cyber, autonomous driving, AI, renewables, LH transactions)



Enabler

# Our target picture for Ambition 2030



<sup>1</sup> Outlook figures for 2025 based on updated outlook as at November 2025.

<sup>2</sup> Outlook figures for 2025 based on normalised combined ratio for P&C RI and original guidance 2025 for GSI.



imaginima / Getty Images

# Additional information

# Climate Ambition 2030 Explanatory notes

Munich Re expresses the above-stated 2030 targets, as well as its long-term aims for 2040 and 2050, in the expectation that governments meet their own pledges to achieve the goals of the Paris Agreement. Unless otherwise noted, 2025 is the base year for 2030 targets, defined as year-end 2030. In addition, thermal coal, oil and gas restrictions apply to investments and (re)insurance, as per [Munich Re's approach to fossil fuels](#).

## 2030 targets for Investments

**Scope of targets** comprises investments of proprietary assets of Munich Re, not including assets/derivatives classified under the International Financial Reporting Standards (IFRS) categories "Investments for unit-linked insurance" and "Insurance-related financial instruments". Assets held or derivatives used to manage, cover or hedge reinsurance financial structures, products sold as risk management solutions and finance products for non-Group clients are excluded from the scope. The scope thus corresponds to the "investment portfolio by economic category" as per p. 37 of the Munich Re 2024 Annual Report.

**Listed enterprises, direct investment infrastructure, direct private equity/debt.** "Listed Enterprises" comprises listed equities and corporate bonds (excluding green bonds). Financed greenhouse gas (GHG) emissions scope 1-2 measured in t CO<sub>2</sub>e/m€ invested. Considering past achievements, the 2030 target results in a total reduction from 2019-2030 for listed enterprises in line with the NZAOA Target-Setting Protocol 4th Edition. For more information on the definition of financed GHG emissions and scope 1-3 GHG emission categories, see [Financed Emissions Standard – the Partnership for Carbon Accounting Financials \(PCAF\) Part A, December 2022](#), pages 10-22.

**Real estate equity:** Scope 1-3 financed GHG emissions (based on whole-building approach, according to [GHG Emissions from Real Estate – Technical Guidance, March 2023](#), pages 19-24 and 32 ff.). Measured in kgCO<sub>2</sub>e/m<sup>2</sup>/annum. Applies to real estate used by third parties.

**Thermal coal phase-out:** Our target is to divest all thermal coal investments (according to defined criteria) held in listed equities and corporate bonds and to cease to conduct new direct alternative investments in thermal coal by the end of 2030. To continue supporting the transition to a low-carbon economy, green bonds issued by such companies will remain investable beyond 2030.

**Oil and gas** refers to equities and bonds (excluding green bonds) issued by listed companies classified as oil and gas companies based on the GICS classification by the service provider ISS. Scope 1-2 financed GHG emissions, measured in t CO<sub>2</sub>e.

**Climate tackling investments:** Certified forestry, certified real estate and energy-related levers: The latter include selected investments in projects, companies, and technologies that aim to facilitate the reduction of GHG emissions by improving the production, management, distribution or use of energy, heat, and/or power. This includes but is not limited to renewables, energy efficiency, electromobility, storage technologies, heat supply, and grids.

**Engagement:** The multi-year engagement target refers to the total number – cumulatively since 2020 – of engagement dialogues conducted. It focuses on climate-related dialogues with companies across our investment portfolio and includes both liquid and illiquid assets. For respective engagement dialogues to be counted towards target achievement, dialogues must be active over a period of at least three years.

## 2030 targets for (Re)insurance

**Munich Re Facultative & Corporate (F&C) Global:** Munich Re F&C Global is part of Munich Re's property-casualty (P&C) reinsurance segment, covering global large-risk direct and facultative (re)insurance business. The target scope is based on clients with publicly reported scope 1-2 GHG emissions. Drawing from FY 2024 data, the target portfolio covers around 45% of F&C Global's total PCAF-eligible gross written premiums (GWP) and represents 2.5% of the Munich Re Group's total P&C (re)insurance GWP (exact coverage will be calculated based on the business figures for FY 2025 and published in Munich Re's 2025 Annual Report). The target portfolio's emission intensity is measured in t CO<sub>2</sub>e/m€ premium. It is calculated by dividing the sum of absolute insurance-associated emissions (IAE) by the sum of the GWP minus acquisition costs. The result corresponds to the clients' emission intensity weighted by GWP minus acquisition costs. In accordance with the PCAF methodology, clients' revenues are used as the denominator for calculating IAE. For further information, refer to the Partnership for Carbon Accounting Financials (PCAF) Part C standard, November 2022.

