

# Corporate Responsibility

## Report 2014/2015



“A sustainable approach is key for long-term success in business.”

Dr. Nikolaus von Bomhard, Chairman of the Board of Management, Munich Re » Statement by the CEO



Munich Re

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**"Our goal is to take on global challenges and use our knowledge, experience and creativity to create innovative and sustainable solutions."**

Thomas Bischof  
Head of Group Development, Munich Re



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## Strategy and challenges

Corporate responsibility at Munich Re – Living up to our responsibility

Munich Re consistently pursues its entrepreneurial guiding principle of turning risk into value. A responsible and forward-looking approach – our corporate responsibility – determines the way we deal with the risks and opportunities presented by the challenges of our time. We are therefore clearly committed to sustainable management, to the development of appropriate solutions and insurance products, to environmental protection, and to fulfilling our social responsibilities.



### Strategy

Our activities are based on a Group-wide corporate responsibility strategy, adopted by the Board of Management in March 2011 and an integral part of our Group's Core Principles since 2013. Its main objective is the integration of corporate responsibility aspects into our business, the protection of natural resources, and our social commitment. The strategy also includes ongoing and open dialogue with our stakeholders.

» Strategy



### Challenges

In dialogue with our stakeholders, we have defined five key topic areas: climate change, vulnerability of economies, demographic change, access to financial solutions for lower-income sections of the population in emerging and developing countries as well as digitalisation and emerging risks.

» Challenges



GRI: G4-2; G4-45

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Ladies and gentlemen,

Our business environment over the last year has been affected by a series of different events. One particularly depressing aspect is the extent of destructive geopolitical conflicts, in conjunction with serious epidemics and economic uncertainty. Topics with long-term significance, such as climate change and demographic trends, have been eclipsed as a result, but remain matters of urgency for ourselves as insurers. There are also new challenges emerging – which happily offer opportunities as well – from the diverse manifestations of digitalisation.

As a globally active Group, an industry leader and significant investor, we remain committed to acting responsibly and sustainably in dealing with such large-scale developments. In the complex world we live in, it is often difficult to assign responsibilities clearly, but this should be no excuse for hesitancy. We intend to face up to the challenges and play our part in responding to them, something that we often succeed in doing directly through our business operations.

At the same time, we want to create long-term value for our stakeholders in our core business of primary insurance and reinsurance. We go beyond what is required by law and have committed ourselves to meeting more stringent standards. These include the UN Global Compact (UNGC), the Principles for Responsible Investment (PRI), and the Principles for Sustainable Insurance (PSI). We systematically allow for sustainability criteria along the entire value added chain. Accordingly, the bulk of our investments in shares, government and corporate bonds meet recognised sustainability standards.

We shall soon be reaching an important milestone in terms of our carbon footprint, in other words the immediate impact of our business operations on the environment. The entire Group will be carbon-neutral by the end of 2015. But we have no intention of resting on our laurels, and are already developing further ambitious targets to improve our interaction with the environment.

As a general rule, our social commitment is focused on our core business activities. In the future, we will be supporting additional projects where we can both actively contribute and expand our risk expertise. By doing so, we hope to achieve a higher degree of efficiency for the projects, while generating valuable ideas for our employees, along with positive feedback for our business.

Munich Re has received numerous awards for its responsible and sustainable business practices, the most recent of which was the German Investors' Award in December 2014. I am particularly pleased about this award, because it validates our approach and is an acknowledgement of our efforts in this area.

I wish you a stimulating read.

Yours sincerely,



Nikolaus von Bomhard

June 2015



Dr. Nikolaus von Bomhard  
Chairman of Munich Reinsurance  
Company's Board of Management

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## Our guiding principles

For Munich Re, a forward-looking and responsible approach is axiomatic. Corporate responsibility is therefore an essential component of our Group strategy and a standard that applies throughout the Group.

Insurance and sustainability are essentially the same in that they both signify a promise for the future. As insurers, our existence is dependent on the trust of our clients and investors. In order to keep our promises, we always have to bear in mind the medium to long-term orientation of our strategy. For us, achieving sustainable profitable growth and fulfilling societal obligations are in no way contradictory and are our corporate responsibility.



"Our corporate responsibility is focused on our core business".

Dr. Astrid Zwick, Head of Corporate Responsibility, Group Development, Munich Re

### Related topics

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A key aim of our business strategy is to create long-term value for our clients, shareholders, employees and society as a whole. That is why corporate responsibility is an indispensable part of our Group strategy. For us, this means:

- We actively embrace environmental and social factors as well as those relating to corporate management ([ESG factors](#)) in our insurance business and investment management.
- We practice active environmental management at our locations, and are endeavouring to achieve [climate neutrality](#).
- Munich Re fulfils its responsibility as a member of society ([corporate citizen](#)) through involvement in issues closely related to its core business and, at its locations, in social and cultural areas.

By consistently integrating corporate responsibility in the Group strategy, we are seeking to

- make a contribution to the profitable growth of the Munich Re Group,
- identify business risks and opportunities as quickly as possible,
- bring our expertise to bear on the decision-making processes for global risks,
- further enhance Munich Re's reputation and image with all [stakeholders](#),
- and increase the value of Munich Re's shares.

Acting responsibly is part of our self-image. We emphasise our claim of being a responsible company by voluntarily undertaking to abide by the United Nations' Global Compact (UNGC), the Principles for Responsible Investment (PRI) and the Principles for Sustainable Insurance (PSI) international standards.



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## Our voluntary commitments: The UN Global Compact, PSI and PRI

We demonstrate our understanding of corporate responsibility to the outside world by the acceptance of international guidelines. The commitments we have voluntarily undertaken such as our acceptance of the UN Global Compact, the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI) form the framework of our corporate responsibility strategy.

### The UN Global Compact

Since 2007, the Munich Re Group has been committed to the ten principles of the United Nations' [Global Compact](#). These are a global standard and provide the fundamental framework for our corporate responsibility strategy. This is why we have included these principles in our [Code of Conduct](#) for all staff members. They cover the areas of human rights, labour standards, environmental protection and corruption prevention.

The annual Communication on Progress (COP) on the implementation of these principles within the Group is integrated into our Corporate Responsibility portal.

#### ▶ The ten principles of the UN Global Compact

The Global Compact requires companies to adopt a series of basic principles from the fields of human rights, labour standards, environmental protection and corruption prevention, to uphold these principles and to incorporate them into their business practice within their area of influence:

##### Human rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

##### Labour standards

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.
- Principle 5: Businesses should uphold the effective abolition of child labour.
- Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

##### Environmental protection

- Principle 7: Businesses should adopt a precautionary approach to environmental challenges.
- Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.
- Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

##### Anti-corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

### Principles for Sustainable Insurance (PSI)

In recent years, Munich Re has played an active part in developing the Principles for Sustainable Insurance (PSI) of the United Nations Environmental Programme Finance Initiative (UNEP FI). These were introduced at the UN Rio+20 Conference in Brazil in June 2012. Munich Re was among the first signatories. At the commencement of the Conference in June 2012, a total of 34 businesses and supporting institutions had signed the PSI. Today there are 68 signatories and supporting institutions.

In order to broaden our commitment to these principles, Munich Re has become a member of the PSI Board and has contributed to the development of the PSI strategy which has now been adopted by the General Meeting of the PSI.

We are also a member of the Executive Steering Committee and are involved in the PSI's first major project on global resilience. Furthermore, we are one of the first signatories of the insurance industry statement on the advancement of risk reduction measures in the event of natural catastrophes, which was made in March 2015 in the



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[Code of Conduct](#)

[Related Topics](#)

[Strategy and challenges](#)  
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[External Links](#)

[UNEP FI](#)  
[United Nations Global Compact](#)  
[Principles for Responsible Investment \(PRI\)](#)  
[Principles for Sustainable Insurance \(PSI\)](#)

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► **The four Principles for Sustainable Insurance (PSI)**

- Principle 1: We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.
- Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.
- Principle 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.
- Principle 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

[More information on our PSI reporting](#)

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**Principles for Responsible Investment (PRI)**

A holistic investment strategy aligned with [ESG](#) (environmental, social, governance) criteria also has a beneficial effect on risk and return. That is why, on 27 April 2006, we were one of the first signatories (and the very first German signatory) of the UN [Principles for Responsible Investment \(PRI\)](#) – which we played a prominent role in drafting. Behind these principles is the view that investment decisions often take insufficient account of the need for sustainable development and thus the needs of future generations. The implementation of PRI is now in the hands of our asset manager [MEAG](#).

The six principles are set out in a list of 35 recommendations for action. These enable institutional investors to take account of ecological and social aspects, together with topics of good corporate governance, in their investment decisions. Munich Re is committed to fulfilling the PRI in an appropriate and forward-looking manner.

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► **The six Principles for Responsible Investment**

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active shareholders and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4: We will promote acceptance and implementation of these principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6: We will report on our activities and progress towards implementing these principles.

[More information on our PRI reporting](#)

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## Corporate responsibility at work

With its five fields of action, our corporate responsibility strategy sets binding requirements for specific objectives in our Group-wide activities.

These fields of action embrace the three core activities of our guiding principles, paired with targeted management and the corresponding reporting and communication with our stakeholders.

### Fields of action of our corporate responsibility



<sup>1</sup> CR = Corporate Responsibility  
<sup>2</sup> PSI = UN Principles for Sustainable Insurance (signed by Munich Re in 2012)  
<sup>3</sup> PRI = UN Principles for Responsible Investment (signed by Munich Re in 2006)

### Related topics

- Strategy and challenges
- Management
- Solutions
- Commitment
- Facts and Figures
- Memberships and partnerships

### External links

- United Nations Global Compact
- Principles for Responsible Investment (PRI)
- Principles for Sustainable Insurance (PSI)
- Corporate Responsibility at ERGO

### ► Strategy and governance – Binding requirements

In the implementation of corporate responsibility (CR) in our structures and processes, we comply with the principles of the Global Compact which forms part of our **Code of Conduct** for all staff. The Code covers the areas of human rights, labour standards, environmental protection and corruption prevention. The Group Corporate Responsibility Committee (**GCRC**) which spans all business segments was formed in 2013 to steer the development and integration of our Group-wide CR activities.

In addition, the open and ongoing dialogue with our stakeholders and the insights resulting from it give us added impetus to develop our corporate responsibility strategy further.

### ► Corporate responsibility in our core business – Setting standards

We are convinced that only through responsible, long-term action will we continue to succeed in putting our business concept into practice. The Principles for Sustainable Insurance (**PSI**), which we played an active role in formulating and signed in 2012, serve us as guides for anchoring environmental, social and governance (**ESG**) aspects more firmly in our core business. By taking ESG aspects into account along the entire value chain of our business, we add an important level to our risk management and therefore create new business opportunities. Also, when making investment decisions, we bear sustainability criteria in mind and have applied the UN Principles for Responsible Investment (**PRI**) since 2006.

### ► Environmental management – Applicable worldwide

We take a systematic and targeted approach to environmental and climate protection. Since 2012, a Group-wide framework has defined objectives and guidelines for **environmental management** at Munich Re; it also regulates assignments, accountabilities and organisational areas of responsibility and sets standards for implementation of environmental management at our many locations.

Munich Re is aiming for carbon neutrality throughout its business operations by 2015. The work of the entire reinsurance group and ERGO Germany has been carbon-neutral since 2012 and major locations of ERGO International were incorporated into this strategy in 2013 and 2014. We are achieving carbon neutrality in three stages. Emissions from our business operations (i.e. from energy consumption, travel, paper, water and refuse) will be reduced by 10% in the period from 2009 to 2015, fossil energy sources will be replaced by renewable sources (e.g. green power) and the remaining emissions will be compensated by purchasing emission certificates.

### ► Societal commitment – Assuming responsibility

Munich Re's understanding of corporate responsibility has always involved assuming responsibility for the communities in which we live and work. Our concept of corporate citizenship provides the framework for linking our

involvement in the form of donations, social sponsoring and corporate volunteering even more strongly with content that is important for business. In addition to our activities in the areas of the environment, natural catastrophes, demographic change and health, Munich Re supports education and science as well as social and cultural projects at its business locations.

But for Munich Re, assuming social responsibility also means working actively in collaborative forums and committees, and supporting targeted initiatives. Besides this, the foundations set up by Munich Re constitute a central component of our [commitment](#).

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► **Reporting and communications – Creating transparency**

By reporting both internally and externally on the various corporate responsibility activities, we provide our stakeholders with complete and timely information. In this context, our Corporate Responsibility portal is a central medium through which we describe our strategy, objectives, measures and progress. Our aim is to steadily expand our dialogue with stakeholders through expert communications and topic-specific events and thus further enhance the quality of reporting.



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## Organisational positioning of Corporate Responsibility

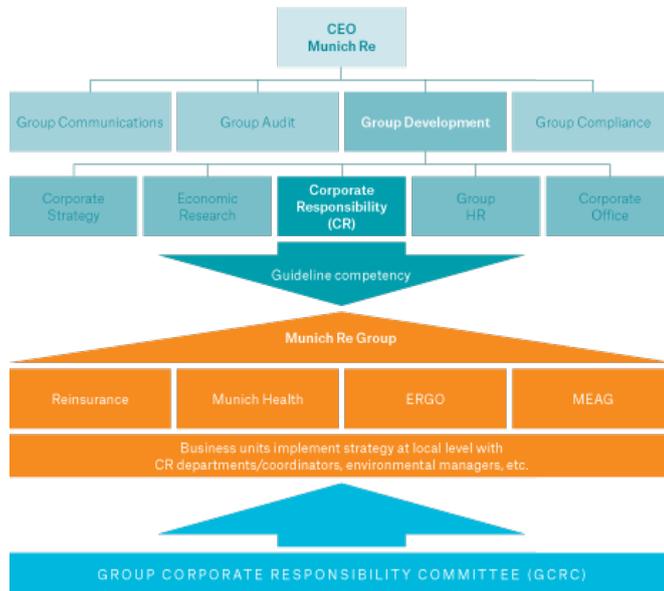
Corporate responsibility has a central role in Munich Re's Group strategy and is the responsibility of the Munich Re Group Board of Management Chairman.

Starting in 2008, we concentrated Corporate Responsibility (CR) at our Munich headquarters in a unit dedicated specifically to this purpose. In the organisation, this department is situated in [Group Development](#), the central division responsible for developing the Group strategy for the entire Munich Re Group.

Group Development is directly responsible to the Chairman of the Board of Management, who defines the corresponding objectives and actions and is directly informed about our CR activities. The CR department performs its tasks at Group level and in direct consultation with ERGO. The department is responsible for establishing guidelines for our core CR strategy activities. With a function mirroring that of Group CR, Corporate Responsibility at our primary insurance company is likewise a dedicated department within Group Development and an area of responsibility of the Chairman of the Board of Management.

In addition, the Group Corporate Responsibility Committee (GCRC), which spans all business segments, was created at the beginning of 2013 to steer and coordinate the strategic development of CR activities throughout the Group. The Committee is composed of the relevant senior managers of the Group Development, Group Compliance, Group Communications, [Corporate Underwriting](#), ERGO, MEAG and Munich Health functions and areas. It meets at least four times per year and establishes the direction of the strategic focus of Corporate Responsibility. The GCRC addresses the perception and general analysis of sensitive topics in our business and our positioning in relation to these. Guidelines and projects applicable to the entire Group are submitted to the Group Committee for their decision.

Beyond financial, operating and strategic topics, the Munich Re Board of Management regularly (at least once a year) informs the Supervisory Board regarding developments in the fields of [corporate governance](#), compliance and anti-fraud, human resources as well as on donations and sponsoring activities ([corporate citizenship](#)).



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## Mandatory requirements for the achievement of objectives

We have set mandatory objectives for our five areas of action, with a view to implementing our corporate responsibility strategy across the entire Group. On this basis, we have defined measures and projects to reach these objectives.

### Current objectives and measures

The table below shows the main objectives and areas of action that we are currently pursuing, the resultant measures, the status of implementation in 2014 and the new objectives for 2015 and beyond.

#### Strategy and governance

| Objective   | Measure  | Deadline            | Status 2014 |
|---|--|---------------------|-------------|
| Ensure that Munich Re (Group) fulfils its obligations by means of the CR strategy<br>» United Nations Global Compact<br>» Principles for Responsible Investment (PRI)<br>» Principles for Sustainable Insurance (PSI) | Review and update the Group-wide CR objectives and areas of action in order to further develop the strategy          | Ongoing, every year | Met         |
|   | Internal CR 2013/14 Performance Report submitted to the Group Corporate Responsibility Committee (GCRC) and ratified | Ongoing, every year | Met         |

#### Corporate responsibility in business

| Objectives   | Measure  | Deadline     | Status 2014   |
|--|--|--------------|---|
| Integration of » ESG aspects into core business (along the entire value chain) based on the Principles for Sustainable Insurance (PSI)             | Development of a framework for integrating ESG aspects into our core business, with focal points in the individual business fields   | 2014 to 2016 | New objective, initial measures implemented, is being continually expanded  |
| Information to all staff about ESG aspects: The integration of ESG aspects forms part of our ongoing dialogue with clients and other stakeholders. | Measures to increase awareness among selected employee groups  | Ongoing      | Intermediate objectives achieved (e.g. training courses for the International Organisation). Continuation in 2015 |
|  | Expansion of dialogue with business partners on the PSI  | Ongoing      | Met and is being continuously implemented   |
| Continuous implementation of the Principles for Responsible Investment (PRI)   | Munich Re investments (handled by MEAG, the Group's asset management arm) in shares, property, infrastructure, renewable energies, forestry and bonds comply with specific sustainability criteria | Ongoing      | Met   |

#### Environmental management

| Objectives  | Measure  | Deadline     | Status 2014                               |
|---|--|--------------|---|
| Expansion and establishment of the global environmental management system | Coverage of at least 75% of employees worldwide by the Group environmental management system | 2013 to 2015 | Met and is being continuously implemented |
|   | Expansion of the environmental management network to include smaller Munich Re (Group) units | 2013 to 2015 | Met                                       |
|   | International Group-wide network meeting of Munich Re environmental managers                 | 2014         | Met                                       |
|   | Recertification and surveillance audits for the environmental management system in           | 2014         | Met                                       |

accordance with ISO 14001 at the following locations: Munich Re Munich, major ERGO locations in Germany, D.A.S. United Kingdom, DKV Seguros in Spain (will be certified to ISO 14001 and EMAS from 2014)

|   |      |     |
|---|------|-----|
| Verification of the environmental data for the Group head office in Munich, for MEAG, DKV Seguros and D.A.S. UK | 2014 | Met |
|---|------|-----|

|  |      |     |
|--|------|-----|
| Climate neutrality of the reinsurance group, Munich Health, ERGO Germany and selected ERGO international sites (financial year 2014) | 2014 | Met |
|--|------|-----|

|  |  |              |   |
|--|--|--------------|---|
| Reduction in carbon emissions of 10% per employee between 2009 and 2015 (based on emissions in 2009) | Improvement in data quality for environmental reporting and systematic expansion of reduction measures in individual units | 2013 to 2015 | Met and is being continuously implemented |
|--|--|--------------|---|

|  |   |              |                                    |
|--|---|--------------|------------------------------------|
| Preparation of the new Group environmental management and climate strategy from 2015 | Development of the new Group environmental management and climate strategy, including measures, standards and timetable | 2014 to 2015 | New objective up to September 2015 |
|--|---|--------------|------------------------------------|

### Corporate citizenship (CC)

| Objectives  | Measure  | Deadline                        | Status 2014  |
|---|--|---------------------------------|--|
| Further development of the CC project portfolio                                       | Continuation of the earthquake risk prevention project in northern India in cooperation with GeoHazards International (GHI)  | 2012 to 2014, extension to 2016 | Met by August 2014<br>Extension for two more years             |
|   | Establishment and implementation of a partnership with the Städtische Galerie in Lenbachhaus, Munich   | 2013 to 2016                    | Intermediate targets met and is being continuously implemented |
|   | Supporting the Water Benefit Certificates (WBC) project for the development of an innovative financing mechanism for water projects in developing and emerging countries | 2012 to 2014                    | Met  |
| Application of the CC concept to activities of Munich Re's International Organisation | Munich Re units in North America introduce the existing CC guidelines into their management systems and define local processes for them                                  | Ongoing                         | Met and is being continuously implemented                      |
| Quality assurance of CC the project portfolio   | Review of the implementation and management of ongoing CC projects   | Ongoing                         | Met and is being continuously implemented                      |
|   | Identification of additional CC projects according to the CC plan  | Ongoing                         | Met and is being continuously implemented                      |
| Revision of the CC guidelines for donations, sponsorship and memberships              | Creation and communication of amended Group-wide CC guidelines for donations, sponsorship and memberships  | 2013 to 2014                    | Met  |
| Creation of a Group-wide corporate volunteering concept                               | Analysis of corporate volunteering options for Munich Re (Group) and development of a Group corporate volunteering concept   | 2013                            | Measure met in part, postponed to the end of 2015              |

### Reporting and communication

| Objectives  | Measure  | Deadline | Status 2014 |
|---|--|----------|-------------|
| Annual participation and positioning in the key international SRI ratings and indices (such as the FTSE4Good or Dow Jones Sustainability Index) | Munich Re has been continually listed in the FTSE4Good and Dow Jones Sustainability Index since 2001                             | Ongoing  | Met         |
|   | Sustainalytics rating: First place in the "Insurance" sector   | Ongoing  | Met         |
| Optimisation of CR reporting and communication  | Improvement in reporting processes to ensure that the publication date for the CR portal can be brought forward in the long term | Ongoing  | Met         |

|  |         |                                      |
|--|---------|--------------------------------------|
| Systematic expansion of stakeholder dialogue (e.g. with SRI investors, ratings agencies and NGOs)  | Ongoing | Met                                  |
| Creation of an annual systematic CR communication plan coordinated with Group Communications       | Ongoing | Met                                  |
| Intensification of CR communication, involving all communication channels (including social media) | Ongoing | New objective, initial actions taken |



GRI: G4-2; G4-DMA-Human Rights; G4-HR1; G4-FS7

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## Milestones of our corporate responsibility

As an insurance and reinsurance group, we adopt an international and interdisciplinary approach with a view to finding solutions that are viable for the future. In this way, we make tomorrow's world insurable. We seek to achieve a balance between economic, ecological and social requirements.

The following are examples of our corporate responsibility milestones.

### ► 2014

#### Munich Re and Global Fund agreed on partnership

Munich Re signed a three year cooperation agreement with the [Global Fund](#), an international financing institution dedicated to attracting and disbursing resources to prevent and treat HIV and AIDS, Tuberculosis and Malaria. The Global Fund is an international financing institution dedicated to attracting and disbursing resources to prevent and treat these three deadly diseases.

#### Innovative flood product fills a key market gap in the US

Floods are the most frequently occurring natural disasters in the United States and all 50 states have experienced flood or flash floods in the past five years. The National Flood Insurance Program (NFIP) has remained the only option for homeowners seeking coverage for flooding events

#### Helping others to help themselves: Munich Re is extending to 2017 its financial commitment in the international earthquake and landslide risk reduction project in India

Munich Re is extending its cooperation with [GeoHazards International](#) (GHI) on earthquake and landslide risk reduction in Aizawl, India, till 2016. The project, initiated in 2012 and financed by Munich Re, builds up resilience locally through training, institutional changes and implementation of mitigation measures.

#### Munich Re purchases three photovoltaic facilities in Great Britain

MEAG has acquired sole ownership of three photovoltaic parks in Great Britain for Munich Re.

#### Munich Re Foundation celebrates 10th anniversary

The [Munich Re Foundation](#) has been established in spring 2005. Since then the foundation is working successfully to minimize risks and to protect people against natural catastrophes. Munich Re Foundation celebrates 10th anniversary

#### 10 years of Munich Climate Insurance Initiative

The [Munich Climate Insurance Initiative](#) (MCII) recently its tenth anniversary. The MCII was launched by Munich Re, which was able to attract many additional partners. The MCII is a non-profit organisation whose permanent offices are located at the United Nations University (UNU) in Bonn, Germany.

#### Progress in environmental management and climate protection

The scope of application of the environmental management systems in Germany has been extended by the first-time certification of the head office of ERGO Lebensversicherung AG in Hamburg. DKV Seguros again won the European Union's EMAS (Eco-Management and Audit Scheme) award in 2014. Certification has also been awarded to buildings of Munich Re America and Munich Re of Canada. The Munich Re Group made a decision in 2011 to combine all its efforts in a unified approach and to achieve climate neutrality across the entire Group by 2015.

#### Munich Re and GIZ are cooperating on an agricultural model project in Peru

Germany's Gesellschaft für Internationale Zusammenarbeit ([GIZ](#)) GmbH and Munich Re are supporting the establishment of a risk transfer system for agriculture in Peru. For this purpose, they have launched the project "Integrated Financial Management of Climate Risks in Peru's Agricultural Sector". The aim is to develop, together with the Peruvian authorities, a legal, institutional and structural framework for a system to protect agricultural production against weather-related risks.

### ► 2013

#### Munich Re conducts its first Socially Responsible Investment (SRI) Day in Munich

After conducting numerous Investor Relations SRI roadshows in European financial centres, Munich Re presents for the first time its Corporate Responsibility strategy and its implementation, along with its experts and top managers, at the Group's headquarters in Munich.

#### Group-wide carbon neutrality

At the beginning of 2013, the reinsurance group and ERGO Germany fulfil their carbon-neutrality objectives for the 2012 financial year.

Related topics

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#### **Expansion of the environmental management system**

In 2013, the environmental management system is extended to include more than 75% of global staff for the first time, thus providing a basis for the nearly Group-wide collection of environmental data.

#### **MEAG acquires 32 wind farms in France**

Together with GE Energy Financial Services and EDF Energies Nouvelles, MEAG acquires 32 operational wind farms in France with a total installed capacity of 321.4 MW as part of the Renewable Energies and New Technologies (RENT) investment programme, which is intended to have a volume of €2.5bn.

#### **Guarantee cover for LED modules**

Together with a US manufacturer of LED modules, Munich Re gives the manufacturers' customers a five-year guarantee on the luminous intensity and colour stability of the LED modules. Under the agreement between the two companies, Munich Re assumes a portion of the financial risk entailed in the guarantee.

#### **ERGO creates new client-focused division**

ERGO introduces a metric for measuring client satisfaction and plans to set up a separate division to handle all of the company's client-centric services and processes.

#### **ERGO life insurances in China**

ERGO China Life offers life insurances on the Chinese market, concentrating on the economically attractive province of Shandong, which with around 97 million inhabitants is considered to be the country's third-largest domestic insurance market.

#### **Aid for the Philippines**

The Munich Re Foundation finances part of the immediate aid measures to supply drinking water and urgently needed medicines and medical equipment to the SOS Kinderdorf in the major Philippine city of Tacloban.

#### **Munich Re cooperates with the Lenbachhaus art gallery in Munich**

As part of its corporate citizenship activities, Munich Re is entering into a partnership with the Lenbachhaus municipal art gallery in Munich from 2013 to 2015.

#### **MEAG uses ESG country rating for investment decisions**

Since the third quarter of 2013, MEAG has been using an ESG (environmental, social and governance) rating of countries to assess their sustainability performance. In cases where countries fail to satisfy the criteria we have defined, MEAG refrains from investing in their government bonds or the bonds of quasi-governmental organisations.

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## ► 2012

#### **Board of Management launches Group-wide Corporate Responsibility Committee**

At the end of 2012, the Group Committee ratifies a Group-wide Corporate Responsibility Committee. It will be in charge of further developing the corporate responsibility strategy in the coming years and addressing sensitive business issues.

#### **Strengthening of compliance organisation**

Compliance is restructured so that it reports directly to the CEO and its tasks are given more weight.

#### **Higher investments as part of the "RENT" programme**

On Munich Re's behalf, MEAG acquires three wind farms connected to the grid in the UK. The investment in the low three-digit million range is part of the RENT programme (Renewable Energies and New Technologies) with an envisaged volume of €2.5bn.

#### **New insurance solution for LED modules**

Munich Re introduces ground-breaking insurance coverage in collaboration with the US LED module manufacturer Xicato. Xicato gives its customers a five-year warranty on the brightness and colour retention of its LED modules, which is much longer than the one-year warranty typically available on the market.

#### **Munich Re offers serial loss cover for offshore wind power systems**

The cover provides that Munich Re will pay for the repair or replacement of defective turbines or individual components if there is serial damage affecting a number of elements – such as the gearbox, the rotor or the tower. Munich Re will also cover the substantial costs involved in deploying the special vessels required.

#### **First performance guarantee cover for solar thermal power**

For the first time, Munich Re insures performance guarantees for solar thermal power plants. This cover gives US manufacturer SkyFuel the advantage that it can remove the long-term, technical guarantee risk from its balance sheet and use the capital thus made available for purposes such as investment.

#### **Honours for insurance manager of the year**

Nikolaus von Bomhard, Chairman of Munich Re's Board of Management, is chosen as the 2012 Insurance Leader of the Year by St. John's University's School of Risk Management in New York. (The prestigious award was presented

to him on 16 January 2013).

#### **Voluntary commitment to increase quota of women**

Munich Re is one of the DAX 30 companies that have undertaken to increase the quota of women in management positions by 2020. Munich Re's quota will then have increased to 25%.

#### **Principles for Sustainable Insurance (PSI) signed**

The final version of the PSI is signed at the Rio+20 UN Conference on Sustainable Development in June. From the outset, Munich Re was closely involved in drafting the mandatory guidelines.

#### **New Chief Compliance Officer at ERGO**

Stefanie Held is the new Chief Compliance Officer at ERGO. A trained lawyer, she is developing the group's compliance organisation and reports directly to CEO Dr. Torsten Oletzky.

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### ► 2011

#### **New investments as part of the "RENT" project**

Under its RENT (Renewable Energies and New Technologies) project, Munich Re invests primarily in wind farms and solar parks. These include transactions in Spain and Italy totalling €500,000.

#### **Global consultation meetings on sustainability in the insurance sector**

Seven global consultations begin in March to discuss the Principles of Sustainable Insurance (PSI) under the UN environmental programme's financial initiative. Munich Re plays an active part in this process. The European consultation meeting is hosted by Munich Re in autumn 2011.

#### **New CR strategy adopted**

Munich Re adopts a new Group-wide CR strategy, in which CR is firmly established as an integral part of our entrepreneurial action.

#### **Munich Re's carbon neutrality in Munich maintained in 2010**

After significantly reducing its greenhouse gas emissions at its Munich site back in 2009, the Company builds on this success in 2010 and beyond. We purchase emission allowances to offset the remaining small proportion of emissions.

#### **Wolfgang Engshuber, new PRI Chairman**

Dr. Wolfgang Engshuber, outgoing Chief Administrative Officer of Munich Re of America, is appointed Chairman of the investor-led Principles for Responsible Investment initiative from January 2011 till December 2012.

#### **Munich Re in Munich and ERGO recertified**

The environmental management systems of Munich Re (Munich) and ERGO (Germany)'s main office sites are again successfully re-certified this year.

#### **UN debate on disaster prevention**

In February, Thomas Loster, Chairman of the Munich Re Foundation, gives a presentation on the Group's expertise in the field of disaster prevention at the invitation of the United Nations in New York, highlighting the strengths of insurance-based solutions.

#### **New renewable energy covers**

Munich Re offers the first ever cover for manufacturers' warranties in the field of renewable energy, including wind and photovoltaic systems. The reinsurer also covers the exploration risks involved in geothermal energy projects.

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### ► 2010

#### **Wind energy investment**

Munich Re acquires 40 wind turbines in a total of 11 wind farms with an overall output of 73 megawatts. In the next few years, some €2.5bn are to be invested in renewable energy and new technologies under Munich Re's RENT (Renewable Energy and New Technologies) programme.

#### **6. International Microinsurance Conference in Manila**

The Munich Re Foundation and other partners, including the Microinsurance Network, the German Gesellschaft für Internationale Zusammenarbeit (GIZ) and Germany's Federal Ministry for Economic Cooperation and Development (BMZ), invite participants from 50 countries to the 6th International Microinsurance Conference in Manila. The fact that this is the largest ever microinsurance conference, with 520 attendees, shows the importance of microinsurance globally and its huge growth potential.

#### **Weather events insurance in the Philippines**

A new insurance product co-developed by Munich Re (reinsurance) offers cover against extreme weather events, such as severe typhoons, to cooperatives in the Philippines and their low-income members for the first time.

#### **Cover for PV modules in the USA**

Munich Re now covers performance guarantees on photovoltaic modules in the USA. The new cover applies to concentrating photovoltaic (CPV) systems produced by US manufacturer SolFocus, and is the first ever performance guarantee cover for CPV systems.

#### **New insurance solution for oil catastrophes**

Munich Re insures oil companies against liability risks relating to unsuccessful oil drilling operations, also tightening up safety standards.

#### **Relaunch of corporate responsibility portal**

Munich Re develops a new concept for its CR web presence and the related internal and external reporting on this topic. This also involves extending the scope of CR reporting to up to 60% of employees.

#### **Earthquake disaster in Haiti, floods in Pakistan**

Munich Re companies and their employees collectively donate more than €250,000 to victims of the earthquake in Haiti and flooding in Pakistan.

#### **ISO 14001 certification renewed**

The implementation and quality of the environmental management system at our Munich headquarters are again successfully certified.

#### **Carbon neutrality at our Munich site**

As resolved in 2007, we are able to make our Munich site » carbon neutral. We set the goal of achieving carbon neutrality for the whole reinsurance group by 2012.

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### ► 2009

#### **Founding of Dii GmbH for generating power in the desert**

In response to a Munich Re initiative, thirteen partners including Munich Re set up the Desertec Industrial Initiative planning entity (Dii). Its long-term goal: solar and wind power generation in the desert.

#### **Submission of the first COP**

In our Communication on Progress (COP), the obligatory report to be submitted by companies that have signed the UN Global Compact, we publish information on our CR targets and their achievement.

#### **ERGO life insurers tested by the German technical inspection agency TÜV**

ERGO's two major life insurers Hamburg-Mannheimer and Victoria have their service quality tested by TÜV Süd for the first time and are rated "good".

#### **EU GreenBuilding Award for MEAG buildings**

Three new MEAG buildings feature in the list of official EU GreenBuilding Programme partners in 2009: the Cologne Oval Offices, the Westgate in Cologne and the Sonnencarree in Munich.

#### **MEAG launches FairReturn investment fund**

This mixed fund, geared specifically to foundations, is managed according to sustainability criteria. The investment objectives are a positive performance in line with the capital markets and the achievement of plannable earnings.

#### **World's first microinsurance against floods**

In collaboration with various partners, Munich Re devises a microinsurance product for the inhabitants of the Indonesian capital of Jakarta, providing them with cover against the economic consequences of flood.

#### **Signet Solar – New insurance solution for photovoltaic modules**

Together with industrial insurance broker Marsh and photovoltaic producer Signet Solar, Munich Re launches a new insurance solution to cover the risk of a performance deterioration in photovoltaic modules.

#### **Expansion of Munich Re's compliance system**

After the introduction of an ombudsman function at Munich Reinsurance Company in 2008, the ombudsman's brief is extended to the whole Group with effect from 1 May 2009. Anti-fraud management is significantly strengthened by way of this Group-wide whistle-blowing system.

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### ► 2008

#### **ERGO adopts CR guiding principles**

ERGO's Board of Management endorses the corporate responsibility guiding principles adopted by the Munich Re Board of Management in 2006, taking them as the basis for ERGO's own CR activities.

#### **ERGO implements its own code of conduct**

On the basis of Munich Re's Code of Conduct, ERGO defines its understanding of legally impeccable behaviour, based on ethical principles, at all employee levels.

#### **Research partnership with the London School of Economics (LSE)**

Munich Re supports the multi-year research programme of the Centre for Climate Change Economics and Policy (CCCEP) at the LSE. Its goal is to analyse – at the interface between climate research and economics – the risks and opportunities for the insurance industry.

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### ► 2007

#### **Joining Global Compact**

Munich Re commits itself to complying with the UN Principles for Corporate Responsibility (UN Global Compact).

#### **Corporate Climate Centre established**

All Munich Re's climate change activities are pooled in one centre of competence. This comprises a network of staff from across Munich Re's fields of business.

### **Announcement of climate neutrality target for Munich Re**

A resolution is taken to make the Munich site climate neutral by 2009 and the whole reinsurance group by 2010.

### **MEAG introduces code of conduct**

MEAG defines its understanding of legally impeccable behaviour, based on ethical principles, at all employee levels, taking Munich Re's Code of Conduct as a basis.

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## ► 2006

### **Commitment to sustainable and responsible corporate management**

In its mission statement, Munich Re commits itself to transparency, sustainability and social responsibility. Corporate responsibility becomes an integral part of Munich Re's Group strategy.

### **Consolidation of corporate responsibility management**

As a sign of the great importance Munich Re assigns to this sector, the CR management function is located within the Group Development Division, which reports directly to Munich Re's CEO.

### **Implementation of a code of conduct**

Munich Re sets out its definition of legally impeccable behaviour, based on ethical principles, at all employee levels.

### **Commitment to PRI and their establishment**

Munich Re becomes the first German company to sign the UN Principles for Responsible Investment (PRI), which it plays a prominent role in helping to establish.

### **Implementation of anti-fraud management**

The main elements and principles of a Group-wide anti-fraud system are laid down.

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## ► 2001 to 2005

2005

### **125 years of handling risk**

Munich Re celebrates its 125th anniversary and sets up the Munich Re Foundation. The latter's mission is to minimise risks for people throughout the world, particularly in developing and emerging countries, through prevention and education projects.

### **Establishment of the Dr. Hans-Jürgen Schinzler Foundation**

Open to all current and former Munich Re employees worldwide, the foundation aims to support staff in their voluntary work in various areas of society.

### **GIG – Sustainability criteria for investments**

Munich Re's globally binding General Investment Guidelines (GIG) specify that our investments in shares, corporate bonds, bank bonds and government bonds must meet certain sustainability requirements.

2004

### **renewables 2004 conference**

Munich Re takes part in the International Conference for Renewable Energies (renewables 2004). The conference outlines the path towards global development of renewable energies.

### **Tsunami aid**

Munich Re responds to the tsunami catastrophe in Thailand with both monetary and non-monetary donations.

2003

### **Launching of MEAG Nachhaltigkeit mutual fund**

Besides considering the traditional criteria for investments in shares or bonds – return, risk and liquidity – this fund also considers specific sustainability aspects.

### **Creation of a company medical centre**

A central company medical centre for individual consultancy and treatment of employees is set up. The prophylactic healthcare services it provides include check-ups and influenza vaccinations.

### **Successful EMAS recertification and introduction of ISO 14001**

Munich Re sets more standards: successful EMAS recertification and first-time certification to DIN EN ISO 14001, for environmental management systems, thus making Munich Re's standards comparable at international level.

### **Certification of Victoria Krankenversicherung AG**

Victoria Krankenversicherung AG in Düsseldorf is certified to EMAS and to DIN EN ISO 14001. In addition, the UK headquarters of D.A.S. is certified to DIN EN ISO 14001, a first for a legal protection insurer.

2002

### **German Corporate Governance Code**

On 6 December, Munich Re's Board of Management and Supervisory Board

publish their first declaration of conformity with the recommendations of the Government Commission for a [German Corporate Governance Code](#).

2001

**First environmental statement**

Munich Re publishes its first environmental statement under the title "Perspectives".

**Sustainability indices**

Munich Re is included and henceforward listed in the two most important global sustainability indices, the Dow Jones Sustainability Index and the FTSE4Good.

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► **1973 to 2000**

2000

**Establishment of an ISO 14001 environmental management system**

Munich Re establishes an environmental management system according to ISO 14001 at its headquarters in Munich. As from 2008, the Munich and Milan offices use only green electricity.

1999

**UNEP FI (United Nations Environment Programme Finance Initiative)**

Munich Re becomes an active partner in the financial initiative of the UN environment programme.

1998

**Participation in the Environmental Pact of Bavaria**

The participants in the Environmental Pact of Bavaria undertake to save resources and use environmentally sound technologies. The aim is to achieve sustainable economic growth.

**EMAS (Eco-Management and Audit Scheme) certification for Victoria Versicherung AG**

ERGO company Victoria becomes the first European insurer to be certified to EMAS at its various sites.

1990

**"Victorianer helfen" ("Victorians help") is founded after German reunification to provide development assistance in eastern Germany.**

The association begins by providing assistance for the village of Mechterstädt in Thuringia.

1973

**Munich Re warns of the consequences of climate change for the first time**

In a publication on flooding, Munich Re addresses the increasing concentration of carbon-dioxide and the related climate change for the first time, and proposes analyses for determining how far climate change could alter the pattern of weather-related natural catastrophes.



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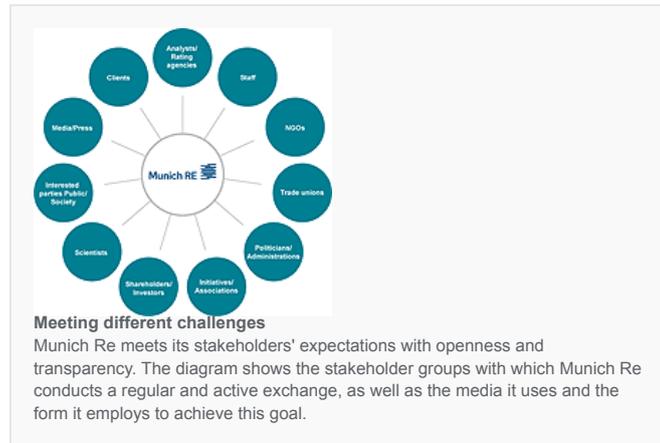
Stakeholder dialogue

Materiality analysis

## In direct contact

Munich Re attaches importance to engaging in open and ongoing dialogue with its stakeholders, in the belief that transparent communication forms the basis for mutual trust. At the same time, this exchange enables us to identify important social challenges and changes at an early stage so that we can then offer or develop suitable business solutions for the future.

The many and varied expectations of our stakeholders provide Munich Re with useful input. Our aim is to generate value for both sides through dialogue. In particular, we seek to identify social developments and trends at an early stage through this dialogue so that we can take account of them, for example, on the solution side, in innovative risk coverage and specific products.



### Related topics

Materiality analysis  
Memberships and partnerships  
SRI indices, ratings and awards

### Continuing the dialogue

We want to continually improve our Group-wide corporate responsibility processes and activities. The various expectations of our target groups, which we discuss with them on a regular basis, constitute an important source of information for us. This allows us to round off our CR strategy by [jointly identifying and discussing material topics](#).

#### ► Capital market communication – Transparent and comprehensive

**Munich Re cultivates an ongoing dialogue with private and institutional investors, analysts and rating agencies. This dialogue is part of our corporate strategy, designed to achieve a sustainable increase in value.**

- Shareholders and capital market players want detailed, up-to-date information on our Group and the (re)insurance sector. In one-on-one meetings, expert interviews, [roadshows](#) and on the internet, we provide important, detailed information on the opportunities and risks of our business, both in general terms and specifically for [SRI](#), and discuss trends and key topics. An exchange with rating agencies also forms part of the roadshows.
- In addition to our Annual Report, we publish a wide range of information for all investors, such as [presentations](#) given during our analyst and investor events and the quarterly financial report.
- All press and analysts' conferences are broadcast live online via Livestream, as is Munich Re's Annual General Meeting, in which as a rule more than 4,000 shareholders take part in person. Many shareholders watch the meeting and vote online.
- There is a team of in-house experts available to answer enquiries that come in on the shareholder hotline or by e-mail. Additionally, the service pages of our internet-based shareholder portal offer our registered shareholders a wide range of background information and services relating to Munich Re's shares.

#### ► Our client management – Needs-based and solution-oriented

**Munich Re has differently structured client bases in reinsurance, primary insurance and asset management. Our central objective in all our fields of business is to be a reliable, solution-oriented partner for our clients.**

In reinsurance, we operate around the globe with over 4,000 insurers from more than 160 countries. [ERGO](#) serves over 35 million (mainly private) clients in over 30 countries, with the focus on Europe and Asia. The Munich Health business segment has over six million clients in primary insurance and 400 in reinsurance. In Germany, our asset manager [MEAG](#) offers its competence to well over 100,000 private investors, as well as to over 50 institutional investors outside the Group, e.g. insurers, utilities, pension funds, church organisations, foundations,

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► **Client management Reinsurance**

- At the heart of this activity are solution-oriented approaches, frequently in partnership with clients – as in the case of our innovative risk covers for the generation of [renewable energies](#).
- Munich Re also promotes intensive dialogue with clients through numerous international client seminars and through a large number of client and market events both in Munich and throughout the Group. Especially strong client ties are forged with promising young employees from our major client companies by the Munich Re Scholarship Programme.
- As part of our annual strategy conference (Spring Conference), we invite our clients' executive managers to attend as guest speakers, so that we can obtain direct stimulus for the ongoing development and refinement of our services.
- On our client portal ([connect.munichre](#)), as an exclusive service for our clients and business partners, we provide useful risk assessment tools, important publications and policies, and ensure that data is transferred securely with the help of the latest technology. This service range is complemented by innovative topic apps using new information channels.
- Neutral third parties and specialised market research institutes (such as Flaspöhrer for reinsurance) regularly conduct and review the results of client opinions and comments on our Group. These results are then taken into account in our strategic planning.
- Client communication using social media is a key factor in today's world. Munich Re provides information and promotes exchanges on über [Twitter](#), [Facebook](#), [Google+](#), [LinkedIn](#), [XING](#) and [YouTube](#).

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► **Client management Primary insurance**

- The [ERGO](#) business philosophy focuses on clear and up-to-date communication, structured, user-friendly feedback management certified to ISO 9001 (for example in the form of a free hotline), and prompt, efficient assistance and claims handling in the event of loss.
- ERGO consistently lives up to its marketing claim "To insure is to understand", with needs-based advice, easily understandable communication, a digital customer service and tailor-made products that recognise and respond to customers' personal concerns. ([ERGO: Clear language initiative](#)).
- As a means of promoting dialogue with customers, the [ERGO Customer Report](#) has been published in PDF form every year since 2011. The report responds in detail to customers' questions and expectations.
- A [Customer Advocate](#) ensures that customer perspectives and complaints are taken into account in product design and procedural issues.
- Our ERGO customers have a variety of sales channels to choose from: independent agents, direct sales staff, brokers and strong cooperation partners in Germany and abroad.
- Every customer can take part in the [ERGO Customer Workshop](#) (ERGO Open Innovation Platform) by assessing ongoing projects, ideas and developments and contributing suggestions via anonymised surveys on the internet platform. The objective is to obtain opinions on a range of topics, for example products or services. All staff members have access to the findings so they can inform themselves about customer feedback with a view to providing even better individual advice.

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► **Client management Munich Health**

- By offering various solutions and services, [Munich Health](#) supports insurers in local markets. To analyse health risks, for example, Munich Health provides its reinsurance clients with modern programmes and tools to standardise the assessment of medical risks.
- In the Middle East, with the help of intelligent concepts for the use of joint infrastructure and processes, Munich Health managed to expand its presence from the United Arab Emirates to Saudi Arabia, Qatar and Oman within a short time. This will allow it to provide large sections of the local populations with appropriate and affordable medical care.
- Every two years, [DKV Seguros](#), our Spanish Munich Health subsidiary, conducts a survey among its target client groups in order to identify new needs and recent changes. Its annual customer report informs each stakeholder group in detail about current topics and new, sustainable primary insurance solutions.

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► **Investment**

- [MEAG](#) is a professional partner to external institutional investors and private investors in need of asset management services. It also offers Socially Responsible Investments (SRI) in the form of funds: MEAG FairReturn and MEAG Nachhaltigkeit ([MEAG funds](#)).
- MEAG provides extensive information to its investors by way of monthly fund reports, market forecasts and publication of fund prices and performance on each trading day at [meag.com](#).
- MEAG regularly participates in public lectures, panel debates and round table discussions, stating its position with regard to the [principles for responsible investment \(PRI\)](#) and thus contributes to the regular exchange of ideas and information, including within the financial sector.

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► **Dialogue with our staff – An open partnership**

**With their dedication and wide range of experience, Munich Re's employees make a vital contribution to the success of the whole Group. We therefore encourage an open and cooperative dialogue with our staff.**

- We conduct an ongoing dialogue with staff around the world at all levels. Regular feedback is standard for the Group. The extensive intranet services at business-field, regional and local levels provide staff with a rich supply of information, supporting employee communication and a wide range of discussion forums and cross-company symposiums.
- In addition, staff surveys conducted in various forms and at different levels give staff the opportunity to express their opinions. In 2012, Munich Re introduced Global Leadership Monitoring – more than 10,000 employees provided feedback on the leadership behaviour of their managers. This process promotes dialogue between employees and managers.
- We also offer employees a number of internal communication channels, through which we regularly report on current topics related to the Group and to our staff. Examples include the online magazine "go ahead" for Reinsurance and Munich Health, and the staff magazines "ERGO.magazin" and "MEAG.COM".

