



# Munich Reinsurance Company Canada Branch (Life)

LIMAT Ratios Public Disclosure Summary  
as of December 31, 2023

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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, 2023	Dec 31, 2022	Change	
				#	%
<b>Available Margin</b>	C = A-B	8,837,658	1,635,388	7,202,270	440.4%
<i>Assets Available</i>	A	9,765,947	7,541,820		
<i>Assets Required</i>	B	928,289	5,906,431		
<b>Surplus Allowance and Eligible Deposits</b>	D	1,998,717	5,700,797	-3,702,080	-64.9%
<b>Required Margin</b>	E	8,221,864	6,406,755	1,815,109	28.3%
<b>LIMAT Total Ratio</b>	$[(C+D) \div E] \times 100$	131.8%	114.5%		15.1%

#### Qualitative Analysis

- Munich Reinsurance Company Canada Branch (Life) (“Munich Re”) is well capitalized to support its business model in Canada, the Caribbean, and surrounding regions. Its LIMAT Total Ratio increased by 15.1% from December 2022 to December 2023 and continues to remain well above OSFI’s established supervisory target level.
- Assets Available (A), Assets Required (B), Surplus Allowance and Eligible Deposits (D), and the Required Margin (E) were all impacted by the LICAT Guideline changes effective January 1, 2023 and the transition to IFRS17 reporting. A significant increase in the Available Margin was offset by a significant decrease in Surplus Allowance and Eligible Deposits.
- 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.