**Munich Re Group single-risk target set on thermal coal mining (production) and thermal coal power (combustion in powerplants):** Single-risk business refers to all primary insurance and direct and facultative (re)insurance business. It encompasses treaty-like business in the form of facultative facilities if it includes the option to decline individual risks. The target covers mining/power activity underwritten by any entity of the Munich Re Group. The following metrics are used: Tonnes of insured thermal coal produced annually by insureds (mining) / installed operational capacity in megawatts of insured coal-fired power plants of insureds (power), each used as an equivalent for an approximate development of the GHG emissions of insureds. The numbers are based on 100% figures on client level regardless of the specific type and amount of (re)insurance participation. They are applied across all non-life lines of business and entities while avoiding double counting at the client level. Such thermal coal exposure is considered whenever it comes to Munich Re's attention in the course of due diligence, regardless of the size of the client and/or the exposure. We use insights from various data sources, namely publicly available, externally licensed or proprietary client information. Considering past achievements, the Climate Ambition 2030 will result in a total reduction of at least 70% in the period 2019-2030.

**Munich Re Group single-risk target set on oil and gas production:** Single-risk refers to all primary insurance, direct and facultative (re)insurance business. It encompasses treaty-like business in the form of facultative facilities if it includes the option to decline individual risks. The target refers to the insurance of operational property business covering the oil and gas production activity underwritten by any entity of the Munich Re Group. This includes such business with clients beyond the primarily targeted segment of Upstream Exploration & Production, provided it exceeds defined materiality thresholds. For this target segment, a reduction of >95% emissions has already been achieved in the period 2019-2025 (refer to Climate Ambition 2025). No portfolio expansion means that the number of active clients will not increase compared to the end of 2025.

## 2030 targets for Own Operations

The climate target applies to electricity for buildings reported under scope 2 (purchased electricity, not self-generated), considering the [GHG Protocol Scope 2 Guidance \(version 2015\)](#) under the scope of ESRS reporting for Own Operations, see the Munich Re 2024 Annual Report p.108. Extension of scope compared with Climate Ambition 2025: the scope of ESRS reporting currently includes, besides all consolidated entities with staff, also our majority-interest non-consolidated entities with staff as well as relevant buildings that are used both for internal purposes and by third parties, or are partially vacant, regardless of whether consumption data is available. This means that, for the entities in scope, our target is to procure purchased electricity from renewable energy sources – either directly from suppliers or by purchasing corresponding renewable energy attributes (EACs).

## Long-term aim for (Re)insurance

Regarding the definition of thermal coal phase-out by 2040 for all (re)insurance business across the Munich Re Group, including treaty business, we will consider market best practices and climate science when defining our next climate ambition(s), while potentially allowing residual exposure.

## Long-term aim for Investments and (Re)insurance

Regarding the definition, the scope and the way of achieving net zero, we will consider regulations, market best practices, compensation needs, and climate science when defining our next climate ambition(s).

The further interim targets and measures – beyond 2030 targets – necessary to fulfil the long-term 2040 and 2050 aims will be decided as part of the next climate ambition(s).

This presentation was prepared exclusively for investors in financial instruments issued by Munich Re and contains forward-looking statements that are based on current assumptions and forecasts of the management of Munich Re. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular of the results, financial situation and performance of our Group. Obvious fluctuations in the incidence of major losses in addition to the pronounced volatility of the capital markets and exchange rates – as well as the special features of IFRS accounting – make an accurate forecast of results impossible. The Group assumes no liability to update these forward-looking statements or to make them conform to future events or developments. Due to rounding, there may be minor deviations in summations and in the calculation of percentages in this presentation. Figures for 2024 are adjusted due to a change in segment reporting, a reclassification of currency translation differences on insurance-related financial instruments to the currency result as well as an accounting policy change for recognition of acquisition costs in the segment ERGO Germany.