Staff representative bodies also play a central role in ensuring a constructive dialogue. At the highest level, the employee representatives in the Supervisory Board of Munich Reinsurance Company and other companies make an important contribution to the overarching dialogue. In accordance with local requirements, staff associations and employee delegates represent staff interests in a large number of forums.

► NGOs, associations and policy makers – Open for other people's knowledge

**Munich Re is also in contact with important stakeholder groups with whom we have no direct business relationship. In such cases, we value the exchange of expertise and knowledge on current or emerging global questions and insurance topics, and on economic and social developments worldwide.**

- Through our Corporate Responsibility, [Group Legal](#), Corporate Climate Centre and other departments, we are in constant contact at national and international level with a large number of interest groups, NGOs, UN institutions, public administration bodies and the scientific community.
- Working with a whole range of different political institutions and national governments, Munich Re provides advice on current topics relating to climate change, and contributes the expertise of its Corporate Climate Centre. Munich Re is an active member in many insurance industry initiatives and associations. Among other activities, the company is involved in various bodies and committees of the [German Insurance Association](#).

► Society – A networked partnership

**The Munich Re Group aims to actively contribute its comprehensive knowledge gained over many years to discussions on the challenges facing our society today.**

- Our experts engage in [intensive dialogue](#) around the world with research scientists, associations and other organisations and are involved in a large number of national and international research and development projects, such as the Global Earthquake Model (GEM), GEOHazards International, the Global Climate Forum and the United Nations Environment Programme Finance Initiative (UNEP FI). As part of this involvement, Munich Re makes available its extensive knowledge and financial resources to the relevant organisations and scientists.
- Each year, the [Munich Re Foundation](#) organises public dialogue forums to discuss the areas in which it works, giving participants an opportunity to exchange views with leading politicians, scientists and journalists. Such experts are regular guests at these events.
- In the context of public-private partnerships in developing countries, Munich Re cooperates with government institutions, associations and companies, for example with the Gesellschaft für Internationale Zusammenarbeit ([GIZ](#)). Such projects help give the poorer segments of the world's population access to adequate insurance protection through innovative financial solutions.
- The Munich Re Foundation organises the International Microinsurance Conference each year – a forum for microinsurance experts from around the world. The conference offers representatives of the insurance industry, regulatory authorities, development organisations and research institutes a platform to discuss both standard and novel ways of providing reasonably priced insurance for the lowest income groups.
- Through its various foundations (the [Munich Re Foundation](#), [Dr. Hans-Jürgen Schinzler Foundation](#), [ERGO "Youth & Future" Foundation](#), [DKV "Integralia" Foundation](#), Spain), Munich Re also engages in charitable and social work; these foundations contribute to [cultural activities](#) by sponsoring initiatives and projects at Group locations worldwide. In Munich, for example, Munich Re has started a cooperation with the Städtische Galerie im Lenbachhaus.



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## Relevant topics for Munich Re

Corporate responsibility is an attitude towards how we do business, and at the same time, a mirror of change within society. The world around us is a dynamic one, and values and expectations are changing, with new challenges calling for new solutions. Our analysis of the developments around us and the dialogue we maintain with our stakeholders help us to weigh up our strategic decisions better and place the appropriate emphasis on our activities.

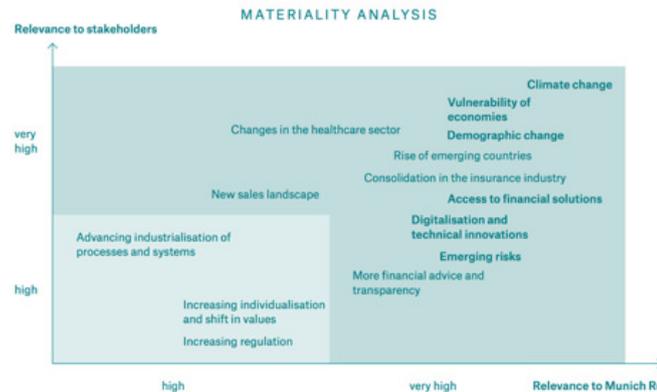
We face far-reaching challenges worldwide that will have a significant impact on the future of the insurance industry. We can broaden our understanding of the dimensions of these challenges by increasingly incorporating the assessments and perspectives of our internal and external stakeholders.

From our expert analyses, our dialogue with stakeholders and through cooperating on international initiatives, we have already been identifying for some years the major topic areas that are of importance for our business model: **climate change**, **vulnerability of economies**, **demographic change** and **access to financial solutions**. This year, in the light of global developments, we decided to include the topics of **digitalisation** and **new types of risk** (emerging risks) as further material challenges. The importance of these topics is particularly high for providers of financial services and insurances, and is continuing to increase with the growing use of digital solutions and technological innovations.

### The input of our stakeholders and experts

We regularly discuss with selected experts the new forms, trends and additional issues that are materialising in these six major areas and are of importance for our corporate responsibility perspective. The comprehensive trend analysis we undertake within the company every five years also acts as a further reference framework for us. Strategists from each business field, along with specialists from our Risk Management department or from multi-business-field panels are also involved in this process. We discuss the importance of the topics and trends identified with selected stakeholders, such as investors and analysts, scientists, consultants, NGOs, competitors within the industry and clients.

The figure below depicts these topics – based on their degree of importance for our business and for our stakeholders. In this way, we wish to highlight the topics that are considered as "of special relevance". The importance of the individual aspects for our business are described in the category "Challenges".



Source: Munich Re

Source: Munich Re



## Challenges

[Climate change](#)

[Vulnerable economies](#)

[Demographic change](#)

[Access to financial solutions](#)

[Emerging risks](#)

[Digitalisation](#)

## Putting knowledge to use, devising solutions

**Increased flooding, heatwaves, droughts and severe storms: for over 40 years, Munich Re has been researching the changes in the frequency of weather-related loss events and has made use of this knowledge to understand weather and climate risks better, and to develop solutions for them.**

The current status of scientific knowledge shows that climate change is happening and that it can only be mitigated by systematic carbon reduction measures. The most effective way would be the adoption of an ambitious international climate policy by as many countries as possible. While negotiations on a global climate agreement at a political level have made little progress, we as a company are taking action. Our knowledge and our solution strategies help cushion the effects of climate change and pave the way towards a sustainable and low-carbon future.

Climate change has diverse consequences: The physical changes, in other words regional changes in weather patterns in terms of frequency and extent, are one of the consequences that are of extreme relevance for reinsurance. Extreme weather events result in high material damage to buildings and infrastructure, as well as significant loss of revenue in agriculture. There are frequent casualties and victims in regions where risk prevention is still in its infancy. The consequences of climate change can also be of a regulatory kind. On the one hand, these are connected with the regulation of carbon emissions and accompanying laws, and on the other, with liability issues and safety aspects.

How high the cost of climate change will turn out to be will depend on the approach that is taken to it, and how the costs for mitigation and adaptation are distributed. Many studies have endeavoured to estimate the cost of climate change, with very different results. For us, it means analysing all the consequences of climate change, both physical and regulatory, as well as the changes in technology.



**"Climate change is one of the greatest risks facing humankind this century. Through a part of its core business, the insurance industry is directly affected and therefore assumes a leading role in devising solutions for climate protection and adaptation to the inevitable changes."**

Professor Peter Höppe, Head of Munich Re's Geo Risks Research/Corporate Climate Centre

### Our approach: Expertise and research

In the financial and insurance sector, Munich Re is a pioneer in analysing the consequences of climate change. In the 1970s, as part of geo risk research activities within the company, Munich Re began to investigate the causes behind increasingly costly losses from weather-related natural catastrophes, and to record the associated losses. Over the years, the complexity of the issues involved became increasingly clear as scientific advances were made. Today, we are integrated into a comprehensive scientific network that gives us access to the latest findings on climate change, and ensures a high level of quality for our analyses. The different findings from these analyses are consolidated on an ongoing basis and translated into relevant recommendations for action for the Munich Re Group. They are also incorporated into risk assessment tools for natural hazards, such as the [NATHAN Risk Suite](#), which we provide to our clients.

### Our action: Specific and future-oriented

Climate change places special demands on us as a company. In 2008, Munich Re developed a strategic approach that comprehensively maps the topics and bundles every aspect of our knowledge and skills. The Corporate Climate Centre was charged with implementation and development of this approach. In this Group-wide network, staff members research the consequences of climate change and work on pioneering concepts and product solutions.

At Munich Re, Dr. Torsten Jeworrek, Reinsurance CEO, is responsible for all

### Related topics

- [Solutions](#)
- [Insurance concepts for renewable energies](#)
- [Environmental management](#)
- [Climate protection](#)
- [SystemAgro](#)
- [Ecological insurance solutions](#)
- [Investments in infrastructure, focus renewables](#)
- [Membership and partnerships](#)

[munichre.com](#)

- [Touch Natural Hazards](#)
- [Risk report: Climate change \(PDF, 111 KB\)](#)
- [Focus topic Climate change](#)
- [NATHAN Risk Suite](#)
- [Topics Online: 40 years of Geo Risk Research](#)
- [Topics Online: Keeping an overview of all risks](#)

### External links

- [MCII \(Munich Climate Insurance Initiative\)](#)

insurance-specific matters relating to climate change. He is supported in this task by Professor Peter Höpfe, Head of Geo Risks Research/Corporate Climate Centre, and by all the members of the Board of Management, departmental managers, and staff at the various units involved with products and questions relating to climate change.

#### Concrete, forward-looking solutions

In these efforts, we are continuously developing solutions for climate protection. Our strategic approach includes both business-related activities and measures in the context of our corporate responsibility. It comprises the following components:



#### Risk evaluation

As a company, we need to understand the business policy risks arising from climate change and adapt to its consequences. In risk evaluation, we determine the risks from climate change that have a direct impact on our business model. These include the analysis and evaluation of weather-related natural hazards, but also regulatory and technical changes with a direct influence on our insurance business and on our investment management.

#### Development of risk transfer solutions

One of our business objectives is to offer solutions. Through developing risk transfer solutions, we can make an active contribution to climate protection, firstly by cushioning the effects of climate change on natural hazards, and secondly by facilitating the introduction of climate-friendly technologies through our assumption of risks. Examples include the development of innovative insurance solutions in the field of technology (renewable energies, new technologies), as well as coverage concepts in the agriculture sector and protection against weather risks based on parametric triggers. This enables us to develop business growth areas for our company in connection with mitigation and adaptation.

#### Asset management

As a company, we invest our capital in a responsible way, and contribute, for example through investments, to reducing carbon emissions. Changing political and regulatory background conditions, e.g. in the energy and carbon markets, are also generating new opportunities in the field of asset management. For example, we have been investing for a number of years in renewable energies, providing private-sector capital to finance infrastructure measures.

#### Carbon neutrality strategy

In our Group strategy, we also take a concrete and future-oriented approach. Munich Re advocates effective and binding rules on carbon emissions not only internationally, but also internally within the Group. Business operations throughout our Group are to be made carbon-neutral by the end of 2015, based on our internal environmental management system, which enables us to continually improve our carbon footprint and emissions balance.

#### Involvement in climate initiatives

For a number of years, Munich Re has played an active role in a range of national and international climate protection organisations, such as the United Nations Environmental Program, and as a board member of the Global Climate Forum. We are convinced that, with our expertise, we are a valuable partner for political decision-makers, organisations and companies.

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One group particularly affected by climate change is that of emerging and developing countries. The [Munich Climate Insurance Initiative \(MCII\)](#) was established in 2005, at the initiative of Munich Re and representatives from the World Bank, NGOs and the scientific community, as a charitable organisation with a secretariat in the United Nations University in Bonn. The underlying idea was to support adaptation to climate change in developing countries through providing insurance-related risk management mechanisms. Since then, MCII has contributed suggestions on risk management to climate negotiations and provided technical support in the discussions on dealing with losses from climate change under the UNFCCC "Loss and Damage" programme and the "Warsaw International Mechanism".

You can find further information under the headings "[Management](#)", "[Solutions](#)", "[Facts and figures](#)", as well as on the Munich Re [home page](#), particularly under the [focus topic Climate change](#).



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GRI: G4-EC2; G4-EC8; G4-DMA-Product Portfolio



## Challenges

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## Stability through risk transfer

Every form of economic transaction and investment harbours risks. Protecting against them is a prerequisite for the progress in economies. Economic losses caused by the forces of nature particularly impact not only economic output but also other economic factors such as public finances and the foreign trade of countries affected. When natural disasters occur, Munich Re provides support as a reliable (re)insurance partner for the rapid and sustainable recovery of economies and capital markets.

Citing Gesamtverband Deutsche Versicherungswirtschaft e.V. (GDV), insurance is a basic prerequisite for virtually any economic activity. Insurable risks relieve the burden on the private sector, thereby allowing it to take advantage of entrepreneurial opportunities (such as third-party liability, property and asset risks). Insurance also has a preventive effect, with insurance premiums acting as a signal. They allocate a price to the risk to be insured, thereby increasing the incentive to lower that price through measures to minimise the risk.

Particularly in the event of natural catastrophes, political, institutional and economic parameters are crucial in determining how quickly a country can recover from natural disasters, and what long-term damage it will suffer after such events. These parameters also include the development status of the insurance market.



**"Natural catastrophes can imperil entire economies. As a global reinsurer we can restrict the scale of the damage so that economic development can soon recover."**

Dr Michael Menhart  
Head of Munich Re Economic Research

Many developing and emerging nations are particularly affected by natural disasters – from both a humanitarian and economic perspective. Natural disasters occur throughout the world. But the probability of dying as a result of a natural disaster is highest in developing and emerging countries – irrespective of geographic region. For example, from 1980 to 2012, fatalities caused by natural disasters were remarkably high in Asia and Africa. The picture was very different in industrialised nations with strong economies, where the numbers of victims were much lower.

In addition, developing and emerging countries – which generally have weakly developed insurance markets – must usually withstand much higher loss levels in relation to economic performance than industrialised countries. Due to the lack of insurance cover, reconstruction following a disaster may be delayed or even impossible in poorer countries. This applies in like manner to individuals and to the state.

### Increasing the resilience of economies

Risk transfer increases the resilience of economies, with insurers and reinsurers acting as "shock absorbers". They help by providing prompt payments for immediate financial relief which in turn limit economic losses, for example because damaged infrastructure or industrial plants can be reconstructed without delay. Through rapid claims settlement and payouts, we smooth the way for sustainable economic development, also for developing and emerging countries.

Also, the insurance industry has the experience to play a key, ground-breaking role in nat cat risk financing, both in private-sector nat cat risk management and in partnership with supranational and state civil protection agencies by further developing and implementing sustainable, insurance-based coverage models.

More information on how we respond to challenges involving the stability of (young) economies is available in our online magazine [Topics Online](#).

### Related topics

[Access to financial solutions](#)  
[Solutions for developing countries and emerging markets](#)

## Challenges

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3 questions for Dr. Reiner Klingholz, Berlin Institute

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## The challenges posed by demographic change

Demographic change is altering our society and presenting new challenges for the insurance industry because of the heavier burden it places on social security systems. Munich Re draws on the extensive specialist knowledge within the Group to meet this evolution in the form of customised products in its various business fields.

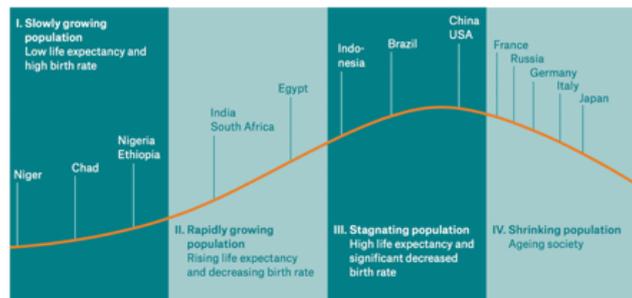
Worldwide population growth, increasing life expectancy as a result of changes in working conditions and better medical care, greater prosperity in many countries: Demographic change has wide-ranging implications for pension and healthcare provision – and therefore impacts directly on Munich Re's business.

As dietary habits and lifestyles change in industrialised and emerging countries, so the number of persons afflicted by diseases related to affluence also rises. The increased incidence of cancer and cardiovascular disease, for example, is leading to rapid growth in the cost of treatment and nursing. To address these trends, Munich Re has bundled its global health expertise in primary insurance and reinsurance under the Munich Health brand. The approaches taken by Munich Health and ERGO range from preventive measures and a wide variety of private insurance covers, to providing medical care and advising governments and public authorities on healthcare systems.

### Related topics

- Sustainable solutions for the health market
- Medical care in developing and emerging countries
- Healthcare and digitalisation

### DEMOGRAPHIC DEVELOPMENT OF COUNTRIES



Source: INFOGRAFIK/Welt Online

### Encouraging private provision in industrialised countries

Particularly in industrialised countries, people are tending to live longer on average, while birth rates are declining. This development is placing an enormous burden on pay-as-you-go pension systems and calls into question the feasibility of the intergenerational contract. Private provision will be increasingly necessary to prevent the living standards and healthcare of retirees deteriorating over the longer term. Whether through private provision for old age or other future-oriented coverage models, ERGO offers its clients a broad spectrum of individual and needs-based products for old-age provision.

### Meeting the greater need for coverage in emerging countries

As a result of continued economic growth in many emerging countries, the living standards of broad swathes of the populations there are improving, and demand for insurance products is consequently increasing. The ERGO Group is endeavouring to meet this demand – for example, with life insurance products in the growing Chinese market, and in India. Munich Health supports stakeholders in developing and emerging countries in establishing and securing a sustainable system of healthcare provision that is affordable for large sections of society.

### Demographic change in developing countries

In the opinion of Dr. Reiner Klingholz, Managing Director of the Berlin Institute for Population and Demographic Change, poorer countries will experience demographic change at a later stage, but when they do, it will happen faster than in industrialised countries. The consequences could find the poorer countries unprepared and hit them harder, because they are having to combat a large number of acute problems, such as economic instability, corruption, poverty and environmental pollution. "The poorer countries run the risk of becoming old before they are rich," said Dr. Klingholz. ERGO, in particular, is attempting to combat these problems with microinsurance concepts and by offering insurance cover through special public-private partnerships in segments where a purely private-sector approach is not viable.

### Digitalisation and demographic change

As a result of increasing digitalisation, promising ways have emerged to meet the challenges thrown up by demographic change. The use of new technologies can deliver cost reductions, efficiency gains and enhanced customer satisfaction. In emerging and developing countries, mobile solutions on smartphones can offset shortcomings in healthcare infrastructure, and systematically ensure that patients receive prompt treatment within a doctors' network, for example. Munich Health assists

primary insurers in exploiting this potential for making health risks sustainably insurable.

Further information on how we are tackling the impact of demographic change in terms of our solutions can be found in the following articles: "[Sustainable solutions for the health market](#)", "[Medical care in emerging and developing countries](#)", and "[Healthcare and digitalisation](#)".



## Challenges

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[3 questions for Dr. Reiner Klingholz, Berlin Institute](#)

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## Demographic change – three questions for Dr. Reiner Klingholz

In a short interview Dr. Reiner Klingholz, Managing Director of the Berlin Institute for Population and Development, explains his views on how demographic change will affect various regions of the world.

### Dr. Klingholz, in your opinion what are the three most important challenges for societies posed by demographic change?

That very much depends on the country you are looking at. A country like Germany is faced with quite different demographic problems than China or Nigeria. As a result of a low birth rate and high life expectancy, both Germany and Japan already have a rapidly ageing population and a continuously declining number of young people to generate prosperity. In order to remain competitive, we should invest in education and training, get used to working longer, and recruit people from other countries who contribute to the success of our society through their work.



Dr. Reiner Klingholz, Managing Director of the Berlin Institute for Population and Development.

### And what does this mean for other countries?

Newly industrialised countries such as China, Brazil or Turkey are on the same path as ourselves but have not advanced so far along it. They have a very large number of young people in work but already there are fewer coming along behind them. They must attempt to provide their large working population with jobs and the necessary training in order to reap a "demographic dividend". It is only in this way that they can generate sufficient prosperity to cope financially with the ageing process, which will start in these countries about 20 years later than in Germany.

The developing countries – particularly in Africa – are not so far down this path. In these countries the birth rate must first reduce in order to improve people's development opportunities. The best way to achieve this is education, especially for girls. Women who have a secondary school leaving certificate have fewer children and are more concerned about their children's success and health.

### What opportunities do you see for insurers and reinsurers to partner these changes over the long term?

As all societies will experience this change sooner or later, an ever-increasing number of people will need to be provided for financially in their old age. This can be achieved both through state social security systems and private provision. The poorer countries are paying little attention to this because they are faced with other, more pressing problems. But demographic change is also progressing faster there than was the case in industrialised countries in past times. These countries are running the risk of becoming old before they are rich. Insurers must adjust themselves to the fact that the economic growth rate in the highly developed countries will reduce further as a result of ageing and declining populations.



### External links

[Berlin Institute for Population and Development](#)

## Challenges

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## Innovative partnerships in developing and emerging countries

Millions of people, primarily in developing countries, lack adequate insurance cover and capital for investment. At the same time, it is precisely these countries that are particularly hard hit by natural catastrophes. Munich Re has entered into public-private partnerships and microinsurance cover arrangements in these countries in order to contribute to the development and propagation of innovative insurance solutions in both primary insurance and reinsurance business.

Developing and emerging countries are hit particularly often by natural catastrophes such as floods, earthquakes and cyclones. At the same time, of the world's four billion people with the lowest incomes, only around 250 million have insurance that would cover the material damage incurred in such instances to guarantee them a stable economic existence. In Bangladesh, Laos, Angola and Ethiopia, fewer than 1% of the population have access to insurance. Underinsurance can impact on the development and resilience of an economy. With our solutions, we hope to make a contribution to the growth of developing and emerging countries. At the same time, we also perceive business potential in these markets.

### Developing and emerging countries – A growing market

In developing and emerging countries, microinsurance products are playing an ever more important role. Demand is growing primarily in rural areas and is being boosted by the relative ease with which people can be contacted by mobile or smart phone. Because of their expertise, insurers are the main players offering area-wide microinsurance cover to a large number of people. These microinsurance policies make a significant contribution to economic stability in developing and emerging countries.

Cooperative agreements with local institutions and existing infrastructures (e.g. bank branches and community centres, as is the case in India) are often used to bring microinsurance solutions to as many people as possible. One example of this type of cooperation is on weather insurance for peasant farmers in India. Our Indo-German joint venture, HDFC ERGO, working in close cooperation with non-governmental organisations and microfinance institutions, has developed an innovative insurance product to protect farmers against crop failures caused by the weather. Mark Lammerskitten, ERGO's microinsurance specialist for India, estimates that total gross premiums now amount to about €60m.

### Related topics

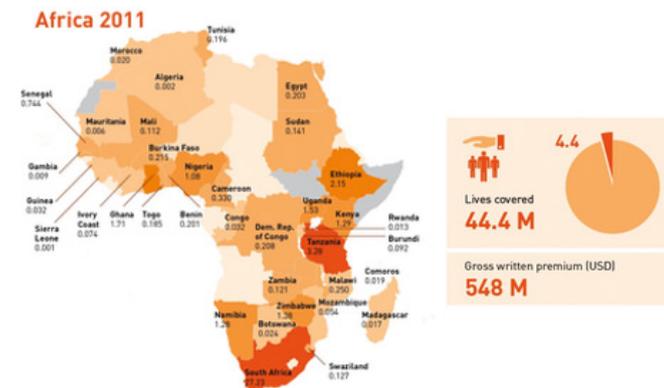
Solutions for developing countries and emerging markets  
Microinsurances (primary insurance)  
SystemAgro  
Munich Re Foundation

### External links

Munich Re Foundation  
Munich Climate Insurance Initiative (MCII)  
Caribbean Catastrophe Risk Insurance Facility (CCRIF)

### Total number of lives and properties covered by country in millions

01 02 03



Source: Microinsurance Network / Münchener Rück Stiftung

### Public-private partnership (PPP) as a solution

Munich Re is increasingly collaborating with local authorities and with global partners to offer new, region-specific finance solutions. In such cases, product expertise is combined with local knowledge and infrastructures. State institutions, cooperatives, NGOs and private-sector companies are all involved in these kinds of multi-sector collaborations (public-private partnerships). The resultant new, region-specific forms of cover are often the first practical step towards developing a comprehensive risk management system for developing countries. You can find a detailed overview of current projects, such as the Munich Climate Insurance Initiative (MCII) and the Caribbean Catastrophe Risk Insurance Facility (CCRIF) under the heading Solutions:

["Solutions for developing countries and emerging markets"](#).

**The Munich Re Foundation promotes microinsurance dialogue**

The Munich Re Foundation is also involved in microfinance. The Foundation and the global Microinsurance Network jointly host the Annual International Microinsurance Conference in a developing or emerging country to discuss the latest developments in this field. Following Mexico City, the [11th International Microinsurance Conference](#) will be held in Casablanca, Morocco, from 12 to 14 November 2015.

The prime objective of this conference, the world's largest microinsurance gathering, is to exchange knowledge on ways to protect low-income population groups against risk. The conference provides experts with an international platform to discuss how the potential of microinsurance can be extended further, based on experience and forward estimates. This event is complemented by further conferences in smaller groups held in conjunction with local authorities, in which regional solutions for specific markets are discussed. As a further step in this direction, the Munich Re Foundation also supports the collection of data on the trend in supply and demand for insurance for lower-income groups in developing countries.

You will find further information on how we facilitate and extend access to financial solutions in emerging and developing countries in the articles entitled ["Solutions for developing countries and emerging markets"](#), ["SystemAgro"](#) and ["Munich Re Foundation"](#).

Also read the [interview](#) with Dirk Reinhard, Vice Chairman of the Munich Re Foundation.



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## Access to financial solutions – three questions for Dirk Reinhard

**How will microinsurance develop in the coming years and what are the challenges which will have to be overcome? Dirk Reinhard, Vice Chairman of the Munich Re Foundation, explains the most important aspects of microinsurance in the following interview.**

### Mr Reinhard, let's start with some scenarios: How will coverage with microinsurance products develop in the next ten years?

Anyone expecting enormous success in just a few years may be disappointed. For example, today's major insurers and the developed insurance markets have taken a hundred years or more to their present size. The number of people with access to insurance products will continue to grow significantly. If this growth were to continue, the number of microinsurance policies in existence today (about a quarter of a billion) could well double. In addition, new technologies provide the opportunity for accelerating this growth.



Dirk Reinhard, Vice Chairman of the Munich Re Foundation

### What must happen to prevent this development from slowing or even coming to a stop? What part can the Munich Re Foundation play?

Three areas need to be singled out here: the improvement of knowledge, the creation of a legal framework, and the development of efficient structures for marketing and customer service. We urgently need insurance experts and adequate opportunities for them to work in emerging and developing countries. For example, it is estimated that at the present time there are only a couple of dozen actuaries with sufficient experience in dealing with under-developed markets. The Society of Actuaries in the USA alone has more than 22,000 members, which is a striking illustration of the dramatic mismatch.

The use of mobile phones for making payments offers a huge potential for cost savings – provided that the legal prerequisites are in place. Countries such as India, Indonesia, Nigeria and Brazil have already developed special microinsurance regulations or are in the process of doing so.

The Munich Re Foundation will continue to act as a catalyst through its national and international conferences, bringing the relevant stakeholders together to devise solutions for the challenges that exist.

### What specific opportunities from microinsurance do you see for insurers and for you, as the Munich Re Foundation?

The biggest opportunity is the opening up of new markets with high growth rates. Many governments and multinational organisations such as the World Bank have recognised the importance of improving the living standards of the poor for the stable development of countries as a whole. Involvement in this field can therefore also be a door-opener with regard to regulatory authorities or new groups of customers.

Today's poor will form part of tomorrow's middle class. With increasing prosperity, many people emerge from the ranks of the poor and disappear from the statistics of those with microinsurance. For example in China alone, between 2002 and 2009 the number of people living in poverty decreased by about 200 million. A company that succeeds – as part of a long-term market entry and growth strategy – in developing long-term customer relationships through good, easy-to-understand products will automatically grow with its customers as prosperity increases.

In addition, we are seeing increasing interest in learning from microinsurance how to enhance efficiency, reduce costs and offer better products in developed markets. And much more money than is generally thought is now transferred by mobile payment systems. So far developed markets have hardly concerned themselves with these technologies. Simple insurance terms and conditions are a key factor in building trust among customers – something that only a few in this part of the world have realised as

#### Related topics

[Solutions: Micropayment \(Reinsurance\)](#)  
[Solutions: Micropayment \(Primary Insurance\)](#)

#### External links

[Munich Re Foundation](#)

yet.

As the market grows, so the number of enquiries to the Foundation for support for this development increases. It is therefore all the more important to work with the right partners to achieve the best possible effect with the means available.



## Challenges

- Climate change
- Vulnerable economies
- Demographic change
- Access to financial solutions
- Emerging risks**
- Digitalisation

## Emerging risks – New and complex risks

For us, sustainable management means focusing our view and actions on the future. We perceive a special challenge in the form of new, and so far unknown, risks, which are known as emerging risks. These new types of risk bring changes for both society and for companies.

As a result of the rapid pace of technological development, of changes in our climate and environment, and transformation in societies and industries, events repeatedly occur that push the boundaries of standard risk management. For this reason, the systematic, early identification of emerging risks is a strategic focus topic at Munich Re.

Over a dozen different emerging risks are constantly monitored. They include IT risks, climate change, demographic trends and the shortage of raw materials. The rapid pace of technological progress – such as the construction of skyscrapers more than 1,000 metres high, or the transport of inflammable lithium batteries in aircraft – raises the question of how controllable such progress is. With such topics, the degree of uncertainty attached to the risks in terms of the size of losses and the probability of occurrence is especially high.



**"Munich Re has the necessary expertise to identify new kinds of risk, to analyse their potential impact and to quantify the corresponding loss scenarios. In this way, we help to reduce risks, while at the same time supporting technological progress with innovative insurance solutions."**

Heidi Strauß, Emerging Risk Manager, Integrated Risk Management, Munich Re

Emerging risks and their dependencies and interrelationships can have significant consequences for the economy, society and the environment. As a (re-)insurer with global operations, we pay very close attention to handling these risks in a responsible way. After all, they could have as yet unknown or unrecorded repercussions for our own portfolio and our own business activities.

Over ten years ago, Munich Re established a Group-wide emerging risk management system to analyse new and changing risks, identify complex accumulations, derive the risk potential and adopt measures to manage and reduce it.

### Identifying and managing complex risks

We identify trends and weak signals in many different ways, such as with the help of systematic trend research and our knowledge management system. In regular discussions in the Emerging Risks Think Tank and in the global emerging risk community, a group of more than 100 experts, we investigate the possible impact of emerging risks on our business.

Cooperation with external partners complements our internal early-warning system. For example, we are involved in the emerging risk initiative of the [CRO Forum](#). We also share our knowledge about emerging risks with scientists and social institutions through the medium of organisations and associations.

You can find out more about some of the emerging risks mentioned that relate to the environment and society, [climate change](#) and [demographic change](#) on the following pages of our CR portal.

Detailed information on how we deal with emerging risks can be found in the [Focus Topic Emerging Risks](#) on our corporate website.



### Related topics

- Climate change
- Demographic change
- Management: Risk management

[munichre.com](http://munichre.com)

[Focus Topic Emerging Risks](#)

## Challenges

- Climate change
- Vulnerable economies
- Demographic change
- Access to financial solutions
- Emerging risks
- Digitalisation**

## Big Data – big opportunities, big challenges

Digitalisation is triggering a revolution in the business world. Many business models can now be replaced or improved by digitalisation. For us as insurers, it also presents an equal number of opportunities and risks.

Digital media enable new forms of communication, cooperation and sales and marketing. Business processes can be designed more efficiently by employing digital solutions, and the new options for using and analysing data are paving the way for product innovations and enhanced services. "Big data" applications, for example, make it possible to assess risks more precisely at an earlier stage. Clients in primary insurance and reinsurance can be served more individually and in a more need-based way, and solutions are emerging for risks that were previously uninsurable.

By the same token, digitalisation presents new challenges – of both an entrepreneurial and social nature. The cards in the competitive arena have been shuffled as a result of the access to data and the options for data evaluation. In addition, social values and legal background conditions have been unable to adapt to the more rapid speed of development of the technical possibilities offered by digitalisation. The question is increasingly being raised of how to ensure responsible handling of what are often sensitive data.

Munich Re is fully conscious of this responsibility. Digital services primarily create sustainable value if we, as the provider, are transparent and trustworthy. It is for this reason that we are advocating improvements to background conditions for online activities, for example by supporting secure payment systems on the internet and a high level of legal security for contracts that are concluded online.

In order to promote the expansion of secure, digital business transactions – such as the transfer and processing of insurance and personal (health) data – we are urging the introduction of European and international standards and regulatory framework conditions. We furthermore attach great importance to the high level of integrity and security of our data networks and promote the protection of the digital identity, so as to ensure the security of digital communication.

Find more information on the page "Healthcare and digitalisation" and in our focus topic "Emerging Risks" on munichre.com.



### Related topics

Solutions: Healthcare and digitalisation

munichre.com

Focus topic Emerging risks

"With the implementation of the Principles for Sustainable Insurance (PSI), we are adding another dimension to our risk management"

Dr. Torsten Jeworrek,  
Member of the Board of Management, Munich Re



Related topics

- [Corporate governance](#)
- [Corporate responsibility in business](#)
- [Compliance](#)
- [Munich Re as an employer](#)
- [Climate protection](#)

## Management

### Responsible management

For Munich Re, a value-based, long-term approach is a basic prerequisite for business success. Mandatory rules for compliance with legal and ethical standards, responsible business practice, long-term HR management and our environmental awareness are among our success factors, also instilling clients and investors with confidence in our operations.



#### Responsible corporate governance

To meet our own requirements and those of our stakeholders, we have committed ourselves throughout our Group to codes and principles that go beyond what the law requires.

» Responsible corporate governance



#### Responsibility in business

A forward-looking and responsible approach is axiomatic for Munich Re. It is essential for securing the long-term success of our business model, creating lasting value, and strengthening the confidence of our clients, investors and society in our work.

» Responsibility in business



#### Responsibility towards staff

Responsibility and fairness are a major feature of our human resources planning. We create optimal working conditions for our staff and support their personal and professional development in a multitude of ways. Munich Re is therefore an attractive employer worldwide.

» Responsibility towards staff



#### Our environmental awareness

Munich Re seeks to play its part in maintaining the ecological balance worldwide. With our expertise in the area of climate change and environmental protection, we set a positive example through our consistent environmental management throughout the Group.  
» Our environmental awareness



## Responsible Corporate Governance

[Corporate governance](#)

[Compliance](#)

[Anti-fraud management](#)

[Risk management](#)

[Sustainability and Munich Re shares](#)

[Guidelines for dealing with journalists](#)

[Lobbying](#)

[Sustainable supply chain management](#)

## Corporate governance – Our understanding of responsible corporate management

**Good corporate governance creates sustained value. Munich Re therefore subscribes to high standards and is committed to a clear, effective division of responsibilities within the Group's management.**

We understand [corporate governance](#) to be responsible corporate management and control geared to long-term value creation. To ensure good corporate governance, we apply nationally and internationally recognised standards. Another success factor is the efficient work of our Board of Management and Supervisory Board, and the close collaboration between these bodies.

### The following requirements apply to Munich Re

As a global company, we have to consider the corporate governance rules of all the markets in which we operate. In Germany, these standards are established particularly in the Stock Corporation Act (AktG) and the German Corporate Governance Code (DCGK). The Insurance Supervision Act (VAG) standardises specific requirements for the business organisation of insurance companies and the qualifications of members of the Board of Management and of the Supervisory Board. The German Corporate Governance Code contains the main legal rules to be observed by listed German companies. The code also makes recommendations and suggestions based on nationally and internationally recognised standards of good and responsible management.

In the annual declaration as per Section 161 of the German Stock Corporation Act, Munich Re complied again in 2014 with all of the DCGK's recommendations and suggestions. Furthermore, it has been confirmed for the financial year 2014 that all 20 members of the Supervisory Board are independent and free from conflicts of interest. Staff co-determination in the Supervisory Board is regulated by a co-determination agreement.

### Our voluntary commitments to international standards

We underscore our approach to corporate responsibility by recognising international guidelines. These include the UN Global Compact with its ten principles of responsible corporate management, the [Principles for Responsible Investment \(PRI\)](#) as guidelines for sustainable investment and the [Principles for Sustainable Insurance \(PSI\)](#) with its four principles for responsible and sustainable insurance. We also report annually on our progress with all the above initiatives.

### Collaboration between Board of Management and Supervisory Board

The Board of Management and the 20-member Supervisory Board play especially important roles in ensuring effective, long-term corporate governance. The Board of Management is responsible for managing Munich Re and must ensure compliance with statutory requirements and internal corporate directives.

Our company is a parent group with clearly delineated areas of responsibility, the Group Committee being responsible for holding functions, while the Reinsurance Committee oversees the reinsurance business. Both of these spheres of activity are governed by the Board of Management's rules of procedure. The Board of Management, whose remuneration is geared in particular to long-term corporate performance, reports regularly to the Supervisory Board on all matters having significant bearing on the corporation. The Supervisory Board appoints the members of the Board of Management and is involved in fundamental decisions regarding strategic planning and business development.

### Changes in the Board of Management

Dr. Doris Höpke was appointed a member of the Board of Management with effect from 1 May 2014, and has since been responsible for the business field Munich Health. Giuseppina Albo was appointed a member of the Board of Management with effect from 1 October 2014. She is responsible for the Europe and Latin America Division. Georg Daschner, who has been a member of the Board of Management since 2003, retired on 1 January 2015.

### Elections to the Supervisory Board

The five-year term of office of the Supervisory Board expired at the end of the Annual General Meeting on 30 April 2014. The following shareholders' representatives retired: Annika Falkengren and Peter Löscher. The following employee representatives retired: Herbert Bach, Dina Bösch, Hans Peter Claußen, Silvia Müller, Reinhard Pasch and Richard Sommer.

The Annual General Meeting elected Professor Ursula Gather and Gerd Häusler as new members of the Supervisory Board. Prior to the Annual General meeting, the following members of the Supervisory Board were elected by the relevant employee representative bodies on the basis of the co-determination agreement: Dr. Anne Horstmann, Ina Hosenfelder, Beate Mensch, Ulrich Plottke, Gabriele Sinz-Toporzysk, and Angelika Wirtz. The period of office of the new and re-elected members of the Supervisory Board began at the end of the Annual General Meeting.

[munichre.com](#)

Corporate Governance  
Board of Management  
Supervisory Board

#### **Audit confirms good work by the Supervisory Board**

Half of the Supervisory Board comprises employee representatives and the other half shareholder representatives. There are no overlaps, i.e. no one is a member of both the Supervisory Board and the Board of Management. The Supervisory Board monitors the effectiveness of its work on a regular basis. The review of the effectiveness of the Supervisory Board conducted during the 2014 financial year concluded once again that the Supervisory Board judged the reporting by the Board of Management and the work of the Supervisory Board to be effective and appropriate overall.

Munich Re offered the members of the Supervisory Board an internal information event again in 2014. Nearly all the members took advantage of the opportunity to brief themselves about the challenges associated with the increasing digitalisation and data management in the insurance industry, particularly at Munich Re, and to hold intensive discussions. Munich Re held an induction course for the newly elected members of the Supervisory Board. This provided a customised overview of risk management, corporate governance, financial control accounting and Board remuneration with particular reference to Munich Re.

Detailed information on important aspects of our corporate governance can be found in the "[Corporate Governance](#)" section on our corporate website.



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GRI: G4-41; G4-43; G4-45; G4-DMA-Society; G4-SO3; G4-SO4; G4-SO5



## Responsible Corporate Governance

Corporate governance

**Compliance**

Anti-fraud management

Risk management

Sustainability and Munich Re shares

Guidelines for dealing with journalists

Lobbying

Sustainable supply chain management

## Binding rules of conduct for the Group

Compliance with applicable laws and internal rules and principles is binding for all employees of Munich Re. To ensure compliant conduct, we have created Group-wide guidelines and suitable information and documentation systems as control measures.

The full meaning of compliance is not simply adhering to legal provisions, regulatory requirements and internal rules (in particular, those of the Code of Conduct), but also extends to making decisions and deciding on activities on this basis. Compliance is therefore a basis for initiating and conducting business transactions, a platform for realising integrity, and a key element in the business processes.

Each individual staff member at Munich Re is responsible for compliance. On the basis of the Code of Conduct, all staff undertake to act in an ethical and reliable manner. In doing so, they should avoid doing anything that might harm Munich Re, and take business decisions in compliance with legal provisions, supervisory regulations and internal rules. Managers have a special responsibility to integrate compliance as an inherent component into the business processes. They have a role model function for their staff and the obligation to ensure that all actions within their area of responsibility comply with laws and statutes and internal guidelines.



**"In our Munich Re Code of Conduct, we have made a commitment to adhering to high-level ethical and legal requirements."**

Dr. Lothar Essig, Group Chief Compliance Officer, Munich Re

### Group-wide code of conduct

The central guideline for our actions is our [Code of Conduct](#), which describes our understanding of values and has also been implemented by our subsidiaries. It specifies rules that are binding for all Munich Re staff and is regularly reviewed and expanded as needed. In 2013, for example, we anchored the understanding of values conveyed in the Global Compact by expressly referring to the ten principles in the introduction to our Code of Conduct. In 2012, we introduced rules of conduct to ensure that our interaction with clients is fair. Our objectives in doing so were to ensure that we meet legal requirements and to define a uniform Munich Re position with regard to "ethical walls" situations.

In the primary insurance sector, ERGO is taking a progressive approach: On 1 July 2013, with the aim of establishing a clear business foundation for cooperation with insurance brokers, the ERGO insurance group was one of the first companies to commit to the [GDV Code of Conduct for sales](#). This voluntary commitment applies to all operational German subsidiaries that sell insurance products with the aim of ensuring the high quality of client consulting. The appropriate implementation of principles and measures to satisfy regulations was confirmed in June 2014 by an external auditor.

### Expansion of compliance management and Group-wide application

The Munich Re compliance management system is the methodical framework for the structured implementation of early warning, risk control, consulting and supervision functions, as well as for the monitoring of background legal conditions. It consists of seven tools: compliance culture and strategy, compliance risk management, organisation and processes, consulting, communication and training, compliance reporting, monitoring and control.

### Related topics

[Sustainable supply chain management](#)

### External links

[Munich Re's Compliance Whistleblowing Portal](#)  
[United Nations Global Compact](#)  
[GDV: Code of conduct sales force \(German\)](#)

### Downloads

[munichre.com: Risk report \(PDF, 112 KB\)](#)  
[munichre.com: Code of conduct \(PDF, 354 KB\)](#)  
[ERGO: Code of conduct \(PDF, 183 KB\)](#)  
[ERGO: Code of conduct sales force](#)



We have developed a modular compliance approach to allow for local conditions in the different Group companies. For example, a small company with low risk exposure only needs to implement minimum compliance standards, whereas a large company with high risk exposure must effectively implement comprehensive CMS. This approach was introduced in the Group in 2015.

**Direct channels of communication and the protection of anonymity**

Munich Re has a Group-wide system for reporting violations of rules and laws. This system enables the Group Chief Compliance Officer to quickly report potential violations to the Board of Management. This officer is the first contact for all questions and assists the Board of Management in developing and implementing organisational measures. Staff members can report infringements and violations to the Group Chief Compliance Officer, their direct supervisor, or Group Audit. The compliance system is complemented by an external, independent **ombudsman**.

To strengthen the compliance system even further, the Board of Management decided to make available an additional channel. The **Munich Re Compliance Whistleblowing Portal** has been open for all staff or external whistleblowers since mid-November 2013. This portal can be used to anonymously report serious violations involving fraud, insider trading, anti-trust and data protection infringements and punishable reputational risks.

**Sustainable procurement**

We also strive to achieve a balance between economic, ecological and social aspects in our procurement. In this way, we extend our commitment to abide by the Global Compact in dealings with our business partners too. (You can find more on the topic of "Sustainable supply chain management" [here](#).)



GRI: G4-27; G4-56; G4-57; G4-58; G4-DMA-Procurement Principles; G4-EC9; G4-EN32; G4-EN33; G4-DMA-Supplier Assessment; G4-DMA-Human Rights; G4-HR2; G4-HR3; G4-HR4; G4-HR5; G4-HR6; G4-HR7; G4-HR8; G4-PR6

|           |                         |                   |           |            |                   |          |
|-----------|-------------------------|-------------------|-----------|------------|-------------------|----------|
| MUNICH RE | STRATEGY AND CHALLENGES | <b>MANAGEMENT</b> | SOLUTIONS | COMMITMENT | FACTS AND FIGURES | ABOUT US |
|-----------|-------------------------|-------------------|-----------|------------|-------------------|----------|

» Home » Management » Anti-fraud management

## Responsible Corporate Governance

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## Combatting financial crime concerns us all

The risk of falling victim to financial crime increases with a company's size and the rising complexity of its structures and workflow. The financial loss and consequences can be devastating for the company's reputation. Munich Re is resolutely countering this risk with an effective system for combatting fraudulent activities.

Financial crime may take on many different guises, ranging from direct asset losses and corruption to manipulation of accounts. Although there is no such thing as complete protection, much can be done to reduce the risks.

A holistic approach in combatting fraudulent activities and comprehensive prevention is of central importance. It is for this reason that Munich Re has assigned these Group-level functions to a separate Group Compliance Department, which underlines the importance of the matter and creates the basis for a stringent procedure across the Group. The guideline contains minimum requirements to be observed by all Group companies. These minimum requirements are formalised by policy in individual Group companies. A process of coordination with Group Compliance guarantees adherence to the minimum requirements, but allows some leeway in defining measures, depending on the risk situation and observance of local regulations.

Explicit specifications for the behaviour of employees in handling transactions are included in the measures. Clearly defined processes and responsibilities, effective checks which also monitor the example set by management, in addition to training, heighten employees' awareness of the fact that every single individual can make a contribution to combatting fraudulent activities. If employees notice that something is amiss or their suspicion is aroused, they have the option of contacting the respective persons in Group Compliance and Group Audit, or their line managers.

### Electronic Whistleblowing Portal

Employees can also turn to our external [ombudsman](#) or use the electronic [Whistleblowing Portal](#). Our clients, contractual partners and other third parties can also contact the ombudsman or place a message on the Whistleblowing Portal. Anonymous messages can also be submitted. The system lets the user create a sort of mailbox to allow communication while preserving anonymity. The messages on the Whistleblowing Portal are actioned by the specially trained workers in Group Compliance.

Munich Re also provides training to heighten employee awareness of the subject and the risks, and provide information on hazard characteristics. Training sessions have been developed that are aimed at top management. These are held jointly by Risk Management, Group Audit and Group Compliance.

### Measures to uncover suspicious circumstances

Specially trained staff members in Group Audit conduct appropriate investigations in the event of concrete suspicion of fraudulent activity. A confirmed suspicion always entails consequences. Munich Re tolerates no fraudulent activity, and takes action based on industrial, criminal and/or civil law, depending on the individual case. To supplement the actions outlined, Group Audit supports the Board of Management and managers in their controlling functions, providing auditing and consulting services.

The combatting of fraudulent activities and the enhancement of an effective system have uppermost priority at Munich Re. Our system is thus subjected to continual monitoring, and to ongoing development on the basis of the latest findings and trends.

[munichre.com](#)

[Corporate Governance](#)

[External Links](#)

[Whistleblowing portal](#)

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## Risk management

Risk management is a key part of Munich Re's corporate governance. Effective risk management underpins our financial strength, enables us to meet our obligations to clients, creates sustained value for our shareholders and protects our reputation.

Purposely taking on risk is at the heart of our business model; the risk strategy defines the scope of the risks we enter into. Our implementation of risk management embraces identification, measurement, analysis and assessment of risks. Risk reporting, limiting (reduction to a desired level) and monitoring are derived from this. This enables us to keep an eye on all significant risks.



**"Risk management is not just about quantitative methods. It also has a lot to do with experience and plain old common sense. This is an essential part of our risk culture or, in other words, the foundation of our Enterprise Risk Management."**

Dr. Bernhard Kaufmann, Group Chief Risk Officer

### Related topics

- [Climate change](#)
- [Integrating ESG aspects](#)
- [Practical implementation](#)
- [Managing investments](#)

[munichre.com](#)

[Risk management](#)

[Downloads](#)

[Risk report \(PDF, 112 KB\)](#)

### Determining the risk strategy

The risk strategy defines the extent to which we are prepared to incur risks; developing this strategy is part of the annual planning cycle and thus embedded in our business strategy. It is approved by the Board of Management and discussed regularly with the Supervisory Board. We determine our risk strategy by establishing tolerance amounts for an array of risk criteria. The criteria are based upon the capital and liquidity available and on our earnings target within specified volatility limits, and provide a frame of reference for the Group's operating divisions.



