



Munich Reinsurance Company Canada Branch (Life)

LIMAT Ratios Public Disclosure Summary as of
December 31, 2022

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Branches are required, at minimum, to maintain a Total Ratio of 90%. OSFI has established supervisory target level of 100% for Total margin. Definition of terms can be found in Guideline A at [LICAT – Life Insurance Capital Adequacy Test](#).

(thousands of dollars, except percentages)		Dec 31, 2022	Dec 31, 2021	Change	
				#	%
Available Margin	C = A-B	1,635,388	-72,954	1,708,342	-2341.7%
<i>Assets Available</i>	A	7,541,820	7,420,683		
<i>Assets Required</i>	B	5,906,431	7,493,637		
Surplus Allowance and Eligible Deposits	D	5,700,797	6,916,688	-1,215,891	-17.6%
Required Margin	E	6,406,755	6,229,220	177,535	2.9%
LIMAT Total Ratio	$[(C+D) \div E] \times 100$	114.5%	109.9%		4.2%

* restatement of Dec 31, 2020 Available Margin and LIMAT Total Ratio to allow negative Available Margin, previously the OFSI form prevented negative values.

Qualitative Analysis

- The LIMAT Total Ratio of Munich Reinsurance Company's Canada Branch (Life) ("Munich Re") increased by 4.2% from December 2021 to December 2022. Munich Re's total margin remains above OSFI's established supervisory target level and is well capitalized to support its business model in Canada and the Caribbean.
- Assets Available (A), Assets Required (B), Surplus Allowance and Eligible Deposits (D) were all impacted primarily due to increase in interest rate during the period. The Required Margin (E) increase of 2.9% was primarily due to growth in business throughout 2022.
- Munich Re maintains an internal operating target capital level by managing capital transfers through a well-established, streamlined process injecting capital to support new business when needed and repatriating excess capital back to the head office when warranted.