Munich Re

### Effective risk management

As required for Solvency II, Munich Re has set up an efficient risk management function (RMF) at Group level in addition to the key functions of Compliance, actuarial and **Group Audit**. It is part of the Integrated Risk Management Division (IRM) and reports to the Chief Risk Officer (Group CRO).

In addition to the Group functions, there are risk management units in the business fields, each headed up by its own CRO. Our extensive documentation, guidelines and instructions ensure that staff in our risk management structure and the Group as a whole are kept informed of our risk strategy and the RMF's organisation and processes. This provides the basis for active management of the risks we incur.

### Risk and control culture

Risk control maintains and fosters an effective risk and control culture, which encompasses all **significant risk categories**. It is supported by various committees at Group and business-field level.

- Ensuring that risk management and risk governance systems are in place and continuously enhanced at Group level is one of the most important tasks of the Group Committee of the Board of Management.
- It convenes quarterly together with the CROs of the Group and fields of business

as the Group Risk Committee (GRC) to discuss fundamental risk issues arising in the Group.

- Specific risks of investment are dealt with and managed in the Group Investment Committee (GIC).
- The Group Compliance Committee (GCC) also considers reputational risks at Group level to ensure uniform analysis and handling throughout the Group.

We have created further committees at the business-field level with risk governance responsibilities. The Group CRO is also a member of those committees. The following committees are highlighted:

- The Global Underwriting and Risk Committee (GURC), the Munich Health Risk Committee and the ERGO Risk Committee are responsible for setting up and carrying out appropriate ongoing risk management processes in the reinsurance and primary insurance fields of business at Munich Health.
- Reputational Risk Committees (RRC) evaluate specific individual cases which can raise issues of reputation in the various fields of business. A unit's Compliance Officer can always be consulted on matters relating to the assessment of reputational risks.

#### **How we deal with sustainability and emergent risks**

It is our business to know all risks of relevance. We take into account traditional economic insurance risks as well as those risks capable of negatively impacting the environment and society. We are convinced that our corporate goals can be only achieved in the future through sustainable and responsible actions.

Sensitive issues that could lead to reputational risks are handled across fields of business by the Group Corporate Responsibility Committee (GCRC). The committee decides upon the guidelines for ESG integration and thus continually enhances the Group-wide CR strategy. It is made up of members of key Group functions, and representatives from all fields of business (reinsurance and primary insurance, and Munich Health) and from asset management (MEAG).

Under the links on the right, you will find examples of how we deal with risks pertaining to ecological, societal and governance issues as these relate to climate change, integration of sustainability aspects in our core business and in investment, and also how we deal with sensitive topics.

**Our cross-cutting approach to emerging risks is described [here](#). Detailed information on all aspects of risk governance and the risk management system at Munich Re are available in the [risk report section of the Group management report \(PDF, 112 KB\)](#) (pages 117ff.).**



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## An investment that creates value

Our corporate governance geared to sustainability is also reflected in the development of Munich Re's share price. Their specific risk-return profile makes Munich Re's shares an attractive investment. For this reason, ongoing and transparent communication with all capital market players has top priority at Munich Re.

Munich Re is committed to the creation of sustained value. Our corporate activities revolve around value- and risk-based management, integrated and active risk management and an all-embracing knowledge of risk. This strategy, derived from our objective, has proven successful in the past, as our share performance shows.

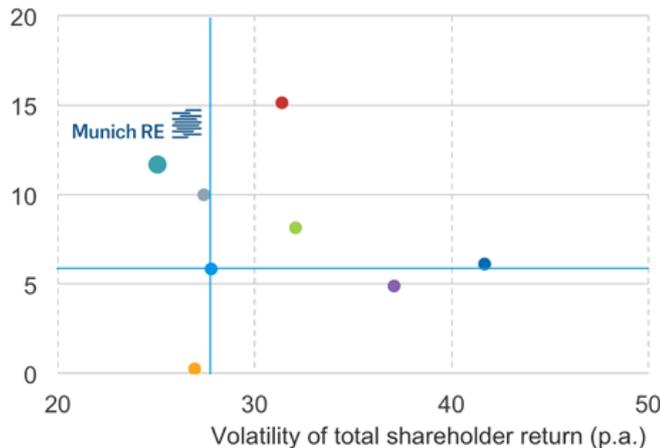
### Positive development of the insurance industry in 2014

The European insurance industry continued to perform well in 2014, surpassing the development of the European share price index (DJ EURO STOXX 600) for the third consecutive time. Once again, the industry outperformed the European bank index (DJ EURO STOXX Banks) and the German DAX 30. The main driver of the price trend was the moderate economic recovery and a diminished risk perception among investors. Given the improved growth perspectives and the prospects of increasing dividends, primary insurers in particular benefited from these developments and their share prices responded positively.

In the year under review, the performance of reinsurance company shares fell short of that of several primary insurance companies, despite the comparatively low incidence of major losses. Overcapacity and intense competition in the reinsurance market – combined with the entry of new market players such as pension funds and stagnating demand – led to significant pressure on the margins. This was aggravated by lower income from investments. However, given the comfortable capital situation of reinsurers, distributions in the form of higher dividends, share buy-backs and special dividends were important investment criteria.

### Good performance: Munich Re's share price

#### Total shareholder return (p.a.)



Annualised total shareholder return defined as price performance plus dividend yield over the period from 1.1.2005 until 31.12.2014 ; based on Datastream total return indices in local currency; volatility calculation with 250 trading days per year

### High sustainability standards pay off

Munich Re shares also developed very well internationally from a sustainability perspective. Our stringent corporate responsibility management throughout the Group is acknowledged by sustainability ratings. In addition to inclusion in the important FTSE4Good-Rating, the Munich Re share has been consistently listed in the Dow Jones Sustainability Indices since 2001. It is also listed on the MSCI Global Sustainability, the STOXX ESG Leaders and the Euronext World 120, and it is a member of the ETHIBEL Pioneer and Excellence investment registers.

Munich Re's rating by specialised sustainability rating agencies, e.g. Sustainalytics, oekom, MSCI, Vigeo and RobecoSAM, has been consistently excellent, making the company one of the best in the insurance sector. In 2014, Munich Re came in first in the Sustainalytics rating of peers in the same market capitalisation category.

### Weighting of Munich Re shares as at 31 December 2014

| Index | Weighting (in %) |
|-------|------------------|
|       |                  |

#### Related topics

SRI Indices  
Challenges: Globalised financial markets

[munichre.com](http://munichre.com)

[Investor Relations](#)

|                         |     |
|-------------------------|-----|
| DAX 30                  | 3.1 |
| DJ EURO STOXX 50        | 1.3 |
| DJ EURO STOXX Insurance | 12  |
| MSCI EURO               | 1.1 |
| FTSE EUROTOP 100        | 0.6 |
| DJ Sustainability World | 0.3 |
| FTSE4Good Global Index  | 0.2 |

#### Proven attractiveness

Munich Re shares closed the year at €165.75, corresponding to a price gain of 3.5%. With the dividend paid for the financial year 2014, the return was a gratifying 8.2%. The DAX 30 gained only 2.7% and the European insurance index rose by 3.7%. Taking a longer period as a basis, the return on Munich Re shares including dividends has grown more strongly than the European insurance index over the last three- and five-year periods.

For the financial year 2014, the Board of Management and Supervisory Board proposed a dividend of €7.75 per share (previous year: €7.25) to the Annual General Meeting on 23 April 2015. By increasing its dividend, Munich Re once again underscored the sustainable profitability of its business model and the solidity of its capital position.



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## Guidelines for dealing with journalists

**Munich Re respects journalists' independence and favours a strict separation of journalism and public-relations work. When we conclude contracts with journalists (whether salaried employees or freelancers) to act as PR consultants, moderators or authors, we ensure that this cooperation does not influence media reporting about our company or issues related to our company.**

In Germany, where Munich Reinsurance Company has its registered office, the guiding principles defined in the "DPRG guidelines for dealing with journalists" of the Berlin-based German Public Relations Association (DPRG) and the statutes of the German Council for Public Relations serve as a basis for our cooperation with journalists. These guidelines are in keeping with those of the German Press Council and the recommendations of the Federation of German Industries for combating corruption in Germany.

In order to provide maximum transparency in accordance with the above rules, the names and places of residence of all journalists who have worked for us either on a salaried or freelance basis during the past two years are published here.

- Michael Aberger, Munich, Germany
- Paul Begala, Washington, D.C., USA
- Dirk Benninghoff, Hamburg, Germany
- Bärbel Brockmann, Cologne, Germany
- Tucker Carlson, Washington, D.C., USA
- Dr. Melinda Crane, Berlin, Germany
- Doris Eichmeier, Glonn, Germany
- Christoph Fasel, Mössingen, Germany
- Reiner Gärtner, Wangen im Allgäu, Germany
- Dirk von Gehlen, Munich, Germany
- Leticia Gow, Munich, Germany
- Ralf Grauel, Berlin, Germany
- Beate Hoffbauer, Berlin/Cologne, Germany
- Iris Janke, Dusseldorf, Germany
- Peter Kleffmann, Hamburg, Germany
- Olaf Kolbrück, Frankfurt am Main, Germany
- Jennifer Lachmann, Hamburg, Germany
- Adrian Ladbury, Bournemouth, United Kingdom
- Jane Lanhee Lau, Shanghai, China
- Julia Leendertse, Cologne, Germany
- Tobias Mandelartz, Berlin, Germany
- Carl-Eduard Meyer, Hamburg, Germany
- Joachim Müller-Jung, Herschbach, Germany
- Dr. Tanja Neuvians, Heidelberg, Germany
- Dr. Max Rauner, Hamburg, Germany
- Victor Reichardt, Berlin, Germany
- Prof. Dr. Konrad Scherfer, Cologne, Germany
- Andreas Schmitz, Munich, Germany
- Andreas Schuck, Munich, Germany
- Harald Schultz, Berlin, Germany
- Dr. Hajo Schumacher, Berlin, Germany
- Heiko Schwöbel, Tübingen, Germany
- Michael Smerconish, Philadelphia, PA, USA
- Sivam Subramaniam, Singapore
- Thomas Trösch, Berlin, Germany
- Anke Trutter, Munich, Germany

Similar policies are in place at our branches and subsidiaries outside Germany.



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## Transparent lobbying activities

**In the interests of our stakeholders, we contribute our knowledge and expertise to the political decision-making process. In doing so, we place an emphasis on fairness and transparency.**

Unlike the laws of nature, making regulations is a job for people, and is subject to different values and perspectives. In order to draw up new legislative texts, the government constantly draws on the knowledge, experience and assessments of those affected to allow it to reach balanced and appropriate decisions. This may take the form of hearings and consultations, as well as individual discussions.

In the interests of our clients, employees and shareholders, we participate in the political decision-making process. We focus on topic areas that affect our Group and our stakeholders, and in which we possess a level of expertise. It is then up to the decision-makers to weigh our arguments against those of the other parties involved. Thus, the only form of influence is a cogent argument. With many Munich Re concerns, the corporate interest matches the general societal interest, for example in the areas of climate protection and data security, or with investments in infrastructure.

The Governmental Affairs department is responsible for lobbying on behalf of Munich Re Group. With staff members in the locations Munich, Berlin and Brussels, our activities focus on registering the Group's concerns with governments, national and supranational authorities and other organisations. In addition, our experts in the specialist departments play an active role on the committees of various industry associations, such as the German Insurance Association (GDV) and Insurance Europe, the European insurance and reinsurance federation.

Munich Re attaches importance to ensuring its lobbying activities are transparent. We therefore provide details to the transparency register of the European Parliament and the European Commission on focal points, memberships and the cost of our lobbying activities.



### External links

[EU transparency register](#)



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## Sharing responsibility with suppliers

As a globally operating Group, Munich Re assumes corporate responsibility along the entire value added chain. ESG (environment, social and governance) criteria play a crucial role for us in the procurement of goods and services. We therefore hold our suppliers responsible for ensuring they operate sustainably too.

We have established the following principles to ensure smooth cooperation with our suppliers. These apply for all business units within the Group with a procurement department:

### Procurement principles

Our procurement principles ensure that ESG criteria are met in day-to-day interaction with suppliers. For example, we expect our suppliers to comply with the ten principles of the UN Global Compact, to which Munich Re has voluntarily committed itself. If we believe these principles have been breached, Munich Re reserves the right to cancel the contractual relationship by way of extraordinary termination for good cause. You can find the full text of our procurement principles [here \(PDF, 84 KB\)](#).

### Procurement guideline

The procurement guideline defines sustainable measures in the entire procurement process. It is binding for all purchasers within the Group.

### The guideline states that

- ESG criteria must be considered when selecting suppliers. This includes performing a comprehensive due diligence analysis that includes the ESG criteria.
- a risk analysis must be carried out for both new and existing suppliers. The risk analysis for existing suppliers is performed on an annual basis.
- the ESG criteria must be anchored in the contracts with our suppliers, for example in the form of contract clauses on compliance with the ten principles of the Global Compact.

### Supplier registration

If a new supplier wishes to do business with Munich Re, it must first complete a supplier registration process. Using a self-disclosure questionnaire, this asks for key information on the subject of sustainability. This voluntary information also contains exclusion criteria. Furthermore, a check is made to ensure the supplier is not on the Munich Re Financial Sanctions List.

### Supplier evaluation

Existing suppliers undergo a regular supplier evaluation process. Our purchasers assess whether the supplier respects the established ESG criteria. A risk analysis is also performed at regular intervals to identify any breaches in conduct.



### Related topics

[Compliance](#)

### Download

[Munich Re procurement principles \(PDF, 84 KB\)](#)

## Responsibility in business

[Corporate responsibility in business](#)

[Integrating ESG aspects](#)

[Practical implementation](#)

[Managing investments](#)

[PRI reporting](#)

[PSI reporting](#)

## Corporate responsibility in business

We are convinced that our business concept can only be successfully realised in the future through sustainable and responsible action. For that reason, the focus of our corporate responsibility – the assumption and diversification of risks in primary insurance and reinsurance, and also investment – is on our core business ("Corporate Responsibility in Business").

There are many different reasons for this: we believe that it is the only correct way to show corporate responsibility. In our core business, by taking into account environmental, social and governance aspects (ESG) (see diagram below), we can achieve the maximum effect for our Group and for society. In this context, we have made extensive [voluntary commitments](#).



"ESG aspects are important decision-making criteria in defining our risk appetite in reinsurance."

Stefan Golling, Head of Central Division Corporate Underwriting, Munich Re

It is our profound conviction that only through responsible action we can be economically successful over the long term. Our objective of sustainable economic added value is anchored in the core principles of our corporate strategy. We can only achieve this objective if our products and services make equal allowance for economic, ecological and social requirements. These three aspects are by no means self-excluding; on the contrary, they are mutually dependent.

The insurance industry is a capital reservoir and a key investor. It allows citizens and companies in a country to accept risks, and it can help stabilise entire economies, for example following natural catastrophes. With our knowledge and innovative coverage concepts, we help to expand the boundaries of insurability, often facilitating the breakthrough of new technologies in the process. Frequently, this also contributes to goals relating to sustainable development, such as the spread of energy-efficient and low-emission technologies.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS



**Environmental**  
- Pollution  
- Natural resources and biodiversity



**Social**  
- Political environment and public perception  
- Working conditions  
- Health and safety in the community  
- Displacement of people  
- Cultural heritage



**Governance**  
- Responsible and careful planning and assessment  
- Compliance  
- Consultation and transparency

Source: Munich Re

We are conscious of the fact that there are numerous industries and projects that have a major impact on the environment and on local communities. If adequate consideration is not given to such consequences, it can entail an increase in the underwriting risk. This is because, in many cases, there are significant interdependencies. The systematic anchoring of ESG aspects in core business enables us to identify these risks and to minimise them in cooperation with our clients. In doing so, we expand our risk management to include an additional aspect. At the same time, this helps avoid any reputational risks for the Group. For example, making consistent allowance for ESG aspects can reveal previously unidentified risks and provide starting points for developing new kinds of cover.

We have committed ourselves to this approach with the signing of the Principles for



#### Related Topics

[Our voluntary commitments](#)  
[Strategy and challenges](#)  
[Management](#)  
[Managing investments](#)  
[Organisational positioning](#)

#### External Links

[CRO Forum](#)  
[CRO Forum: Blueprint on Anti Personnel Mines and Cluster Munitions](#)  
[CRO Forum: Blueprint on Oil Sands](#)  
[CRO Forum: Environmental, Social and Governance factors in Country Risk Management – a new horizon](#)

Sustainable Insurance (PSI). In the area of investment, we have signed up to the Principles for Responsible Investment (PRI). These two codes go well beyond what is required by law or by supervisory regulations. The same applies for several other voluntary commitments we have made. By implementing them in a consistent manner, we meet the requirements of our diverse stakeholder groups in terms of our corporate responsibilities.

GRI: G4-DMA-Human Rights; G4-HR1; G4-HR2; G4-HR4; G4-HR5; G4-HR-8; G4-HR9; G4-DMA-Product Portfolio



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GRI: G4-DMA-Human Rights; G4-HR1; G4-HR2; G4-HR4; G4-HR5; G4-HR-8; G4-HR9; G4-DMA-Product Portfolio



## Responsibility in business

Corporate responsibility in business

[Integrating ESG aspects](#)

[Practical implementation](#)

[Managing investments](#)

[PRI reporting](#)

[PSI reporting](#)

## Integrating ESG aspects

In signing up to the Principles for Sustainable Insurance (PSI), we committed ourselves to making allowance for ESG aspects that are relevant for our insurance business. To begin with, this applies for our products, services and internal processes. We also enhance awareness of such aspects on the part of our clients and business partners, and cooperate with other stakeholder groups with this objective in mind.

A holistic Group strategy underlies our three business fields of primary insurance, Munich Health and reinsurance. With our "Corporate Responsibility in Business" strategy (see diagram), we ensure that allowance is made for ESG aspects in the individual business fields. Human Rights are explicitly an important aspect in all dimensions.

### STRATEGY CORPORATE RESPONSIBILITY IN BUSINESS

|                  |   |
|------------------|---|
| Core Principles  | Corporate Responsibility in business is laid down in our core principles.   |
| Objectives       | <ul style="list-style-type: none"> <li>- Environmental social and governance (ESG) aspects are anchored in the core business.</li> <li>- Enhanced risk management</li> <li>- All employees are knowledgeable and apply ESG integration</li> <li>- Dialogue with all stakeholder groups</li> </ul> |
| Focus areas      | <ul style="list-style-type: none"> <li>- ESP aspects</li> <li>- Sensitive issues</li> <li>- Reputational risk</li> <li>- Dialogue</li> <li>- Sensitisation</li> </ul>   |
| Initiatives      | Business fields develop and implement specific initiatives.   |
| KPIs / Reporting | PSI <sup>1</sup> and PRI <sup>2</sup> reporting (contributions by all business fields)  |

<sup>1</sup> PSI = UN Principles for Sustainable Insurance (signed by Munich Re in 2012)  
<sup>2</sup> PRI = UN Principles for Sustainable Investment (signed by Munich Re in 2006)

Source: Munich Re

In reinsurance, the emphasis is on the integration of ESG aspects in the underwriting process and on dialogue with our clients and business partners. With Munich Health, the focus is on access to medical care, disease prevention and the management of chronic illness. The ERGO Group mainly writes personal lines insurance, focusing on easy-to-understand products and a holistic approach to sales advice. In ERGO's commercial and industrial business, the emphasis is the same as in reinsurance. In the field of investment, MEAG's brief is to press ahead with the integration of ESG criteria and thus put into practice our **voluntary commitments** as part of the Principles for Responsible Investment (PRI).



**"Considering the social and environmental impact of your business operations can open up new perspectives and opportunities."**

Lucia Rückner, Consultant Corporate Responsibility, Munich Re

In 2012, we established a cross-business-field Group Corporate Responsibility Committee (GCRC), which advises the Board of Management on the development of our sustainability strategy. It identifies and prioritises sensitive topics, on which we develop positions that apply Group-wide. These are then implemented by the business fields in the form of binding underwriting guidelines, best practices and guidance for our employees.

With the approach we take, full responsibility for each transaction deliberately remains with the business unit concerned. Needless to say, we support our employees in assessing ESG criteria in business operations. We offer a broad-based range of training programmes, ranging from the technical implementation of our underwriting guidelines to current sustainability topics, tailored in each case to the individual industry and region. At the same time, we expect and promote active dialogue among our employees and between them and their managers. Experts from our Corporate Responsibility department are always available to provide advice and guidance.

#### Related topics

[Risk management](#)

#### Externe Links

- [CRO Forum](#)
- [CRO Forum: Blueprint on Anti Personnel Mines and Cluster Munitions](#)
- [CRO Forum: Blueprint on Oil Sands](#)
- [CRO Forum: Environmental, Social and Governance factors in Country Risk Management – a new horizon](#)

Individual transactions that are of particular concern are submitted to the Reputational Risk Committees (RRCs) which have been established for each field of business. These committees check whether a planned transaction is appropriate and ensure that we do not make any decisions that could harbour reputational risks.

Our objective is to ensure that all employees, irrespective of the business field or the function they work in, are aware of and comply with the Group's voluntary commitments. This empowers them to actively integrate the key ESG aspects into their own activities. In this way, they become competent contacts for their clients and exemplify our corporate responsibilities.



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GRI: G4-35; G4-36; G4-37; G4-43; G4-HR2; G4-HR4; G4-HR5; G4-HR8; G4-HR9; G4-DMA-Product Portfolio



## Responsibility in business

Corporate responsibility in business

Integrating ESG aspects

**Practical implementation**

Interview Dr. Astrid Zwick and Stephan Lämmle, Munich Re

Managing investments

PRI reporting

PSI reporting

## Practical implementation

Our strategic framework for corporate responsibility in our core business is continually implemented in practice. Below is an overview of the many implementation measures we have carried out in the various business fields.

Following a development process lasting several years, in which Munich Re had an extensive role, the Principles for Sustainable Insurance (PSI) were presented and signed at the RIO+20 conference in June 2012. As with the Principles for Responsible Investment (PRI), to which Munich Re was the first German company to commit, we were among the first signatories to the PSI.

In 2012, as the first step towards implementation, we incorporated Munich Re's commitment to the PSI into the preamble to our internal Group-wide risk management manual, which is the reference work for the corresponding manuals in the business fields. At the same time, it constitutes a generally binding basis for all Group underwriting guidelines. In addition, we included the "Integration of ESG aspects into core business" as part of the three-year targets from 2012 to 2014 for the members of the Parent Board of Management and for the Strategy Committee.

The Central Division: Group Development – Corporate Responsibility coordinates implementation of the PSI principles and the integration of ESG aspects in our core business. With this in mind, staff in Corporate Responsibility provide relevant training for managers, [underwriters](#) and [asset managers](#) in the different divisional units. In the reinsurance sector, a "CR in Business" coordinators' network was also established, and the coordinators were focused on the topic. More than 200 staff members have been sensitised to ESG aspects and, in their role as multipliers, are now transferring their knowledge within their own departments, in risk assessments, client discussions and in exchanges with other units.

### Implementation measures in reinsurance and primary insurance

In 2013, we established ten generally applicable ESG criteria, which were approved by our Group-wide Corporate Responsibility Committee ([GCRC](#)). These criteria help to prioritise industrial sectors with high ESG exposure, thus allowing sensitive business topics to be identified. The GCRC has now approved position papers and guidelines on various sensitive topics:

### Position papers and applications on sensitive topics at Munich Re

|   |  |
|---|--|
| <b>Banned Weapons</b><br>Policy on Cluster Munition and Land Mines  | <b>ESG Criteria for Engineering</b><br>ESG tool for engineering / large infrastructure projects    |
| <b>Oils sands</b><br>Position paper including specific questions on ESG aspects   | <b>Fracking</b><br>Position paper including specific questions on ESG aspects                      |
| <b>Mining</b><br>Position paper in collaboration with Mining business unit; based on a master thesis "ESG aspects in the mining industry" | <b>Arctic Oil Drilling</b><br>Position paper in collaboration with Marine business unit            |
| <b>ESG country rating</b><br>ESG information included in MR Country Risk Assessment   | <b>Investments in Farmland</b><br>Position paper in collaboration with MEAG and Agro business unit |

In 2013, we developed an ESG questionnaire for engineering projects (using the example of technical insurance for construction projects). These help our [underwriters](#) and [asset managers](#) to systematically incorporate ESG aspects into their risk assessment. This control mechanism is used in particular for risk assessment with major infrastructure projects. Since May 2014, our Special and Financial Risks/Credit Insurance department is using the ESG questionnaire as best practice for political and credit risks. Current planning foresees that the methodology of the ESG questionnaire should also be applied to other areas of industry and classes of insurance business.

### Related Topics

- [Objectives and measures](#)
- [PRI reporting](#)
- [Solutions](#)
- [Risk management](#)



"We can assess risks even better."

Interview: Dr. Astrid Zwick and Stephan Lämmle, Munich Re, on the importance and concrete implementation of "responsible business practices" in our core business.

» To the interview Dr. Astrid Zwick und Stephan Lämmle, Munich Re

Since 2013, our investment activities have taken into account an external ESG country rating for the sustainability performance of individual countries. In cases where countries fail to satisfy our criteria, MEAG refrains from investing in their government bonds or the bonds of government-sponsored organisations. In a pilot project, we have also made this rating available to a selected group of underwriters in the reinsurance and Munich Health business segments. The ESG country rating is intended as an additional source of information for staff in units that write business worldwide, and as a quick overview of important indicators. These country-specific indicators include, for example, standard of living, level of public safety, corruption index and regulatory quality. Also on record is information on UN, EU and US sanctions against specific countries. It is planned to gradually extend the use of this rating to further units in the Group.

At our primary insurer ERGO, sustainability is also reflected in special new insurance solutions, with which the company hopes to respond quickly to trends and create incentives for its clients to engage in environmentally sound practices. In 2013, our sales units introduced a standardised, technically supported ERGO guideline for advising clients that ensures a consistently high level of consulting quality. At the same time, an initiative to use plain language made our insurance terms and conditions more understandable. In terms of products, we offer a greater number of new insurance solutions, such as renewable energy covers and eco-rates for motor policies, which reward policyholders for sustainable, environmentally friendly behaviour. In 2014, ERGO introduced ESG aspects into the product development process for private clients.

#### Driving forward ESG integration with partner projects

"Corporate Responsibility in Business" is also taken into account with product development at Munich Re:

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##### ► Cooperation with the Global Fund

One example of this is the cooperation we began in 2014 with the [Global Fund](#). The Global Fund is a funding model to combat the three major infectious diseases of AIDS, malaria and tuberculosis. It operates in 140 different countries, making it one of the most important tools to combat these diseases. Our Divisional Unit: Special and Financial Risks (SFR) is developing a series of products and solutions for the non-profit sector, and thus for people affected by diseases, while at the same time generating financial added value for Munich Re. (You can find more on our cooperation with the Global Fund on the page entitled "[Health and demographics](#)" in the section "Commitment".)

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##### ► ESG in risk management for surety bonds

In cooperation with the International Finance Corporation (IFC), the Fox School of Business at Temple University in Philadelphia, USA, and the University of Technology, Sydney, Australia, Munich Re initiated the PSI project "[ESG in risk management for surety bonds](#)". Until now, there has been no standard ESG framework in surety bond underwriting, which is important for risk evaluation in the field of infrastructure development. For this reason, a detailed survey is being carried out as part of the project to obtain an insight into current practice regarding ESG assessment of surety bonds, and with the joint aim of enhancing awareness of ESG aspects. The aim of the project is to establish a standardised framework for assessing infrastructure projects based on the results of the survey.

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##### ► Global resilience project

With the "[Global Resilience Project](#)", Munich Re is taking part in a further initiative of the Principles for Sustainable Insurance. This project hopes to achieve a change in perspective on the part of governments, NGOs, local authorities and companies, whereby they would invest more heavily in preventive measures for catastrophe risks, instead of spending funds on disaster response and reconstruction efforts. A better understanding of global catastrophe prevention activities needs to be achieved for this, by quantifying the socio-economic cost of catastrophes and assessing the effectiveness of prevention measures. The information obtained should serve as starting material for a strategic commitment on the part of the insurance industry within the context of the PSI initiative, so as to initiate preventive measures in highly exposed countries.

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##### ► Chief Risk Officer Forum (CRO Forum)

We are also involved in the working group of the [Chief Risk Officer Forum](#) (CRO Forum). This is a group of professional risk managers from the insurance industry that focuses on developing and promoting industry best practices in risk management. Among other things, we contributed to the guideline on banned weapons and ESG factors in country risk management, and also to the blueprint on oil sands. The latest paper from the CRO Forum was published in November 2014, and included a case study from Munich Re with the title "Human rights and corporate insurance".

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► Association of German Insurers (GDV)

In the autumn of 2014, Munich Re organised a PSI seminar for members of the Association of German Insurers (GDV) under the umbrella of the German Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VfU).

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## Responsibility in business

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## "We can assess risks even better."

**Interview: Dr. Astrid Zwick, Head of Corporate Responsibility, and Stephan Lämmle, Corporate Insurance Partner, Munich Re, on the importance and concrete implementation of "responsible business practices" in our core business.**

### Responsibility in our core business – how does that work at Munich Re?

**Dr. Astrid Zwick:** External commitments such as the Principles for Sustainable Insurance provide a framework to guide all insurance companies in integrating corporate responsibility issues into their work. We have defined specific ESG (environmental, social and governance) criteria as core principles for our business. These aspects are incorporated into the risk assessment, for instance into assessments for major infrastructure projects like the construction of dams, tunnels and pipelines. This allows us to assess risks even better.

### Must underwriters always take these criteria into account?

**Stephan Lämmle:** Essentially, yes, they are a must. The question is: What does this entail in practice? All staff members are made aware that they need to pay attention to these issues. How they do so – whether they use separate documentation or integrate the criteria into their risk assessment – is up to them at present.

**Zwick:** We are still at the design stage of the ESG framework. This is no easy task, as we have a diverse and complex business. Developing risk assessments for different industry sectors and lines of business only works if we collaborate with our colleagues from the relevant business areas, who are best able to evaluate the relevant risks based on their specialist knowledge. We have developed expert assessments and guidelines with the divisional units, setting out binding approaches for particularly sensitive topical issues. For example, there are specially adapted ESG questions for the production of crude oil from sand, fracking and mining, a panel of experts for drilling in the Arctic, while a precluding guideline applies for banned weapons such as cluster bombs and landmines.



Dr. Astrid Zwick, Head of Corporate Responsibility, and Stephan Lämmle, Corporate Insurance Partner, Munich Re.

Image source: Orla Connolly

### Why is meeting ESG criteria important for business?

**Lämmle:** Risk assessment for complex construction projects calls for a high level of expertise. In our case, these are usually projects worth billions that almost always come under public scrutiny and can involve environmental impacts or changes for the local population. Our coverage concepts allow such projects to be realised. By taking ESG criteria into account, we can help ensure this is done properly in keeping with our corporate responsibility. We attach great importance to complying with and improving standards. We also minimise possible risks to our reputation.

**Zwick:** Our risk management is becoming even more comprehensive, but it also identifies a client's vulnerabilities because these are ultimately the business risks it faces.

### What do you do if ESG criteria are not met?

**Lämmle:** If ESG criteria are not met, this generally reflects the overall quality of risk management for a project. In extreme cases, ESG aspects can lead to a decision not to sign a particular treaty. If a project involves serious deficiencies in relation to environmental issues or working conditions, or if there are actually indications of corruption, it is in Munich Re's own interest to distance itself from such clients and their business.

### What further measures are planned?

**Zwick:** We continue to work Group-wide on integrating the guidelines available up to now into existing processes and regulations. We are also systematically identifying and analysing sensitive issues. For treaty business, the key is to engage in dialogue with the client. There are so many different sides to the topic!

**Lämmle:** We will therefore be holding further training sessions to raise awareness in these business segments. It is also imperative to anchor these issues even more firmly

#### Related topics

- [Practical implementation](#)
- [Objectives and measures](#)
- [PRI reporting](#)
- [Solutions](#)
- [Risk management](#)

in people's minds and to take account of the views of our colleagues throughout our International Organisation.

**Zwick:** We provided training in this area in the autumn of 2014 for underwriters and client managers at our largest US business units. In 2015, the training sessions will be extended to Asia and Australia. Early feedback from our clients on our approach indicates that we are on the right track, and encourages us to continue the consistent integration of ESG aspects into our business.



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GRI: G4-PR6



## Responsibility in business

[Corporate responsibility in business](#)
[Integrating ESG aspects](#)
[Practical implementation](#)
[Managing investments](#)
[PRI reporting](#)
[PSI reporting](#)

## Pooling know-how for sustainability

**Corporate responsibility as an integral part of our Group strategy is also reflected in our investment approach. The Principles for Responsible Investment (PRI) serve as the framework.**

Insurance companies are subject to strict security and return requirements. They have to ensure that their clients' money is invested both safely and profitably. MEAG (MUNICH ERGO AssetManagement GmbH) is the asset manager of the Munich Re and currently manages over €250bn around the world.

In April 2006, Munich Re became the first German company to sign the UN Principles for Responsible Investment (PRI), which we also played a prominent role in drafting. Since then, the PRI have served as guidelines for our investment strategy, anchoring environmental, social and governance (ESG) aspects more firmly in our investment process. MEAG, our asset-management arm, is responsible for the application of the PRI. At Group level, a team consisting of representatives of Munich Re, ERGO and MEAG strategically develops socially responsible investment further in line with PRI requirements.

### Top-down approach and asset liability management

MEAG's experts follow a risk-controlled investment approach geared to above-average long-term performance. Depending on the specific investment category and focus, they put together the portfolios using a **top-down approach**. Taking into account micro and macro-economic factors as well as capital market data, MEAG decides on the allocation in individual countries and sectors. Some 70 experienced portfolio managers are in charge of implementing investment decisions and selecting attractive securities. All persons involved adhere to the criteria of our internal **asset-liability management** and a holistic risk management process. This is how we ensure that we can always meet our short and long-term obligations to our clients in the best possible way.

### Internal requirements – our General Investment Guidelines

As early as 2002, we decided that our equity and bond investments had to meet specific sustainability criteria. In 2005, this requirement was incorporated into our Group-wide General Investment Guidelines (GIG). Altogether, the major portion of our investments meet sustainable investment criteria. In the asset classes of infrastructure, renewable energies and forestry, we have established an investment process which follows additional important objectives relating to investment (including ESG criteria) as well as financial criteria. We regularly review our sustainability criteria for these asset classes using the ESG criteria of external rating agencies. Particularly in the areas of renewable energies, infrastructure and forestry, MEAG benefits from Munich Re experts' years of experience in the field of risk research and assessment.

### Criteria for our sustainable investments

Wherever possible, we use the know-how of external service providers to ensure the sustainability of our investments. We combine their assessments with our own investment criteria. Our objective is the further optimisation of our investment decisions. Sustainable investment criteria have not yet been defined for all asset classes, private equity for example. The blank spots on our sustainability map are being filled in gradually on the basis of criteria developed in-house and available externally.

- **Equities and corporate bonds:** We base our investments on the analyses and classifications of external research providers in the field of sustainability. Thus Munich Re invests in equities and corporate bonds featured in sustainability indices such as the Dow Jones Sustainability World Group Index, the FTSE4Good or the Advanced Sustainable Performance Index.
- **Government bonds:** We also assess government bonds in terms of sustainability. As the starting point for this process, we take the internal Munich Re sustainability country rating, which is based on the Country Risk Monitor of the Sustainability rating agency.
- **All other bodies issuing interest-bearing securities,** such as state-owned companies, public and private financial institutions or issuers of covered bonds, are assessed as well. We use the ratings of independent agencies, for example oekom research, for this purpose.
- **Real estate:** Sustainability is also important for us when it comes to real estate. We have defined sustainability criteria (for example, energy efficiency and construction materials) which we apply to the purchase, construction or renovation of properties.
- **Infrastructure/renewable energies:** As investments in renewable energies and infrastructure may extend over period of 20 years or more, we carefully examine all the risks associated with them. As well as financial aspects, we are concerned with meteorological and climate-related factors (such as solar irradiation in the case of solar plants or wind force in the case of onshore wind farms) and also political parameters such as the relevant national energy policy.

#### Related topics

[Risk Management](#)  
[Responsible investment strategies](#)

#### External links

[MEAG](#)  
[Principles for Responsible Investment \(PRI\)](#)

- **Forestry:** In the asset class of forestry, we have also established an investment process which follows additional important objectives relating to investment (including ESG criteria) as well as financial criteria. We regularly review our sustainability criteria for these asset classes using the ESG criteria of external rating agencies.



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GRI: G4-DMA-Human Rights; G4-HR1; G4-DMA-Product Portfolio; G4-FS7; G4-FS11



## Responsibility in business

- Corporate responsibility in business
- Integrating ESG aspects
- Practical implementation
- Managing investments
- PRI reporting**
- PSI reporting

## Principles for Responsible Investment – Investing responsibly

At Munich Re, responsible management has top priority, not least with a view to operating profitably. Our asset management therefore follows the United Nations Principles for Responsible Investment (PRI). We helped to draw up these principles and we were the first German company to sign them.

A holistic investment strategy aligned with ESG ( environmental, social, [governance](#)) criteria also has a beneficial effect on risk and return. That is why, on 27 April 2006, we were one of the first signatories to the United Nations Principles for Responsible Investment (PRI), which we played a prominent role in drafting. Behind these principles is the view that investment decisions often take insufficient account of the need for sustainable development and thus the needs of future generations.

### Principles and recommendations for action for investment decisions

Six principles are described more closely in a list of 35 recommendations for action. These enable institutional investors to take account of ecological and social aspects, together with topics of good corporate governance, in their investment decisions. Munich Re is committed to fulfilling the PRI in an appropriate and forward-looking manner.

The following examples show how Munich Re is putting the six UN principles into practice:

| No. | Principle   | Examples of measures  |
|-----|---|---|
| 1   | “We will incorporate ESG issues into investment analysis and decision-making processes.”<br><b>Sustainable investment process</b> | <ul style="list-style-type: none"> <li>■ We are pursuing the best-in-class approach in the investment process. In other words, from the base population of investable shares and corporate bonds, we select the most sustainable titles in every sector.</li> <li>■ If two <a href="#">risk-returns profiles</a> are identical, we select the more sustainable issuer.</li> </ul>   |
| 2   | “We will be active owners and incorporate ESG issues into our ownership policies and practices.”<br><b>Active investor</b>        | <ul style="list-style-type: none"> <li>■ We communicate our investment criteria openly and address these in dialogue with the companies we work with.</li> <li>■ Our aim here is to motivate companies to improve their ESG rating or achieve a positive ESG rating for the first time. Munich Re is thereby contributing to companies keeping a closer eye on ESG criteria.</li> </ul>   |
| 3   | “We will seek appropriate disclosure on ESG issues by the entities in which we invest.”<br><b>Sustainability disclosure</b>       | <ul style="list-style-type: none"> <li>■ For the mutual funds, <a href="#">MEAG Nachhaltigkeit</a> and <a href="#">MEAG FairReturn</a>, we request information relevant to our sustainable investment criteria from the issuers.</li> <li>■ We have taken sustainability criteria into account when purchasing real estate since 2007.</li> </ul>   |
| 4   | “We will promote acceptance and implementation of the Principles within the investment industry.”<br><b>Patron of PRI</b>         | <ul style="list-style-type: none"> <li>■ We proclaim and stress our principles via through publications in the media and by participating in presentations and conferences on sustainability.</li> <li>■ With individual funds and activities, we show how responsible management can be put into practice:                             <ul style="list-style-type: none"> <li>■ <a href="#">RENT</a> (Renewable Energies and New Technologies),</li> <li>■ <a href="#">MEAG Nachhaltigkeit</a>,</li> <li>■ <a href="#">MEAG FairReturn</a>.</li> </ul> </li> </ul> |
| 5   | “We will work together to enhance our effectiveness in implementing the Principles.”<br><b>Cooperation to realise the PRI</b>     | <ul style="list-style-type: none"> <li>■ Through its PRI membership, Munich Re contributes to the further development and propagation of the principles.</li> <li>■ We are driving the exchange of experience forward with other PRI members in Germany and around the world.</li> </ul>  |
| 6   | “We will each report on our activities and progress towards implementing the Principles.”<br><b>Reporting on</b>                  |   |

### Related topics

- [Objectives and measures](#)
- [Our guiding principles](#)
- [Challenges: Climate change](#)
- [Solutions: Asset management](#)

### External links

- [UN: Principles for Responsible Investment](#)
- [PRI Reporting Outputs](#)

**activities and  
progress relevant  
to PRI**

- We participate in UNEP's annual PRI Reporting and Assessment Survey.
- We report on the PRI and our activities pertaining to it (such as reports and ESG analyst discussions).
- Munich Re takes part in ESG ratings and factors appraisals into corporate decision-making.



GRI: G4-DMA-Human Rights; G4-HR1; G4-FS7; G4-FS11

## Responsibility in business

Corporate responsibility in business

Integrating ESG aspects

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[PSI reporting](#)

## Principles for Sustainable Insurance – Corporate responsibility in business

In signing up to the Principles for Sustainable Insurance (PSI), we committed ourselves to making allowance for environmental, social and governance (ESG) aspects that are relevant for our insurance business. To begin with, this applies for our products, services and internal processes. We also enhance awareness of such aspects on the part of our clients and business partners, and cooperate with other stakeholder groups with this objective in mind.

### ► Principles for Sustainable Insurance

Every day we take decisions that have an impact on our business results and on the perception our stakeholders have of us. It is our maxim to act responsibly and make informed choices. Corporate responsibility is deeply rooted in our Group strategy, core principles and corporate values.

Decisions that are good for our business should also be good for the environment and for society. That is why in our conduct we go beyond what is required by law and have committed ourselves to more stringent standards. These include the United Nations Global Compact (UNGC), the Principles for Responsible Investment (PRI), and the Principles for Sustainable Insurance (PSI).

[Statement by the CEO](#)

Munich Re played an active role in developing the Principles and was among the first signatories when they were unveiled during the Rio+20 Conference in 2012. To demonstrate our commitment to the Principles, Munich Re continues to serve on the PSI Board and contributed to developing the PSI strategy adopted by the assembly of signatories. Moreover, we are involved in the Executive Steering Committee of the PSI flagship project on global resilience.

The PSI serve as a framework for anchoring environmental, social and governance (ESG) aspects more strongly in our core business. We are conscious of the fact that there are a range of industries and activities that have a major impact on the environment and local communities. The systematic consideration of ESG aspects along the value chain of our core business enables us to identify risks and, in cooperation with our clients, to minimise them as far as possible. In doing so we ensure that the actions we take are not merely legal but socially legitimate. At the same time, consistently observing ESG aspects helps us to identify and realise new business potential and empower our clients to better manage all types of risks.

Within the framework of the PSI, we are working together with various market participants from the insurance industry and with a wide range of stakeholders from society at large.

### The following examples show how Munich Re (Group) is putting the four principles into practice:

#### ► Principle 1

We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.

A holistic Group strategy underlies our business of primary insurance and reinsurance. We reflect this in a framework for integrating environmental, social and governance (ESG) aspects into our core business and asset management, geared to appropriate focal points in the individual business fields.

[Corporate responsibility in business](#)

With our Corporate Responsibility in Business framework, we ensure that allowance is made for ESG aspects in the individual business fields.

[Integrating ESG aspects](#)

To ensure that our commitment is implemented and lived out in corporate reality, all members of Munich Re's Board of Management have PSI performance targets in their long-term objectives agreements.

[Practical implementation](#)

[Annual Report 2014 \(PDF, 12 MB\)](#) (chart on p. 53)

In 2012, we established a cross-business-field Group Corporate Responsibility Committee (GCRC), which advises the Board of Management on the development of our sustainability strategy. It identifies and prioritises sensitive topics, on which we develop positions that apply Group-wide. By sensitive topics we mean industry sectors, projects or practices that concern ESG aspects of our core business and/or investments in more than just a single case in such a way



External Link

[PSI Signatories: Signatory companies](#)

that the relevant business/investment cannot be compatible with our fundamental conviction and/or our commitments such as the PSI. For each of the industries and activities thus identified, we are successively drafting position papers that provide guidance to our underwriters on how to address ESG aspects when writing such business. These are then implemented by the business fields in the form of binding underwriting guidelines, best practices and guidance for our employees.

[Integrating ESG aspects](#)

The GCRC has approved position papers and guidelines on various sensitive topics:

|  |   |
|--|---|
| <p><b>Banned Weapons</b><br/>Policy on Cluster Munition and Land Mines</p>   | <p><b>ESG Criteria for Engineering</b><br/>ESG tool for engineering / large infrastructure projects</p>               |
| <p><b>Oils sands</b><br/>Position paper including specific questions on ESG aspects</p>  | <p><b>Fracking</b><br/>Position paper including specific questions on ESG aspects</p>                                 |
| <p><b>Mining</b><br/>Position paper in process in collaboration with Mining business unit; based on a master thesis "ESG aspects in the mining industry"</p> | <p><b>Arctic Oil Drilling</b><br/>Position paper in process in collaboration with Marine</p>                          |
| <p><b>ESG country rating</b><br/>ESG information included in MR Country Risk Assessment</p>  | <p><b>Investments in Farmland</b><br/>Position paper in process in collaboration with MEAG and Agro business unit</p> |

**Position papers and applications on sensitive topics at Munich Re**

With the approach we take, full responsibility for each transaction deliberately remains with the business unit concerned. Needless to say, we support our employees in assessing ESG criteria in business operations. We offer a broad-based range of training programmes, ranging from the technical implementation of our underwriting guidelines to current sustainability topics, tailored in each case to the individual industry and region. At the same time, we expect and promote active dialogue among our employees and between them and their managers. In the reinsurance sector, a "Corporate Responsibility in Business" coordinators' network was also established, and the coordinators were focused on the topic. By end of 2014, more than 200 staff members have been sensitised to ESG aspects and, in their role as multipliers, are now transferring their knowledge within their own departments, in risk assessments, client discussions and in exchanges with other units. Experts from our Corporate Responsibility department are always available to provide advice and guidance.

[Integrating ESG aspects](#)

[Practical implementation](#)

In 2013, we developed an ESG tool for engineering projects (using the example of technical insurance for large construction projects). It supports our [underwriters](#) in systematically incorporating ESG aspects into their risk assessment. This control mechanism is used in particular for risk assessment with major infrastructure projects. Since May 2014, our Special and Financial Risks/Credit Insurance department is using the ESG tool as best practice for political and credit risks in terms of infrastructure projects. Furthermore it helps our asset managers to assess risks when investing in infrastructure projects. Current planning foresees that the methodology of the ESG questionnaire should also be applied to other areas of industry and classes of insurance business.

[Practical implementation](#)

Our primary insurer ERGO attaches importance to the integration of ESG aspects in its personal lines insurance business and offers a multiplicity of insurance solutions that take account of ecological aspects. They range from eco-rates in motor insurance to unit-linked annuity insurance policies that take sustainability into account in the investments. In 2014, ERGO introduced ESG aspects into the product development process for private customer business.

[Ecological insurance solutions](#)

With its focus on covering and managing risk, Munich Health offers customised, sustainable solutions for the health market. By combining know-how from both the primary insurance and reinsurance segments, we create the basis that enables our clients to achieve success and security in their respective markets.

[Sustainable solutions for the health market](#)

► **Principle 2**

We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

Munich Re's business environment is in flux, presenting ever new opportunities and risks. Climate change, vulnerable economies, emerging risks and demographic trends constitute major challenges. We meet these challenges actively and flexibly with tailor-made solutions.

[Challenges](#)

It is our business to know all risks of relevance. In addition to the global challenges, our focus is also on developing new business potential. One of our tasks is therefore to use new findings to advance the risk models used. With our extensive knowledge and decades of experience, we can thus actively shape the changes taking place.

#### [Solutions](#)

In treaty reinsurance, where we cover entire portfolios without being able to assess the individual risks, our client managers actively seek dialogue with the ceding company to raise the awareness of ESG issues. At the same time, Munich Re Group staff regularly and frequently speak at international conferences, market events or client seminars about the PSI and ESG integration.

Munich Re is driving forward ESG integration within partnerships and cooperations, for example with the Global Fund and with the International Finance Corporation.

#### [Practical implementation](#)

One example of this is the cooperation we began in 2014 with the Global Fund. The Global Fund is a funding model to combat the three major infectious diseases of HIV/AIDS, malaria and tuberculosis. It operates in 140 countries, making it one of the most important tools to combat these diseases. Our Divisional Unit "Special and Financial Risks" (SFR) is developing a series of products and solutions for the non-profit sector, and thus for people affected by diseases, while at the same time generating financial added value for Munich Re.

#### [The Global Fund](#)

In cooperation with the International Finance Corporation (IFC), the Fox School of Business at Temple University in Philadelphia, USA, and the University of Technology, Sydney, Australia, Munich Re initiated the PSI project "ESG in risk management for surety bonds". Until now, there has been no standard ESG framework in surety bond underwriting, which is important for risk evaluation in the field of infrastructure development. For this reason, a detailed survey is being carried out as part of the project to obtain an insight into current practice regarding ESG assessment of surety bonds, and with the joint aim of enhancing awareness of ESG aspects. The aim of the project is to establish a standardised framework for assessing infrastructure projects based on the results of the survey.

#### [ESG in risk management for surety bonds](#)

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### ► Principle 3

We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

Munich Re has always valued an open and ongoing dialogue with its stakeholders. Transparent communication with our stakeholders is the basis for mutual trust. At the same time, this exchange enables us to identify important social challenges and changes at an early stage so that we can then offer or develop suitable business solutions for the future.

#### [Stakeholder dialogue](#)

With the "Global Resilience Project", Munich Re is taking part in a further initiative of the Principles for Sustainable Insurance. This project hopes to achieve a change in perspective on the part of governments, NGOs, local authorities and companies, whereby they would invest more heavily in preventive measures for catastrophe risks, instead of spending funds on disaster response and reconstruction efforts. A better understanding of global catastrophe prevention activities needs to be achieved for this, by quantifying the socio-economic cost of catastrophes and assessing the effectiveness of prevention measures. The information obtained should serve as starting material for a strategic commitment on the part of the insurance industry within the context of the PSI initiative, so as to initiate preventive measures in highly exposed countries.

#### [Global Resilience Project](#)

We are also involved in the working group of the Chief Risk Officer Forum (CRO Forum). This is a group of professional risk managers from the insurance industry that focuses on developing and promoting industry best practices in risk management. Among other things, we contributed to the guideline on banned weapons and ESG factors in country risk management, and also to the blueprint on oil sands. The latest paper from the CRO Forum was published in November 2014, and included a case study from Munich Re with the title "Human rights and corporate insurance".

#### [Chief Risk Officer Forum \(CRO Forum\)](#)

Our experts from the Special and Financial Risks department have initiated a project within the framework of the International Association of Engineering Insurers (IMIA), a global network of experts in engineering insurance. The international working group is developing an ESG framework for engineering underwriting, including a due diligence process and ESG standards with the active participation of Munich Re.

In the autumn of 2014, Munich Re organised a PSI seminar for members of the Association of German Insurers (GDV) under the umbrella of the German Association for Environmental Management in Banks, Savings Banks and Insurance Companies (VFU).

#### [Practical implementation](#)

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► Principle 4

We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

This is our third progress report in connection with the Principles for Sustainable Insurance. It covers the calendar and financial year 2014 (1 January to 31 December). We will publish an update for the financial year 2015 within a year from now.

An extensive overview of all our activities can be found in the Corporate Responsibility Portal and on our corporate website.

[Corporate Responsibility Portal](#)

[Munich Re Corporate website](#)

[SRI indices, SRI ratings and awards received](#)

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N.B.: Hyperlinks in this report refer to pages in our Corporate Responsibility Portal, of which this report is an integral part. Links also refer to Munich Re's corporate website and other pages in the public domain, which may be updated at irregular intervals.

Munich, June 2015

Dr. Astrid Zwick  
Head of Corporate Responsibility  
Munich Re  
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## Responsibility towards staff

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## Expertise and know-how as decisive factors in our success

With their specialist knowledge, commitment and continual innovational strength, our employees are driving our business forward and so are a crucial factor in our success. We create the conditions for this by promoting personal development and performance in all areas and at all stages of life.

Munich Re is synonymous with an unusual diversity of individual skills of our employees and challenging assignments in a demanding and appreciative work environment. Our founder, Carl von Thieme, was considered one of the most socio-politically advanced employers of his time. We uphold this tradition by offering staff first-class benefits and support. Consequently, we have enjoyed a high level of employee loyalty and consistently low staff turnover rates for many years.



"Our aim is to attract the best people by clear employer brand positioning – we offer excellent working conditions, good opportunities for personal development and a value-based corporate culture."

Dr. Peter Seemann, Head of Human Resources at Munich Re

### Successful with a clear position

We believe that raising the level of staff motivation through personal development will continue to have a very positive impact on our success. In an international context, our global human resources management ensures that we uphold high-quality HR standards throughout our reinsurance units.

This mindset pays off: Munich Re's reputation is being further strengthened in the face of national and international competition. Our comprehensive corporate health and diversity management plays a major part in this, as do our performance-related and transparent remuneration system and our family-friendly structures. The latter is reflected by our membership in the City of Munich's Action Forum for Families, which supports family-friendly projects and initiatives and networks them locally.

### Top places nationally and internationally

We have received further affirmation of our standing: for students, graduates and professionals alike, we have been among the top 100 employers in Germany for years, according to surveys of market research institutes Trendence and Universum Communications.

The top rank in the field of finance and the corresponding award for "Top Traineeship" in Germany also prove that we are on the right track with our offerings for students. The award is based on a survey of 7,500 trainees conducted during the "Praktikantenspiegel" study in 2014. With our communication channels in the employer sector, 2015 saw us place 24th amongst all of the 161 Germany companies assessed in the ranking by the potentialpark institute.

And internationally, ERGO Hestia in 2014 won a place in the "Universum TOP 100 Employees" for business and law students.

### Good working climate worldwide

The positive work climate at ERGO is not confined to Germany. For example, ERGO Hestia was voted among the top ten major company employers in Poland in an employee satisfaction survey carried out by Polish newspaper Rzeczpospolita.

Our commitment is also illustrated by the fact that in 2012 we extended the Leadership Monitoring survey, conducted every two years in the reinsurance group and Munich Health, to include all units worldwide. 10,436 employees gave 1,758 managers very positive feedback on their leadership behaviour and rated this important aspect of employee satisfaction as "very good". This is an excellent basis for focused enhancement of our leadership culture.



[munichre.com](http://munichre.com)

[Career](#)

[External links](#)

[ERGO: Career](#)

**Systematic HR work with maximum outreach**

We rely on systematic HR work to maintain the same high global standards in the future. This is how we will attract specialists and train them for the right jobs within the Group. Job vacancies in all business fields and at [MEAG](#) are advertised internally in the Group's own job listings, and usually across departments and regions.

Depending on the scope required and the target group, jobs may also be advertised on a number of global internet job portals. These activities are supported by international university networking, representation at international career fairs, social media activities and extensive public relations work.

Further information on our employee and job offers is available under "[Careers](#)" at [munichre.com](#).

The current employee figures can be found in the [Annual report](#) and under "[Employee figures](#)".



GRI: G4-10; G4-DMA-Labor Practices; G4-DMA-Management Relations; G4-DMA-OHS; G4-DMA-Training/Education; G4-LA12

## Responsibility towards staff

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## Our programmes for training and development

**Munich Re has a clear objective: to attract the best employees for the Group and to retain them in the long term. We are therefore committed to a corporate culture that offers opportunities for personal development, encourages independence and rewards success and performance.**

The Group offers development opportunities of every kind. With systematic talent management in all fields of business, we ensure that key functions are staffed in-house with the best and most qualified employees. Over 90% of all management positions at MEAG, Munich Re's asset manager, were filled in this way in the past four years. MEAG's "Young Manager" programme, for instance, helps young managers master the new challenges facing them during their first year in this role.

In the reinsurance sector, talented employees with management potential are supported worldwide in line with the same philosophy. The **FUEL programme** (Future Excellence in Leadership) offers talented employees a standardised framework for advancing specific aspects of their personal development. Talented employees with management potential are prepared very precisely to assume their initial and their subsequent management positions nationally and internationally.

At ERGO, the Management Development unit prepares talented senior executives individually for the challenges at the next level. The extensive development of the management culture and competencies is the focus of the two-year initiative "ERGO – Focus on Leadership" launched in the autumn of 2013. All of ERGO's 2,300 or so managers in Germany are currently completing this "manager triathlon" – a mandatory, multi-stage development programme. In parallel, staff are giving systematic feedback on their managers in the form of upward appraisals. The basis for this comprehensive initiative is ERGO's "Leitbild Führung" (guiding management principles), which were developed with the aid of ideas from the 2012 employee survey and have already been established. This measure to advance the development of individuals shows how much importance is attached to this subject.

### Training measures and career

Munich Re promotes lifelong learning. We offer a wide range of training options in each of our business fields and at MEAG to promote key skills and specialist training in all fields of business. Additional training opportunities are afforded by user-friendly e-learning platforms that are continually updated and enhanced and can be accessed by Munich Re staff all over the world, irrespective of their working hours.

The positive impression made by this development has been confirmed by external sources. In 2013, the reinsurance group was awarded the seal of excellence of the Deutscher Bildungspreis (German Education Award) in the "Innovation" category. The pioneering training process, which was awarded second place, has already been implemented in our primary insurance group.

To us, career is not just about advancement in terms of a management career. At Munich Re, it can also mean continually expanding one's expertise in a specific area, taking on more responsibility in one's current position and moving laterally at the same managerial level in order to progress to senior executive status along the expert career path.

### Standardised succession planning for top management

There is systematic development towards defined target positions based on coordination across business-field boundaries. The resulting transparency also improves the use of internal potential. Rotation of managers and staff members within the Group supports the pooling of expertise and knowledge transfer. Depending on business requirements, these changes take place on the basis of flexible models – as exchanges, for extended periods and on a project basis. As part of the staff development process, we have continued and expanded the initiatives launched in reinsurance last year to promote job changes to other areas and business fields, and to other countries. This is intended to enhance both professional expertise and intercultural competence.

### Combining work and studies

We offer our reinsurance staff practical ways of combining studies and career, for example the Executive Master in Insurance (EMI) at our Munich headquarters. This in-service degree course is run in conjunction with the Munich School of Management (LMU Munich). Another example of optimally combining studies and work is the "Munich model", an integrated professional training and insurance degree course.

MEAG and ERGO also encourage staff to enrol for in-service study courses by covering part of the costs and granting study leave. For instance, MEAG staff can enrol for a three-year Chartered Financial Analyst (CFA) course or a degree course in Real Estate Economics.

Together with recognised academic institutions such as the University of Leipzig or the



Related Topics

[Employee indicators](#)

[munichre.com](#)

[Career: Training and development opportunities](#)  
[Career: „FUEL“ for executives](#)

External links

[ERGO: Career Training and development at ERGO](#)

German Insurance Academy, ERGO offers courses of study such as the Bachelor of Insurance Practice or the Insurance MBA.

**Support through graduate trainee programmes**

Munich Re develops talent systematically by providing targeted apprenticeships and attractive student and trainee programmes. As part of this, trainee programmes in the reinsurance group, ERGO and MEAG offer graduates interesting, challenging and widely diversified opportunities to start careers. Our reinsurance graduate trainee programme, for instance, comprises numerous professional and personal development modules and provides insight into all aspects of our core business for a direct career start. The international orientation of these programmes was further enhanced in 2014 by training modules that are used for all trainees around the globe.

The statistics on days of training that our employees have participated in, and our expenditure for training, are presented under “**Employee indicators**”.



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GRI: G4-DMA Market Presence; G4-EC6; G4-DMA-Labor Practices; G4-DMA-Training/Education; G4-LA9; G4-LA10



## Responsibility towards staff

- Munich Re as an employer
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- Work-life balance
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## Fair, performance-related remuneration

Only if our employees are satisfied will we be able to maintain and enhance the high quality of our work over the long term. Munich Re therefore offers its employees conditions that reflect this claim. This includes fair, performance-related remuneration.

Our employee pay structure is designed to reward the success of each individual and the Group as a whole. Our internal remuneration systems must be fair, transparent and adaptable because, in addition to other factors in our HR policy, they contribute towards staff motivation and loyalty.

### Rewarding personal achievement and sharing in company success

For example, our reinsurance group's human resources model defines adaptable remuneration structures that systematically take into consideration the personal performance of employees and the financial success of the Group. Our remuneration models and incentive systems are coupled with objectives agreed in line with the employees' functions and take into account the Group's financial results. Remuneration thus reflects both the employee's personal performance and the success achieved as part of the Group. Individual performance-related remuneration is therefore based upon personally agreed objectives and performance appraisals. We use transparent key performance indicators to measure the success of the Group. Continually enhancing our holistic remuneration system means we are making a key contribution towards successful, value-based corporate governance.

### Value-based additional benefits

A modern, successful company must take the needs and values of its employees into account and align them with its corporate objectives. At Munich Re (reinsurance), ERGO and MEAG, additional benefits are a long-standing tradition to which we attach great importance. They are part and parcel of our overall remuneration model and mirror our corporate culture. The attractive package we offer includes membership in our company pension scheme, one of the key pillars of retirement provision. Munich Re and ERGO are also members of the German insurance employers' association and have signed the respective collective bargaining agreements.

Munich Re's basic value-oriented approach also includes paying students and graduates appropriately and endeavouring to offer them optimal opportunities for a successful career start. That is why the reinsurance group and ERGO have joined the Fair Company initiative, committed to providing fair internships and offering genuine opportunities for university graduates.



[munichre.com](http://munichre.com)

Career: [Remuneration](#)

External links

[Remuneration & benefits at ERGO Fair Company \(German version\)](#)

## Responsibility towards staff

- Munich Re as an employer
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## Combining career and family

Development opportunities at work and in private lives, with or without a family, are important objectives for personnel management at Munich Re. We create conditions that are among the most attractive in our sector. Munich Re offers its staff numerous different models and rules on flexible working conditions, interesting working hour models and needs-based support.

More and more employees are seeking to actively pursue their careers and develop professionally without compromising their private lives. We offer our staff a wide variety of models to meet their needs for flexibility regarding when and where they work.

The start of 2015 saw the "Flexible working" concept introduced at Munich Re, greatly increasing the levels of employee flexibility as regards physical location and time. Employees can for example convert bonuses into leave or save up holiday over three years to then take longer periods of leave.

Munich Re also offers a kind of short-term sabbatical allowing an additional period of leave of three months. Also, the whole issue of mobile working is comprehensively regulated. This pertains to working with mobile devices as well the possibility of working at a home office. The "Flexible working" model represents a considerable improvement in marrying the work requirements of employees and their personal interests.



**"As an employer, combining career and family is a subject that is becoming increasingly important for us. We offer our employees a wide variety of models to meet their need for flexibility in terms of their working hours and where they work, and we modify and expand these models at regular intervals."**

Martin Thumm, Group HR Manager, Munich Re

The stipulation of certain workdays is possible, as is the specification of work hours during the week – which can be flexibly organised in agreement with the supervisor. And modern technology means part of the work can be completed at home as telework. These models are complemented by offers of assistance for dealing with different life situations – from childcare and sabbaticals to providing care for close relatives. And planning suitable measures such as training courses early on makes it easier to return to work following interruptions.

### ► Standardised rules thanks to the internal company agreement on family and career

Since 2002, the internal agreement on family and career has made it easier for employees of the reinsurance group in Munich to reconcile their personal and career aspirations. When we renewed the agreement in 2011, we further improved the conditions for parental leave and leave to provide care for relatives in order to promote professional continuity. Going beyond the legal requirements, we guarantee parents who return to work within 12 months that they will be reintegrated into their previous positions, on a part-time basis if so desired. This also applies to all senior executives.

### ► Comprehensive childcare support

We make a wide selection of external childcare places available to our staff. For example, the reinsurance group in Munich offers reserved places at daycare centres nearby as well as places at our bilingual daycare centre in the vicinity. This is intended to make returning to work easier – for female employees in particular.

Alternatively, we pay a contribution towards childcare costs of up to €400 per month to staff members who make their own childcare arrangements. And if



[munichre.com](http://munichre.com)

Career: [Work-life balance](#)

External links

[Work & family life at ERGO pme Familienservice \(German version\)](#)

children occasionally require care during office hours, parent-and-child offices with play corners for little ones are also available. In addition, in-house contacts provide information to colleagues on the full range of options for achieving an optimum balance between career and family. The Staff Council committee on equal opportunities, family and career also supports employees as needed.

Munich Re also works together with an outside cooperation partner. This independent consulting and placement service provider is available to our staff as an expert contact point for all issues relating to personal work/life balance and provides support in implementing individual plans both for childcare and care for elderly relatives.

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► **Facilitated return to work**

We make every effort to encourage our female staff members to return to work following maternity leave. To ensure that parents who do not return directly to their previous positions do not lose touch with their employer, ERGO has established a parents' network. In addition, parents can under certain circumstances choose to work from home or to convert special payments into leave.

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► **Family-friendly options for staff**

ERGO cuts a good figure with its family-friendly human resources policy and has now won the "audit berufundfamilie®" (career and family audit) four times for all its main administrative centres in Germany. This certificate is awarded by the non-profit Hertie Foundation for outstanding efforts in this area. Parents who work at one of ERGO's main locations in Germany have the opportunity to use one of two fully equipped workstations in the parent-and-child office (with play corner) on a day-by-day basis.

ERGO has also reserved places in several kindergartens near its main office locations, for instance in the City Nord area of Hamburg and Lindenthal in Cologne, and will gradually extend this offer to include other locations – particularly for children under the age of three. At the Düsseldorf location, ERGO and E.ON AG opened a joint childcare facility in cooperation with pme Familienservice.

The limited choice of childcare means holiday periods are often difficult for working parents. ERGO has therefore partnered with other companies to set up holiday childcare at the Hamburg, Düsseldorf, Cologne and Munich locations.

The primary insurer is also setting standards in care for relatives – at short notice, staff members can take family leave of up to 12 months duration and receive half their salary during their absence and in the subsequent active phase respectively. Simple and effective assistance is also offered by external social service providers.



## Responsibility towards staff

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## Staff health

The health of our staff is a matter of priority. Munich Re is thus actively involved in promoting all aspects of health. We offer medical care, sport and relaxation programmes, as well as personal measures to help staff return to work after a prolonged absence.

Our most important objective is to take preventive measures to protect and promote the long-term health and performance of our employees. Our offerings focus on a wide variety of programmes for promoting health and prophylaxis that go far beyond statutory requirements. They also include expert advice and an array of support measures in the event of illness.

### Committed health promotion and illness prevention

Munich Re complies with the statutory health and safety requirements conscientiously and effectively. We give staff information on ergonomically correct posture for sitting at their desks, tips on effective relaxation techniques and advice on further preventive measures. At several Munich Re office sites, company medical officers provide staff and their families with personal advice or remind them of vaccinations for foreign travel and assignments abroad. We also publish the latest travel advisories and arrange seminars on how to avoid security problems during business trips.



**“Our most important objective is to take preventive measures to protect and promote the long-term health and performance of our employees.”**

Dr. Frank Drees, Chief Company Medical Officer, Munich Re (Munich location)

At Munich Re's company medical centre, employees aged 30 or older are eligible for free laboratory tests; those aged 40 and above are entitled to a free and comprehensive health check every two years. The centre also offers information on fitness and gymnastics courses held in the Munich location's sports facilities. We publish the company medical centre's offerings and the services it has rendered in a detailed health report that is updated each year.

Munich Re promotes the physical and mental well-being of its staff both on and off the job. Employees can choose from a variety of options. Company gyms, swimming pools and sports halls and facilities such as ERGO's back-care centre in Düsseldorf offer staff members a wide range of opportunities. With "ERGO Sports", ERGO makes available one of the most extensive company sports programmes in Germany. International sports tournaments and competitions for staff members are also held regularly. The ERGO Cup, a football tournament between teams from different units of the Group, has already become something of a tradition.

In recent years, D.A.S. Austria has implemented numerous measures under the heading "Fit 4 D.A.S.". The programme ranges from fruit baskets in the offices and regular health checks to organising topic days focusing on healthy nutrition and exercise.

### Comprehensive medical advice

We attach great importance not only to our staff's physical health but also to their emotional well-being. That is why we offer expert counselling at several sites in Germany to help staff deal with difficulties at work or at home. At the reinsurance group in Munich, Human Resources collaborates with the [Fürstenberg Institute](#) to make available a largely external Employee Assistance Programme (EAP).

Our aim is to provide employees and their families with extensive, direct and flexible support during personal and professional crises. Staff members can contact the institute in complete confidence to make use of its personal support services. Our expanded healthcare promotion programme includes mandatory workshops for new managers on how to prevent stress-related and mental disorders among staff.

Preventing and dealing with stress in general is becoming increasingly important within our health management. One example is a seminar offered by ERGO, "Mastering



### Related Topics

[Employee indicators](#)

[munichre.com](#)

[Work-life balance](#)

### External links

[ERGO: Health \(German\)](#)

[D.A.S. UK](#)

[D.A.S. Austria \(German\)](#)

[Fürstenberg-Institute](#)

stress with optimism", which is intended for everyone who wishes to take a preventive approach toward the challenges posed by their work. By showing participants how they can become calmer and deal optimistically with stress, we support the health and performance of our staff in a very practical way.

#### International recognition

**D.A.S. UK** was the only employer in South West England to win two awards for its successful staff management system from Investors in People (IiP) – the Investors in People Gold Award and the Investors in People Health & Wellbeing Award.

**D.A.S. Austria** was again recognised with the seal of quality for "Company Health Promotion". The seal of quality is awarded to companies for successful projects in the area of health promotion and is held for a period of three years. The seal of quality was first awarded in 2012. D.A.S. Austria was again awarded the seal of quality for the period 2015 to 2017 for ensuring sustainability in the field of company health promotion.

You will find information on rates of sick leave at Munich Re under "**Employee indicators**".



## Responsibility towards staff

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## Added value for our Group

The different mindsets, cultures and values of our staff are key to Munich Re's success. After all, their breadth of experience provides a wide variety of personal skills and strengths that are essential to our business. Our diversity management is geared to promoting this diversity, which effectively helps us achieve our Group objectives.

Diversity in the workplace also furthers achievement of our strategic goals. The establishment of universally valid principles and the implementation of individual measures reflect our conviction that diversity is crucial to Munich Re's success. We therefore intend to address the topic with great care. Each individual's personal strengths and experience have their part to play in Munich Re's performance. Given the breadth of the subject and its cultural embedding, we do not see diversity management as a passing trend. Appreciation and targeted promotion of different mindsets, mentalities, experiences and specialist knowledge are an important focus of our work. For this reason, the topic of diversity is integrated into the objectives of some members of the Board of Management.

### Diversity policy – Global management, local solutions

By introducing a [diversity policy \(PDF, 410 KB\)](#) for the entire Group in 2011, Munich Re laid the groundwork for an overarching and comprehensive diversity management programme to promote diversity and embed it even more firmly. This new guideline sets out our definition of diversity, along with the main principles for promoting diversity within the Group, and underlines our global commitment to embracing diversity as a strength and investing in it. The policy also defines the focal points of our action: gender, age and internationality.

### Diversity management – Our objectives

As regards the gender criterion, the HR board members of the DAX 30 companies issued a joint statement as early as March 2011 relating to the promotion of women in management. As part of this commitment, Munich Re pledged in October 2011 to achieve a quota of women in leading positions in Germany of at least 25% by the end of 2020. Taking into account our low staff turnover rate and the average age of our managers, the target is certainly an ambitious one. At the end of 2014, the figure was 22.8% (2013: 21.5%). So we are well on our way to achieving the target. This is also illustrated by the fact that, in 2014, more than 40% of all new managers in our German reinsurance business were women.

Regarding the diversity criterion of age, we are focusing on a gradual expansion of health promotion and lifelong learning programmes. With our flexible work models, we wish to fully integrate employees of every age throughout all the stages of their career.

And in the spirit of [internationality](#), we allow for the increasing level of globalisation by continuously expanding the options available to our employees to gain international experience and competencies throughout the world. In this context, the number of international assignments, job rotations and international project teams was further increased in 2014. The Group now employs staff from more than 55 countries, and the number of employees outside Germany has once again increased in this reporting year.

### Diversity – Implementation in the business segments

Our diversity targets are being implemented for each business-field in primary insurance and reinsurance, as well as for investment.

#### ► Primary insurance

Since 2011, diversity has been one of several core projects at ERGO. As an employer that makes allowance for the different stages in life, ERGO constantly works to professionalise the range of options available and to develop a corporate culture that values diversity.

A special support and mentoring programme for women is being held for the fifth time in 2015 and, for many female colleagues, it has produced tangible career changes in addition to benefits in terms of personal development.

In 2015, ERGO received the top4women seal of approval. This employer emblem signals a company's holistic approach and stated intention to consistently expand the number of female employees with management potential, to cultivate their loyalty to the company, and offer them long-term career perspectives.

ERGO also shows its commitment to equal opportunities through its participation in the [Logib-D](#) project. With the help of Logib-D, companies in Germany can voluntarily and anonymously analyse their salary structures from a gender perspective.

The extent to which senior management and part-time work arrangements are compatible has been the focus of a pilot project with managers that has now been



#### Related Topics

[DKV "Integralia" Foundation](#)

[munichre.com](#)

[Diversity](#)

#### External links

[ERGO: Diversity](#)  
[Logib-D](#)

running for over two years. The pilot participants discuss the background conditions, arrangements with superiors, with teams and even with themselves that are conducive to successful implementation, all with the aim of positioning ERGO more flexibly and in a more forward-looking way.

A further focal point for diversity activities is the development of measures that consider the requirements of the different generations of employees, so as to promote more effectively, and make more extensive use of, the "potential of the 45+ generation".

A specific success factor training course entitled "Diversity" has been offered for managers since 2014 to help sensitise them to diversity management in teams.

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► **Reinsurance**

In the reinsurance segment and at Munich Health, we are using comprehensive management training opportunities to emphasise to managers the importance of diversity management. The global International Graduate Trainee Programme was established to promote junior management talent at an early stage, and to consolidate international diversity. Training sessions are held in the USA and Germany, and international rotations form a key component of the programme. As part of the Emerge-Going-Global training programme, employees who operate at an international level, already perform a function and display management potential are prepared for their first project, expert or management function outside their own country. All of these measures serve to anchor internationality and mobility within the Group.

Under the heading "Gender diversity", specially developed skills assessment programmes help women employees to reflect critically on their personal development according to the particular target group. To ensure that family phases merely interrupt, rather than halt a career, we have concluded an internal company agreement on family and career. This stipulates, for example, that after parental leave, mothers and fathers may return to their former permanent posts provided they resume work with a year. This option also applies for managers. In this way, we promote career continuity in demanding positions – including part-time ones.

A study commissioned by Munich Re from the University of Passau is examining age-dependent motivation for advanced professional training within the context of age diversity and will provide recommendations based on the results. We see this as an invitation to consider new, alternative forms of advanced professional training to best enhance the employability of our staff across all age groups. At the same time, we are creating a work framework that relates to the corresponding stages in life.

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► **Examples in the International Organisation**

Internationally, we adapt measures to suit local requirements and conditions. At Munich Re of Africa in Johannesburg, for instance, the subjects of ethnicity and skin colour are of particular importance for historical reasons. Corresponding quantitative objectives are embedded as essential in our balanced scorecard.

In North America, Munich Re founded a regional diversity council to coordinate its activities. A women's network has been operating there for some years. Another example of overarching initiatives in this area is the newly developed e-mail newsletter, "Diversity & Inclusion", in Munich Re's US P&C operations, which directly addresses all employees in these units. The newsletter enhances awareness of the diversity of cultures, skills and backgrounds in our Group.

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► **Equal treatment for people with disabilities**

Equal treatment for persons with or without disabilities is also a special Group-wide concern. Munich Re (reinsurance) in Munich has been working with integration establishments for many years. Since July 2008, ERGO has been committed to giving greater consideration to persons with disabilities in its staff recruitment. ERGO also systematically invests in training and health programmes for such employees. In their call centres, DKV Seguros and ERGO Hestia in Poland only employ people with physical disabilities. The two subsidiaries have set up a dedicated foundation for this purpose.



## Our environmental awareness

Environmental management

Operational ecology

Climate protection

## Environmental management – We take a systematic and targeted approach to environmental protection

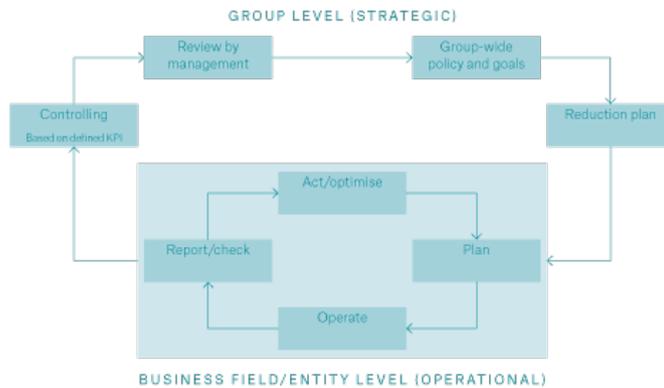
One of the Munich Re Group's defined objectives is to minimise the environmental impact of its business operations while preserving resources. Our environmental management system encompasses all the effects of our operations on the environment and helps us use resources and energy more carefully, thereby limiting any possible negative consequences.

We have planned to reduce our carbon emissions by at least ten percent between 2009 and 2015, and will achieve Group-wide **carbon neutrality** this year (2015).

### Group-wide environmental management system: Strategic approach

In 2012, Munich Re introduced a binding uniform environmental management system (EMS) applicable for all locations. It is based on the requirements of the internationally recognised DIN ISO 14001 standard and describes our environmental guidelines and the key performance indicators used to measure our carbon footprint; it also governs process-related and organisational responsibilities.

### THE MANAGEMENT OF THE GROUP-WIDE EMS FOLLOWS ISO 14001 PRINCIPLES



Munich Re

### Organisational anchoring of environmental management

In the Munich Re Group, the full Board of Management – represented by its Chairman, Dr. Nikolaus von Bomhard – is responsible for our Group-wide environmental protection strategy and all related measures. Dr. Astrid Zwick, Head of the Corporate Responsibility Department (GD1.3) in the Group Development Division, has been appointed Environmental Officer. The Corporate Responsibility Department formulates the strategy for Group-wide environmental management and carbon neutrality within the scope of the authority delegated to it by the Board. Two environmental managers handle implementation of the strategy, of the environmental management system and data collection at Group level across the business fields of reinsurance, Munich Health, ERGO and MEAG.

ERGO's Board member for environmental matters, Dr. Ulf Mainzer, is supported by the Employment, Health and Environmental Protection unit set up in 2009. This unit is responsible for the implementation of the environmental management system and the coordination of the tasks resulting from it among the local ERGO Group units.

Environmental managers at the respective locations are responsible for the implementation of the environmental management system, achieving the environmental targets, initiating and putting into practice carbon-reduction measures, and collecting the environmental data. Local contact persons report to the environmental managers in each field of business.

Responses to key environmental issues affecting several fields of business are discussed and decided on in the Group Corporate Responsibility Committee (GCRC).

### Downloads

Environmental guidelines, Munich Re (Group) (PDF, 222 KB)



Munich Re

This organisational set-up allows us to integrate the relevant managers and staff into the environmental management system across all levels of responsibility. Their financial remuneration is directly influenced by the achievement of environmental objectives.

#### Binding Group-wide environmental guidelines

The [Group-wide environmental guidelines \(PDF, 222 KB\)](#) form a further component of the environmental management system. These call for:

- an ongoing improvement in the level of environmental performance and protection in our business operations,
- avoiding, or at least reducing, carbon emissions (caused by business travel, energy, water and paper consumption and waste) and the application of environmental criteria in the selection of materials, suppliers and service providers,
- enhancing employees' awareness of environment-related topics and actively motivating them to protect the environment,
- regularly and proactively communicating our activities and efforts for the protection of the environment to all stakeholders and making available our knowledge on matters relating to environmental protection.

The environmental guidelines are binding on all units of the Munich Re Group, but may be adjusted to take account of local circumstances.

#### High level of environmental data collection

The carbon footprint from our business operations is the key indicator for measuring and assessing our environmental performance. Carbon emissions from energy, water and paper consumption, business travel and waste are recorded annually in a standardised format and in accordance with DIN ISO 14064. Data for the locations MR Munich, MEAG, DKV Seguros and DAS UK have been verified in an external audit process (twelve percent of employees).

A high coverage rate of 86 percent of employees for the collection of environmental data in 2014 underpins the informational value of our results. As many as 17 of our sites are already certified to ISO 14001. This equates to a coverage of 38 percent of all employees.

#### International network of environmental managers

A constant exchange of information, best practice and skills relating to environmental protection and management forms the cornerstone for our joint success. In addition to the regular network meetings of environmental managers, joint webinars and working groups are organised on specific topics to exchange views and information about important areas, such as improved data collection, energy efficiency and building management. At a strategy retreat meeting in December 2014, the environmental managers laid the groundwork for the new Munich Re environmental strategy from 2016.



## Our Environmental Awareness

Environmental management

**Operational ecology**

Climate protection

## Operational ecology – Conserving the environment and resources

**Munich Re consumes as few natural resources as possible and uses eco-friendly materials. In this way, we minimise our impact on the environment and manage our business activities more efficiently.**

The carbon footprint from our business operations is the key indicator for measuring and assessing our environmental performance. CO<sub>2</sub> emissions from energy, water and paper consumption, business travel and waste are recorded annually in a standardised format and in accordance with DIN ISO 14064. A high coverage rate of 86% of employees for the collection of environmental data in 2014 underpins the informational value of our results.

Our goal is to reduce our CO<sub>2</sub> emissions Group-wide by at least 10% between 2009 and 2015, a target we already surpassed in 2013 and 2014. All units within the Group are individually responsible for introducing and implementing CO<sub>2</sub> reduction measures in accordance with the feasible options available at each location. Special emphasis is placed on measures that offer significant leverage in the areas of energy efficiency, minimising CO<sub>2</sub> emissions from the vehicle fleet, and the avoidance of business travel. We have invested in digital communication technologies for example (video conferences, telepresence conferences), with a view to reducing the volume of business travel and the CO<sub>2</sub> emissions this entails. We have already achieved a significant reduction in energy consumption and related CO<sub>2</sub> emissions by following a consistent policy of giving up inefficient buildings, modernising equipment and parts of buildings, and optimising building operation. Since 2009, we have achieved energy savings of more than 20% in this way at our headquarters in Munich.

We further limit CO<sub>2</sub> emissions by using fuel-efficient company cars and an increasing number of electric vehicles at Munich Re locations in Munich and at DKV Seguros in Spain. Wherever possible, business trips are made by rail, and in Germany they are actually CO<sub>2</sub>-neutral.

### ► Development of certified environmental and energy management systems

Another key component in our operational ecology is to expand our certified environmental and energy management systems and the certification of our buildings. Certified systems require not only systematic monitoring of environmental performance, but also an ongoing improvement in the consumption of resources, the use of eco-friendly operating materials, and the training of employees in the use of intelligent building services engineering. Wherever possible, electricity is purchased from renewable sources, and 67% of the electricity used by Munich Re is currently "green" energy.

The MEAG head office in Munich was awarded the LEED certificate in Gold in 2013, and in 2014, the new DKV Seguros building in Saragossa was likewise certified to this standard. The Munich Re of America conference and fitness centre was even awarded the coveted LEED Platinum status at the start of 2015. The award recognised not only the building design, but also looked at the purchase of consumables and the users' modes of transportation in terms of sustainability criteria.

### ► Green building – Real estate with certified sustainability

The comprehensive sustainability approach is also embedded in our real estate management, which combines economic, ecological and socio-cultural aspects. The approach focuses on modern and efficient plant engineering and our multiple-award-winning energy management.

Both in our own buildings and in the real estate owned by our asset manager, we pay attention to modes of construction and operation that save resources and energy. The result is that MEAG, our asset manager for Munich Re and ERGO, has already received a sustainability certificate for eleven buildings. This means MEAG is managing certified buildings worth more than a billion euros in total. For buildings used by the Group, we have also begun to introduce "green leases", aimed at ensuring the sustainable use of resources. The obligations include the use of cleaning agents which do not harm the environment, waste separation, and transparency in the consumption of energy and water. These requirements also form part of the contracts we have with cleaning companies.

As a major landlord of approximately 9,300 residential units, MEAG introduced a sustainability preamble into all new leases in Germany with effect from 1 April 2014. Each tenant also receives an information brochure containing advice on energy conservation and other ways to protect the environment. Pilot projects were launched in 2014 so that we can also offer "green leases" for commercial properties in future.

#### Related topics

[Environmental indicators](#)

#### Downloads

[Environmental guidelines, Munich Re \(Group\) \(PDF, 222 KB\)](#)  
[Green Leases brochure MEAG \(PDF, 424 KB\)](#)

#### Externe Links

[Operational ecology at ERGO](#)



**Munich Re America, Princeton/New Jersey, USA (in own use)**

In Princeton, 7,660 solar panels with an installed capacity of 2.5 megawatts have supplied the office buildings of Munich Re America with electricity since the end of 2012. Besides this, Munich Re America won the NFMT FMXellence Award for energy efficiency last year. This prize was awarded to Munich Re by Building Operating Management Magazine in recognition of its outstanding achievements in the field of energy saving.

You can find further information on our environmental performance in the section [“Facts and Figures”](#).



## Our environmental awareness

- Environmental management
- Operational ecology
- [Climate protection](#)

## Climate protection – Leading by example

As an insurer of losses caused by weather-related natural catastrophes, we are particularly hard hit by the effects of climate change.

Climate change is therefore an integral part of our Group strategy. With the help of all our insurance expertise and research on climate change spanning four decades, we want to heighten the public and political sense of responsibility for this topic. One consequence of this strategy is that we integrate climate protection into our business processes and endeavour to lead by example.

**Our strategy: We protect the climate and the environment by reducing, substituting and compensating for our carbon emissions.**

In order to offset the carbon emissions from our business operations, the Munich Re Group made a decision in 2011 to combine all its efforts in a unified approach and strive to achieve **carbon neutrality** throughout the entire Group by 2015. The original intention was to reduce carbon emissions Group-wide between 2009 and 2015 by at least 10% to less than four tonnes per employee; we already exceeded this target in 2013 and 2014! Fossil fuels are being replaced by renewable energies wherever possible, while unavoidable carbon emissions are being offset by the purchase of **emission credits**. Approximately 67% of the electricity purchased Group-wide already comes from renewable energy sources.

### Related topics

- [Challenges: Climate change](#)
- [Environmental management](#)
- [Certificate purchases](#)



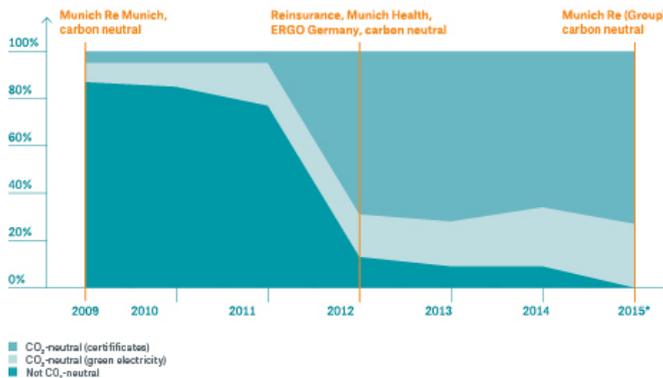
“For Munich Re, environmental protection has been part and parcel of our social responsibilities for many years. We are continually striving to improve our performance, and our business operations will be carbon-neutral by the end of 2015.”

Anja Hirsch, Group Environmental Manager, Munich Re

### Our road to carbon neutrality

We are achieving carbon neutrality in stages: Our headquarters in Munich have been carbon-neutral since 2009, and was followed in 2012 by the reinsurance group, Munich Health and ERGO Germany. The ERGO International companies and MEAG will also be carbon-neutral by 2015.

#### DEVELOPMENT CLIMATE NEUTRALITY AT MUNICH RE 2009 - 2015



The unavoidable carbon emissions for the 2014 fiscal year are offset by the purchase of certificates from various projects. We have strict requirements when selecting the projects: At least one project must meet a gold standard and be realised in an LDC (least developed country). Alongside technology to avoid carbon emissions, we also

place particular emphasis on social aspects, such as job creation, improvements in health and education, the development of local infrastructure, as well as the avoidance of deforestation and the maintenance of biodiversity.

To achieve carbon neutrality for the 2014 fiscal year, we obtained carbon certificates from the following projects:

- [Solar power from the Ningxia Hui Autonomous Region in China \(PDF, 1.5 MB\)](#)
- [Wind farms in the Shandong region in China \(PDF, 1.5 MB\)](#)
- [Solar cookers from Henan Province in China \(PDF, 1.9 MB\)](#)
- [Run-of-river power stations in Madagascar \(PDF, 715 KB\)](#)
- [Efficient cooking stoves in Uganda \(PDF, 2.3 MB\)](#)

Carbon neutrality is one of several key elements in our Group-wide commitment to climate protection.

You can find further information on our extensive activities to address climate change under "[Challenges – Climate change](#)" and at [munichre.com](#) under "[Focus topic climate change](#)".



» Home » Solutions

**"Many of our products offer advantages for eco-conscious customers."**

Christian Diedrich, Member of the Board of Management, ERGO Versicherungsgruppe AG



- Related topics
- [Strategy and challenges Management](#)
- 
- External links
- [munichre.com](#)
  - [ERGO](#)
  - [Munich Health](#)
  - [MEAG](#)
- 
- Downloads
- [Corporate Responsibility in Business at Munich Re \(Group\) \(PDF, 227 KB\)](#)

## Solutions

Bringing corporate responsibility to life

Corporate responsibility is reflected in Munich Re's products and services, which bring us financial success and are in keeping with the needs of the environment and society.



### Reinsurance solutions

Complex risk scenarios and increasing interdependencies in a globalised world mean that the challenges and opportunities in reinsurance are constantly changing. By taking into account the aspects of ecology, social responsibility and corporate governance (ESG aspects) in our core business, we are able to identify and minimise new risks.

» Reinsurance



### Primary insurance solutions

The ERGO Insurance Group offers a wide range of insurance products and services that take account of environmental aspects. It promotes renewable energies by providing the necessary insurance coverage for their use. ERGO also offers various microinsurance policies.

» Primary insurance



### Broadening perspectives in the health sector

Our Munich Health experts develop a wide range of solutions adapted to the individual market, such as prevention and management of chronic diseases, thus enabling this business field to achieve sustainable growth while benefiting its clients and partners throughout the world.

» Munich Health



### Sustainable asset management

Years of experience, all-round know-how and sustainable asset management are MEAG's hallmarks, proving that sustainable investment strategies can bring good returns.  
» Sustainable asset management



GRI: G4-2; G4-EC2

## Reinsurance

[Insurance concepts for renewable energies](#)

NATHAN - Geointelligent solutions

Solutions for developing countries and emerging markets

SystemAgro - worldwide crop insurance system

## Insurance concepts for a low-carbon future

Munich Re is actively supporting the role of renewable energies in the transition to a low-carbon energy supply. We offer innovative insurance solutions geared to the potentials of new technologies and their operators, thus promoting the development and propagation of renewable energy sources.

Wind, solar and geothermal energy are in unlimited supply worldwide. Energy supply from resources such as these saves resources, reduces the impact on the environment, and actively contributes to sustainable management and climate protection. As well as opportunities, the technologies required in these fields also harbour entrepreneurial and new kinds of risks, such as fluctuations in wind resource or solar irradiation, or the inadequate productivity of hot water in the case of geothermal drilling. These risks have a direct influence on investment returns. The transfer of these risks to the insurance market improves the plannability of cash flows, thereby supporting business models and investment in technologies for a low-carbon future.



"With our innovative insurance solutions for renewable energies and new technologies, we facilitate the realisation of a great many projects and allow attractive investments to be made for a sustainable future."

Michael Schrepp, Head of Green Tech Solutions, Munich Re

Munich Re's expertise and our cover concepts adapted for these technologies offer capital and revenue protection for technology companies, operators and investors. With our many years' experience from major global projects, we partner consortia through every stage of development and implementation, ensuring the success of ambitious projects, while at the same time making our own contribution to sustainable development.

### ► Performance warranty covers for large companies in the fields "Solar", "Fuel cells" and "LED light technology"

Munich Re has developed new coverage solutions that extend the performance warranty for photovoltaic modules to up to 25 years. This performance warranty cover for operators is supplemented by a further insurance solution that pays compensation directly for guarantee trigger events in the event that a manufacturer should become insolvent, thereby making it much easier to obtain funding for major solar energy projects and giving all the stakeholders greater planning reliability. Since the beginning of 2010, we have insured over 55 solar module manufacturers and projects for performance cover up to 25 years, including a Chinese manufacturer last year in collaboration with our partner company, Ping An. Munich Re also offers similar performance guarantee covers for the manufacturers and operators of solar thermal power plants. In the same way as the risk transfer for PV or wind farms, this technology calls for intensive inspection of the development and manufacturing processes by experts from Munich Re.

Last year, for the first time, we concluded a performance warranty cover for fuel cells. By taking out the insurance, we managed to significantly increase the project rating and, in the process, greatly improve the overall project financing.

The performance guarantee cover for LED modules, the first of its type in the field of energy consumption, is boosting an up-and-coming lighting technology sector. In this sector, manufacturers are offering guarantees for the quality of the light source in terms of lumen and colour consistency for up to five years. The freed-up capital from concluding the insurance can be used for other investments in technology development and market growth.

### ► Comprehensive insurance cover for offshore wind farms

There are ambitious expansion targets for offshore wind energy, particularly in Europe, but also in other regions. The investment costs for offshore wind farms

#### Related topics

[Solutions: Investments in infrastructure focus renewable energies](#)

[Challenges: Climate change](#)

[munichre.com](#)

[Corporate Insurance Partner:](#)

[Special Enterprise Risks](#)

[Corporate Insurance Partner: Green Tech Solutions](#)

[Focus topic climate change](#)

#### External links

[HSB Renewable Energy Insurance](#)

are often in the upper three-figure million or even billion US\$ range. The requirements in terms of materials, logistics and construction are extremely high for offshore wind power plants. Additional substantial costs can already be incurred in the construction phase, but also from serial losses during ongoing operations, and these can impact on returns from the investment. Comprehensive risk management can help reduce such costs.

Our many years of experience makes risks more calculable along the entire length of the value added chain for all the parties worldwide involved in the project. Our expertise, for example in creating international risk management guidelines for offshore wind farms, (Offshore Code of Practice), has also been incorporated. This guideline, which is the first of its kind worldwide, covers all the construction phases for a wind farm.

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► **Productivity risk insurance for geothermal projects**

Geothermal heat can now also be exploited thanks to modern technology: the extracted water at temperatures of well over 100°C can be used in commercial applications such as for district heating systems and electricity generation. However, investors must take into account the fact that, despite painstaking preparatory work, the quantities of hot water found in deep wells may be insufficient to make a geothermal power plant economically viable. Back in 2003, Munich Re became the world's first insurer to develop a policy covering the operator's costs for unsuccessful geothermal drilling projects as well.

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► **Investment security for industrial projects with Project Risk Rating**

Since the start of 2014, Munich Re and the German technical inspection agency, TÜV SÜD, have been offering a [risk rating service for industrial projects](#) (Project Risk Rating). The unique combination of TÜV SÜD's experience in processes and testing mechanisms and Munich Re's risk expertise in global projects and research allows complex investment projects from the areas of infrastructure and renewable energies to be expertly and efficiently assessed. Using a transparent and comprehensible rating system, TÜV SÜD and Munich Re create a reliable basis for sustainable investment decisions.

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► **HSB energy efficiency insurance protects investments in energy efficiency projects**

HSB Engineering Insurance, a British subsidiary of Munich Re, offers insurance for energy efficiency projects on the European market. HSB offers insurance cover, not only for the installed systems, but also for the forecast savings. This is because if projects are calculated incorrectly, or if the installed technologies do not work as planned, the desired savings cannot be achieved. Assuming these risks reduces the technical uncertainties for lenders and operators, thus making investments in the field of energy efficiency a more attractive prospect.

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You can find detailed information on our solutions in the field of renewable energies and new technologies under the headings [Corporate Insurance Partner](#) and [Green Tech Solutions](#).



## Reinsurance

Insurance concepts for renewable energies

[NATHAN - Geointelligent solutions](#)

Solutions for developing countries and emerging markets

SystemAgro - worldwide crop insurance system

## Improving the assessment of natural hazards

In the NATHAN Risk Suite, Munich Re offers unique information and consultancy services that make it easier to identify and assess natural hazard risks distributed over large areas. The classic World Map of Natural Hazards, online tools and, as the most recent addition, mobile solutions are all part of the offering.

The frequency of earthquakes, windstorms and floods and the damage caused by them have been increasing significantly for decades. This trend poses a major challenge for governments, the corporate sector and thus for the insurance industry as risk carriers. Documenting and analysing natural catastrophes are important steps in preparing to cope with looming hazards and developing our ability to identify emerging trends at an early stage. Munich Re makes a major contribution to progress in this field.

### Expert assessments and holistic risk management

Munich Re offers its clients the NATHAN ("Natural Hazards Assessment Network") Risk Suite. This service lets insurers and institutions precisely determine the exposure of specific locations to natural catastrophes, detect substantial gaps in cover and improve envisioned risk management measures. More than 18 million risk location evaluations carried out in 2014 and customer satisfaction of over 90% illustrate the high success levels of NATHAN.

NATHAN draws upon the systematic, global acquisition of exposure and loss data compiled at Munich Re over the last four decades. This comprehensive knowledge, combined with probabilistic risk modelling developed in-house, forms the basis for the NATHAN product. It comprises national and international risk evaluations, spatial analyses and claims overviews. NATHAN is used primarily as an aid for client-specific insurance solutions and processes, and is used as input for scientific and political decision-making processes.



**"The efficient technical implementation options of the NATHAN Risk Suite accelerate complex business processes and significantly improve risk transparency – to everyone's benefit."**

Andreas Siebert, Head of Department, Exposure Analytics & Geospatial Solutions, Munich Re

### Made-to-measure products

The NATHAN World Map of Natural Hazards has been available as a component of the NATHAN Risk Suite since 2011. The maps, developed by geoscientists on the basis of analyses of major catastrophes, indicate degrees of exposure to specific hazards. As an adaptable assessment tool in DVD form, the globe combines Munich Re's accumulated geo-intelligence, for example also in relation to urban areas. Via its [connect.munichre](#) client portal, Munich Re also offers online services that examine individual and portfolio risk analyses featuring high-resolution maps, and entire portfolios for natural hazard exposure.

The new NATHAN Mobile module makes it possible to carry out risk analyses and evaluations anywhere in the world at any time on smartphones and tablets – a truly pioneering innovation. This service is complemented by expert consulting services, for example in risk controlling or for the introduction of geoscientific solutions at a client company.

2014 saw the application nominated for the Digital Insurance and Technology Award. In the same year, NATHAN emerged as the winner in the Geospatial World Excellence Award, Best Application of Geospatial Technology in Reinsurance category.

### Related topics

[Challenges: Climate change](#)

[munichre.com](#)

[Touch Natural Hazards NATHAN Risk Suite](#)

### Downloads

[NATHAN Risk Suite Flyer \(PDF, 381 KB\)](#)

## Reinsurance

Insurance concepts for renewable energies

NATHAN - Geointelligent solutions

[Solutions for developing countries and emerging markets](#)

SystemAgro - worldwide crop insurance system

## Solutions for developing countries and emerging markets

**Munich Re contributes to solutions to address global challenges and to push the frontiers of insurance to new geographies, risks and types of clients. Particularly natural disasters often lead to severe socio-economic consequences for vulnerable developing countries. In form of partnerships with supranational organizations, development banks and –agencies at the national and regional level we contribute to financial resilience of these countries**

Developing countries are particularly vulnerable to natural and man-made catastrophes. Low-income sections of the population in these countries have difficulty protecting themselves against such catastrophe risks. In tandem with investment in risk reduction and avoidance measures, risk transfer solutions can help mitigate the financial impact of catastrophes in the countries affected. Munich Re is therefore involved in collaborations with development banks and organisations in many regions around the world, with the goal of developing and putting into practice risk transfer solutions. For example, these provide the countries affected with prompt funding for emergency aid for their citizens and to pay for clearing-up operations.

But the positive effects of risk transfer solutions extend far beyond the provision of insurance cover. By harnessing our expertise on risk protection methods with local knowledge and infrastructure, we not only contribute to managing global challenges, but also assist governments and economies to identify and assess risks at an early stage, and to design measures based on their assessment to reduce socio-economic losses after natural catastrophes.

Through public-sector partnerships, we play a role in developing international policy and strengthen our voice at international level. Improvements in catastrophe management in vulnerable countries promote fair competition and a more stable business environment. Our clients in traditional reinsurance also benefit from this. We establish better general conditions for secure and responsible investment, and can shape new markets in the medium to long term.

**Realisation of innovative risk transfer solutions: Our management approach**  
Experts in our specialist department Public Sector Business Development (PSBD), working in close collaboration with the business units, provide support to supranational organisations and development banks. These organisations are either our direct clients, or partner us in developing and implementing innovative risk transfer solutions for third parties. PSBD also supports our staff in the various business units, and in direct contacts with our insurance clients on innovative risk transfer solutions for the public sector, or with risks where providing safeguards is in the public interest. We measure our success by the number of transactions and the positive economic and social effects that are achieved. The satisfaction of our clients and business partners is important to us, so we place an emphasis on tailored consultation and support.

**Below we present some examples of risk transfer solutions in the area of Public Sector Business Development:**

### ► Caribbean Catastrophe Risk Insurance Facility (CCRIF)

Munich Re supports the World Bank and the [Caribbean Catastrophe Risk Insurance Facility \(CCRIF\)](#) to set up the first Caribbean cat bond. The limited economic resources among Caribbean countries subject to natural disasters, as well as the dependence on financing from international donors for post-disaster needs, gave rise to the establishment of the CCRIF. The CCRIF is a risk-pooling facility that aims to provide immediate liquidity to Caribbean countries after major natural catastrophes. Munich Re strongly supported the World Bank in the development of the CCRIF by providing technical know-how to the design of the trigger and acting as a key reinsurance partner to the CCRIF.

On June 30, 2014, the CCRIF purchased \$30m of combined tropical cyclone and earthquake capacity with a 3-year term from the capital markets via a cat bond issuance. The transaction is the first Insurance Linked Security (ILS) issuance out of the World Bank's International Bank for Reconstruction and Development (IBRD) and the first cat bond placed for the benefit of a Caribbean sponsor. Munich Re contributed as co-lead structure to World Bank's first cat bond emission using its new Global Debt Issuance Facility.

### ► African Risk Capacity (ARC)

Motivated by recurrent catastrophic drought events in the Sahel, the [ARC Agency](#) was established as a specialized agency of the African Union (AU). In 2014 the ARC Ltd was established as a mutual insurance company in the Bermudas. The objective of ARC is to assist AU Member States to reduce the risk of loss and damage caused by extreme weather events and natural disasters. By now, eight participating countries bought a parametric insurance policy from the ARC. ARC Ltd is capitalized by KfW Bankengruppe (Germany) and the Department for

#### Related topics

[Primary insurance: Microinsurance](#)

#### Related topics

[Munich Climate Insurance Initiative \(MCII\)](#)

[Challenges: Access to financial solutions](#)

[Commitment: Munich Re Foundation](#)

#### External Links

[Munich Climate Insurance Initiative \(MCII\)](#)

[Caribbean Catastrophe Risk Insurance Facility \(CCRIF\)](#)

[African Risk Capacity \(ARC\)](#)

[Pacific Catastrophe Risk Assessment and Finance Initiative \(PCRAFI\)](#)

International Development DFID (UK) and transfers risk to the market in order to build up a sustainable and independent system. The trigger is based on a Water Requirement Satisfaction Index and the Africa RiskView (ARV) model - a model developed by the UN World Food Program to calculate the estimated crop losses and drought response costs. As the Africa Risk View also serves as an early warning mechanism, it becomes clear before the end of the season whether a payout will occur.

If the early warning mechanism kicks in, a "Final Implementation Plan" detailing the use of the payout has to be submitted. The ARC pays out on a nationwide level and the payout is only provided if the government ensures allocation of indemnity to the affected people through a dedicated plan. The recipe for success of Africa Risk Capacity is the combination of risk assessment, contingency planning, implementation planning, risk transfer and rapid availability of funds. These elements as a whole make for a new innovative approach to drought risk mitigation and food security.

Munich Re supports ARC by participating in the reinsurance which globally is providing a capacity of \$55m. Due to drought events in Senegal, Mauretania and Niger in the 2014/2015 season of ARC \$26m have been transferred to the above mentioned affected countries. The use of these funds is informed by the Final Implementation Plans of each country. To provide an example of the measures taken: In Senegal pupils in public schools were provided with food packages.

More information on this project on [artemis.bm](http://artemis.bm).

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► **Pacific Island Catastrophe Insurance Pilot**

The [Pacific Catastrophe Risk Assessment and Finance Initiative](#) (PCRAFI) is a programme financed by various donors and administered by the World Bank. It was established as part of the World Bank's worldwide Disaster Risk Financing and Insurance Program (DRFIP). The aim is to promote insurance solutions as a contribution to financing catastrophe losses in emerging and developing countries. The focus areas here are advising political policymakers, analysing risks and developing outline solutions to finance and insure catastrophe risks. Munich Re, via NewRe in Zurich, is one of five companies involved in reinsuring the project.

The participating Pacific Island Countries (PICs) do not generally have access to the capital markets and therefore cannot raise capital there quickly in order to finance losses following natural disasters. The use of parametric triggers, where payouts are linked to the severity of a natural disaster rather than the actual loss amounts, allows payouts under such insurance programmes to be made in a very short time. The funds that are quickly made available can then be used for emergency aid and for clearing-up operations following a natural catastrophe.

The PCRAFI displayed already its value for the participating countries. After cyclone PAM made landfall in a number of islands belonging to Vanuatu in April 2015 and causing devastating damages, Vanuatu received \$1.9m to support relief and recovery. In 2014 Tonga received \$1.3m in the aftermath of Tropical Cyclone Ian.

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► **"Integrated Financial Management of Climate Risks in Peru's Agricultural Sector"**

Germany's Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and Munich Re are supporting the [establishment of a risk transfer system for agriculture in Peru](#). The project, Integrated Financial Management of Climate Risks in Peru's Agricultural Sector, was launched to achieve this goal. The aim is to develop, in cooperation with the Peruvian authorities, a legal, institutional and structural framework for a system to protect agricultural production against weather-related risks. The project will last for five years and is being sponsored by the International Climate Initiative (ICI) of the German Federal Ministry for the Environment, Nature Conservation, Construction and Nuclear Safety.

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► **Microinsurance – Developing and implementing tailored solutions**

In partnership with primary insurers, other institutions and international NGOs, Munich Re offers [microinsurances](#) for people in exposed regions. Our microinsurance covers are adjusted to the needs of low-income sections of the population, and protect them against losing their livelihoods, while also safeguarding against other risks. In this context, we meet the needs of families and small businesses for risk protection following catastrophe events and, at the same time, make a key contribution to preventing impoverishment. The aim is to develop a viable reinsurance concept that reaches a large section of the affected population.

Through our commitment to developing and emerging countries, we are promoting economic stability and social development on the ground, and also investing in a growth market, and thus in the future of Munich Re. For these reasons, the Group offers microinsurance products not only in the form of reinsurance, but also in its primary insurance (ERGO) and Munich Health segments.

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► **Munich Climate Insurance Initiative (MCII): Climate Risk Adaptation and Insurance in the Caribbean**

Under the umbrella of the [Munich Climate Insurance Initiative \(MCII\)](#) and in collaboration with Munich Re, the Caribbean Catastrophe Risk Insurance Facility (CCRIF), and other partners, a weather-index-based insurance for individuals with low incomes was developed for the Caribbean islands of Jamaica, St. Lucia and Grenada. If pre-defined wind speeds or amounts of rainfall are exceeded, the

[Livelihood Protection Policy](#) pays out to policyholders within a few days. Policyholders also receive a text message warning of the approach of a severe weather event, enabling them to protect their property and ensure their personal safety. A further coverage concept, [Loan Portfolio Cover](#), is currently in the planning stages. This product is intended to protect credit institutes after an extreme weather event, to compensate for potential defaults in payments on small loans to farmers, small businesses and families.

The creation of an insurance solution for weather risks in developing and emerging markets, in conjunction with a loss prevention component, represents an initial operational step by MCII on the road towards establishing a comprehensive natural catastrophe risk management system for low-income regions. The German Ministry for the Environment has made a significant contribution to the financing and structural content of this pilot programme.



GRI: G4-DMA-Indirect Economic Impacts; G4-EC7; G4-EC8; G4-DMA-Society; G4-FS13-14; G4-DMA-Product Portfolio

## Reinsurance

Insurance concepts for renewable energies

NATHAN - Geointelligent solutions

Solutions for developing countries and emerging markets

[SystemAgro - worldwide crop insurance system](#)

## Covering risks in agriculture

Munich Re offers a globally successful crop insurance system: SystemAgro. It helps farmers to protect themselves against weather extremes and the consequences of climate change on the basis of public-private partnerships in which the agricultural sector, the state and agricultural insurers work together.

No other sector of the economy is as dependent on weather conditions as agricultural production. That is why climate change, which is accompanied by greater variability in weather patterns and weather extremes, has a particularly strong impact on this sector. Insurance tools that are successful in providing protection against natural hazards are of great significance for agricultural development and food security.

### Mounting demand for food, agricultural commodities and green energy

At the same time, demand for agricultural commodities is rising. The world's population is continuing to rise, eating habits are changing as a result of increasing prosperity, and the demand for green energy is mounting as our reserves of fossil fuels dwindle. Trends such as these will increase the consumption of agricultural commodities. The UN's Food and Agriculture Organization (FAO) estimates that food production will have to increase by 70% by the year 2050 in order to feed the nine billion people who will then populate the world – an extreme challenge in view of limited land resources and the risks of climate change.



“Insuring risks in agriculture will be a key challenge in ensuring the supply of food, commodities and energy.”

Dr. Joachim Herbold, Senior Underwriter and agricultural risk expert

### Securing investments and agricultural loans

In order to continue to meet the rising demand for food in the future, it will be necessary to invest in improved production technologies for seed, fertilisers and pesticides, as well as in adapted agricultural technologies. The required financing will have to come largely from agricultural loans. Securing these agricultural loans through crop insurance greatly reduces the default risk for banks and increases their willingness to grant agricultural loans.

### SystemAgro – a sustainable insurance system for all farmers

Munich Re evaluated numerous countries' stores of experience with crop insurance systems over the past 30 years and combined this knowledge to create SystemAgro. SystemAgro is based on a public-private partnership between the state, farmers and the insurance sector and is integrated in national agricultural policy through appropriate laws.

The essential success factors of SystemAgro are: state premium subsidies, government catastrophe reinsurance, central structures with uniform insurance rates and conditions, as well as the availability of insurance for all farmers. These factors (which together make up a comprehensive system) have already been implemented in the countries shown in green on the following world map of agricultural insurance. These countries also have the highest level of insurance penetration. In the USA, the world's largest market for crop insurance, the system already protects 114 million hectares that are in agricultural use.

### World map of agricultural insurance

[munichre.com](#)

[SystemAgro](#)

External links

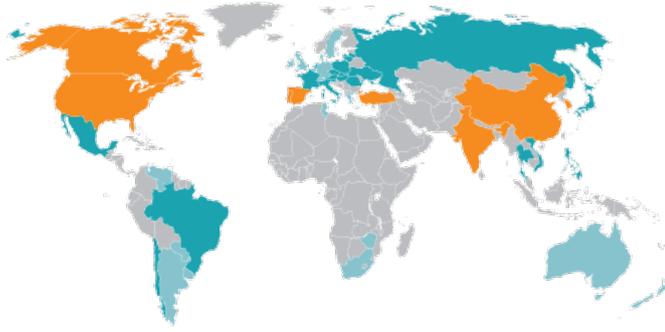
[Food and Agriculture Organization of the United Nations \(FAO\)](#)

Downloads

[Risk management in agriculture: SystemAgro \(PDF, 335 KB\)](#)

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CHARACTERISTICS OF AGRICULTURAL INSURANCE SYSTEMS



- Comprehensive System (premium subsidy and reinsurance of the state in case of catastrophies)
- System with premium subsidies
- Purely private insurance
- No sizeable insurance

Source: Joachim Horbickl, Munich Re

Sustainable crop insurance systems are indispensable for further agricultural development, particularly in the more challenged emerging and developing countries. SystemAgro from Munich Re is thus a response to the pressing problems posed by climate change, population growth, land shortage and globalised agricultural markets.



## Primary insurance

[Ecological insurance solutions](#)

[Microinsurance](#)

## Our insurance solutions help to protect the environment

Many ERGO products factor in environmental aspects. They range from insurance coverage for renewable energies and eco-rates in motor insurance to unit-linked annuity insurance policies that take ecological aspects into account.

The ERGO portfolio includes a range of insurance policies that systematically incorporate ecological factors, or even create incentives for behaviour that protects the environment. The use of renewable energies and related technologies is steadily gaining in significance in every regard. Combined property and business interruption insurance provides ERGO policyholders in this segment with comprehensive, client-friendly protection. The policies are specially tailored to include photovoltaics, wind energy, hydropower, biogas, fuel cells and their special features.

### Our insurances help secure the future of renewable energies

One focus of ERGO's activities is the photovoltaic market. ERGO is one of the few insurers offering innovative coverage extensions such as reduced yield insurance. This offers protection if the expected annual energy yield is not met due to lower global radiation or defective components. Because a minimum yield of 90% is guaranteed, this insurance component also benefits the financing process for the technical equipment.

Since 2012, the field of renewable energies has also made explicit allowance for protection against third party claims under liability covers. The plan includes a specific section with information, clear underwriting guidelines and the particular aspects of cover required to insure against the specific liability risks.



**"Environmental protection and scarce resources demand a new way of thinking about our traditional energy supply. We support the establishment of renewable energy sources using customised insurance solutions."**

Thomas Meyer, Head of Technical Insurance Operations, ERGO

### Rehabilitation of damaged ecosystems

European environmental law holds polluters responsible for causing damage to flora, fauna, bodies of water and soil. ERGO provides coverage for this risk in the form of environmental impairment insurance, which ensures that the damaged ecosystem is rehabilitated. Upwards of 150,000 commercial sector clients have concluded a policy of this type with ERGO.

### Helping clients save energy

ERGO assists its clients by offering suitable insurance products for energy saving too. The current generation of German householders' insurance products, for instance, covers the added cost for acquiring environmentally friendly household appliances if a loss occurs. If older appliances are damaged, ERGO bears the additional costs for purchasing energy-efficient models with eco-friendly standards.

Houseowners' comprehensive insurance automatically covers privately used photovoltaic, solar and heat pump equipment against damage caused by insured perils. Current protection also covers a reduction or default in feed-in tariffs for photovoltaic systems if the system is damaged or destroyed by an insured peril (for example, if privately used photovoltaic, solar or heat pump systems are destroyed by fire or windstorm).

### Low-cost policies for climate-friendly vehicles

ERGO also offers environmentally friendly insurance policies for motor vehicles. In Germany, ERGO promotes the use of electric cars, thus providing incentives for eco-friendly mobility. The company currently offers discounts for motor liability insurance and comprehensive own damage cover for various types of electric cars.

#### Related topics

[Climate change Management](#)

#### External links

[ERGO: Eco-insurance policies](#)

**Environmentally friendly – Unit-linked annuities**

Annuity insurance gives clients the opportunity to protect themselves against various risks and provide for their later years while making sustainable investments. With a unit-linked annuity insurance such as ERGO Annuity Opportunity, you can take into account ethical, social and ecological criteria: In this instance, clients can invest their capital in sustainability funds according to different investment strategies.



GRI: G4-EN7; G4-EN27; G4-DMA-Product Portfolio

## Primary insurance

Ecological insurance solutions

[Microinsurance](#)

## Microinsurance in India – Small policies, big impact

ERGO develops insurance policies tailored to the financial situation and personal circumstances of people in developing and emerging countries. In India, for example, the German-Indian joint venture HDFC ERGO markets a wide range of microinsurance policies in the rural sector, including weather-indexed, health, personal accident and fire, as well as special policies for farmers.

ERGO's insurance products help people in developing and newly industrialising countries protect their vital sources of income at prices they are able to pay. Of the approximately 500 million people around the world who have already taken out microinsurance policies, 60% live in India. According to estimates, significantly more than half of India's population cannot afford traditional insurance.

**Cooperation with local institutions, inexpensive and innovative sales channels**  
Insurers are the main market players and – thanks to their expertise – are in a position to offer microinsurance protection to large numbers of people on a broad regional scale. It is essential with microinsurances that the products are easy to understand and affordable. In addition, they have to be made available in large numbers to customers by using innovative marketing channels.

Within the framework of public-private partnerships, our German-Indian joint venture HDFC ERGO develops a variety of insurance products that are frequently supported by local non-governmental organisations (NGOs) and microfinancing institutions. These cooperations with local institutions, cooperatives and other rural associations have proved an effective way of reaching as many people as possible. Partnerships use existing infrastructures like branch banks or other systems that are increasingly well established in India, such as government-licensed Common Service Centers (CSC). In the province of Uttar Pradesh, for example, sales rooms were set up in around 50 rural supermarkets. Registration is done by mobile phone, allowing cover to be arranged simply and without the need for paperwork.

**Diverse insurance solutions for an expanding market**  
Microinsurance policies from HDFC ERGO range from health, personal accident and property, to covers providing protection against the loss of working animals and crops. A health policy offered in conjunction with the [Biocon Foundation](#) covers expenses for hospitalisation, medical treatment and operations for low-income people at premiums they can afford. Likewise, cover can also be offered for the loss of farm animals, which are absolutely vital for the survival of each household, especially in rural areas, and for damage to tractors.

This allows ERGO to combine social commitment with an investment in a growing market that the United Nations estimates has currently reached only 5% of its potential. In the last financial year, HDFC ERGO wrote a total of more than €60m in gross premiums in the microinsurance segment.



"In the coming years, microinsurance will continue to rapidly grow in significance in emerging countries. Worldwide market potential is estimated at two to four billion clients, and the potential premium volume to range from US\$ 30bn to US\$ 40bn. Insurance companies expect a growth rate of 100% in the coming years."

Andreas Matthias Kleiner, member of the Board of Management of ERGO International AG, responsible for Asia

### Weather insurance – A growth area

As one of the biggest providers of weather policies based on [parametric triggers](#), HDFC ERGO now offers this insurance especially to small farmers in 14 of India's 28 federal states. A simple product design that, for example, provides for payment of a standard benefit whenever the temperature or the amount of precipitation remains below or

#### Related topics

[Reinsurance: Solutions for developing countries and emerging markets](#)  
[Challenges: Access to financial solutions](#)

#### External links

[ERGO: Microinsurance](#)  
[HDFC ERGO India](#)

exceeds specified limits, almost eliminates the financial risk of crop failure in rural regions.

HDFC ERGO has been operating successfully with this business model since 2010, when the Indian government commissioned it as the first private insurance company to develop a government-sponsored "weather-based crop insurance" programme in the four states of Rajasthan, Madhya Pradesh, Karnataka and Tamil Nadu.



GRI: G4-EC7; G4-DMA-Society; G4-FS13-14; G4-DMA-Product Portfolio

## Munich Health

[Sustainable solutions for the health market](#)

[Medical care in developing and emerging countries](#)

[Healthcare and digitalisation](#)

## Sustainable solutions for the health market

**Munich Health offers individual, sustainable solutions for the health market, which is expanding rapidly worldwide. By combining know-how from both the primary insurance and reinsurance segments, we create the basis that enables our clients to achieve success and security in their respective markets.**

The global health market is one of the fastest growing economic sectors and is extremely important for social development in the future. Global population growth, increasing life expectancy and the rising level of prosperity of wide sections of the population, particularly in the developing and emerging countries, are among the most important challenges we face.

The developments in medical infrastructure in many countries, and therefore new markets, are being accelerated by medical advances and by the increasing importance of prevention and disease management programmes to support health preservation. Medical expenses and costs of care are rising sharply, which in turn can often push social security systems to the limits of affordability and increases the need for private sector insurance solutions.



**"With customised services and innovative concepts, Munich Health creates reliable health solutions in the international insurance market."**

Dr. Doris Höpke, member of the Board of Management responsible for Munich Health

To support and participate in sustainable growth in the health markets, Munich Re has bundled its global health expertise in primary insurance and reinsurance under the Munich Health brand. [Munich Health](#) devises integrated solutions tailored to the individual needs of clients in the different markets. We now serve over six million clients in primary insurance and some 400 in reinsurance.

### Optimisation of risk assessments and processes

With our reinsurance solutions, we help primary insurers to keep control of the rising costs for healthcare – in the interests of their clients. In the field of health risk analysis for example, we provide our reinsurance clients with sophisticated programmes and tools for standardised medical risk assessment.

Over the next few years, in an effort to improve standards of care, we will also be significantly expanding the disease management and prevention programmes already in use at our primary health insurance companies, in the interests of the clients and within the framework of data protection regulations.

To enhance the efficiency of internal processes, Munich Health offers modern solution processes and project-related tools, for example for claims notification data transmission and in claims handling. Ultimately, this also benefits policyholders since optimisation measures always have the effect of counteracting rising health costs in the long term.



### Related topics

[Digitalisation](#)

[munichre.com](#)

[Munich Health](#)

### External links

[Munich Health](#)

## Munich Health

Sustainable solutions for the health market

[Medical care in developing and emerging countries](#)

Healthcare and digitalisation

## Medical care in developing and emerging countries

**Munich Health supports stakeholders in developing and emerging countries in establishing and securing a sustainable system of healthcare provision that is affordable for large sections of society.**

Developing and emerging countries face the challenge of swiftly establishing healthcare systems that provide large portions of the population with access to effective, affordable healthcare. Private-sector insurance products, which may be closely intermeshed with state schemes, can play a valuable part in developing and emerging countries.

### Transfer of successful business models to other markets

Munich Health has developed successful concepts that are continually improved and transferred to new markets. For instance, a market-specific model has been developed for the Middle East. Its successful implementation in the United Arab Emirates enabled us to expand Munich Health's presence to Saudi Arabia and Qatar within a short time.

As in industrialised countries, digitalisation is also playing a major role in developing and emerging countries. Mobile solutions for smart phones are helping to offset shortcomings in healthcare infrastructure. They can be used, for instance, to ensure that patients are quickly referred to the right physician in a network of doctors.

Find out more about our challenges "[demographic change](#)" and "[digitalisation](#)" in the section "Strategy and Challenges."



### Related topics

[Digitalisation](#)

[munichre.com](#)

[Munich Health](#)

### External links

[Munich Health](#)

## Munich Health

- Sustainable solutions for the health market
- Medical care in developing and emerging countries
- Healthcare and digitalisation

## Healthcare and digitalisation

The use of new technologies facilitates cost reductions, efficiency gains and enhanced customer satisfaction. Munich Health assists primary insurers to exploit this potential for making health risks sustainably insurable.

The term "business analytics" is often used in connection with big data. "Business analytics" covers various statistical methods and techniques used to analyse large quantities of data. The aim is to identify previously unknown patterns, to subdivide the community of policyholders into smaller and more homogeneous groups, and to assess risks even more accurately with the aid of additional data. Improvements in data analysis and incomparably larger data volumes also make it more likely that previously uninsurable risks can be insured, thus making a contribution towards a sustainable future.



**"A purposeful combination of big data and business/predictive analytics helps to identify and predict individual risks, client behaviour and clients' needs more precisely, so that customised insurance products can subsequently be offered. This allows risks to be insured that have been uninsurable up to now."**

Fabian Winter, Senior Consultant Business Analytics, Munich Health

From the results of the analyses, insurers can learn from the past and forecast developments for the future. With the business analytics approach, Munich Health offers primary insurance clients a central management tool to prepare them for future developments.

### Identifying widespread diseases better with prevention

In the field of prevention too, new technological developments have opened the door for new and intensified activities. An increasing number of health programmes or so-called disease management programmes (DMPs) are being offered specifically for common diseases such as diabetes, back pain or chronic cardiac insufficiency. What are known as wearables, for example, are being used for diabetes prevention and control. Wearables are body-worn devices equipped with sensors for recording vital data and communicating it via an app to patients' smart phones. Doctors can thus monitor their patients remotely, thus establishing a basis for improved healthcare.

It is our aim to further exploit the new digital opportunities to ensure the sustainable insurability of health risks. Over the next few years, in an effort to improve standards of care, we will also be significantly expanding the disease management and prevention programmes already in use at our primary health insurance companies, in the interests of the clients and within the framework of data protection regulations.

On the one hand, business analytics helps insurance companies to select programme participants by evaluating numerous patient data, such as real-time weight and blood pressure. At the same time, it allows for a valid and undistorted measurement of the economic effects.

To this end, Munich Re has developed an analytical procedure for improving patient selection, which was presented in the journal "Health Care Management Science" in 2014. The procedure adds a regression-based component to the classic rule-based approaches, thus permitting individual estimates of the subsequent costs.

### Related topics

[Digitalisation](#)

[munichre.com](#)

[Munich Health](#)

### External links

[Munich Health](#)



## Capital management

### Responsible investment strategies

Questions for Dr. Thomas Kabisch, MEAG

Investments in infrastructure with a focus on renewable energies

## Investment products with sustainable success

MEAG's investment funds demonstrate that economic, ecological and social requirements do not need to be a contradiction in terms. The fund managers at Munich Re and ERGO offer their institutional and private clients the international equity fund MEAG Nachhaltigkeit, and defensive mixed fund MEAG FairReturn, which are geared towards sustainable issues.

The equity fund MEAG Nachhaltigkeit, which was set up on 1 October 2003, invests throughout the world primarily in companies that conduct business in a responsible manner. Companies are selected on the basis of their environmentally friendly and socially responsible behaviour as well as their financial success. This involves supplementing leading equities with forward-looking niche providers. Producers of tobacco, alcoholic beverages, arms and weapons are excluded, as are companies in the gambling industry.

### Private investors benefit from know-how

Secure returns plus protection of endowment capital are the priorities of every foundation. The MEAG FairReturn investment fund established in June 2009 meets both requirements. Fund managers invest predominantly in Europe in accordance with strict social, ecological and financial criteria recommended by the rating agency [oekom research](#). At the same time, there is a requirement for positive growth in value. The fund grew so successfully that MEAG opened it up to private clients at the beginning of 2010 with a separate shareholding class.

2015, for the fourth consecutive year, MEAG FairReturn is named foundation fund of the year. A summary of the reasons as to why the foundation fund received the fund of the year award in 2015 says as follows: "Once again, MEAG FairReturn stands out with its value conception – of key importance for many foundations. Its sophisticated Absolute Return Architecture gives the fund a unique standing in the foundation fund segment. Year on year, the management has reliably avoided heavy losses. No rival product is as exemplary as FairReturn in consistency of returns. Also behind this is the fact that the proportion of equities generally does not exceed 15%. In 2014, yielding a quite acceptable real return of just under 4%, the management performed particularly well."

Our investments adhere to the [Principles for Responsible Investment \(PRI\)](#), which Munich Re signed in 2006 as the first German company to do so.

Read the [interview](#) with MEAG CEO Dr. Thomas Kabisch on Munich Re's understanding of corporate responsibility reflected in its asset management.



### Related topics

[Management: Managing investments](#)  
[Management: PRI reporting](#)

### External links

[MEAG Principles for Responsible Investment \(PRI\)](#)

## Capital management

Responsible investment strategies

[Questions for Dr. Thomas Kabisch, MEAG](#)

Investments in infrastructure with a focus on renewable energies

## Interview with Dr. Thomas Kabisch (MEAG) – “Accepting responsibility”

How is Munich Re's understanding of corporate responsibility reflected in its asset management? In this interview, MEAG CEO Dr. Thomas Kabisch explains why assuming ecological and social responsibility also makes commercial sense.

### What does sustainability in investment mean to you?

For us as Munich Re asset managers, sustainability means not only the integration of ecological and social aspects, but also viability for the future in a broad sense. As a primary criterion, nothing is lasting or sustainable that does not pass the market test. Ecological and social requirements are not contradictory here – behaviour that harms society or the environment is not sustainable and can jeopardise a company's very existence. Recent crises have served to greatly sharpen the focus on the concept of sustainability.



Dr. Thomas Kabisch has been MEAG's CEO since Munich Re's and ERGO's joint asset manager was founded in April 1999.

He is Head of MEAG's Mandate Management Division and thus responsible for the Group's asset management, as well as for MEAG's central functions.

External links

[MEAG](#)

### Do you continually monitor the sustainability of investments you manage?

Munich Re's investments are bundled under the roof of MEAG – a key prerequisite, not only for managing all investments of a group according to uniform rules and principles, but also – and this is very important – for keeping track of all of them at all times. Nowadays, equity markets are so fast-moving that challenges for portfolio and risk management can arise every day, perhaps even every hour. Sustainability means that excessive risk-taking can ideally be averted at any time.

### Does this mean that sustainability is another term for defensive risk culture?

This view applies to investment. Excessively high risks are eliminated in the investment process, or low risks given preference where other risk circumstances are identical. This means that, in investment management, identifying financial risks traditionally involves a high level of expertise. Furthermore, we take ecological, social and economic criteria into consideration in our investment decisions. These include key ecological indicators such as energy consumption and environmental management. Staff programmes and social standards are examples of social criteria, much as corporate governance and risk management systems are of economic criteria. We factor all of these in to keep risks low.

### Are the risks for all investment types clearly defined along the lines of your sustainable approach?

Sustainable investment criteria have not yet been defined for all asset classes. The blank spots on our sustainability map are being filled in gradually on the basis of criteria developed in-house and those available externally. One example of this is our historically evolved real estate portfolio, amounting to almost €10bn, which is being successively reviewed. For newly acquired real estate, we have already developed sustainability criteria (such as energy efficiency and construction materials) which we apply for purchases, building and renovation.

### So you do not have standardised sustainability criteria, but different ones, depending on the asset class?

As understandable as the desire for standardised sustainability classes may be, asset classes are different, as are the expectations and requirements of an investment as part of a business model and an investor strategy. Sustainability must always be seen

from the viewpoint of the respective investor. The framework is established by common principles and standards which are broken down according to needs, and thus defined.

**Are the specific criteria then not as decisive as the overriding approach?**

In sustainable investment, the focus is often only the criteria for selecting titles. This is not enough. Investment is only sustainable when strategy, organisation and realisation of investment management are also viable for the future. This includes adherence to asset-liability management, the entire investment structure and process, the risk-taking culture and observance of fundamental investment principles.

**Is sustainability worth it from an economic viewpoint?**

Scientific research has furnished evidence that the performance of sustainable investments can keep up with conventional investments, and even exceed them. Risks can be reduced considerably in the long term. Of the more than 100 studies analysed by Deutsche Bank, 89% show that companies with sustainability management in place show stronger economic growth. But there will continue to be phases in which the sustainable approach does not necessarily come out on top against the classic approach. All things considered though, sustainability is worth it.



## Capital management

Responsible investment strategies

[Investments in infrastructure with a focus on renewable energies](#)

## Investments in infrastructure with a focus on renewable energies

Renewable energies are a necessary component of the future energy mix. To ensure that the company is not only promoting sustainable energy generation but also taking advantage of it, Munich Re also invests in the necessary energy infrastructure.

MEAG, Munich Re's asset manager, invests in global infrastructure projects. These include direct equity investments in solar parks and wind farms as well as participations in a power grid and a natural gas grid. By the end of the 2014 financial year, these investments totalled some €1.5bn.



**"With these investments, synergies are generated on both sides of the balance sheet. Among other things, internal experts assess the technical risks of potential investments on the insurance side, and then make the assessment available to asset managers for their investment decisions."**

Gernot Löschenkohl, Senior Investment Director, Asset Liability Management

In the coming years, we will increase our investments in infrastructure to a cumulative total of €8.0bn, given stable parameters and the achievement of an adequate return. To this end, we plan to extend our commitment to infrastructure via third-party capital in a low single-digit billion euro amount. We are aiming to achieve this by continuing to strongly diversify our infrastructure investments, both regionally and by segment. This will enable us to obtain a spread of the technological and political risks, and thus of this portfolio's main risk drivers.

On the underwriting side, Munich Re has been involved in renewable energy for many years and in developing innovative insurance solutions. Our commitment has a double leverage effect: by using our risk knowledge to promote both new technologies through investments and innovative coverage concepts, we contribute to the advancement of social developments.



### Related topics

Challenges: Vulnerable Economies  
Globalised financial markets  
Solutions: Insurance concepts for renewable energies

» Home » Commitment

**"The social commitment of large companies like Munich Re America increasingly shapes our societies."**

Tony Kuczinski, President and CEO, Munich Reinsurance America, Inc.



- Related topics
- [Social commitment indicators](#)
- Downloads
- [Corporate citizenship guidelines \(PDF, 418 KB\)](#)

## Commitment

Our corporate citizenship concept: Responsibility for the community

Corporate citizenship has a long tradition at Munich Re. We are involved as promoters, donors and co-sponsors of innovative projects and ventures, and these activities form an indispensable part of our corporate responsibility.

Our concept for the strategic orientation of our social commitment is based on business-related topics, while specific guidelines help us to select donations and sponsorship projects. To create a framework for our Group-wide social commitment, the Board of Management has set out binding criteria and conceptual parameters. A corporate citizenship concept for the Munich Re Group sets out clearly defined funding guidelines.



Focus areas of our commitment

In addition to providing basic assistance for social and cultural projects at corporate locations, we focus on topics that are related to our business activities. These are mainly projects from the fields of natural catastrophe prevention, the protection of natural resources, and healthcare promotion. With these aims in mind, Munich Re enters into partnerships with charitable and non-profit organisations at national and international level.

» Focus areas



Commitment of our foundations

Munich Re's project commitments are complemented by the activities and projects of our four foundations: the Munich Re Foundation, the Dr. Hans-Jürgen Schinzler Foundation, the ERGO Foundation "Jugend & Zukunft" (Youth and Future) and the DKV Foundation "Integralia".

» Foundations

Find detailed social commitment indicators [here](#).



## Focal areas

Education and science

Natural catastrophes and environment

Health and demographics

Art and Culture

Social commitment

## Supporting university, school and vocational education

For Munich Re, as a financial services provider, comprehensive knowledge and a good level of education/training rank high. Our knowledge of risk is the cornerstone of our business. Our social commitment therefore focuses on the areas of science and education.

### ► Stifterverband für die Deutsche Wissenschaft

As an active company in the [Stifterverband für die Deutsche Wissenschaft](#) (Association for the Promotion of Science and Humanities in Germany) – Chairman of the Board of Management, Dr. Nikolaus von Bomhard, is Vice-President of the Presidential Council – Munich Re is committed to enhancing Germany as a location for science and scientific research. With an education initiative planned to run until 2020, the Stifterverband wants to achieve better education in Germany and implement this initiative with projects and collaborations in the fields of international education, education clusters, MINT education (mathematics, informatics, natural sciences and technology) and teacher training. The focus is on the structural internationality of German universities, the strengthening of regional alliances for successful recruitment for the job market, and on increasing diversity in science and technology subjects and in teacher training.

### ► Munich University Society

Munich Re has been supporting the [Ludwig Maximilian University in Munich](#) with its commitment to the Munich University Society since 1922. The Society's task is to promote university research and academic teaching outside the public service remit. The University Society helps fund a large number of scientific projects, interdisciplinary visiting professorships and lecture series, national and international scientific congresses, as well as collaborations and exchange programmes with other universities. In addition, the Society donates awards and sponsorship prizes for new academic talent at the Ludwig Maximilian University and granted 30 Deutschlandstipendien (Germany scholarships) in 2014. Munich Re is involved as a major donor and has members on the Society's Board.

### ► ERGO: Germany scholarships and the Dr. Kurt Hamann Foundation

ERGO supports young people pursuing university education. As part of the Deutschlandstipendium of the State of North Rhine-Westphalia and in cooperation with the Dr. Kurt Hamann Foundation, which promotes research projects in the field of insurance sciences, ERGO has been supporting talented students and degree candidates in Düsseldorf, Cologne and Mannheim. Within this framework, ERGO operates targeted funding programmes in Latvia which enable orphans to gain a university education.

### ► European Mathematical Society

To raise awareness of mathematical correlations and arouse enthusiasm for this science among young people, Munich Re has been supporting the knowledge portal of the [European Mathematical Society](#) since 2009. The core scientific content of this field is regularly defined by the European portal coordinators involved. Updating and continuously broadening the exchange of information at the European level for the benefit of this science are the central tasks of this platform.

### ► Joblinge

Many talented young people often lack the means to make the most of their potential. Munich Re endeavours to provide long-term, effective assistance by supporting the "Joblinge" non-profit initiative – a joint national programme sponsored by business, government and society for unemployed youngsters with limited qualifications. Apart from financing two scholarships, several Munich Re employees also serve as mentors for this project, sharing their practical and professional expertise with young people to help them gain a footing in the world of work.

### ► Rock Your Life!

ERGO Direkt supports the "Rock Your Life!" initiative at its Nuremberg location.



Ludwig-Maximilians-Universität Munich



Ludwig-Maximilians-Universität Munich



Joblinge

#### External links

- [ERGO: Commitment to education and science](#)
- [German Mathematical Society \(German only\)](#)
- [European Mathematical Society](#)
- [Association for the Promotion of Science and Humanities in Germany \(German only\)](#)
- [Munich University Society \(German only\)](#)
- [Joblinge \(German only\)](#)
- [Rock Your Life!](#)
- [Michigan Mobility Transformation Center](#)
- [Hands-On Mathematics](#)

This provides young people from socially deprived situations with support for the start into their future. Pupils receive direct coaching with a university student for comprehensive job orientation, as well as individual support on their way into work or higher education. These projects are currently being carried out in more than 40 German cities.

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► **Reading Corners**

An ERGO project in China does educational work in rural areas. Three reading corners with furniture and over 300 books were set up in public places in Shandong Province. They are used particularly to introduce children and women from socially marginalised groups to reading, with the aim of broadening their knowledge horizon and improving their personal perspectives. Following the successful start to the project in 2013, a further eight reading corners were opened in 2014.

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► **Michigan Mobility Transformation Center**

Munich Re supports the University of [Michigan's Mobility Transformation Center](#) (MTC) through its Affiliates Program. The MTC is a public-private research and development partnership which will revolutionise mobility. It is working to develop the foundations of a commercially viable ecosystem of connected and automated vehicles. One of the central goals is to develop and implement an advanced system of connected and automated vehicles in Ann Arbor by 2021.

Connected and automated vehicles partly or fully remove the human from the complex sensing, monitoring, and control processes involved in motor vehicle driving. Travellers and vehicle occupants will benefit from new, enjoyable on-demand services, reduced stress and better use of travel time. Since driver error is responsible for approximately 93% of US fatal crashes, we will see a dramatic improvement in crash avoidance and traffic behaviour in addition to a reduction in energy consumption. The ever more protective, generic vehicle structures designed for crash survival will no longer be needed. Instead, designs will become more nimble and responsive to user needs, as well as highly efficient relative to energy needs and carbon emissions.

By comparison, current transportation systems that move people, goods, and services in societies worldwide pose unprecedented environmental, economic and social challenges. There is an increasingly urgent need to reduce the number of crashes, relieve congestion in urban centres, cut back on carbon emissions and pollution, conserve resources and maximise transportation accessibility to growing populations.

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► **Hands-On Mathematics**

Mathematics is not only one of the oldest sciences there is, it is also essential for the insurance industry. The complexity associated with this subject stops many people from getting more closely involved in it. The "[Hands-On Mathematics](#)" touring exhibition uses experiments and interaction to try to explain mathematical phenomena and bring them closer to visitors. This understandable and entertaining exhibition has already appeared in several hundred places and had over a million visitors. ERGO Austria is supporting the exhibition in Vienna.

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Organisations supported by Munich Re:



## Focal areas

Education and science

**Natural catastrophes and environment**

Health and demographics

Art and Culture

Social commitment

## Prevention and adaptation measures

The risks from the increasing number and intensity of natural disasters and the changes in our environment are many and varied. Munich Re's commitment in the social sector therefore also includes prevention and adaptation measures for future protection against natural disasters, primarily for people in emerging and developing countries.

### ► Natural disaster prevention project in India

Munich Re has been cooperating with the [GeoHazards International](#) (GHI) organisation since 2012. The cooperation supports the city of Aizawl in northeast India with loss mitigation in the event of earthquakes and landslides. Aizawl was identified as a city that is particularly at risk due to its mountainous topography, its geographical isolation and the structure of its buildings.

The project supports and educates authorities and decision-makers in Aizawl. GHI has founded a technical council for this purpose. Experts have examined the susceptibility to damage of the buildings and infrastructures, developed a scenario, and derived specific prevention measures for the city. GHI is supporting the city with implementation of the proposed measures and is training geologists, thereby ensuring improved safety for the population in the future too.

After a landslide in May 2013 in which 17 people lost their lives, Munich Re provided additional funding. The Landslide Policy Committee for Aizawl was started with the help of GHI. An action plan was developed, risk maps are being created together with GHI, and specific land-use regulations are being implemented.

The aim of the project is a long-term improvement for the population of Aizawl. Information and education for political decision-makers as well as for society are important measures, and capacity building thus takes place at the political and social level. As a renowned partner with experience in India, GHI ensures that the expected benefit can be realised.

### ► Australian Business Roundtable for Disaster Resilience and Safer Communities

Australia is highly prone to a wide range of natural disasters, including catastrophic floods, cyclones, storms and bushfires. [The Australian Business Roundtable](#) for Disaster Resilience and Safer Communities was founded to support the development of a more sustainable, coordinated national approach to tackling these and other natural catastrophes. Its vision is to help develop a national, long-term preventive approach to managing natural disasters and protecting communities.

The Roundtable was formed by the Chief Executive Officers of the Australian Red Cross, the Insurance Australia Group, the Investa Property Group, Munich Re Australia, Optus and the Westpac Group. The CEOs created the Roundtable because all of them believe that having resilient communities that can adapt to extreme weather events is of national importance. This is the first time such a broad spectrum of organisations have come together to champion this issue.

The Roundtable was one of three finalist projects for the United Nations Sasakawa Award for Disaster Reduction and was given a Certificate of Distinction. This is the first time in the 29-year history of the awards that such a certificate has gone to a private sector organisation.

### ► Water Benefit Partners in India

In the framework of a public private partnership created by [Water Benefit Partners](#) (WBP) and the [Swiss Agency for Development and Cooperation](#) (SDC), we, together with international partners such as SGS, The Gold Standard, Carlsberg, the International Red Cross and the Swiss Federal Department of Foreign Affairs, have committed to developing an innovative financing mechanism – the so-called Water Benefit Standard – for additional water projects in regions with severe water shortages. Two Munich Re employees from different divisional units are contributing their expertise to coordinate and support this process on a voluntary basis.

Similarly to the proven CO<sub>2</sub> certificates, results-oriented water certificates are given to successful water-saving projects. Companies, foundations, governments and private individuals support new water projects by buying certificates.

The first pilot projects in India, for example new irrigation technology for sugar cane cultivation, optimisation of the drinking water supply and the introduction of general hygiene standards, are currently under way and will be scientifically evaluated after their conclusion.

### ► Institute for Business and Home Safety (IBHS)



Australian Business Roundtable

Robert Tickner CEO, Australian Red Cross and Julie Batch, Chief Analytics Officer, Insurance Australia Group, as representatives of Australian Business Roundtable, receive the Certificate of Distinction at the UN Sasakawa Award.



Dr. Janise Rodgers, GeoHazards International

Project geologists Dr. Victor Ralte of Mizoram University and Dr. Leonardo Seeber of Lamont-Doherty Earth Observatory at Columbia University, and project geophysicist Dr. Vineet Galahlaut of National Geophysical Research Institute, Hyderabad (left to right) examine a rock outcrop south of Aizawl.



Munich Re of Malta

Afforestation measures in Malta

### External Links

- [GHI](#)
- [Water Benefit Partners](#)
- [IBHS](#)
- [Australian Business Roundtable](#)
- [Rare –Solution Search](#)
- [BLICKWINKEL ELA](#)

In the USA, [Munich Re America](#) and the [American Modern Insurance Group](#) support the [Institute for Business and Home Safety \(IBHS\)](#) in a partnership. Independent experts and scientists use natural disaster and hazard scenarios to verify the safety and building standards of private and commercial buildings. The results of this research are then used as recommendations for the US building commissions and regulations. This prevents damage and minimises risks of central importance not only for the population but also for insurers.

Buildings that meet the latest safety standards can withstand the elements better than buildings erected to the old standards. Losses caused by storms and earthquakes are extremely expensive and can be largely prevented through efficient measures taken in the construction phase and through careful planning. This makes the insurance industry one of the main advocates for implementing higher building standards, as this allows it to reduce its risk provisions. For building owners, higher resiliency standards mean lower insurance premiums.

An IBHS study about Hurricane Charley on the US East Coast in 2004 proves, for example, that compliance with the relatively high building standards (in an American context) reduced the severity of the damage there by 42% and the frequency of damage by 60%. In another case, scientists from Louisiana State University found that more stringent building standards would have reduced the storm damage from Hurricane Katrina in 2005 in the southern US by nearly 80%.

Munich Re America is currently developing a tablet application that tells people how to build to "IBHS Standards". Our goal is to show how building owners can make houses and business safer in cost-efficient steps. The app will be available free of charge from the iTunes and Google Play stores.

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#### ► Rare

Munich Re America is one of the sponsorship partners for Rare's [Solution Search](#) on "Reducing Our Risk". Rare has found that solutions to some of the world's greatest conservation and development challenges can already be found in local communities around the globe. In many instances, however, these solutions remain on the local level and go unnoticed by the wider community. What is already working must be publicised and highlighted so that practitioners around the world can expand the impact of the solutions as they replicate proven success. Solution Search is an innovative contest created by Rare and designed to identify and highlight the most effective solutions to global conservation challenges. The contest sources, rewards and disseminates what is already working in the fields of conservation and development.

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#### ► EKO Amigos

DKV Seguros is the promoter of the "EKOamig@s" (eco-friends) project, in which 60 volunteer employees encourage their colleagues to behave in an environmentally friendly way. In 2008, an internal communication plan was launched in the company to involve employees in reducing environmental impact. Specific actions were developed in each workplace, while at the same time, DKV Seguros invented the figure of EKOamig@, a committed person who acts as a spokesperson on environmental issues at every workplace.

EKOamig@ informs colleagues about environmental actions taking place in the company and gives practical advice on how to assist in reducing environmental impact. Guidance is offered in various fields of action, including energy, use of resources and waste management.

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#### ► Afforestation measures in Malta

Since 2010, the Munich Re of Malta team has been planting around 200 trees each year in various parts of the island, as part of the Maltese government's "34U" tree-planting campaign. In 2014 and 2015 too, the team repeated the action, thereby making a contribution to environmental protection and sustainability. The thousandth tree was planted in 2014. The need to afforest the Maltese islands arises from the high population density and the rather sparse vegetation. A large part of the land surface is paved, and trees are rare. The Munich Re of Malta team is doing its bit here, in line with the Munich Re sustainability concept.

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#### ► "Blickwinkel Ela" alliance: Reforestation in the Düsseldorf metropolitan area

Düsseldorf lost almost 40,000 trees in a devastating storm (Storm "Ela") on 9 June 2014. To deal with the severe damage, which ran into the millions, the municipality had to rely on the help of its citizens. "Blickwinkel Ela" took it upon itself to get actively involved, in a committed and transparent way, in the city's reforestation. Besides ERGO, the Düsseldorfer Jonges local association (Heimatverein), the insurer ARAG and the Fritz Henkel Foundation are also involved.

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» Home » Commitment » Health and demographics

## Focal areas

|                                      |
|--------------------------------------|
| Education and science                |
| Natural catastrophes and environment |
| <b>Health and demographics</b>       |
| Art and Culture                      |
| Social commitment                    |

## Education and prevention

Munich Re is committed to helping create a healthier society. With their comprehensive expertise as health insurers, the subsidiaries ERGO and DKV can set special focuses in this area. They thus support health education, promote physical activity and finance life-saving research.

In spite of all medical progress, some diseases cannot be cured. Many of them can be treated if they are diagnosed in time. For others, the risk of illness can be reduced significantly through prevention, e.g. with regular physical activity and a healthy diet. It is therefore in the best interest of Munich Re and particularly their primary insurers to provide health education and targeted support for the prevention, diagnosis and treatment of diseases.

### Cooperation with "The Global Fund"

In 2015, Munich Re signed a three-year cooperation agreement with "The Global Fund to Fight Aids, Tuberculosis and Malaria". The Global Fund (TGF) is one of the largest international financing institutions dedicated entirely to gathering and disbursing resources to prevent and treat these three deadly diseases. As part of this project, Munich Re contributes risk management and insurance expertise to help The Global Fund identify and effectively manage risks through applying appropriate solutions.

The partnership will be mutually beneficial. While TGF will have access to valuable risk management expertise, Munich Re will gain access to a new market: the non-governmental sector. The cooperation focuses on identifying risks in The Global Fund's supply chain linked to procurement initiatives that are already in place. Munich Re also gives advice and proposes risk management solutions to maximise effectiveness in implementing programmes.

By understanding the NGO sector, tailoring products to cover needs better, and designing new products for such institutions, insurance providers can enable them to achieve their goals more efficiently and effectively.

### About "The Global Fund"

The Global Fund is an international financing institution dedicated to collecting and disbursing resources to prevent and treat HIV and AIDS, tuberculosis and malaria.

The Global Fund promotes partnerships between governments, civil society, the private sector and affected communities, which is the most effective way to reach those in need. This innovative approach relies on national ownership and performance-based funding, meaning that people in countries implement their own programmes based on their priorities, and The Global Fund provides financing where verifiable results are achieved.

Since its creation in 2002, The Global Fund has supported more than 1,000 programmes in more than 140 countries, providing AIDS treatment for 6.1 million people, anti-tuberculosis treatment for 11.2 million people and 360 million insecticide-treated mosquito nets for the prevention of malaria. The institution collaborates closely with other bilateral and multilateral organisations to supplement existing efforts in dealing with these three diseases.

As a public-private partnership, The Global Fund receives contributions from governments and private-sector partners. In 2013, the world's leading companies provided The Global Fund with a staggering US\$ 12bn to support countries in fighting these three infectious diseases over the next three years – a truly global initiative.

### Klasse in Sport

Physical education in schools has been proven to promote the physical and cognitive development of children. With the "Klasse in Sport" (Class in sport) initiative, ERGO sponsors daily qualified PE lessons at 26 primary schools across the country and also supports the advanced training of teachers to this end.

### Campus Thao

In Spain, DKV supports "Thao", a community programme for the prevention of overweight and obesity in children. The aim of the initiative is to spread the word among the population about a healthy lifestyle in line with the UN philosophy and the "NAOS" [nutrition, physical activity and obesity prevention] strategy, particularly targeting young people. To achieve this, Thao goes to a different city every three months, giving dietary recommendations and promoting healthy food.

At the same time, Thao provides teachers with supporting classroom materials, and the school kitchens cook food with correspondingly healthy ingredients. This promotes a varied and balanced diet as well as physical activity. DKV and Thao



Klasse in Sport



© M.Schickedanz Kinderkrebsstiftung

Children's cancer ward in Cuzco, Peru

### External links

- [ERGO: Health & Sport](#)
- [DKV: Run \(German only\)](#)
- [DKV: Viva la vida](#)
- [Campus Thao](#)
- [Madeleine Schickedanz-KinderKrebs-Stiftung \(German only\)](#)
- [The Global Fund](#)

### Downloads

- [DKV report: How healthy are Germans? \(German\)](#)

have also launched another project called "Caminos de salud" (Ways to health), which encourages people to combat overweight and obesity through regular physical activity.

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#### Run

Promoting physical activity is an important part of our social commitment. After all, exercise promotes good health and helps prevent illness. DKV, the ERGO health insurer, uses the "Run" initiative to encourage people to take control of their own health and get plenty of exercise as a step in the right direction. The annual "DKV bridge run" and "DKV team run" sports events combine exercise with a good cause. Instead of an entry fee, participants are asked for a voluntary donation which is then rounded up by DKV. The money collected is donated to the Cologne child welfare association.

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#### Madeleine Schickedanz-KinderKrebs-Stiftung

As one of the main sponsors of the [Madeleine Schickedanz-KinderKrebs-Stiftung](#) (Madeleine Schickedanz Children's Cancer Foundation), ERGO contributes to childhood cancer research, improving the chances of recovery for young cancer patients. The foundation is supported through different projects. During the nationwide "Bike to work" campaign, for example, each kilometre cycled by the ERGO Direkt team was sponsored with 50 cents. In 2014, ERGO Direkt was able to donate €100,000 to the foundation.

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#### 1,000 Kilometres against cancer

Since 2010, the Flemish Anti-Cancer League has staged the 1,000-kilometre "Kom op tegen Kanker" (Fight Against Cancer) event, in which the participating teams have to cover a total of 1,000 kilometres by bike within four days. But it is about much more than sport – the ride is a sign of solidarity against giving up. The participants encourage affected patients and their families in their fight against the disease. The entry fees also make it possible to improve cancer research. DKV Belgium makes a sporting and financial contribution with two teams of riders.

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Organisations supported by Munich Re:



## Focal areas

- Education and science
- Natural catastrophes and environment
- Health and demographics
- Art and Culture**
- Social commitment

## Sponsoring culture - A tradition of involvement

Cultural commitment is one of Munich Re's long-standing traditions. This applies in particular to contemporary art as an expression and reflection of an open and interested society and as a barometer for innovative ideas.

Both sides benefit from an exchange between culture and industry. While many cultural projects only become possible with financial support from businesses, the creativity and aesthetics of the arts in turn create major inspiration for staff and for society.

Our membership of several support and sponsor groups for cultural institutions in Munich, such as the Pinakothek Society or our partnership with the Städtische Galerie im Lenbachhaus, underline our cultural commitment.

### ► The Munich Re art collection

Munich Re's appreciation of art has a long-standing tradition. Founder Carl von Thieme recognised the inspirational power of contemporary art and enjoyed engaging in dialogue with artists. In 1912 and 1913, he commissioned a number of young artists to decorate the newly completed Main Building at Königinstrasse in Munich, laying the foundation for our art collection and our cultural commitment.

Our corporate art collection has always been an integral part of the Munich Re corporate culture. Works of contemporary art are continually being added to it. The art collection in Munich currently comprises more than 2,500 works from international artists. In addition to established artists, we provide targeted support for promising young talent in the visual arts.

### ► Städtische Galerie im Lenbachhaus und Kunstbau München

Munich Re has had a collaboration project with the Städtische Galerie im Lenbachhaus and Kunstbau since December 2012. The curators of the two houses work together on content and overarching concepts to develop exhibition, teaching, publication and events formats for the Städtische Galerie with financial support from Munich Re. In keeping with the guiding principles of the Lenbachhaus and Munich Re's corporate citizenship concept, the collaboration focuses on projects dedicated to the communication of contemporary culture, while critically addressing social issues.

In addition, Munich Re has created a research position. The Munich Re traineeship for promoting young scientists is a trial model aimed at bridging the gap between academic training and occupational requirements. "I got to have one of those" is the title of this year's exhibition which is being held as part of the collaboration. The new presentation of the Lenbachhaus's extensive collection of "Art after 1945" opened on 18 May 2015.

### ► Bayerische Philharmonie Orchestra

In 2013/14, Munich Re is sponsoring the Bayerische Philharmonie Orchestra, and with it the education and development of young prodigies. The Bayerische Philharmonie Orchestra provides broad support for young musicians, ranging from first practical experiences in orchestral performances to professional preparatory orchestra academies. With Munich Re support, the 4th and 5th Orff Days honouring renowned Munich composer Carl Orff (1895 – 1982) were held at the Munich Philharmonie in Gasteig Culture Centre in 2013 and 2014, drawing avid public interest. For their 20th anniversary in May 2014, the Bayerische Philharmonie Orchestra presented their anniversary concert in this context. "Carmina Bavariae", the piece commissioned by composer and singer-songwriter Konstantin Wecker was performed as a revival from the "1st Orff days of the Bayerische Philharmonie Orchestra" as well as Carl Orff's most famous work for symphonic choir – "Carmina Burana".

### ► 3-2-1 Ignition

ERGO has been supporting the young musicians' concert series "3-2-1 Ignition" since 2009. The Junge Tonhalle programme at the Tonhalle in Düsseldorf offers young people a special experience with classical music.

### ► SingPause (schools singing project)

In the "SingPause" project sponsored by ERGO, trained singers visit Düsseldorf primary school classes twice a week to work together with the children on a broad international repertoire of songs. This model project for early music education has now reached 13,400 children – from all social backgrounds – at 60 schools around the city. This is about two-thirds of all primary school pupils in Düsseldorf. Besides a sound, basic education that can serve as a foundation, the teachers above all want to cultivate enjoyment and enthusiasm in the children through



Städtische Galerie im Lenbachhaus und Kunstbau München



Bayerische Philharmonie

### External links

- [ERGO: Commitment to music](#)
- [CAMPUS – Bayerische Staatsoper](#)
- [Munich Re art collection](#)
- [Bayerische Philharmonie \(German only\)](#)
- [Kulturkreis der deutschen Wirtschaft \(Association of Arts and Culture of the German Economy\)](#)
- [Lenbachhaus \(German only\)](#)
- [SingPause \(German only\)](#)
- [3-2-1-Ignition](#)
- [Florence Griswold Museum](#)
- [ArtsWave](#)

singing. As a "by-product", the project also improves social behaviour and concentration.

► Florence Griswold Museum

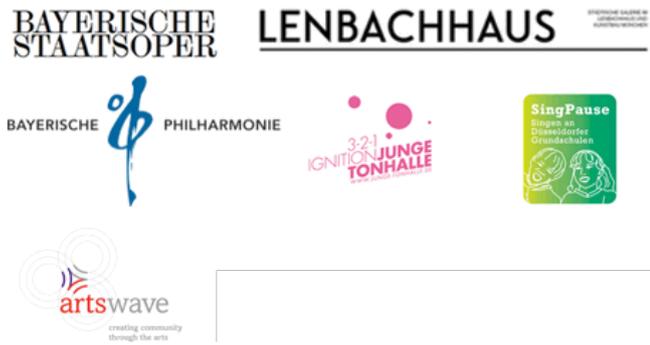
Hartford Steam Boiler's (HSB) Fine Arts Collection has increased the [Florence Griswold Museum's](#) capacity to serve, educate and inspire the public. The museum shares Connecticut's artistic heritage with visitors from all over the world. In addition to gifting the HSB Fine Arts collection, HSB has a long history of sponsoring (1987-2015) exhibitions with related educational programmes, as well as making significant gifts to several campaigns.

► ArtsWave

Cincinnati has one of the most vibrant arts communities in the United States. With the help of tens of thousands of donors, [ArtsWave](#), a local arts agency and the nation's largest community campaign for the arts, supports more than 100 arts and community organisations. Music, dance, theatre, museums, festivals, and more, are happening in large and small ways in neighbourhoods all over – making communities more exciting and lively, and bringing all different kinds of people together throughout the area.

American Modern has raised funds for ArtsWave for more than 20 years and runs an employee campaign where our associates can donate. In March 2015, its employees surpassed the annual fundraising goal by nearly \$3,000, pledging more than \$62,000. Together with American Modern's corporate contribution, the total raised was more than \$102,000. "Investing in the arts is an important part of fostering a dynamic community," said Kerri Coburn, Vice-President Client Operations & Personal Lines Underwriting, and Chair of American Modern's 2015 ArtsWave campaign. "As a singer and performer, I am proud of American Modern's continued commitment to Cincinnati theatre, music, art and more."

Organisations supported by Munich Re:



## Focal areas

- Education and science
- Natural catastrophes and environment
- Health and demographics
- Art and Culture
- Social commitment**

## Our social commitment

Munich Re and its staff support social institutions and projects in Germany and throughout the world. In addition to the financial help we provide, our employees also show personal commitment: They volunteer for charity initiatives or take part in sports events. The Munich Re (reinsurance) corporate volunteering activities are coordinated and supported by the Dr. Hans-Jürgen Schinzler Foundation.

One main focus is the integration of people with disabilities in all companies within the Group, following the example of the DKV "Integralia" Foundation in Spain. A selection of our numerous projects is listed below. More information about the individual foundations of Munich Re (Group) can be found on our pages about the foundation work.

### ▶ Pfennigparade

We attach great importance to the integration of people with disabilities. To this end, Munich Re has for ten years now been working together with the "Pfennigparade" Foundation, one of the largest rehabilitation centres for people with physical disabilities in Germany. This cooperation is based on a bilateral social partnership agreement.

Suitably qualified employees from the "Pfennigparade" Foundation – with due regard to their physical capabilities – support Munich Re in a whole range of areas, projects and work processes, e.g. in IT, accounting and purchasing. The employees are deployed in the same manner as external service providers and work either directly at the Munich Re offices in Munich or in the foundation's own workplaces, depending on the job in question.

### ▶ „Arbeit für Menschen mit Behinderung (AfB)“

ERGO Direkt helps to provide jobs for people with disabilities and, to this end, has been working with the first non-profit IT system house in Germany since 2007. In collaboration with charity organisations, used IT hardware is given to AfB, where it is refurbished and then donated to or sold for charity. Employees can, for example, donate their used PCs to support social institutions such as schools or nursery schools.

### ▶ Integration at Hestia in Poland

We also integrate people with disabilities directly into the company at the Munich Re offices internationally. An excellent example of integration is ERGO Hestia in Poland: physically disabled employees provide customer service over the phone. The project is supported by the company's own foundation, which follows the integration model of the "Integralia" Foundation of the Spanish DKV Seguros.

### ▶ Cooperation between D.A.S. and the integration company ICP

ICP looks after children, young people and adults with infantile cerebral palsy (ICP) at its various facilities. Since September 2010, D.A.S. has been cooperating with ICP's Munich-based integration company, ICP Verwaltungs- und Service GmbH, helping severely disabled employees to get started in the primary labour market by acquiring occupational skills. At the integration company, young office clerks and office workers with cerebral palsy work together with people without a disability. They received extensive and specific training for the demanding tasks at D.A.S.

### ▶ 40 Oaks – Community Meal Programme

Employees of HSB Boiler Inspection and Insurance Company of Canada in Toronto volunteer their time for the 40 Oaks meal project. The Toronto Christian Resource Centre (CRC), a community centre, provides breakfast and lunch on weekdays to local residents. Every few months, a group of employees help serve lunch at CRC for a few hours. The volunteers set up trays of food and serve in the dining area.

The aim of the 40 Oaks project is to revive an underprivileged part of Toronto by creating a community centre with flats, food cooperatives and social activities. "Aligning ourselves with an organisation that is making a difference and in close proximity to us is the reason we decided to support CRC and the good work it does," says John Mulvihill, President and CEO.

### ▶ ergo: wir helfen e.V.

The non-profit association "ergo: wir helfen e.V." (ERGO: We help) was started by ERGO employees. Around 4,600 employees have joined the organisation, which promotes and sponsors social facilities and initiatives. The primary focus is on assisting people in need, particularly children and young people. The focus of one of the 73 projects, for example, is medical and psychological care in Germany for



Munich Re

From left to right: Dr. J. Walter (Board member of the Pfennigparade Foundation), Dr. Astrid Zwick (Head of Corporate Responsibility, Munich Re), Dr. Joachim Wenning (Member of the Board of Management, Munich Re)



ICP



United Way

### Related topics

[Dr. Hans-Jürgen Schinzler Foundation](#)  
[DKV Foundation "Integralia"](#)  
[Management: Diversity](#)

### External links

[Ergo: wir helfen e.V. \(We help\)](#)  
[Pfennigparade \(German only\)](#)  
[AfB](#)  
[ICP](#)  
[40 Oaks](#)  
[Tú Decides!](#)  
[DKV Brückenlauf \(German only\)](#)  
[Intermón Oxfam Trailwalker](#)  
[United Way](#)  
[ShareTheMeal](#)  
[Habitat for Humanity](#)

children from international crisis areas who have been affected by war.

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▶ **Helfende Hand e.V.**

ERGO supports the Düsseldorf parent initiative "Helfende Hand e.V." ([Helping hand](#)). The idea: Selected partner shops along the route to school are designated as "helping hands", to allow primary school children to move about their part of town safely and without fear. The children can find help and protection there in critical situations.

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▶ **Öffne dein Herz**

Each year, the Team Asset Management Immobilien International (AMI) of MEAG fulfils Christmas wishes of socially deprived children in Munich as part of the "Öffne dein Herz" (Open your heart) project organised by the INTEGRA charitable institution. In 2013, MEAG also donated the proceeds from their Christmas tombola to sick and deprived children. The money went to the Foundation Ambulantes Kinderhospiz München – AKM, which supports families with severely or terminally ill children and youngsters.

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▶ **Tú Decides!**

As part of the tenth public call to assist social and environmental projects throughout Spain, DKV Seguros provided support totalling almost €100,000 to new companies, benefiting more than 160,000 people. Under the slogan "[Tú Decides!](#)" (You decide!), employees, customers, brokers, health providers and healthcare professionals can select the programmes they want to see supported. This year, 20,697 votes were obtained, thanks to intensive promotion on social networks and the sponsoring of projects by DKV Seguros staff. The largest share of the funding went as start-up assistance to social projects for people with disabilities and children, and to cooperative health prevention and disease prevention efforts.

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▶ **Solidarity march**

In September, DKV Seguros organised a solidarity march that was held simultaneously in 30 cities. Nearly 2,000 people, including employees, their families, friends and business partners, covered a total distance of 8,805 kilometres. For the kilometres walked, DKV Seguros donated a total of €27,342 to the Food Bank Federation.

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▶ **Intermón Oxfam Trailwalker**

DKV Seguros is the main sponsor of "[Intermón Oxfam Trailwalker](#)", the world's largest team sporting event for a social purpose. In 2014, 2,814 walkers took part in the charity walk (jointly organised by both partners) for food and water projects in the Third World.

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▶ **ShareTheMeal: social app helps children in need**

The "[ShareTheMeal](#)" app was developed by a young team in the Axel Springer "Plug and Play Accelerator", and was promptly rated by WIRED magazine as one of the best "15 ideas for a better world". The main funding for the app's development was provided by ERGO as part of its social commitment. ERGO will also support the introduction of the app in the spring of 2015. The idea behind the concept: by clicking on the app, you donate 40 cents to the UN World Food Programme – exactly what it costs to feed a hungry child for one day. In return, ShareTheMeal ensures transparency – UN staff collect stories and pictures of the children who are being helped and send these to the app user. Sharing, doing good, combating global hunger together – this is what ShareTheMeal is committed to doing.

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▶ **United Way**

[United Way](#) has been in existence for 125 years and has been the major recipient of donations from American Modern and HSB for over 25 years. United Way comprises a national system of volunteers, contributors and local charities, dedicated to helping people in their own communities improve their lives. The vision of United Way is to ensure that children are educated and prepared for success in life, that people are financially stable with maximum health and independence, and that neighbourhoods and communities are vibrant, inviting places to live. The donations to United Way are keystones of the Corporate Citizenship concepts of American Modern and HSB.

While United Way is a national fundraising organisation, each region has an independent agency. HSB supports United Way of Central and Northeastern Connecticut, and American Modern is consistently one of the top participating companies in United Way of Greater Cincinnati. It was named the Number One Pacesetter company of 2013 for achieving the largest dollar increase in the Pacesetter group. United Way of Greater Cincinnati – Eastern Area presented its 2015 Excellence in Service Award to American Modern President and CEO, Manny Rios.

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▶ **Habitat for Humanity**

[Habitat for Humanity](#) is a global, non-profit housing organisation that works to provide everyone with decent accommodation where they can live in dignity and safety. Through building, rehabilitating and maintaining homes, its aim is to eliminate poverty housing and homelessness. Last year, a group of 20 Hartford Steam Boiler (HSB) employees volunteered for a Hartford Habitat for Humanity project and spent a day building three houses for local families in need. They hammered in hundreds of nails, cut out sections for windows, and lifted frame segments. The company encourages volunteerism by granting employees paid

time off for volunteer activities. Employees' volunteer efforts were in addition to a corporate donation from HSB, which went towards defraying the cost of building materials.

► **Refugee aid**

As part of refugee aid, Munich Re supports the "Welcome to Munich" platform. Although the many organisations involved in assisting refugees are in contact with each other, they have not previously had any possibility of pooling aid and coordinating needs. In 2015, in Munich alone around 12,000 asylum seekers and refugees are expected, including around 4,000 unaccompanied child refugees. The Social Services Department of the City of Munich, Caritas and more than 100 organisations have therefore developed a communication platform consisting of an intranet for the organisations involved in assisting refugees and a web portal for Munich's civil society. The non-profit association SoNet e.V. is the main sponsor and non-profit body responsible for the platform.

The platform gives the organisations involved in assisting refugees a long-term digital tool for networking and exchanging information on assistance available and required. Arriving refugees can be given better and quicker support as a result. Last year, Munich Re already responded to the tense refugee situation in Munich by making donations to selected organisations operating in the area of "local social issues". Staff also held a collection for refugee accommodation.

**Organisations supported by Munich Re:**



## Foundations

### Munich Re Foundation

Dr. Hans-Jürgen Schinzler Foundation

ERGO "Youth & Future" Foundation

DKV "Integralia" Foundation

## Munich Re Foundation – Improving living conditions

A company with a wealth of knowledge should share it. Munich Re fulfils this responsibility with the Munich Re Foundation. In keeping with its motto "From Knowledge to Action", the Munich Re Foundation (established in 2005) plays its part in assisting people in risk situations, primarily in developing countries, and improving their living conditions.

### Disaster reduction award: RISK Award

Disaster preparedness is an important element of the foundation's work, and there are a number of ongoing projects in this field. In 2012, the [Global Risk Forum Davos](#) and the United Nations International Strategy for Disaster Reduction (UNISDR) chose the winner of the Foundation's first [RISK Award](#), which is endowed with €100,000 and awarded every two years. With this prize money, the winners financed a specific disaster management project, and the Munich Re Foundation supported its implementation.

In 2014, the award went to the Chilean organisation [ONG Inclusiva](#), which works to ensure that people with disabilities have equal opportunities to cope and survive in disaster situations. The United Nations World Conference on Disaster Risk Reduction (WCDRR) was held in Sendai, Japan, in 2015. The RISK Award was presented here for the third time. The winner was the city of Pune in India. Its main concern is to protect women and children living in the slums against natural disasters.

### Climate change in Bangladesh – Preparing for emergencies

Bangladesh is exposed to many hazards. For example, rising sea levels, flooding and salinisation of the soil threaten the flat stretches of land along the coast. The vast river landscapes in the country's interior are flooded each year during the monsoon. In the summer, the country is threatened by cyclones, and its north-western region is increasingly subject to year-long droughts. Over the years, the people there have built up their knowledge of how to deal with these hazards, but, to an increasing degree, their latitude for action is being restricted by the pressure of a growing population and climate changes that exacerbate the situation.

Together with the United Nations University in Bonn and a research institute at the International University of Bangladesh (ICCCAD), the Munich Re Foundation and people in the country have been developing proposals to more effectively counter the heightened risks. The project consortium selected six highly exposed Bangladeshi communities, where it will work over the next four years to improve the people's resilience to disasters.

### Microinsurance safeguards livelihoods

The Munich Re Foundation's efforts are making themselves felt, and not only in the field of disaster management. The foundation is also striving to help achieve the United Nations' millennium objective of combatting poverty, which is why, each year since 2005, the foundation has organised a large annual International Microinsurance Conference. Microinsurance offers low-income population groups an opportunity to insure themselves against risks, particularly health risks, and thus alleviate the consequences of major emergencies. Also, with the World Map of Microinsurance, market data on the status and development of microinsurance worldwide is collected and made available.

### The International Microinsurance Conference – A forum for microinsurance experts from all over the world

The conference organised by the foundation offers representatives of the insurance industry, regulatory authorities, development organisations and research institutes a platform for discussing existing and new ways to insure the lowest income groups at reasonable cost. The 2014 conference, held in Mexico City, Mexico, attracted some 400 experts from more than 50 different countries, making it the biggest microinsurance conference in the world. It is held in turn in Africa, Asia and Latin America, and the venue in 2015 will be Casablanca, Morocco.

### Water – Resource and risk

Alongside poverty, disaster preparedness and climate change, water is the fourth area in which the foundation works. Among the foundation's core interests are fog net projects for capturing drinking water. The simple technology – large nets filter droplets of water out of the air – makes life easier for people in arid mountain regions. The first "fog catchers" set up in the Anti-Atlas mountain range in Morocco and in Tanzania now supply several communities with fresh water. In Tanzania, the fog net project is also benefitting schools. The fog net projects receive technical and scientific support from the Technical University (TU) of Munich, and fog net technology is undergoing continual further development. More efficient nets mean more drinking water for an ever greater number of people.

### Educational work in Munich

Each year, the foundation organises public dialogue forums to discuss the areas in which it works, so that participants have the opportunity to exchange views with



Munich Re Foundation

Experts in dialogue: climate researcher, Mojiab Latif attending a public discussion forum organised by the Munich Re Foundation.



Munich Re Foundation

The project that won a RISK Award in 2015 specifically reduces the risks faced by women and children in the slums of Pune in India.



Munich Re Foundation

Capturing drinking water in the Anti-Atlas mountains of Morocco: fog is converted to drinking water using fog nets.



Munich Re Foundation

Waterline near the Bhola slums in Dhaka, Bangladesh

#### Related topics

[Solutions for developing and emerging countries](#)

#### External links

[Munich Re Foundation](#)  
[Munich Re Foundation» Munich Re Foundation: Publications](#)  
[Risk Award](#)  
[Microinsurance Conference](#)  
[Worldmap of microinsurance](#)

policymakers and experts from science and the media. The forums regularly feature presentations from leading experts such as Frank-Walter Steinmeier, Gesine Schwan, Hans Joachim Schellnhuber and Klaus Töpfer.

With the theme of "Starving in the midst of abundance?", the 2014 dialogue forums addressed the topic of "Food and nutrition", covering aspects such as food security, famine, health aspects and food as an object of financial speculation. The topic series for 2015 is looking at the challenges of "Climate, poverty, disasters – Save the world!". In 2016, the dialogue forums will examine the energy transition and its implications for business, politics and society.



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GRI: G4-FS14



## Foundations

Munich Re Foundation

[Dr. Hans-Jürgen Schinzler Foundation](#)

ERGO "Youth & Future" Foundation

DKV "Integralia" Foundation

## Dr. Hans-Jürgen Schinzler Foundation – Promoting corporate volunteering

The Schinzler Foundation was founded in 2004 by Dr. Hans-Jürgen Schinzler, former Chairman of the Munich Re Group, to promote the commitment of Munich Re staff to voluntary work. The foundation is now a successful forum for the reinsurance group's corporate volunteering activities.

The [Dr. Hans-Jürgen Schinzler Foundation](#) aims to offer Munich Re's reinsurance staff around the world active support for their volunteer projects, providing a framework in which employees or entire company departments can play a part in a wide range of voluntary fields, such as social, environmental and cultural activities. In addition to giving financial support for projects, the Foundation has been organising "social days" for staff since 2010 and providing project ideas for voluntary helpers.

### Selected project examples from the Schinzler Foundation in 2014

#### Reading for Pleasure

"Reading for Pleasure" aims to motivate students to read more books. The project is designed to benefit underprivileged young people aged 15 to 19.

Using the funds provided by the Schinzler Foundation, the Uirapuru Project increased the library's collection, acquiring books chosen by the students under the supervision of the librarian. The ambiance of the library has been improved, making it now more attractive to young readers. New sound equipment was bought and has been used in cultural events such as literary, music, dance and drama presentations.

The Uirapuru Project is proud to say that it now has a regular readership. Teachers and librarians have noticed that some young people who come to the project for the first time have already heard about the community library that the project is involved in, and count on being able to choose books according to their personal interests.

#### Cooking with children and renovation work in the Ronald McDonald House

For years, a team from Munich Re has been supporting the [Ronald McDonald House](#) at Grosshadern in Munich by taking it in turns to prepare dinners for the families who stay there. Families with seriously ill children who are being treated in the Grosshadern Hospital can stay temporarily in the Ronald McDonald House.

And when the planned restructuring of the basement was mentioned at the facility's most recent New Year's reception, six Munich Re employees decided to help out with the project. In the space of two days, they managed to remodel the basement rooms and contribute towards their new use.

#### Trainee project in the Dr. von Haunerschen Children's Hospital

The 18 second-year trainees spent a day with sick children in the [Dr. von Haunerschen Children's Hospital](#). In consultation with the Hauner Verein, the association that supports the Dr. von Haunerschen Children's Hospital, the Munich Re team spent the morning transforming the inner courtyard. After some repair and restoration work, the trainees also planted colourful flowers in large pots to brighten up the appearance of the playground, which is situated in an inner courtyard surrounded by walls.

In the afternoon, the trainees invited the children to a games afternoon featuring a bouncy castle. The children also painted pictures for the patients who were unable to take part that afternoon because of medical examinations. Their parents enjoyed an afternoon in the sun with coffee and cake, while the children were able to forget their cares for a while amid all the fun.

#### Hellabrunn Zoo in autumn – Senior citizens' excursion

In summer 2013, a team from Munich Re got to know a number of senior citizens from the [Integration Centre for Cerebral Palsy \(ICP\)](#) in the Munich suburb of Freimann, all of whom rely on wheelchairs.

Following a visit together to the Transport Museum in 2013, the group made a visit to Hellabrunn Zoo in 2014. They intend to remain in touch, with a joint excursion being organised at least once a year.



Dr. Hans-Jürgen Schinzler Stiftung



Dr. Hans-Jürgen Schinzler Stiftung



Dr. Hans-Jürgen Schinzler Stiftung

#### External links

- [Schinzler Foundation](#)
- [Dr. von Haunerschen Children's Hospital](#)
- [Integration Centre for Cerebral Palsy \(ICP\)](#)
- [McDonalds children's aid](#)



## Foundations

- Munich Re Foundation
- Dr. Hans-Jürgen Schinzler Foundation
- [ERGO "Youth & Future" Foundation](#)
- DKV "Integralia" Foundation

## ERGO Foundation - creating prospects for the future

With the ERGO foundation "Jugend & Zukunft" (Youth & Future), ERGO aims to give encouragement to young people, help them discover their full potential and take personal responsibility for shaping their future. An important tool in this context is the foundation's "Job Locomotive" project.

### Impetus from the Job Locomotive

The Hamburg Job Locomotive project is the foundation's key focus. It helps socially disadvantaged youngsters to develop their career prospects and manage the transition to vocational training or employment.

### Educational award for regional initiative

ERGO's "Jugend & Zukunft" foundation focuses on young and innovative projects that tackle the issue of education in Germany in a special way. Projects deemed worthy of consideration can be recommended in four regions (north, south, east and west).

In the summer of 2014, with its educational award the foundation gave a one-time recognition to young and very effective educational innovations. These were initiatives that are already having a major impact and whose approaches offer potential for expansion. The aim of the sponsorship prize was to provide the necessary "development assistance" to the award-winning projects, with a view to allowing them to have an impact on a national level.



### External links

[ERGO "Youth & Future" Foundation](#)

## Foundations

- Munich Re Foundation
- Dr. Hans-Jürgen Schinzler Foundation
- ERGO "Youth & Future" Foundation
- DKV "Integralia" Foundation**

## DKV's Integralia Foundation – Integrating people with disabilities

Through its Integralia Foundation, DKV Seguros has set up special call centres that employ people with physical disabilities.

The "Fundación Integralia" is a non-profit organisation founded by DKV Seguros. Its mission is the social and professional integration for persons with physical disabilities. With this purpose in mind, the foundation has established in Spain a number of call centres staffed by such persons, who take customer orders, schedule appointments and conduct customer satisfaction surveys. Launched in 1999, the foundation has its headquarters in El Prat de Llobregat (Barcelona) and employs more than 320 people, most of whom have severe physical disabilities.

Since its founding, Integralia has received numerous national awards and honours, particularly for its commitment to the social integration of persons with disabilities. According to Spain's Fundación Empresa y Sociedad (foundation for enterprise and society), this integration model had by 2007 already placed DKV Seguros among the Spanish companies with the highest percentages of employees with disabilities.

### 2014 has been a good year for DKV's Integralia Foundation

- The foundation has included 57 new employees in its workforce. Beyond this, it has integrated 76 people as workers in ordinary companies in Spain and 24 in Latin America.
- The Integralia School has been consolidated as a powerful project to train disabled people and foster the skills demanded by customer-support companies. This year, 12 courses have been conducted with more than 150 certified students, 79 of whom currently have a job.
- The organisation's work has been extended even to South America and Asia, where it has implemented educational projects to empower people's integration.
- The "Talento sin Límites" (talent without limits) programme has emerged, giving disabled people the possibility of carrying out their professional projects through entrepreneurship.
- The foundation has established the bases for a modern DKV Integralia Foundation which can effectively meet new challenges and export the model embodying its three main objectives: to integrate people with disabilities in companies, to maintain special employment centres for training and promoting the professional development of employees and to raise the awareness of business people regarding the added value which people with disabilities provide wherever they are given the opportunity.



Fundación DKV Integralia

Staff members celebrate the ten-year anniversary of Fundación DKV Integralia in 2010.



Fundación DKV Integralia

The call-centre in Barcelona, operated by Fundación DKV Integralia within DKV Seguros.

#### External links

[DKV's Integralia Foundation](#)

» Home » Facts and figures

**"Our sustainable approach is reflected in our Group figures."**

Peter Eggersdorfer  
Head of section "Premises maintenance and operation", Munich Re



Related topics

PSI-reporting  
PRI-reporting

External links

ERGO: Facts and figures

## Comprehensive and transparent

Munich Re reports transparently and comprehensively on its performance in the field of corporate responsibility. To fulfil this claim, this section provides detailed and concisely summarised information and key indicators on Munich Re' activities relating to CR.



### Key figures

On the following subpages, we have compiled all the important data and facts relating to Munich Re's corporate responsibility. They include key performance figures and detailed disclosures for the financial, employees, environmental and social commitment indicators, also available for download.

» Key figures



### Reporting

Detailed indicators of the Global Reporting Initiative (GRI) together with our CR Portal and the additional key indicators for fields of business, comprise our "Communication on Progress" for the Global Compact. We also indicate how our corporate responsibility performance is assessed by actors in the financial markets and name the partnerships and initiatives in which we participate.

» Reporting



GRI: G4-20; G4-21; G4-22

## Financial indicators (IFRS)

In the 2013 financial year, Munich Re posted a very satisfying profit of €3.3bn, thus exceeding our original consolidated result target of close to €3bn. Our core business in primary insurance and reinsurance is healthy. We also achieved a good investment result.

### Key figures (IFRS)<sup>1, 2</sup>

| Munich Re Group   |     | 2014        | 2013        | 2012        | 2011        | 2010        |
|---|-----|-------------|-------------|-------------|-------------|-------------|
| Gross premiums written  | €bn | 48.8        | 51.1        | 52.0        | 49.5        | 45.5        |
| Net earned premiums   | €bn | 47.4        | 49.2        | 50.5        | 47.3        | 43.1        |
| Net expenses for claims and benefits                          | €bn | -39.7       | -39.9       | -41.0       | -40.9       | -36.6       |
| Net operating expenses  | €bn | -12.0       | -12.4       | -12.6       | -12.0       | -11.1       |
| Operating result  | €m  | 4,028       | 4,398       | 5,349       | 1,180       | 3,978       |
| Taxes on income   | €m  | 312         | -108        | -878        | 552         | -692        |
| Consolidated result   | €m  | 3,171       | 3,333       | 3,204       | 712         | 2,430       |
| Attributable to non-controlling interests                     | €m  | 18          | 29          | 16          | 10          | 8           |
| Earnings per share  | €   | 18.31       | 18.45       | 17.94       | 3.94        | 13.06       |
| Dividend per share  | €   | 7.75        | 7.25        | 7.00        | 6.25        | 6.25        |
| Dividend payout   | €m  | 1,298       | 1,254       | 1,255       | 1,110       | 1,110       |
| Share price at 31 December                                    | €   | 165.75      | 160.15      | 136.00      | 94.78       | 113.45      |
| Munich Re's market capitalisation at 31 December <sup>3</sup> | €bn | 28.7        | 28.7        | 24.4        | 17.0        | 21.4        |
| Book value per share  | €   | 178.22      | 146.23      | 152.34      | 129.99      | 126.31      |
| Investments   | €bn | 218.9       | 202.2       | 213.8       | 201.7       | 193.1       |
| Insurance-related investments                                 | €bn | 8.5         | 7.3         |             |             |             |
| Equity  | €bn | 30.3        | 26.2        | 27.4        | 23.3        | 23.0        |
| Return on equity  | %   | 11.3        | 12.5        | 12.5        | 3.3         | 10.4        |
| Off-balance-sheet unrealised gains and losses <sup>4</sup>    | €bn | 17.4        | 8.7         | 11.0        | 5.7         | 3.6         |
| Net technical provisions                                      | €bn | 198.4       | 187.7       | 186.1       | 181.2       | 171.1       |
| Balance sheet total   | €bn | 273.0       | 254.3       | 258.4       | 247.6       | 236.4       |
| Staff at 31 December  |     | 43,316      | 44,665      | 45,437      | 47,206      | 46,915      |
| <b>Reinsurance</b>  |     | <b>2014</b> | <b>2013</b> | <b>2012</b> | <b>2011</b> | <b>2010</b> |
| Gross premiums written  | €bn | 26.8        | 27.8        | 28.2        | 26.0        | 23.6        |
| Investments   | €bn | 88.0        | 79.2        | 83.8        | 79.5        | 83.7        |
| Net technical provisions                                      | €bn | 63.5        | 60.5        | 61.1        | 62.7        | 56.6        |
| Major losses (net)  | €m  | -1,162      | -1,689      | -1,799      | -5,048      | -2,228      |
| Natural catastrophe losses                                    | €m  | -538        | -764        | -1,284      | -4,538      | -1,564      |
| Combined ratio property-casualty <sup>5</sup>                 | %   | 92.7        | 92.1        | 91.0        | 113.8       | 100.5       |
| <b>ERGO</b>   |     | <b>2014</b> | <b>2013</b> | <b>2012</b> | <b>2011</b> | <b>2010</b> |
| Gross premiums written  | €bn | 16.7        | 16.7        | 17.1        | 17.4        | 17.5        |
| Investments   | €bn | 135.5       | 126.7       | 124.9       | 117.0       | 121.8       |
| Net technical provisions                                      | €bn | 132.4       | 125.1       | 122.8       | 116.1       | 111.2       |
| Combined ratio property-casualty Germany                      | %   | 95.3        | 96.7        | 98.0        |             |             |
| Combined ratio international                                  | %   | 97.3        | 98.7        | 99.8        |             |             |

#### Related topics

[Environmental indicators](#)  
[Employee indicators](#)

#### Downloads

[Group annual report 2013 \(PDF, 9.3 MB\)](#)

| Munich Health               |     | 2014 | 2013 | 2012  | 2011 | 2010 |
|-----------------------------|-----|------|------|-------|------|------|
| Gross premiums written      | €bn | 5.3  | 6.6  | 6.7   | 6.0  | 5.1  |
| Investments                 | €bn | 3.9  | 3.6  | 4.2   | 4.6  | 4.1  |
| Net technical provisions    | €bn | 2.5  | 2.2  | 2.2   | 2.4  | 3.3  |
| Combined ratio <sup>6</sup> | %   | 98.8 | 98.3 | 100.2 | 99.5 | 99.7 |

<sup>1</sup> Previous years' figures adjusted owing to IFRS 8 and IAS 8; see "Changes in accounting policies and other adjustments".

<sup>2</sup> In 2012, our segment reporting was modified and no longer has a consolidation column. The figures for 2011 have been adjusted accordingly. Comparability with the year 2010 is thus limited.

<sup>3</sup> For 2010, 2013 and 2014, this contains own shares earmarked for retirement.

<sup>4</sup> Including those apportionable to minority interests and policyholders.

<sup>5</sup> The figures for 2011 are not adjusted for relief of 1.4 percentage points from economic risk transfer to the capital markets.

<sup>6</sup> Excluding health insurance conducted like life insurance.



## Employee indicators

Highly qualified, motivated and performance-oriented staff are key to the success of our business. Munich Re currently has some 43,500 employees. Thanks to their risk knowledge, expertise and innovative thinking, our staff create long-term value. This section of the corporate responsibility portal shows the evolution in Munich Re's main employee indicators for the period 2011–2014.

### Related topics

[Financial indicators](#)  
[Environmental indicators](#)  
[Management: Responsibility towards staff](#)

### Munich Re employee indicators

|                               |                       | 2014   | 2013   | 2012   | 2011   |
|-------------------------------|-----------------------|--------|--------|--------|--------|
| Employees                     |                       | 43,316 | 44,665 | 45,437 | 47,206 |
| Employees by line of business | Reinsurance (%)       | 27.1   | 25.3   | 24.4   | 23.8   |
|                               | Primary insurance (%) | 65.9   | 66.3   | 65.5   | 66.3   |
|                               | Asset management (%)  | /      | 1.9    | 1.8    | 1.6    |
|                               | Munich Health (%)     | 7.0    | 6.5    | 8.3    | 8.3    |

Since 2014 asset management split up among business lines.

|   |                                    |      |      |      |      |
|---|------------------------------------|------|------|------|------|
| Percentage of female staff                  | Female employees (%)               | 53.9 | 54.1 | 54.0 | 54.0 |
|   | Women in management (%)            | 31.1 | 30.2 | 29.0 | 26.0 |
| No. of staff by age                         | Employees aged 30 and under (%)    | 14.8 | 15.2 | 12.8 | 14.2 |
|   | Employees aged 31 to 50 (%)        | 61.2 | 61.8 | 65.1 | 63.0 |
|   | Employees aged over 50 (%)         | 24   | 23.0 | 22.1 | 22.8 |
| No. of staff by type of employment contract | Permanent employment (%)           | 96.8 | 94.8 | 96.0 | 94.2 |
|   | Temporary employment (%)           | 3.2  | 5.2  | 4.0  | 5.8  |
| Sick leave                                  | Sick leave (%)                     | 4.3  | 4.4  | 4.7  | 4.1  |
| Employee turnover rate                      | Weighted average turnover rate (%) | 11.8 | 10.5 | 9.2  | 12.5 |
| Length of service                           | Average length of service (years)  | 12.3 | 12.1 | 11.6 | 10.8 |

These figures account for 100% of all Munich Re (Group) employees in 2014 (exception: sick leave 92%).

|          |  |        |        |        |          |
|----------|--|--------|--------|--------|----------|
| Training | Training costs per staff member (€)*     | 898.00 | 975.00 | 946.00 | 1,096.00 |
|          | No. of days' training per staff member** | 3.2    | 3.8    | 2.9    | 3.1      |

\* Proportion: 93% (2013: 52%)

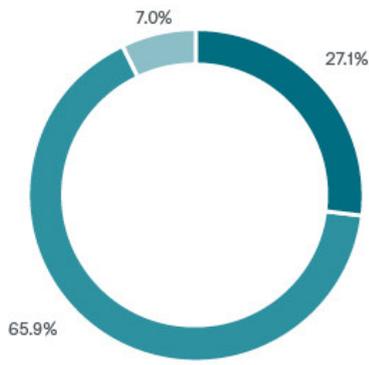
\*\* Proportion: 69% (2013: 75%)

### Comments

We are steadily extending the amount of employee data in order to cover additional items and thus to improve the reliability of our key figures. As a result of the expanded data base, some of the figures have changed retroactively. Since the data now being used are of greater quality than earlier, the employee turnover rate, length of service and training have only limited comparability with figures from earlier years.

### ► Staff by field of business

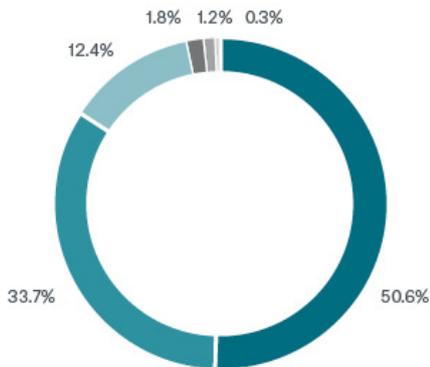
Staff by field of business



- Reinsurance
- ERGO
- Munich Health

Staff by region

Staff by region



- Germany
- Rest of Europe
- North America
- Asia and Australasia
- Africa, Near and Middle East
- Latin America

Age structure of staff (Munich Re Group)

Age structure of staff

Average: 42.7 (42.5) years



Percentage of female staff (Munich Re Group)

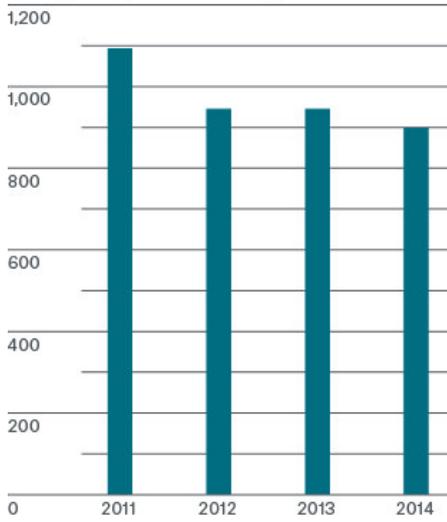
Percentage of female staff



► Munich Re (Group) training expenditure

**Munich Re (Group) training expenditure**

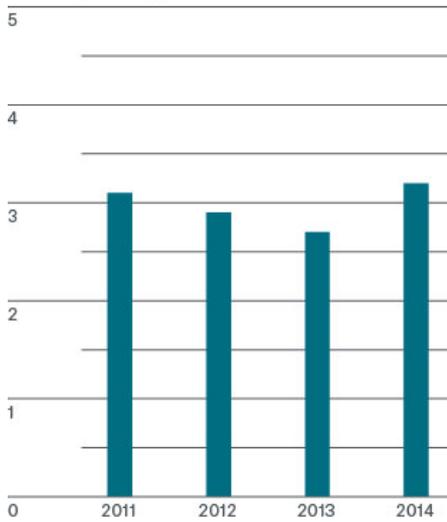
Training costs per staff member (€)



► Munich Re (Group) training

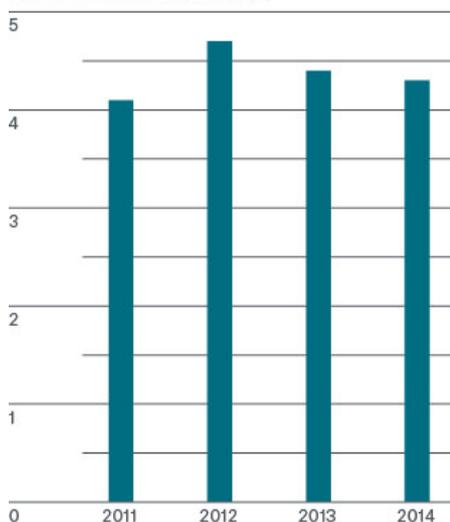
**Munich Re (Group) training**

No. of days' training per staff member



► Sick leave Munich Re (Group)

Sick Leave Munich Re (Group) (%)



► Total number of permanent employees by employment type (full-time/part-time) and gender (2014)

| Permanent employees 2014 | Female | Male   | Total  |
|--------------------------|--------|--------|--------|
| Full-time                | 14,135 | 17,115 | 30,879 |
| Part-time                | 5,973  | 994    | 6,967  |
| Permanent employees      | 20,108 | 18,109 | 37,746 |

Total coverage: 87%; (Degree of coverage in Reinsurance and MH: 66.3 %, MEAG 100%, ERGO Germany and International ~99%)

This calculation considers MR Munich and all Entities which have solely permanent employees.

► Employees represented by an independent trade union or covered by collective bargaining agreements (%)

|                                      | 2014   | 2013 | 2012 | 2011 |
|--------------------------------------|--|------|------|------|
| Collective bargaining agreements (%) | 96%  | 96%  | 96%  | 96%  |
| Coverage                             | MR Group employees in Germany (~50% of MR Group) |      |      |      |

► Voluntary employee turnover rate

|                                       | 2014  | 2013 | 2012 | 2011 |
|---------------------------------------|---|------|------|------|
| Voluntary employee turnover rate in % | 3.4   | 1.0  | 2.5  | 2.0  |
| Coverage                              | Voluntary employee turnover rate is valid for ERGO Germany. |      |      |      |

► Open positions filled by internal candidates

|   | 2014   | 2013 | 2012 | 2011 |
|---|--|------|------|------|
| Open positions filled by internal candidates in % | 89.3   | 90   | -    | -    |
| Coverage  | Percentage of open positions filled by internal candidates refers to leadership positions at MR Munich. Due to the low turnover rate, there is a high percentage of open positions filled by internal candidates. Other entities could differ. |      |      |      |

► Lay-offs

|   | 2014 | 2013 | 2012 | 2011 |
|---|------|------|------|------|
| Employees laid off in the last fiscal year (in %) | 544  | 638  | 204  |      |
| Coverage  | 100% | 100% | 70%  |      |

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► Performance and career development

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|   | 2014 | 2013 | 2012 | 2011 |
|---|------|------|------|------|
| Employees receiving regular performance and career development reviews in % | 100% | 100% | 100% |      |
| Coverage  | 100% | 100% | 100% | 100% |

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GRI: G4-10; G4-11; G4-LA1; G4-LA7; G4-LA9; G4-LA12

## Environmental indicators

As a financial services provider, Munich Re only has a small direct environmental footprint compared with that of manufacturing companies. Nevertheless, we are working continuously to minimise our emissions and resource consumption.

In our reporting on our emissions and consumption of resources, we focus on the main environmental impacts of our business operations as a financial services provider. These are the consumption of paper, energy and water, the waste we produce, the number of business trips taken and the volume of our CO<sub>2</sub> emissions. In recent years, we have steadily extended the criteria we use in recording consumption in order to capture additional data and thus improve the information value of our environmental indicators.

| Munich Re environmental indicators  |   | 2014   | 2013   | 2012   | 2011   |
|---|---|--------|--------|--------|--------|
| Proportion of employees captured by the certified environmental management system | % of employees                              | 38     | 38     | 32     | 31     |
| Proportion of employees Data collection   | % of employees                              | 86     | 87     | 85     | 83     |
| Direct energy consumption (e.g. oil, gas, fuels)                                  | Megawatt hours (MWh) per employee           | 4.3    | 4.66   | 4.55   | 5.08   |
| Indirect energy consumption (e.g. electricity, district heating)                  | Megawatt hours (MWh) per employee           | 5.7    | 6.05   | 5.73   | 6.20   |
| Paper consumption   | Tonnes (t) per employee                     | 0.04   | 0.04   | 0.04   | 0.05   |
| Water consumption   | Cubic metres (m <sup>3</sup> ) per employee | 17.9   | 15.98  | 18.24  | 18.77  |
| Waste   | Tonnes (t) per employee                     | 0.28   | 0.26   | 0.30   | 0.25   |
| Business trips  | Kilometres (km) per employee                | 7,418  | 6,915  | 6,503  | 6,585  |
| Total CO <sub>2</sub> emissions   | Kilos (kg) per employee                     | 3,911  | 3,885  | 3,944  | 4,168  |
| No. of employees as at 31 December  |   | 43,316 | 44,665 | 45,437 | 47,206 |

The table provides information on our current resource consumption and CO<sub>2</sub> emissions as at 31 December 2014.

Please find more detailed environment indicators [here \(XLSX, 35 KB\)](#).

### Explanations of the environmental indicators

CO<sub>2</sub> emission sources: direct emissions from primary energy consumption (natural gas, heating oil, diesel for emergency generator), indirect emissions from power supplied by third parties (purchase of electricity and district heating), other indirect emissions (business trips, fuel for company cars, paper and water consumption, waste – excluding emissions from products and investments).

The concrete environmental data captured covers the vast majority of all Munich Re employees. In 2014, this amounted to 86% of employees. All the environmental indicator figures given here are extrapolated to cover 100% of all Munich Re (Group) employees.

The gradual extension of the data capture has resulted in a few changes in the indicators from previous years, as the newly included units have also provided data retroactively back to 2009.

We base our environmental indicators on the standards for data capture and the conversion factors of the Greenhouse Gas Protocol. We also use the standard of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (Association for Environmental Management and Sustainability in Banks, Savings Banks, and Insurance Companies).



GRI: G4-DMA-Environmental; G4-EN1; G4-EN2; G4-EN3; G4-EN19; G4-EN30

#### Related topics

[Financial indicators](#)  
[Employee indicators](#)  
 Management: Environment

#### Download

[More detailed environmental indicators \(XLSX, 35 KB\)](#)

#### External links

[ERGO: Key environmental figures](#)

Related topics

- [Financial indicators](#)
- [Employee indicators](#)
- [Management: Responsibility towards staff](#)

## Social commitment indicators

Corporate citizenship – the social commitment of our Group – has a long-standing tradition at Munich Re. Our concept for the strategic orientation of our social commitment is based on business-related topics. It provides the guidelines and criteria for selecting donations and sponsorship projects.

In the following, you will find a breakdown of Munich Re's total expenditure on corporate citizenship (CC).

### Social commitment indicators

| Indicator                    | Unit | 2014      | 2013      | 2012      | 2011      |
|------------------------------|------|-----------|-----------|-----------|-----------|
| Expenses CC Munich Re Group* | €    | 6,480,170 | 6,788,357 | 5,559,819 | 4,648,796 |
| Total expenses CC**          | €    | 9,328,608 | 9,147,054 | 7,152,161 | 6,710,681 |
| Coverage Munich Re Group     | %    | 95.5      | 94        | 74        | 73        |

\* This amount comprises donations, sponsorships and memberships for science/education, social welfare, healthcare, culture, demographic change, the environment and natural catastrophes.

\*\* This amount additionally includes donations in kind, political donations, corporate volunteering, ERGO foundations, Munich Re foundations.

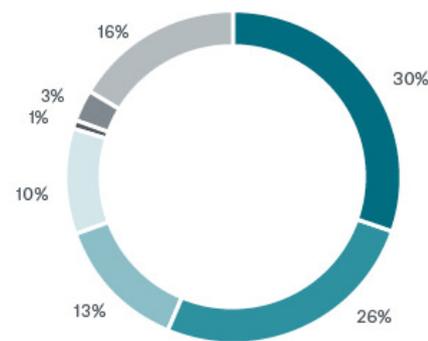
#### Political donations

Munich Re (Group) also supports the democratic political process and, to this end, donates to the following parties: Bündnis90/Die Grünen, CDU, CSU, FDP and SPD. Donations to all parties do not exceed €150,000 in total, each party receiving the same amount of money with no conditions attached. Of that sum, €75,000 is contributed by Munich Re and €75,000 by ERGO Germany. The donations are transferred exclusively to the parties' federal headquarters.

In addition to the above donations, membership fees are paid to organisations closely affiliated with the parties. These may total a maximum of €25,000 per financial year for Munich Re and ERGO.

#### ► Corporate citizenship expenses in 2014

Corporate citizenship expenses of Munich Re (Group)\*  
In 2014: 6,480,170\*\*



- Science/Education 1,969,614 €
- Social 1,673,701 €
- Health 853,394 €
- Culture & Arts 672,239 €
- Demographic change 80,050 €
- Environment 224,697 €
- Natural Catastrophes 1,006,474 €

#### Additional spending:

- Donations in kind 29,177 €
- Political donations 170,500 €
- Corporate Volunteering hours 545,756 €
- Foundation and association ERGO 220,201 €
- Foundation Munich Re 1,882,804 €

0.25% of pre tax result (incl. political donations, corporate volunteering and donations in kind)

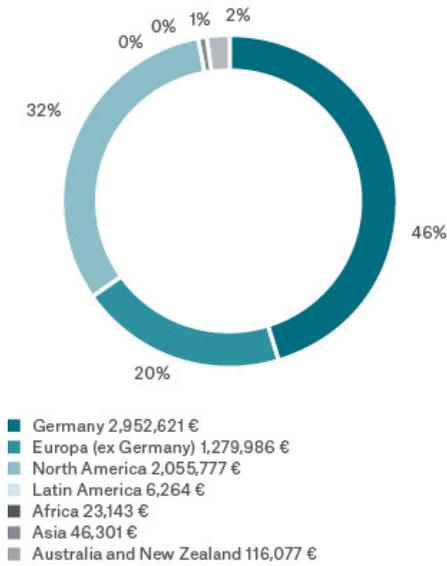
0.33% of pre tax result (incl. political donations, corporate volunteering and donations in kind and foundations)

\* Proportion of employees captured: 95.5% of all employees

\*\* Not including donations in kind

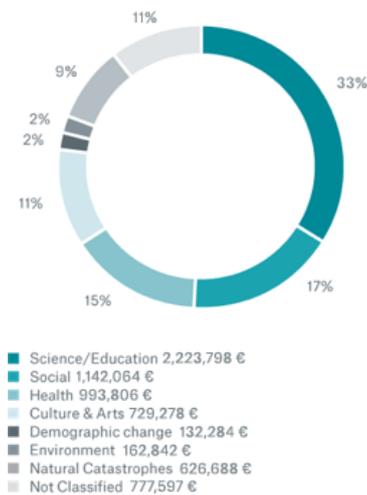
► Corporate citizenship expenses in 2014 (regional classification)

Corporate citizenship expenses of Munich Re (Group)  
regional classification; In 2014: 6,480,170 €



► Corporate citizenship expenses in 2013

Corporate citizenship expenses Munich Re Group\* in 2013: 6,788,357 Euro\*\*



**Additional spendings:**

Donations in kind 30,764 €  
Political donations 168,000 €  
Corporate Volunteering hours 326,607 €  
Foundation ERGO 29,493 €  
Foundation Munich Re 1,864,033 €

0.21 % of pre-tax result (incl. political donations, corporate volunteering and donations in kind)

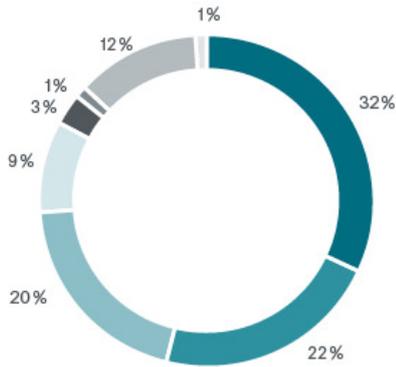
0.27 % des Vorsteuerergebnisses (iincl. political donations, corporate volunteering and donations in kind and foundations)

\* Proportion of employees captured: 94% of all employees

\*\* Not including donations in kind

► Corporate citizenship expenses in 2012

**Corporate Citizenship Ausgaben der Munich Re Group\*  
in 2012: 5.559.819 €\*\***



- Wissenschaft & Bildung 1.800.494 €
- Soziales 1.203.968 €
- Gesundheit 1.118.639 €
- Kunst & Kultur 517.374 €
- Demographischer Wandel 184.200 €
- Umwelt 62.193 €
- Naturkatastrophen 641.912 €
- Nicht zugeordnet 31.037 €

**Additional spending:**

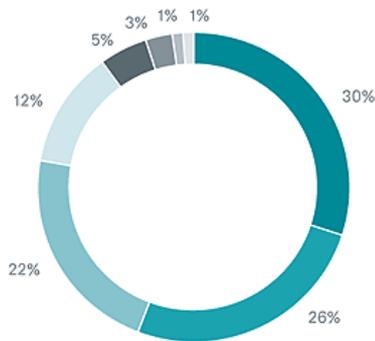
- Donations in kind 30,866 €
- Political donations 168,000 €
- Corporate Volunteering hours 195,220 €
- Foundation ERGO 45,000 €
- Foundation Munich Re 1,181,180 €

0.13% of pre tax result (incl. political donations, corporate volunteering and donations in kind)  
0.15% of pre tax result (incl. political donations, corporate volunteering and donations in kind and foundations)

\* Proportion of employees captured 74% of all employees  
\*\* Not including donations in kind

► Corporate citizenship expenses in 2011

**Corporate citizenship expenses of Munich Re (Group)\* in 2011: 4,648,796 €\*\***



- Science/Education 1,386,109 €
- Social 1,228,424 €
- Health 1,012,870 €
- Culture & Arts 569,575 €
- Society & Demographic change 235,380 €
- Environment 151,755 €
- Natural Catastrophes 29,136 €
- Not Classified 35,547 €

\* Proportion of employees captured: 73% of all employees  
\*\* not including donations in kind



## GRI reporting and Global Compact Communication on Progress

In preparing the Munich Re corporate responsibility portal, we have for the first time taken as a basis the new G4 reporting standard of the Global Reporting Initiative (GRI) and the Financial Services Sector Supplement. Our aim is to make our performance more transparent and comprehensible.

We report "in accordance with" the "core option" guidelines and – where possible – endeavour to provide information on additional indicators. The "core" option creates a background against which enterprises can provide details of their economic, ecological and management-related performance.

The indicators presented in the GRI disclosures simultaneously fulfil the requirements of the annual UN Global Communication on Progress Report. We thus document the measures Munich Re has taken to firmly anchor the ten principles of the Global Compact in our operations.

The following tables refer to the Munich Re's CR-Portal and other publications and contain comments and explanations of individual indicators and any deviations. KPMG's "Reasonable assurance" covers all the information and data in the "Consolidated financial statements" and "Management Report" sections of Munich Re's 2014 Annual Report (see p. 302 therein).

Related topics

» Strategy: Our guiding principles

Download

» Global Reporting Initiative 2013 - Results of the GRI Report (PDF, 328 KB)

External links

» Global Compact  
» Global Reporting Initiative

► General Standard Disclosures

| GRI G4/UN Global Compact Aspects and Indicators   | Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR)   | Additional Comment/ Reason for Omission  | External Assurance                  |
|---|--|--|-------------------------------------|
| <b>General Standard Disclosures</b>   |  |  |                                     |
| <b>Strategy and analysis</b>  |  |  |                                     |
| G4-1<br>Statement from the CEO  | » Statement by the CEO   |  | No                                  |
| G4-2<br>Description of key impacts, risks, and opportunities  | » Strategy and challenges<br>» Solutions<br>» Materiality analysis<br>» Objectives and measures<br>» Milestones  |  | No                                  |
| <b>Organisational profile</b>   |  |  |                                     |
| G4-3<br>Name of the organization  | » Imprint/Service: Back cover p. 317 (AR)  | Münchener Rückversicherungs-Gesellschaft | No                                  |
| G4-4<br>Primary brands, products, and services  | » Munich Re portrait (CWS)<br>» Our brands: back cover p. 319 (AR)<br>» Management report, Group structure: pp. 33-38 (AR)   |  | » Reasonable assurance (PDF, 12 MB) |
| G4-5<br>Location of the organization's headquarters   | » Imprint  | Munich, Germany                          | No                                  |
| G4-6<br>Number of countries where the organization operates, and names of countries with major operations | » Munich Re worldwide (CWS)<br>» ERGO International (CWS)<br>» Munich Health worldwide (CWS)<br>» MEAG locations (MEAG)<br>» Munich Re's global presence: cover pp. 4-5 (AR)<br>» Group structure: pp. 33-38 (AR)<br>» Stakeholders – Clients and client relationships: pp. 108-110 (AR) |  | » Reasonable assurance (PDF, 12 MB) |
| G4-7<br>Nature of ownership and legal form  | » Shareholder profile (CWS)<br>» Munich Re shares: pp. 12-15 (AR)<br>» Other information – Parent: pp. 282 (AR)  |  | » Reasonable assurance (PDF, 12 MB) |

|  |   |   |                                     |
|--|---|---|-------------------------------------|
| Nature of ownership and legal form   | <ul style="list-style-type: none"> <li>» Munich Re shares: pp. 12-15 (AR)</li> <li>» Other information – Parent: pp. 282 (AR)</li> </ul>  |   | » Reasonable assurance (PDF, 12 MB) |
| G4-8<br>Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).                         | <ul style="list-style-type: none"> <li>» Munich Re Portrait (CWS)</li> <li>» Group structure: pp. 33-38 (AR)</li> <li>» Munich Re's global presence: cover pp. 4-5 (AR)</li> <li>» Our brands: back cover p. 319 (AR)</li> <li>» Stakeholders – Clients and client relationships: pp. 108-110 (AR)</li> </ul> |   | » Reasonable assurance (PDF, 12 MB) |
| G4-9<br>Scale of the organization (employees, operations, net sales, capitalization, quantity of products or services provided)            | <ul style="list-style-type: none"> <li>» Business performance: pp. 72-99 (AR)</li> <li>» Financial position: pp. 100 ff. (AR)</li> <li>» Stakeholders - Staff: p. 113 (AR)</li> <li>» Number of staff: p. 287 (AR)</li> </ul>   |   | » Reasonable assurance (PDF, 12 MB) |
| G4-10 / GC 6<br>Employee indicators (number of employees, gender, contract, type, region)  | <ul style="list-style-type: none"> <li>» Munich Re as an employer</li> <li>» Work-life balance</li> <li>» Employee indicators</li> <li>» Group/Employees (CWS)</li> <li>» Staff: pp. 111-114 (AR)</li> </ul>  | Partially reported – some data not available  | » Reasonable assurance (PDF, 12 MB) |
| G4-11 / GC 3<br>Percentage of total employees covered by collective bargaining agreements  | <ul style="list-style-type: none"> <li>» Employee indicators</li> </ul>   | Partially reported – some data not available<br>96% of our employees are represented by an independent trade union or covered by collective bargaining agreements. MR Munich and ERGO are member in the employers' association of insurance industry in Germany and therefore subject to the association's collective bargaining agreements; the same terms and conditions apply to both union and non-union members. | No                                  |
| G4-12<br>Supply chain  | <ul style="list-style-type: none"> <li>» Supply chain management</li> </ul>   | Partially reported – some data not available  | No                                  |
| G4-13<br>Significant changes during the reporting period regarding size, structure, ownership or supply chain                              | <ul style="list-style-type: none"> <li>» Notable events: pp. 8-9 (AR)</li> <li>» Group structure: pp. 33-38 (AR)</li> </ul>   |   | » Reasonable assurance (PDF, 12 MB) |
| <b>Commitments to external initiatives</b>   |   |   |                                     |
| G4-14<br>Whether and how the precautionary approach or principle is addressed.   | <ul style="list-style-type: none"> <li>» Risk management</li> <li>» Risk management (CWS)</li> <li>» Risk report: pp.117 ff. (AR)</li> </ul>  |   | » Reasonable assurance (PDF, 12 MB) |
| G4-15<br>Externally developed economic, environmental, and social charters, principles, or other initiatives to which Munich Re subscribes | <ul style="list-style-type: none"> <li>» Our commitments</li> <li>» Memberships and partnerships</li> </ul>   |   | No                                  |
| G4-16<br>List memberships of associations and national or international advocacy organizations   | <ul style="list-style-type: none"> <li>» Memberships and partnerships</li> </ul>  |   | No                                  |
| <b>Identified Material Aspects and Boundaries</b>  |   |   |                                     |
| G4-17<br>All entities included and excluded in the organization's consolidated financial statements or equivalent documents                | <ul style="list-style-type: none"> <li>» List of shareholdings: pp. 292-301 (AR)</li> <li>» Group structure: pp. 33-38 (AR)</li> </ul>  |   | » Reasonable assurance (PDF, 12 MB) |
| G4-18<br>Process for defining report content and Aspect Boundaries and how the organization has implemented the Reporting Principles       | <ul style="list-style-type: none"> <li>» Stakeholder dialogue</li> <li>» Materiality analysis</li> </ul>  |   | No                                  |
| G4-19  | » Materiality analysis  | Identified and analyzed material  | No                                  |

|  |  |   |                                     |
|--|--|---|-------------------------------------|
| G4-19<br>All the material Aspects identified in the process for defining report content.                               | <ul style="list-style-type: none"> <li>» Materiality analysis</li> <li>» Stakeholder dialogue</li> </ul>   | <p>identified and analysed material topics for Munich Re Group:</p> <ul style="list-style-type: none"> <li>Climate change</li> <li>Vulnerability of economies</li> <li>Demographic change</li> <li>Access to financial solutions</li> <li>Digitalisation and new technologies</li> <li>Emerging risks</li> </ul>  | No                                  |
| G4-20<br>For each material Aspect, report the Aspect Boundary within the organization                                  | <ul style="list-style-type: none"> <li>» Materiality analysis</li> <li>» Stakeholder dialogue</li> <li>» About CR portal</li> <li>» Facts and figures</li> </ul>   | <p>Climate change: relevant particularly for risk assessment, corporate underwriting and business development</p> <p>Vulnerability of economies: stable economies are in general relevant for Munich Re,</p> <p>Demographic change: relevant particularly for the Life and Health sector as well as for the primary insurance sector.</p> <p>Access to financial solutions: in general relevant for market and business development</p> <p>Digitalisation and new technologies: in general relevant for the development for future markets/access to clients</p> <p>Emerging risks: in general relevant for identification/analysis of new risks and opportunities (risk assessment, business potentials)</p> | No                                  |
| G4-21<br>For each material Aspect, report the Aspect Boundary outside the organization                                 | <ul style="list-style-type: none"> <li>» Materiality analysis</li> <li>» Stakeholder dialogue</li> <li>» About CR portal</li> <li>» Facts and figures</li> </ul>   | <p>Climate change: relevant particularly for clients and shareholders</p> <p>Vulnerability of economies: relevant particularly for shareholders and clients</p> <p>Demographic change: particularly relevant for clients in the health and life business as well as in primary insurance</p> <p>Access to financial solutions: potential/new clients/markets</p> <p>Digitalisation and new technologies: relevant for clients and shareholders</p> <p>Emerging risks: relevant particularly for shareholders and clients</p>  | No                                  |
| G4-22<br>Effect of any restatements of information provided in previous reports, and the reasons for such restatements | <ul style="list-style-type: none"> <li>» Facts and figures</li> <li>» Notes to the consolidated financial statements: pp. 165-179 (AR)</li> <li>» Prospects: pp. 146-153</li> </ul>                                      | <p>We generally report on several years in order to show the development of performance indicators. The reasons for restatements of environmental data are generally improved data quality and availability following the introduction of a web-based data management system (SoFi), as well as changes in carbon accounting with revised emission factors. The effects of any restatements are explained for the indicators affected where applicable.</p>   | No                                  |
| G4-23<br>Significant changes from previous reporting periods in the Scope and Aspect Boundaries.                       | <ul style="list-style-type: none"> <li>» About CR portal</li> <li>» Digitalisation</li> <li>» Emerging Risks</li> <li>» Supply Chain Management</li> <li>» Lobbying</li> <li>» Health Care and Digitalisation</li> </ul> | <p>New information available regarding Digitalisation, Emerging Risks, Supply Chain Management, Lobbying and Health Care and Digitalisation</p>   | No                                  |
| <b>Stakeholder Engagement</b>  |  |   |                                     |
| G4-24<br>List of stakeholder groups engaged  | <ul style="list-style-type: none"> <li>» Stakeholder dialogue</li> <li>» Memberships and partnerships</li> <li>» Stakeholders: pp. 108-116 (AR)</li> </ul>   |   | » Reasonable assurance (PDF, 12 MB) |
| G4-25<br>Basis for identification and selection of stakeholders with whom to engage                                    | <ul style="list-style-type: none"> <li>» Stakeholder dialogue</li> <li>» Memberships and partnerships</li> </ul>   |   | No                                  |

|  |   |  |                                     |
|--|---|--|-------------------------------------|
| G4-26<br>Approach to stakeholder engagement  | <ul style="list-style-type: none"> <li>» Stakeholder dialogue</li> <li>» Materiality analysis</li> <li>» Memberships and partnerships</li> </ul>  |  | No                                  |
| G4-27<br>Concerns that have been raised through stakeholder engagement; how Munich Re has responded to those key topics and concerns.  | <ul style="list-style-type: none"> <li>» Stakeholder dialogue</li> <li>» Annual General Meeting/Countermeasures</li> <li>» Compliance</li> </ul>  | Partially reported – some data not available   |                                     |
| <b>Report Profile</b>  |   |  |                                     |
| G4-28<br>Reporting period  | » About CR Portal   |  | No                                  |
| G4-29<br>Previous report publication   | » Downloads   | June 2014  | No                                  |
| G4-30<br>Reporting cycle   | » About CR Portal   | annual   | No                                  |
| G4-31<br>Contact point for questions regarding the report.   | » Contact   | Dr. Philipp Hasenmueller<br>Georg Schwarz<br>» <a href="mailto:responsibility@munichre.com">responsibility@munichre.com</a>  | No                                  |
| <b>Report profile: GRI content index</b>   |   |  |                                     |
| G4-32<br>The 'in accordance' option Munich Re has chosen   | » Reporting/GRI   |  | No                                  |
| G4-33<br>Policy and current practice regarding external assurance  |   | No external assurance of the CR-report (Portal and Short Report). Consolidated financial statements and Group management report in the Annual Report 2014 with reasonable assurance from KPMG. |                                     |
| <b>Governance</b>  |   |  |                                     |
| G4-34<br>Governance structure including committees responsible for decision-making on ESG impacts.   | <ul style="list-style-type: none"> <li>» Risk management</li> <li>» Articles of Association (CWS)</li> <li>» Organisational positioning</li> <li>» Corporate governance report and corporate governance statement: pp. 26-29 (AR)</li> </ul>  | Group Corporate Responsibility Committee   | » Reasonable assurance (PDF, 12 MB) |
| G4-35<br>Process for delegating authority for ESG-topics from the highest governance body to senior executives and other employees.  | <ul style="list-style-type: none"> <li>» Organisational positioning</li> <li>» Integrating ESG aspects</li> <li>» Practical implementation</li> <li>» Corporate governance report and corporate governance statement: pp. 26-29 (AR)</li> </ul>   | No external assurance of the CR-report (Portal and Short Report). Consolidated financial statements and Group management report in the Annual Report 2014 with reasonable assurance from KPMG. | » Reasonable assurance (PDF, 12 MB) |
| G4-36<br>Report whether the organization has appointed an executive-level position with responsibility for ESG-topics, and whether post holders report directly to the highest governance body.  | <ul style="list-style-type: none"> <li>» Organisational positioning</li> <li>» Integrating ESG aspects</li> <li>» Practical implementation</li> </ul>   |  | No                                  |
| G4-37<br>Processes for consultation between stakeholders and the highest governance body on ESG-topics.  | <ul style="list-style-type: none"> <li>» Stakeholder dialogue</li> <li>» Integrating ESG aspects</li> <li>» Mission statement (CWS)</li> <li>» Annual general meeting (CWS)</li> <li>» Stakeholders: pp. 108ff. (AR)</li> </ul>   |  | » Reasonable assurance (PDF, 12 MB) |
| G4-38<br>Composition of the highest governance body and its committees by: Executive or non-executive, Independence, Tenure, other commitments, Gender, Membership of under-represented social groups, Competences relating to ESG impacts, Stakeholder representation | <ul style="list-style-type: none"> <li>» Supervisory Board (and subsequent pages) (CWS)</li> <li>» Corporate governance report and corporate governance statement: pp. 26-29 (AR)</li> <li>» Management report: p. 43-48 (AR)</li> <li>» Report of the Supervisory Board: pp. 21-25 (AR)</li> </ul> |  | No                                  |
| G4-39<br>Whether the Chair of the highest governance body is also an executive officer.  | » Corporate governance report and corporate governance statement: pp. 26-29 (AR)  |  | No                                  |

|  |   |  |   |
|--|---|--|---|
| G4-40<br>Nomination process for the highest governance body and its committees including diversity, independence, skills, stakeholder engagement   | <ul style="list-style-type: none"> <li>» Corporate governance report and corporate governance statement: p 28 (AR)</li> </ul>   |  | No  |
| G4-41<br>Board conflicts of interest   | <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Code of Conduct (Section 4) (CWS)</li> <li>» Report of the Supervisory Board: p. 24 (AR)</li> <li>» Corporate governance report and corporate governance statement: p 28 (AR)</li> </ul> |  | No  |
| G4-42<br>Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.   | <ul style="list-style-type: none"> <li>» Organisational positioning</li> </ul>  |  | No  |
| G4-43<br>Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.   | <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Integrating ESG aspects</li> <li>» Practical implementation</li> </ul>   |  | No  |
| G4-44<br>Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics and actions taken in response   | <ul style="list-style-type: none"> <li>» Report of the Supervisory Board: pp.21 ff (AR)</li> </ul>  |  | No  |
| G4-45<br>Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities and whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities. | <ul style="list-style-type: none"> <li>» Strategy &amp; challenges</li> <li>» Corporate governance</li> <li>» Organisational positioning</li> <li>» Report of the Supervisory Board: pp.21 ff (AR)</li> </ul>   | The Munich Re Corporate Responsibility strategy has been approved by the Board of Management. The Munich Re Corporate Responsibility Department forms part of the Group Development Division, which reports to the Chairman of the Board of Management. Since 2011, an Annual Evaluation Report on Corporate Responsibility has been submitted to the Board of Management. | No  |
| G4-46<br>Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.  | <ul style="list-style-type: none"> <li>» Risk Report: p. 117 f., particularly Control and monitoring systems: p. 120 (AR)</li> <li>» Report of the Supervisory Board: p. 23 (AR)</li> </ul>   |  | <ul style="list-style-type: none"> <li>» Reasonable assurance (PDF, 12 MB)</li> </ul> |
| G4-47<br>Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.  | <ul style="list-style-type: none"> <li>» Report of the Supervisory Board: pp. 21ff. (AR)</li> </ul>   |  | No  |
| G4-48<br>Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.  | <ul style="list-style-type: none"> <li>» Organisational positioning</li> </ul>  | Head of Group Development – Management Level 1   | No  |
| G4-49<br>Process for communicating critical concerns to the highest governance body.   | <ul style="list-style-type: none"> <li>» Investor Relations/Mission statement</li> <li>» Corporate Governance/Annual General Meeting</li> <li>» Whistleblowing Portal</li> </ul>  |  | No  |
| G4-50<br>Nature and total number of critical concerns communicated to the highest governance body; mechanism(s) used to address and resolve them.  |   | Not reported   | No  |
| G4-51<br>Remuneration policies for the highest governance body and senior executives   | <ul style="list-style-type: none"> <li>» Remuneration report (CWS)</li> <li>» Remuneration report: pp.</li> </ul>   | Individual three-year objectives (2012–2014) for executive managers are linked to  | <ul style="list-style-type: none"> <li>» Reasonable assurance (PDF, 12 MB)</li> </ul> |

|   |   |  |                                     |
|---|---|--|-------------------------------------|
| governance body and senior executives and performance criteria in the remuneration policy related to economic, environmental and social objectives  | » Remuneration report: pp. 49 ff. (AR)                                | managers are linked to environmental, social or governance metrics and targets relating to approx. 3% of the total remuneration. | (PDF, 12 MB)                        |
| G4-52<br>Process for determining remuneration   | » Remuneration report (CWS)<br>» Remuneration report: pp. 49 ff. (AR) |  | » Reasonable assurance (PDF, 12 MB) |
| G4-53<br>Stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.  |   | Not reported   |                                     |
| G4-54<br>Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.   |   | Not reported – data not available  |                                     |
| G4-55<br>Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country. |   | Not reported – data not available  |                                     |

#### Ethics and Integrity

|  |  |  |    |
|--|--|--|----|
| G4-56/ GC 10<br>Munich Re's values, principles, standards and norms of behavior  | » Our commitments<br>» Guiding principles<br>» Compliance<br>» Code of Conduct: (ERGO , Group) (CWS) |  | No |
| G4-57/ GC 10<br>Internal and external mechanisms for seeking advice on ethical and lawful behavior, and organizational integrity           | » Anti-fraud Management<br>» Compliance<br>» Code of Conduct: (ERGO , Group) (CWS)                   |  | No |
| G4-58/ GC 10<br>Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and organizational integrity | » Compliance<br>» Anti-fraud Management<br>» Lobbying  |  | No |

#### ▶ Economic

| GRI G4/UN Global Compact Aspects and Indicators                     | Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR)   | Additional Comment/ Reason for Omission | External Assurance                  |
|---|--|---|-------------------------------------|
| <b>Economic</b>   |  |   |                                     |
| <b>Economic Performance</b>   |  |   |                                     |
| G4-DMA  | » Our Strategy: pp. 16-18 (AR)<br>» Strategy (CWS)   |   | No                                  |
| G4-EC1<br>FS-EC1<br>Direct economic value generated and distributed | » Financial indicators<br>» Key figures (IFRS): cover p. 2 (AR)<br>» Business performance: pp. 72 ff. (AR)<br>» Notes to the consolidated balance sheet – Equity and liabilities, p. 231 (AR)<br>» Personnel expenses: p.282 (AR)<br><br>FS-EC1:<br>» Commitment |   | » Reasonable assurance (PDF, 12 MB) |

|   |  |  |                                     |
|---|--|--|-------------------------------------|
|   | » Social commitment indicators   |  |                                     |
| G4-EC2 / GC 7<br>Financial implications and other risks and opportunities for the organization's activities due to climate change | <ul style="list-style-type: none"> <li>» Climate change</li> <li>» Insurance concepts for renewable energies</li> <li>» Investments in infrastructure with focus on renewable energies</li> <li>» Solutions</li> <li>» Focus topics/Climate change</li> <li>» Risk report/Climate change: pp. 135 ff. (AR)</li> <li>» Opportunities report: pp. 142 f. (AR)</li> </ul> |  | » Reasonable assurance (PDF, 12 MB) |
| G4-EC3<br>Coverage of the organisation's defined benefit plan obligations   | <ul style="list-style-type: none"> <li>» Other accrued liabilities: pp. 192 f. (AR)</li> <li>» Other accrued liabilities: pp. 246 ff. (AR)</li> </ul>  |  | » Reasonable assurance (PDF, 12 MB) |
| G4-EC4<br>Financial assistance received from government   |  | To our best knowledge, Munich Re did not receive financial assistance from government. | No                                  |

#### Market Presence

|  |   |  |                                     |
|--|---|--|-------------------------------------|
| G4-DMA   | <ul style="list-style-type: none"> <li>» Remuneration</li> <li>» Training and personal development</li> </ul>           |  | No                                  |
| G4-EC5/ GC 6<br>Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation | » Personnel expenses: p. 282 (AR)   | Munich Re salaries are substantially above the local minimum wage level. In general, Munich Re pays wages that are higher than the local minimum wages (where they exist). | » Reasonable assurance (PDF, 12 MB) |
| G4-EC6/ GC 6<br>Proportion of senior management hired from the local community at significant locations of operation.              | <ul style="list-style-type: none"> <li>» Training and personal development</li> <li>» Staff: pp. 111ff. (AR)</li> </ul> |  | » Reasonable assurance (PDF, 12 MB) |

#### Indirect Economic Impacts

|   |   |   |    |
|---|---|---|----|
| G4-DMA  | <ul style="list-style-type: none"> <li>» Our guiding principles</li> <li>» Investments in infrastructure with focus on renewable energies</li> <li>» Insurance concepts for renewable energies</li> <li>» Solutions for developing countries and emerging markets</li> </ul>  | We use our knowledge to come up with solutions that meet the needs both of our clients and of society and its financial structures, since insurance only works if the risks – including indirect economic impact – can be calculated. |    |
| G4-EC7<br>Development and impact of infrastructure investments and services supported | <ul style="list-style-type: none"> <li>» Investments in infrastructure with focus on renewable energies</li> <li>» Insurance concepts for renewable energies</li> <li>» Solutions for developing countries and emerging markets</li> <li>» Microinsurances (Primary insurance)</li> <li>» Supply chain management</li> <li>» Munich Climate Insurance Initiative (CWS)</li> </ul> |   | No |

G4-EC8

No

Significant indirect economic impacts, including the... - Investments in

Significant indirect economic impacts, including the extent of impacts

- » investments in infrastructure with focus on renewable energies
- » Insurance concepts for renewable energies
- » Solutions for developing countries and emerging markets
- » Climate change
- » Focus topics/Climate change

#### Procurement Practices

|   |   |                             |    |
|---|---|-----------------------------|----|
| G4-DMA  | » Supply chain management<br>» Compliance |                             | No |
| G4-EC9<br>Proportion of spending on local suppliers at significant locations of operation | » Supply chain management<br>» Compliance | Only partial data available | No |

#### ► Environmental

| GRI G4/UN Global Compact Aspects and Indicators | Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR) | Additional Comment/ Reason for Omission | External Assurance |
|---|--|---|--------------------|
|---|--|---|--------------------|

#### Environmental

|        |   |  |    |
|--------|---|--|----|
| G4-DMA | » Environmental management<br>» Operational ecology<br>» Climate protection<br>» Environmental indicators<br>» More detailed environmental indicators<br>» Our guiding principles | Our explanations regarding this DMA applies to the following Aspects: Materials, Energy, Water, Emissions, Effluents and Waste, Products and Services, Compliance, Transport, Supplier Environmental Assessment, Environmental Grievance Mechanisms. | No |
|--------|---|--|----|

#### Materials

|  |  |  |    |
|--|--|--|----|
| G4-EN1/ GC 7,8<br>Materials used by weight or volume                           | » Environmental indicators<br>» More detailed environmental indicators |  | No |
| G4-EN2/ GC 8<br>Percentage of materials used that are recycled input materials | » Environmental indicators<br>» More detailed environmental indicators |  | No |

#### Energy

|  |  |              |    |
|--|--|--------------|----|
| G4-EN3/ GC 7,8<br>Energy consumption within the organisation                 | » Environmental indicators<br>» More detailed environmental indicators<br>» Climate protection<br>» Operational ecology  |              | No |
| G4-EN4/ GC 8   |  | not reported |    |
| G4-EN5/ GC 8<br>Energy intensity   | » More detailed environmental indicators   |              | No |
| G4-EN6/ GC 8,9<br>Reduction of energy consumption                            | » More detailed environmental indicators<br>» Climate protection<br>» Operational ecology  |              | No |
| G4-EN7/ GC 8,9<br>Reductions in energy requirements of products and services | » Investments in infrastructure with focus on renewable energies<br>» Insurance concepts for renewable energies<br>» Eco-friendly insurance solutions<br>» Climate protection<br>» Responsible investment strategies |              | No |

#### Water

|   |   |   |    |
|---|---|---|----|
| G4-EN8 / GC 7,8<br>Total water withdrawal by source | » Operational ecology<br>» More detailed environmental indicators | As a financial services provider, Munich Re is not a water-intensive company. | No |
|---|---|---|----|

Total water withdrawal 2014 at Group-level by source:  
775.051m³  
Rain water: 0.06%  
Natural water: 0.81%  
Tap water: 99.13%

|   |      |    |
|---|------|----|
| G4-EN9/ GC 8<br>Water sources significantly affected by withdrawal of water | None | No |
|---|------|----|

|   |   |    |
|---|---|----|
| G4-EN10/ GC 8<br>Percentage and total volume of water recycled and reused | This indicator is of limited relevance, no water is recycled nor reused at our sites.<br>Toilets at our offices in Munich are flushed with rainwater. | No |
|---|---|----|

#### Biodiversity

|               |              |  |
|---------------|--------------|--|
| G4-EN11/ GC 8 | Not material |  |
|---------------|--------------|--|

|               |              |  |
|---------------|--------------|--|
| G4-EN12/ GC 8 | Not material |  |
|---------------|--------------|--|

|               |              |  |
|---------------|--------------|--|
| G4-EN13/ GC 8 | Not material |  |
|---------------|--------------|--|

|               |              |  |
|---------------|--------------|--|
| G4-EN14/ GC 8 | Not material |  |
|---------------|--------------|--|

#### Emissions

|   |  |  |    |
|---|--|--|----|
| G4-EN15 / GC 7,8<br>Direct greenhouse gas (GHG) emissions (Scope 1) | » More detailed environmental indicators (XLSX, 35 KB) | Partially reported, no data available regarding the use of courier services. | No |
|---|--|--|----|

|  |  |  |    |
|--|--|--|----|
| G4-EN16 / GC 7,8<br>Energy indirect greenhouse gas (GHG) emissions (Scope 2) | » More detailed environmental indicators (XLSX, 35 KB) |  | No |
|--|--|--|----|

|  |  |  |    |
|--|--|--|----|
| G4-EN17/ GC 7,8<br>Other indirect greenhouse gas (GHG) emissions (Scope 3) | » More detailed environmental indicators (XLSX, 35 KB) |  | No |
|--|--|--|----|

|  |  |  |    |
|--|--|--|----|
| G4- EN18/ GC 8<br>Greenhouse gas (GHG) emissions intensity | » More detailed environmental indicators (XLSX, 35 KB) |  | No |
|--|--|--|----|

|  |  |  |    |
|--|--|--|----|
| G4-EN19/ GC 8,9<br>Reduction of greenhouse gas (GHG) emissions | » More detailed environmental indicators (XLSX, 35 KB)<br>» Climate protection<br>» Environmental indicators |  | No |
|--|--|--|----|

|                 |              |    |
|-----------------|--------------|----|
| G4-EN20/ GC 7,8 | Not material | No |
|-----------------|--------------|----|

|                 |              |    |
|-----------------|--------------|----|
| G4-EN21/ GC 7,8 | Not material | No |
|-----------------|--------------|----|

#### Effluents and Waste

|               |              |    |
|---------------|--------------|----|
| G4-EN22/ GC 8 | Not material | No |
|---------------|--------------|----|

|  |  |  |    |
|--|--|--|----|
| G4-EN23/ GC 8<br>Total weight of waste by type and disposal method | » More detailed environmental indicators (XLSX, 35 KB) |  | No |
|--|--|--|----|

|  |   |    |
|--|---|----|
| G4-EN24/ GC 8<br>Total number and volume of significant spills | There were no significant spills of hazardous materials during the reporting period. Our activity as a financial services provider entails very little contact with hazardous materials and significant spills are thus unlikely. | No |
|--|---|----|

|   |   |    |
|---|---|----|
| G4-EN25/ GC 8<br>Weight of transported, imported, exported, or treated waste deemed hazardous | Not material. Munich Re works with certified waste disposal entities that guarantee the correct transfer and processing of waste. | No |
|---|---|----|

|               |              |    |
|---------------|--------------|----|
| G4-EN26/ GC 8 | Not material | No |
|---------------|--------------|----|

#### Products and Services

|  |  |    |
|--|--|----|
| G4-EN27/ GC 7,9<br>Extent of impact mitigation of environmental impacts of products and services | » Investments in infrastructure with focus on renewable energies<br>» Insurance concepts for renewable energies<br>» Eco-friendly insurance solutions<br>» Responsible investment strategies | No |
|--|--|----|

» Focus topics/Climate change

|  |   |                    |    |
|--|---|--------------------|----|
| G4-EN28/ GC 8  |   | Not material       |    |
| <b>Compliance</b>  |   |                    |    |
| G4-EN29/ GC 8<br>Monetary value and number of non-monetary sanctions for non-compliance with environmental laws and regulations  |   | None               | No |
| <b>Transport</b>   |   |                    |    |
| G4-EN30/ GC 8<br>Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce | <ul style="list-style-type: none"> <li>» Operational ecology</li> <li>» Environmental indicators</li> <li>» More detailed environmental indicators (XLSX, 35 KB)</li> </ul> |                    | No |
| <b>Overall</b>   |   |                    |    |
| G4-EN31/ GC 7,8,9  |   | Not material       | No |
| <b>Supplier Environmental Assessment</b>   |   |                    |    |
| G4-EN32/ GC 8<br>Percentage of new suppliers that were screened using environmental criteria   | <ul style="list-style-type: none"> <li>» Supply chain management</li> <li>» Compliance</li> </ul>   | 100%               | No |
| G4-EN33/ GC 8  | <ul style="list-style-type: none"> <li>» Supply chain management</li> <li>» Compliance</li> </ul>   | None, not material | No |
| <b>Environmental Grievance Mechanisms</b>  |   |                    |    |
| G4-EN34/ GC 8<br>Number of grievances about environmental impacts  | <ul style="list-style-type: none"> <li>» Annual General Meeting/Counter motions (CWS)</li> </ul>  |                    | NO |

► Social

| <b>GRI G4/UN Global Compact Aspects and Indicators</b>  | <b>Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR)</b>  | <b>Additional Comment/ Reason for Omission</b>  | <b>External Assurance</b>           |
|---|--|---|-------------------------------------|
| <b>Sub-category: Labor Practices and Decent Work</b>  |  |   |                                     |
| G4-DMA  | <ul style="list-style-type: none"> <li>» Munich Re as an employer</li> <li>» Training and personal development</li> <li>» Staff: pp. 111-113 (AR)</li> </ul> |   | » Reasonable assurance (PDF, 12 MB) |
| <b>Employment</b>   |  |   |                                     |
| G4-LA1/ GC 6<br>Total number and rates of new employee hires and employee turnover by age group, gender and region                                  | <ul style="list-style-type: none"> <li>» Employee indicators</li> </ul>  | Only selected data available (Employee turnover rate)   | No                                  |
| G4-LA2<br>Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation | <ul style="list-style-type: none"> <li>» Remuneration</li> <li>» Work-life balance</li> <li>» Munich Re as an employer/what we offer/salary (CWS)</li> </ul> | Munich Re does not differentiate between benefits provided to full-time staff and those provided to part-time staff.  | No                                  |
| G4-LA3 / GC 6<br>Return to work and retention rates after parental leave, by gender   | <ul style="list-style-type: none"> <li>» Work-life balance</li> </ul>  |   | No                                  |
| <b>Management Relations</b>   |  |   |                                     |
| G4-DMA  | <ul style="list-style-type: none"> <li>» Munich Re as an employer</li> <li>» Staff: pp. 111-113 (AR)</li> </ul>  | Only selected data available (Employee turnover rate)   | No                                  |
| G4-LA4/ GC 3<br>Minimum notice periods regarding operational changes, including whether these are specified in collective agreements                |  | In the event of operational changes, the Staff Council is duly informed of the action planned in accordance with its right to information, so that it can have a say in whether, when and how such changes are effected | No                                  |

## Occupational Health and Safety

|  |  |   |   |
|--|--|---|---|
| G4-DMA   | <ul style="list-style-type: none"> <li>» Munich Re as an employer</li> <li>» Health at the workplace</li> <li>» Staff: pp. 111-113 (AR)</li> </ul> |   | <ul style="list-style-type: none"> <li>» Reasonable assurance (PDF, 12 MB)</li> </ul> |
| G4-LA5<br>Percentage of total workforce represented in formal joint management-worker health and safety committees                           | <ul style="list-style-type: none"> <li>» Health at the workplace</li> </ul>  | Data coverage: Germany (Munich Re Munich, ERGO, MEAG): 100% in-house staff/ MR America: 100%<br>All of Munich Re's activities/actions in its various lines of business are based on the same principles, but with local freedom of application. | No  |
| G4-LA6<br>Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities | <ul style="list-style-type: none"> <li>» Health at the workplace</li> <li>» Employee indicators</li> </ul>   | Only partial data available, to some extent due to confidentiality.   | No  |
| G4-LA7<br>Workers with high incidence or high risk of diseases related to their occupation   | <ul style="list-style-type: none"> <li>» Health at the workplace</li> </ul>  | "Preventing and dealing with stress in general is becoming increasingly important within our health management." [...]  | No  |
| G4-LA8<br>Health and safety topics covered in formal agreements with trade unions  |  | Each company discusses safety at work issues with its own employee representatives. The relevant statutes are applied.  | No  |

## Training and Education

|  |  |  |    |
|--|--|--|----|
| G4-DMA   | <ul style="list-style-type: none"> <li>» Munich Re as an employer</li> <li>» Training and personal development</li> <li>» Munich Re as an employer/what we offer/further training and development opportunities (CWS)</li> <li>» Staff: pp. 111-113 (AR)</li> </ul>  |  | No |
| G4-LA9 / GC 6<br>Average hours of training per year per employee   | <ul style="list-style-type: none"> <li>» Training and personal development</li> <li>» Employee indicators</li> </ul>   |  |    |
| G4-LA10<br>Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings | <ul style="list-style-type: none"> <li>» Training and personal development</li> <li>» Munich Re as an employer/what we offer/further training and development opportunities (CWS)</li> <li>» Careers at Munich Re (CWS)</li> <li>» Future excellence in leadership (CWS)</li> <li>» Specialist career (CWS)</li> </ul> |  | No |
| G4-LA11/ GC 6<br>Percentage of employees receiving regular performance and career development reviews, by gender and by employee category                        | <ul style="list-style-type: none"> <li>» Remuneration</li> </ul>   | Performance appraisals are part of Munich Re's performance management system. Employees and managers set objectives that are reviewed on a regular basis. Personnel development initiatives are part of the annual appraisal interviews. This is valid for the whole Munich Re Group, including reinsurance, primary insurance (ERGO), Munich Health and MEAG. | No |

## Diversity and Equal Opportunity

|   |   |  |    |
|---|---|--|----|
| G4-DMA  | <ul style="list-style-type: none"> <li>» Diversity</li> <li>» Staff: pp. 111-113 (AR)</li> </ul>  |  | No |
| G4-LA12/ GC 6<br>Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity | <ul style="list-style-type: none"> <li>» Munich Re as an employer</li> <li>» Diversity</li> <li>» Employee indicators</li> <li>» Corporate Governance/Supervisory Board (CWS)</li> <li>» Curriculum vitae Supervisory Board (CWS)</li> <li>» Staff: pp. 111-113 (AR)</li> </ul> |  | No |

## Equal Remuneration for Women and Men

|   |   |  |    |
|---|---|--|----|
| G4-DMA  | <ul style="list-style-type: none"> <li>» Remuneration</li> <li>» Diversity</li> <li>» Code of Conduct (CWS) (PDF, 354 KB)</li> </ul>  | We do not differentiate between men and women in our remuneration system. Our policy on salary determination is not based on gender but on individual expertise, experience and market-based criteria. | No |
| G4-LA13/ GC 6<br>Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation | <ul style="list-style-type: none"> <li>» Remuneration</li> <li>» Diversity</li> <li>» Code of Conduct (CWS) (PDF, 354 KB)</li> <li>» Munich Re as an employer/what we offer/salary (CWS)</li> </ul> | We do not differentiate between men and women in our remuneration system. Our policy on salary determination is not based on gender but on individual expertise, experience and market-based criteria. | No |

## Supplier Assessment for Labor Practices

|  |  |      |    |
|--|--|------|----|
| G4-DMA   | <ul style="list-style-type: none"> <li>» Supply chain management</li> <li>» Compliance</li> <li>» Procurement Principles (PDF, 84 KB)</li> </ul> |      | No |
| G4-LA14<br>Percentage of new suppliers that were screened using labor practices criteria | <ul style="list-style-type: none"> <li>» Supply chain management</li> </ul>  | 100% | No |
| G4-LA15<br>Negative impacts for labor practices in the supply chain and actions taken    | <ul style="list-style-type: none"> <li>» Supply chain management</li> </ul>  | None | No |

## Labor Practices Grievance Mechanisms

|         |  |              |    |
|---------|--|--------------|----|
| G4-LA16 |  | Not material | No |
|---------|--|--------------|----|

## Sub-category: Human Rights

|        |  |   |    |
|--------|--|---|----|
| G4-DMA | <ul style="list-style-type: none"> <li>» Our commitments</li> <li>» Managing investments</li> <li>» Objectives and measures</li> <li>» Corporate Responsibility in Business</li> <li>» PRI reporting</li> <li>» PSI reporting</li> <li>» Compliance</li> <li>» Code of Conduct (PDF, 354 KB)</li> <li>» Sustainable Supply Chain Management</li> </ul> | <p>This DMA applies to the aspects Investment, Non-discrimination, Freedom of Association and Collective Bargaining, Child Labor, Forced or Compulsory Labor, Security Practices, Indigenous Rights, Assessment and Supplier Human Rights Assessment.</p> <p>Observance of human rights is axiomatic for Munich Re. This commitment is manifested e.g. in Munich Re's participation in the United Nations' Global Compact (since 2007) and the Principles for Sustainable Insurance (PSI) as well as the Principles on Responsible Investments (PRI). Munich Re is a member of the UN Global Compact Peer Learning Group on Human Rights.</p> <p>Munich Re (Group) treats the topic of human rights from four perspectives: 1) Employees; 2) Procurement; 3) (Re)Insurance business; 4) Asset Management</p> <p>Examples:</p> <p>1) In our Code of Conduct (CoC) we take reference to the UN GC and explicitly list all the principles. Our CoC specifies that we expect our employees to observe the personal dignity, privacy and personality rights of every individual. We do not tolerate any discrimination, sexual harassment, other personal harassment, or insulting behaviour. Neither do we tolerate any intimidation or violence, or the threat thereof</p> | No |
|--------|--|---|----|

violence, or the threat thereof.

2) We apply sustainable procurement guidelines throughout the group.

3) In our insurance business we identify and prioritize sensitive topics (those issues which have the highest ESG – environmental, social and governance – challenges), on which we develop positions that apply Group-wide. These are then implemented by the business fields in the form of binding underwriting guidelines, best practices and guidance for our employees. Human Rights are explicitly an important aspect in all dimensions.

4) The major portion of our investments meet sustainable investment criteria that include human rights aspects.

See also specific indicators.

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## Investment

|   |  |  |           |
|---|--|--|-----------|
| <p>G4-HR1/ GC 2<br/>Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening</p> | <ul style="list-style-type: none"> <li>» Managing investments</li> <li>» Objectives and measures</li> <li>» Responsible investment strategies</li> <li>» Our commitments</li> <li>» Corporate Responsibility in Business</li> <li>» PRI reporting</li> </ul> | <p>Only partial data available.</p> <p>No</p> <p>The major portion of our investments meet sustainable investment criteria that include human rights aspects. In the asset classes of infrastructure, renewable energies and forestry, we have established an investment process which follows additional important objectives relating to investment (incl. ESG criteria) as well as financial criteria. We regularly review our sustainability criteria for these asset classes using the ESG criteria of external rating agencies. Particularly in the areas of renewable energies, infrastructure and forestry,</p> <p>Since 2013, our investment activities have taken into account an external ESG country rating for the sustainability performance of individual countries. In cases where countries fail to satisfy our criteria, MEAG refrains from investing in their government bonds or the bonds of government-sponsored organizations.</p> <p>Human rights aspects are also part of our policy on banned weapons as well as of our position on agroinvestments.</p> | <p>No</p> |
|---|--|--|-----------|

|   |   |   |           |
|---|---|---|-----------|
| <p>G4-HR2/ GC 1<br/>Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</p> | <ul style="list-style-type: none"> <li>» Compliance</li> <li>» Code of Conduct (CWS) (PDF, 354 KB)</li> <li>» Corporate Responsibility in Business</li> <li>» Integrating ESG aspects</li> <li>» Practical implementation</li> <li>» Sustainable Supply Chain Management</li> </ul> | <p>Only partial data available:</p> <p>Training programmes on the Code of Conduct for our employees as well as e-learning module on this topic. Furthermore there are specific ESG trainings in place for our underwriter, business analysts and client manager in order to helping them to systematically incorporate ESG aspects in their risk assessments.</p> | <p>No</p> |
|---|---|---|-----------|

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## Non-discrimination

|                     |  |                                     |           |
|---------------------|--|-------------------------------------|-----------|
| <p>G4-HR3/ GC 6</p> | <ul style="list-style-type: none"> <li>» Compliance</li> </ul> | <p>Only partial data available.</p> | <p>No</p> |
|---------------------|--|-------------------------------------|-----------|

|  |  |   |
|--|--|---|
| Total number of incidents of discrimination and corrective actions taken | <ul style="list-style-type: none"> <li>» Diversity</li> <li>» Code of Conduct (CWS)</li> </ul> | <p>Our CoC specifies that we expect our employees to observe the personal dignity, privacy and personality rights of every individual. We do not tolerate any discrimination, sexual harassment, other personal harassment, or insulting behaviour.</p> <p>Munich Re has completed the enhancement of our internal control system. Furthermore internal guidelines and procedures to report on breaches are implemented.</p> <p>Additionally, there is the Group Compliance Committee (GCC), which deals with compliance and reputational issues and risks at Group level, with a view to standardizing the way they are handled throughout the Group.</p> <p>The possibility of whistle blowing and reporting to an external ombudsman or confidential reporting through ethic hotlines and our electronic platform (BKMS) are provided.</p> |
|--|--|---|

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#### Freedom of association and collective bargaining

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|  |   |  |    |
|--|---|--|----|
| G4-HR4/ GC 3<br>Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights | <ul style="list-style-type: none"> <li>» Compliance</li> <li>» Sustainable Supply Chain Management</li> <li>» Procurement Principles (PDF, 84 KB)</li> <li>» Corporate Responsibility in Business</li> <li>» Integrating ESG aspects</li> </ul> | To our best knowledge, in the period under review, no business operations/suppliers were identified in which freedom of association and the right to collective bargaining were at risk. | No |
|--|---|--|----|

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#### Child Labor

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|  |   |   |    |
|--|---|---|----|
| G4-HR5/GC 5<br>Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor | <ul style="list-style-type: none"> <li>» Compliance</li> <li>» Sustainable Supply Chain Management</li> <li>» Procurement Principles (PDF, 84 KB)</li> <li>» Corporate Responsibility in Business</li> <li>» Integrating ESG aspects</li> </ul> | To our best knowledge, in the period under review, no business/supplier operations were identified in which there was a significant risk of child labour. | No |
|--|---|---|----|

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#### Forced or Compulsory Labor

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|  |  |  |    |
|--|--|--|----|
| G4-HR6/ GC 4<br>Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor | <ul style="list-style-type: none"> <li>» Compliance</li> <li>» Sustainable Supply Chain Management</li> <li>» Procurement Principles (PDF, 84 KB)</li> </ul> | To our best knowledge, in the period under review, no business/supplier operations were identified in which there was a significant risk of forced or compulsory labour. | No |
|--|--|--|----|

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#### Security Practices

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|  |  |   |    |
|--|--|---|----|
| G4-HR7/ GC 1<br>Percentage of security personnel trained in the organization's human rights policies | <ul style="list-style-type: none"> <li>» Compliance</li> </ul> | Munich Re's Code of Conduct applies to 100% of its own security staff. For all external security personnel, the conditions of the new Purchasing Guidelines apply for reinsurance and require that all new supply and service contracts contain a Corporate responsibility clause based on the UN's Global Compact. | No |
|--|--|---|----|

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#### Indigenous Rights

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|  |   |  |    |
|--|---|--|----|
| G4-HR8/ GC 1<br>Total number of incidents of violations involving rights of indigenous peoples and actions taken | <ul style="list-style-type: none"> <li>» Compliance</li> <li>» Sustainable Supply Chain Management</li> <li>» Procurement Principles (PDF, 84 KB)</li> <li>» Corporate Responsibility in Business</li> <li>» Integrating ESG aspects</li> </ul> | To our best knowledge, in the period under review, no business operations were identified in which the rights of indigenous peoples were violated. This aspect is of little relevance in Munich Re's business. | No |
|--|---|--|----|

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#### Assessment

|  |   |   |    |
|--|---|---|----|
| G4-HR9/ GC 1<br>Total number and percentage of operations that have been subject to human rights reviews or impact assessments | <ul style="list-style-type: none"> <li>» Corporate Responsibility in Business</li> <li>» Integrating ESG aspects</li> </ul> | Partially reported.<br>In 2013, we established ten generally applicable ESG criteria, which help to prioritise industrial sectors with high ESG exposure, thus allowing sensitive business topics to be identified. We approved position papers and guidelines on various sensitive topics:<br>e.g. Oil sands, Mining, Fracking, Artic Oil Drilling, Banned Weapons, Engineering/large infrastructure projects. | No |
|--|---|---|----|

#### Supplier Human Rights Assessment

|   |  |      |    |
|---|--|------|----|
| G4-HR10/ GC 2<br>Percentage of new suppliers that were screened using human rights criteria                           | <ul style="list-style-type: none"> <li>» Supply chain management</li> <li>» Procurement Principles (PDF, 84 KB)</li> </ul> | 100% | No |
| G4-HR11/ GC 2<br>Significant actual and potential negative human rights impacts in the supply chain and actions taken |  | None | No |

#### Human Rights Grievance Mechanisms

|  |  |  |    |
|--|--|--|----|
| G4-HR12/ GC 1<br>Number of grievances about human rights impacts | <ul style="list-style-type: none"> <li>» Annual General Meeting/Counter motions</li> </ul> |  | No |
|--|--|--|----|

#### ► Society

| GRI G4/UN Global Compact Aspects and Indicators  | Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR)   | Additional Comment/ Reason for Omission  | External Assurance |
|--|--|--|--------------------|
| <b>Local Communities</b>   |  |  |                    |
| G4-DMA   | <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Anti-fraud management</li> <li>» Code of Conduct (CWS)</li> <li>» ERGO Corporate Governance</li> <li>» Solutions for developing countries and emerging markets</li> <li>» Microinsurance</li> </ul> | This DMA applies to the aspects Local communities, Anti-corruption, Public Policy, Anti-competitive behavior, Compliance, Supplier Assessment for Impacts on Society, Grievance Mechanisms for Impacts on Society.                           |                    |
| G4-SO1/ GC 1<br>Percentage of operations with implemented local community engagement, impact assessments, and development programs |  | This indicator has little relevance for Munich Re as a financial services provider: in contrast to other sectors of the economy, we have only a comparatively small impact on the local community with our office-based business operations. |                    |
| G4-SO2/ GC 1<br>Operations with significant actual and potential negative impacts on local communities                             |  | This indicator has little relevance for Munich Re as a financial services provider: in contrast to other sectors of the economy, we have only a comparatively small impact on the local community with our office-based business operations. |                    |
| G4-FS13<br>Access points in low-populated or economically disadvantaged areas by type  | <ul style="list-style-type: none"> <li>» Solutions for developing countries and emerging markets</li> <li>» Microinsurance</li> </ul>  |  |                    |
| G4-FS14<br>Initiatives to improve access to financial services for disadvantaged people  | <ul style="list-style-type: none"> <li>» Solutions for developing countries and emerging markets</li> <li>» Microinsurance</li> <li>» Munich Re Foundation</li> </ul>  |  |                    |

#### Anti-corruption

|   |   |  |    |
|---|---|--|----|
| G4-SO3/ GC 10<br>Total number and percentage of operations assessed for risks related to corruption | <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Anti-fraud management</li> <li>» Risk management</li> </ul>                                      |  | No |
| G4-SO4/ GC 10<br>Communication and training on anti-corruption policies and procedures              | <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Anti-fraud management</li> </ul>   |  | No |
| G4-SO5/ GC 10<br>Confirmed incidents of corruption and actions taken                                | <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Anti-fraud management</li> <li>» Risk management</li> <li>» ERGO Corporate Governance</li> </ul> |  | No |

#### Public Policy

|  |  |  |    |
|--|--|--|----|
| G4-SO6/ GC 10<br>Total value of political contributions by country and recipient/beneficiary | <ul style="list-style-type: none"> <li>» Facts and figures/social commitment indicators</li> </ul> |  | No |
|--|--|--|----|

#### Anti-competitive Behavior

|  |   |                   |    |
|--|---|-------------------|----|
| G4-SO7<br>Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes | <ul style="list-style-type: none"> <li>» Code of Conduct (CWS)</li> </ul> | Data not reported | No |
|--|---|-------------------|----|

#### Compliance

|  |   |   |    |
|--|---|---|----|
| G4-SO8<br>Monetary and non-monetary sanctions for non-compliance with laws and regulations | <ul style="list-style-type: none"> <li>» Code of Conduct (CWS)</li> </ul> | Munich Re was not subject to any fines or sanctions in the reporting year | No |
|--|---|---|----|

#### Supplier Assessment for Impacts on Society

|  |  |      |    |
|--|--|------|----|
| G4-SO9<br>Percentage of new suppliers that were screened using criteria for impacts on society | <ul style="list-style-type: none"> <li>» Supply chain management</li> <li>» Procurement Principles (PDF, 84 KB)</li> </ul> | 100% | No |
|--|--|------|----|

|  |  |      |    |
|--|--|------|----|
| G4-SO10<br>Negative impacts on society in the supply chain and actions taken |  | None | No |
|--|--|------|----|

#### Grievance Mechanisms for Impacts on Society

|  |  |  |    |
|--|--|--|----|
| G4-SO11<br>Number of grievances about impacts on society | <ul style="list-style-type: none"> <li>» Annual General Meeting/Countermeasures</li> </ul> |  | No |
|--|--|--|----|

#### ► Product Responsibility

| GRI G4/UN Global Compact Aspects and Indicators | Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR) | Additional Comment/ Reason for Omission | External Assurance |
|---|--|---|--------------------|
|---|--|---|--------------------|

#### Customer Health and Safety

|        |   |  |    |
|--------|---|--|----|
| G4-DMA | <ul style="list-style-type: none"> <li>» Code of Conduct (CWS)</li> <li>» Our guiding principles</li> <li>» Client and Client Relationships, p. 108 (AR)</li> </ul> | This DMA applies to the aspects Product and Service Labeling, Marketing Communication, Customer Privacy and Compliance | No |
| G4-PR1 |   | not material   |    |
| G4-PR2 |   | not material   |    |

#### Customer Health and Safety

|  |   |  |    |
|--|---|--|----|
| G4-DMA (FSS): Policies for the fair design and sale of financial products and services (former FS15) Initiatives to enhance financial literacy | <ul style="list-style-type: none"> <li>» Code of Conduct (CWS)</li> <li>» Commitment</li> </ul> | In accordance with our codes of conduct, we are fair and open in our business relations. Munich Re endeavours to give clients the best possible advice | No |
|--|---|--|----|

by type of beneficiary (former FS16)

and the information they need to take sound decisions.

Munich Re's product and service range – from development and marketing to conclusion of the business – is subject to strict quality controls. Hence no significant product or service categories are covered by and assessed for compliance with such procedures.

To further clarify insurance terms and conditions, especially our primary insurance group ERGO has significantly improved the transparency of all documents. Customers receive all the information they need on the conditions of liability relating to their insurance protection in a clear and transparent format.

G4-PR3

Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements

Munich Re's product and service range – from development and marketing to conclusion of the business – is subject to strict quality controls. Hence no significant product or service categories are covered by and assessed for compliance with such procedures.

No

To further clarify insurance terms and conditions, especially our primary insurance group ERGO has significantly improved the transparency of all documents. Customers receive all the information they need on the conditions of liability relating to their insurance protection in a clear and transparent format.

G4-PR4

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes

Not applicable  
For us, adherence to high ethical and legal standards is a matter of principle and is regulated by our Code of Conduct.

No

G4-PR5

Results of surveys measuring customer satisfaction

» Stakeholder dialogue  
» Client and client relationships, p. 108 (AR)

No

#### Marketing Communications

G4-PR6

Sale of banned or disputed products

» Compliance  
» Code of Conduct (CWS)  
» ERGO Code of Conduct (CWS)  
» Practical Implementation  
» Interview Dr. Astrid Zwick and Stephan Laemmle

G4-PR7

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications

For us, adherence to high ethical and legal standards is a matter of principle and is regulated by our Code of Conduct. To our best knowledge, no cases of non-compliance occurred during 2014.

No

#### Customer Privacy

G4-PR8

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

For us, adherence to high ethical and legal standards is a matter of principle and is regulated in our Code of Conduct and our safety regulations. To our best knowledge, Munich Re has not received any information about material breaches of privacy

No

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**Compliance**


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|  |   |    |
|--|---|----|
| G4-PR9<br>Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services | For us, adherence to high ethical and legal standards is a matter of principle. To our best knowledge, no cases of non-compliance occurred, and no fines were paid during 2014. | No |
|--|---|----|

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**Financial Sector Supplement Aspects: Product Portfolio**

| <b>GRI G4/UN Global Compact Aspects and Indicators</b> | <b>Link/Page CR-Portal Corporate Website (CWS) MR Annual Report 2014 (AR)</b> | <b>Additional Comment/ Reason for Omission</b> | <b>External Assurance</b> |
|--|---|--|---------------------------|
|--|---|--|---------------------------|

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**Product Portfolio**

|   |   |   |    |
|---|---|---|----|
| G4-DMA (former FS1-FS5)<br>Policies with specific environmental and social components applied to business lines<br>Procedures for assessing and screening environmental and social risks in business lines<br>Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions<br>Process for improving staff competency to implement the environmental and social policies and procedures as applied to business lines<br>Interactions with clients regarding environmental and social risks and opportunities<br>Organization-wide goals regarding performance including plans to improve implementation of policies/procedures | <ul style="list-style-type: none"> <li>» Corporate responsibility in business</li> <li>» Integrating ESG aspects</li> <li>» Practical implementation</li> <li>» Managing investments</li> <li>» Infrastructure investments</li> <li>» Insurance concepts for renewable energies</li> <li>» Ecological insurance solutions</li> <li>» Solutions for developing countries and emergings markets</li> <li>» Microinsurance</li> <li>» NATHAN-Geointelligent solutions</li> <li>» SystemAgro</li> <li>» Climate change</li> </ul> | Further specialised units/panels for early ESG risk detection include:<br>Reputational Risk Committee (Group annual report 2014, page 125)<br>Emerging Risks Think Tank (Group annual report 2014, page 136).<br>Internal control system (ICS), a uniform worldwide system for managing operational risks integrated across all risk dimensions and areas of the Group that both meets Group management needs and satisfies local legal and regulatory requirements. (Group annual report 2014, pages 120 f.)<br>In 2007, Munich Re established the Corporate Climate Centre (CCC), forming the link between geoscientific research and operative underwriting. | No |
|---|---|---|----|

|  |   |  |    |
|--|---|--|----|
| G4-FS6<br>Percentage of the portfolio for business lines by specific region, size (e.g. micro, SME, large) and by sector | » Consolidated financial statements and notes, pp. 198-201 (AR) |  | No |
|--|---|--|----|

|   |   |  |    |
|---|---|--|----|
| G4-FS7<br>Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose | <ul style="list-style-type: none"> <li>» Objectives and measures</li> <li>» Managing investments</li> <li>» PRI</li> <li>» Responsible Investment Strategies</li> </ul> | Only partial data available.<br>Our General Investment Guidelines stipulate that the vast majority of our own investments in shares and bonds should satisfy sustainability criteria. These SRI criteria include human rights issues.<br><br>Our asset management arm, MEAG, offers different sustainable investment funds: MEAG Nachhaltigkeit and MEAG FairReturn. | No |
|---|---|--|----|

|  |  |   |    |
|--|--|---|----|
| G4-FS8<br>Monetary value of products and services designed to deliver a specific environmental benefit | <ul style="list-style-type: none"> <li>» Environmental management</li> <li>» Operational ecology</li> <li>» Risk Report, pp. 117ff.</li> <li>» Auditor's Report, p. 302</li> <li>» Report of the Supervisory Board, p. 23 (Audit Committee)</li> </ul> | Only partial data available.<br>Our General Investment Guidelines stipulate that the vast majority of our own investments in shares and bonds should satisfy sustainability criteria. | No |
|--|--|---|----|

**Audit**

|   |  |  |    |
|---|--|--|----|
| G4-DMA/ former FS9<br>Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures and organisation-wide goals regarding this Aspect | <ul style="list-style-type: none"> <li>» Environmental management</li> <li>» Operational ecology</li> <li>» Risk Report, pp. 117ff.</li> <li>» Auditor's Report, p. 302</li> <li>» Report of the Supervisory Board, p. 23 (Audit Committee)</li> </ul> |  | No |
|---|--|--|----|

**Active Ownership**

## Active Ownership

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G4-DMA/ former FS12  
Voting policy(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advices on voting.  
Organisation-wide goals regarding performance relevant to this Aspect, including any relevant audit results.

MEAG analyses whether corresponding shareholder resolutions are in line with long-term ESG considerations and MEAG's corporate objectives, its voting being determined on that basis.

Shareholdings in other joint-stock companies make up a relatively low percentage of Munich Re's investments at the present time. We exercise our right to vote primarily at the annual general meetings of German companies, since exercising such rights outside Germany entails substantial costs.

G4-FS10  
Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.

MEAG also holds in-depth talks with individual companies aimed at improving their SRI performance.  
It is difficult to put a precise figure on the number of companies with which we interact on social or ecological issues. In the course of our business relationships, our asset management has dealings with the managements of several hundred companies, these contacts also being used to address environmental issues in the context of our comprehensive risk analyses. Munich Re's commitment to the Principles for Responsible Investment reinforces the relevance of such issues to our relationships with our partners. Although engagement cannot be tracked at a global level, MEAG does engage with companies in its investment portfolio, particularly those included in its socially responsible investment funds.

G4-FS11  
Percentage of assets subject to positive and negative environmental or social screening

- » Managing investments
- » PRI
- » Responsible investment strategies

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\*GC: Global Compact



## SRI indices, SRI ratings and awards received

GRI reporting and Global Compact

[SRI indices, SRI ratings and awards](#)

Memberships and partnerships

## Positive rating for Munich Re's corporate responsibility strategy

Open and transparent dialogue with our national and international stakeholders on the implementation of our strategy and on our commitment in the areas of corporate responsibility and sustainable responsible investment (SRI) is an essential part of our corporate culture.

Munich Re's inclusion in many sustainability indices, our good to very good results in many different SRI ratings, and the awards we have received show that the corporate responsibility strategy we pursue is successful and authentic.

### Related topics

[Management: Sustainability and Munich Re shares](#)

### ► SRI indices



#### Included in the DJSI for many years

Munich Re has been continually listed in the Dow Jones Sustainability Indices since 2001, with a valuation always above average.



#### Munich Re listed in ethical indices

The Italian investment advisory firm ECPI has included Munich Re in the following indices: ECPI Euro Ethical Equity, ECPI Global Ethical Equity, ECPI EMU Ethical Equity, ECPI Global Developed ESG Best in Class Equity, and ECPI Global Climate Change Equity.



#### Represented again in two Forum Ethibel indices

Munich Re is represented in the ESI (Ethibel Pioneer Index) Excellence Europe and in the ESI Excellence Global, both of which are based on ratings results from Vigeo. Ethibel is an independent French consulting agency, specialised in socially responsible investments.



#### Continuous listing for Munich Re in the various FTSE4Good index series

Since this rating was established in 2001, Munich Re has been continuously listed in various FTSE4Good indices. The FTSE4Good is a series of indices measuring sustainability and corporate governance criteria that is published by the London service provider FTSE.



#### Munich Re represented in Vigeo indexes

In 2013, Vigeo created a new index family that lists the top-rated companies from its corporate responsibility assessment. Munich Re is among the companies that have met these stringent standards and is part of Euronext Vigeo World 120, Euronext Vigeo Europe 120, and Euronext Vigeo Eurzone 120.



#### Recommended investment in Munich Re

Independent French financial institute Oddo Securities rates Munich Re a suitable SRI investment. Since 2008, Munich Re has also been listed in the SRI European index investment universe.



#### Munich Re listed in the STOXX® Global ESG Leaders Index

The Global ESG Leaders Index lists the world's leading companies in terms of ESG criteria. The list is based on analyses conducted by Sustainalytics.

### ► SRI ratings

[Munich Re among the industry leaders](#)

## Bloomberg

Bloomberg analyses and evaluates corporate transparency in environmental, social and governance (ESG) aspects. Munich Re is among the companies evaluated annually. According to Bloomberg, clients using its 250,000 data terminals have access to all publicly available ESG data from 2,000–3,000 companies.



### Best financial services provider according to Imageprofile 2014

Munich Re enjoys an outstanding reputation among German companies in the financial sector. In its "Imageprofile 2014" study, "manager magazin" polled some 3,000 board members, general managers and senior executive staff.



### Very good rating by MSCI

Munich Re is rated AAA in MSCI's ESG rating. MSCI is a leading global provider of investment solutions.



### Prime rating

Munich Re was again given a "prime" corporate responsibility rating by oekom research in 2014, maintaining its status as best in class in the insurance sector. oekom research is one of the world's leading SRI rating agencies.



### First place in industry rating from Sustainalytics

In the 2014 industry rating by Sustainalytics, Munich Re placed a very good second in the insurance sector.



### Munich Re qualifies for sustainable investment products

Munich Re's sustainability performance was assessed as "high" by Sarasin Bank, allowing it to be judged a sustainable investment product by the bank.



### Munich Re best in sector

In the 2014/15 ESG rating from Société Générale, Munich Re is assessed as best in sector, with 88.9 of a possible 100 points, making it one of the top 30 "Best-in-universe" ESG Rated Companies.

## ► Awards



### Munich Re subsidiary DKV Seguros has "Best Workplaces in Spain"

In the annual survey by Great Place to Work®, Munich Re subsidiary DKV Seguros in Spain was listed among the "Best Workplaces in Spain 2015" in the category for companies with between 500 and 1,000 employees. The company placed fourth in the ranking for the 50 best workplaces for 2015.



### Apollo Munich, second place in India in the "Insurance" sector

Each year, Great Place to Work® partners with more than 5,500 organisations with some 10 million employees worldwide to conduct the world's largest annual set of workplace culture studies.



### DKV earns the European EFQM +500 Seal of Excellence

The company was awarded the Golden Seal of Excellence Europe 500+, or Five Stars. This award is the result of an evaluation carried out in 2014 by the Excellence in Management Club, which follows the European Foundation Quality Management (EFQM) model.

### DKV Seguros certified as a "healthy company" by Aenor

The company was awarded the Healthy Company Certificate by AENOR in 2014,



recognizing DKV as a committed company that provides health, security and wellness to its employees, as well as excellence and sustainability.



**EFR empresa : DKV Seguros**

DKV Seguros received certification as a Family-Responsible Company (EFR) from the Másfamilia Foundation, which promotes reconciliation processes in companies.



**Trendence Institute's Graduate Barometer**

In 2015, Munich Re again ranked among the top 100 business sector employers in the Trendence Institute's Graduate Barometer.



**Universum Top 100**

In Universum Communications' employer ranking, we continue to rank among the top 100 employers (business).



**German Education Prize Seal of Excellence**

Munich Re was honoured in 2013 for its exemplary knowledge-sharing among the Group's business fields; it won the Seal of Excellence of the German Education Prize in the category of innovation.



**Investors in People Gold Award and Investors in People Health & Wellbeing Award**

D.A.S. UK was the only employer in South West England to win two awards for its successful staff management system from Investors in People (IiP) – the Investors in People Gold Award and the Investors in People Health & Wellbeing Award.



**Company healthcare management seal of quality**

D.A.S. Austria was once again recognised for its successful health promotion projects with the company healthcare management seal of quality. D.A.S. Austria has received the seal of quality for sustainability assurance in company healthcare management for the period 2015 to 2017.



**Intern Review 2015 – "Intern of the Year 2015"**

In December 2014, the CLEVIS Group and ABSOLVENTA Jobnet presented the "Top Intern 2015" awards, based on the results of their Intern Review 2015.



**Career and Family Audit**

For its family-friendly human resources policy, ERGO has won the "audit berufundfamilie®" (family and career audit) four times for all its main administrative centres in Germany. This certificate is awarded by the non-profit Hertie Foundation.



**BOMA Awards for Munich Re America and Munich Re Toronto**

The office buildings of Munich Reinsurance America, Inc. and Munich Reinsurance Company of Canada received awards from the Building Owners and Management Association (BOMA) for their energy efficiency.



**BOMA 360 Performance Award**

The offices buildings of Munich Re America have received the BOMA 360 designation for being managed to the BOMA's highest standards of excellence (including energy efficiency).

**BOMA 7 – Point Challenge**

Munich Re America was awarded special



recognition for its outstanding energy reduction programme from the Building Owners & Managers Association as part of an international programme to reduce energy use by at least 30% across company portfolios.



**Energy Project of the Year Award**  
Munich Re America was recognised by the Association of Energy Engineers at the World Energy Engineering Congress for its innovative energy management projects.



**FMXcelence Award**  
Building Operating Management magazine recognised the Energy Reduction projects of Munich Re America with its FMXcelence award at the National Facilities Management and Technology Conference.



**Munich Re awarded DZ Bank's sustainability label**  
DZ Bank Sustainable Investment Research evaluates economic, environmental, social and corporate governance criteria. Sustainable investments are awarded the DZ Bank's sustainability label.



**MENA Insurance Awards 2015**  
Munich Re was named "Most Innovative Reinsurer" for the MENA (Middle East and North Africa) region and presented with the MENA 2015 Insurance Award. MedNet won the award for "Third Party Administrator of the Year" in the MENA region.



**Munich Re in Bronze Class**  
Munich Re attains Bronze Class ranking from RobecoSAM for the best and most sustainable companies. RobecoSAM assesses the sustainability performance of all global players and determines the composition of the Dow Jones Sustainability Indices.



**Munich Re wins the German Investors' Award for Responsible Business Practices**  
In December 2014, Munich Re won the German Investors' Award for Responsible Business Practices (Deutscher Investorenpreis für verantwortliches Wirtschaften). This was the fourth occasion that publishing house DuMont Verlag and Deutsche Asset & Wealth Management presented the award to companies who see sustainability as a strategic objective and implement it in an exemplary way.



**ERGO receives service innovation award from YouGov Deutschland AG**  
This award is given to innovative companies in the categories "Informing and Consulting", "Flexibility and Configuration" and "Helping and Supporting". ERGO received the quality seal for "Best Service Innovation 2015", taking first place for the award for the insurance industry from a large number of applicants. It won the award in the category "Flexibility and Configuration" for its flexible insurance cover for residential buildings in regions with a high risk of flooding.



**Canada's 10 Most Admired Corporate Cultures of 2014**  
Munich Reinsurance Company of Canada was selected the best-in-class Canadian organisation for having a culture that has helped it enhance performance and sustain a competitive advantage. Canada's 10 Most Admired Corporate Cultures™ is founded and presented by Waterstone Human Capital.

## Memberships and partnerships

- GRI reporting and Global Compact
- SRI indices, SRI ratings and awards
- Memberships and partnerships**

## Membership in national and international bodies, initiatives and foundations

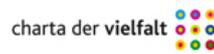
For Munich Re, corporate responsibility means taking an active part in all partnerships as well as promoting initiatives. Besides this, the foundations set up by Munich Re constitute a central component of our social commitment.

### ► Partnerships and memberships (in national and international bodies)

The cooperation partnerships and memberships in which Munich Re engages and shares its knowledge are numerous. The following list provides just a few examples of our social commitment:

 acatech NATIONAL ACADEMY OF SCIENCE AND ENGINEERING

Acatech

 charta der vielfalt

Charter of Diversity

 GDV DIE DEUTSCHEN VERSICHERER

German Insurance Association (GDV)

 GEM

Global Earthquake Model (GEM)

 GVM GLOBAL VOLCANO MODEL

Global Volcanoe Model (GVM)

 THE GENEVA ASSOCIATION

Geneva Association

 GEOHAZARDS INTERNATIONAL A Nonprofit Working Toward Global Earthquake Safety

GeoHazards International (GHI)

 Global Climate Forum

Global Climate Forum

 LENBACHHAUS

Städtische Galerie im Lenbachhaus, Munich

 MCII

Munich Climate Insurance Initiative (MCII)

 OECD BETTER POLICIES FOR BETTER LIVES

OECD (Munich Re is member in the Advisory Board on Management of Large Scale Catastrophes)

 PRI

Principles for Sustainable Investment (PRI)

 PSI Principles for Sustainable Insurance

Principles for Sustainable Insurance (PSI)

 UNEP Finance Initiative Innovative financing for sustainability

UNEP Finance Initiative

Related topics

[Commitment](#)



UN Caring for Climate



UN Global Compact



Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (VfU)



Water Benefit Partners (WBP)



Australian Business Roundtable for Disaster Resilience and Safer Communities



Cooperation with The Global Fund

► Initiatives and sponsorships

For us, corporate responsibility also means assuming responsibility for the community in which we live and work. The following initiatives and sponsorships are a selection of our commitment in this area.



3-2-1 Ignition



German Mathematical Society



European Mathematical Society



ergo: wir helfen e.V.



Helfende Hand e.V. ("Helping hand" schools project)



Interkultureller Rat in Deutschland e.V. (Intercultural Council in Germany)



Klasse in Sport



Madeleine Schickedanz-Kinderkrebs-Stiftung (Madeleine Schickedanz Children's Cancer Foundation)



Munich University Society

SingPause (schools singing project)



**Stifterverband**  
für die Deutsche Wissenschaft

Association for the Promotion of Science and Humanities in Germany



Stiftung Pfennigparade ("Penny Parade" Foundation)

► Foundations

Through the foundations we set up a number of years ago, we exercise social responsibility and deploy our extensive knowledge for the benefit of others.



ERGO Youth & Future Foundation



DKV Foundation "Integralia"



Munich Re Foundation



Dr. Hans-Jürgen Schinzler Foundation



» Home » About us

"With our Group-wide CR portal, we provide an extensive platform for sustainability."

Dr. Philipp Hasenmüller  
Consultant Corporate Responsibility, Munich Re



Related topics

- Downloads
- Glossary
- FAQs
- Contact

## Useful information

This section contains links and general information relating to the content and reporting scope of the CR portal, and to our previous reports, disclosures and publications. It also includes answers to frequently asked questions, and explanations of technical terms from the area of corporate responsibility.



### About Munich Re

The CR portal presents Munich Re's approach to corporate responsibility. Get to know our Group and find out more about the CR portal of Munich Re.

» About us



### Service

Everything at a glance: Downloads, glossary, FAQs and how to contact our CR team.

» Service



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## About us

Munich Re (Group)

[Reinsurance](#)

Primary insurance

Munich Health

About CR portal

## About Munich Re

Munich Re: NOT IF, BUT HOW

**Tackling the major challenges of the future is something we have been doing for over 135 years. As a reinsurer, we operate internationally and apply a range of disciplines to produce pioneering concepts that make tomorrow's world insurable. Our recipe for success is to anticipate risks and deliver needs-based solutions. This provides the impetus for profitable, long-term growth.**

Our success is founded on a solid capital base, in-depth risk expertise, market know-how and an understanding of the refinancing and capital management of primary insurance companies. We invest heavily in order to maintain our lead in the knowledge stakes, and our approximately 12,000 staff in reinsurance possess unique global and local know-how. This strength has earned us top rankings in client surveys. With premium income of around €27bn in financial year 2014, we are one of the world's leading reinsurers.

### Tailor-made solutions for your success

In these days of changing markets with ever more complex risks, our clients increasingly need customised solutions, consultancy and services that go far beyond traditional reinsurance. That is why we seek dialogue with them and take the time to listen to them. We can develop integrated concepts for our clients – from traditional reinsurance to managing large complex risks, and balance-sheet optimisation. We also develop innovative coverages for alternative energies and conduct in-depth geoscientific research.

### Risk management is our strength

Our entrepreneurial passion for seeing change as opportunity and never standing still has made us an industry front-runner. We consistently expand and enhance our risk competence through our global network and exchange of knowledge with selected cooperation partners. That is how forward-looking solutions for tomorrow's world are born.

[munichre.com](#)

[Strategy reinsurance](#)

External links

[Munich Re](#)  
[ERGO](#)  
[Munich Health](#)  
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## About us

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## About Munich Re

ERGO - One of the major insurance groups in Germany and Europe

**ERGO is one of the major insurance groups in Germany and Europe. Worldwide, the Group is represented in over 30 countries and concentrates on Europe and Asia. ERGO offers a comprehensive spectrum of insurance, provision and services. In its home market of Germany, ERGO ranks among the leading providers across all segments.**

About 46,000 people work for the Group, either as salaried employees or as full-time self-employed sales representatives. In 2013, ERGO recorded a premium income of 18 billion euros and paid out benefits to customers amounting to 17 billion euros.

### “To insure is to understand”

Our customers determine our actions. ERGO is strictly geared towards the wishes and needs of its customers and intends to constantly improve further in close dialogue with consumers. We are implementing our claim “To insure is to understand” in the form of offering needs-based advice which understands and picks up on customers’ personal concerns, in addition to communicating in a clear and understandable way and providing innovative services and swift support in the event of damage or loss.

### Sales channels

Our customers can choose which form of contact with ERGO suits them best. We have the right sales channels for every client. Self-employed insurance agents, staff working in direct sales, as well as insurance brokers and strong cooperation partners – both in Germany and abroad – address private customers and corporate clients. We maintain partnerships with the major European bank UniCredit Group and other banks, both in Germany as well as in various European countries.



Munich Re Group

[munichre.com](#)

[Strategy primary insurance](#)

### External links

- [Munich Re](#)
- [ERGO](#)
- [Munich Health](#)
- [MEAG](#)

## About us

Munich Re (Group)

Reinsurance

Primary insurance

Munich Health

About CR portal

## About Munich Re

Munich Health - Pioneering Global Healthcare

**Under the single brand Munich Health, Munich Re has brought together its global healthcare know-how in insurance and reinsurance. 3,000 experts at locations worldwide benefit from the resulting synergy potentials as they devise innovative healthcare solutions for clients and partners all over the world.**

Munich Health, one of three business segments within Munich Re, alongside primary insurance and reinsurance was established in 2009. Its purpose is to pool the global health expertise in reinsurance, primary insurance and risk-management. This set-up specifically addresses identified opportunities with integrated, intelligent solutions to individual local needs. The result: sustainable growth and excellence – to the benefit of all stakeholders.

Based on our unique, integrated focus on risk carrying and risk management in health, Munich Health delivers individual, sustainable solutions. The special combination of resources we offer enables our clients to achieve success and security in their respective markets.

**“Making quality healthcare affordable” – Munich Health stands for:**

- Increased sales, profitability, customer satisfaction and retention based on innovation and enhancement of existing product and service design
- Improved risk management and risk transfer (loss ratio optimisation)
- Process reengineering and cost management (expense ratio optimisation)
- Provision of top-rated reinsurance

As an expert in international health systems, we offer comprehensive consultancy services for product development, process optimisation and distribution strategy, with the aim of further developing reinsurance and primary insurance in the healthcare market.

Munich Health serves insurance companies in more than 40 countries, and primary insurance clients in over 100 countries.



Munich Re Group

[munichre.com](http://munichre.com)

[Strategy Munich Health](#)

[External links](#)

[Munich Re](#)  
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GRI: G4-20; G4-21; G4-23; G4-28; G4-30

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## Downloads

### Corporate Responsibility Reports

| File   | Download  |
|--|---|
| <b>Corporate Responsibility Report 2013/2014 (PDF, 7.7 MB)</b> |  |
| <b>Corporate Responsibility Report 2012/2013 (PDF, 2 MB)</b>   |  |
| <b>Corporate Responsibility Report 2011/2012 (PDF, 2.4 MB)</b> |  |

### Corporate Responsibility Short Reports

| File   | Download  |
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| <b>Corporate Responsibility Short Report 2014/2015 (PDF, 2.5 MB)</b> |    |
| <b>Corporate Responsibility Short Report 2013/2014 (PDF, 2.7 MB)</b> |    |
| <b>Corporate Responsibility Short Report 2012/2013 (PDF, 2 MB)</b>   |   |
| <b>Corporate Responsibility Short Report 2011/2012 (PDF, 2.3 MB)</b> |  |

### Communication on Progress

| File   | Download  |
|--|---|
| <b>Communication on Progress 2009 (PDF, 347 KB)</b>  |  |
| <p>Since 2010, our annual Corporate Responsibility Report, which is prepared in compliance with the applicable guidelines of the Global Reporting Initiative (GRI), has also constituted our annual Communication on Progress (COP) for the UN Global Compact.</p> |   |

### Global Reporting Initiative results

| File   | Download  |
|--|---|
| <b>Global Reporting Initiative 2014 ?????????????? (PDF, 328 KB)</b> |  |
| <b>Global Reporting Initiative 2013 (PDF, 328 KB)</b>                |  |
| <b>Global Reporting Initiative 2012 (PDF, 319 KB)</b>                |  |
| <b>Global Reporting Initiative 2011 (PDF, 355 KB)</b>                |  |

### Group Annual Reports

| File  | Download  |
|---|---|
| <b>Group Annual Report 2014 (PDF, 12 MB)</b>  |  |
| <b>Group Annual Report 2013 (PDF, 9.3 MB)</b> |  |
| <b>Group Annual Report 2012 (PDF, 7.7 MB)</b> |  |

**Group Annual Report 2011 (PDF, 10.9 MB)**



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Munich Re Foundation - Annual Reviews

| File   | Download |
|--|----------|
| <b>The Munich Re Foundation's annual review: 2014 report (PDF, 6.7 MB)</b> |          |
| <b>The Munich Re Foundation's annual review: 2013 report (PDF, 3.5 MB)</b> |          |
| <b>The Munich Re Foundation's annual review: 2012 report (PDF, 4.1 MB)</b> |          |
| <b>The Munich Re Foundation's annual review: 2011 report (PDF, 3.3 MB)</b> |          |

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Munich Re Risk reports

| File  | Download |
|---|----------|
| <b>Munich Re Risk report 2014 (PDF, 111 KB)</b> |          |
| <b>Munich Re Risk report 2013 (PDF, 1.6 MB)</b> |          |
| <b>Munich Re Risk report 2012 (PDF, 487 KB)</b> |          |
| <b>Munich Re Risk report 2011 (PDF, 543 KB)</b> |          |

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Munich Re Codes of Conduct

| File   | Download |
|--|----------|
| <b>Munich Re Code of Conduct (reinsurance) (PDF, 467 KB)</b>                         |          |
| <b>ERGO Code of Conduct (PDF, 113 KB)</b>  |          |
| <b>Code of Conduct for Self-employed Sales Agents of ERGO Companies (PDF, 46 KB)</b> |          |

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Principles for Sustainable Insurance (PSI)

| File   | Download |
|--|----------|
| <b>PSI Disclosure 2012 (PDF, 1.2 MB)</b>                                       |          |
| <b>Corporate Responsibility in Business at Munich Re (Group) (PDF, 227 KB)</b> |          |

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TOPICS GEO – Natural catastrophes

| File   | Download |
|--|----------|
| <b>TOPICS GEO – Natural catastrophes 2014 (PDF, 15.1 MB)</b> |          |
| <b>TOPICS GEO – Natural catastrophes 2013 (PDF, 13.6 MB)</b> |          |
| <b>TOPICS GEO – Natural catastrophes 2012 (PDF, 9.4 MB)</b>  |          |
| <b>TOPICS GEO – Natural catastrophes 2011 (PDF, 11.4 MB)</b> |          |

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Procurement

| File   | Download |
|--|----------|
| <b>Munich Re Procurement guidelines (PDF, 84 KB)</b> |          |

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Environment and climate

| File  | Download  |
|---|---|
| <b>Carbon Disclosure Report 2013 (PDF, 332 KB)</b>              |  |
| <b>Carbon Disclosure Report 2012 (PDF, 145 KB)</b>              |  |
| <b>Carbon Disclosure Report 2011 (PDF, 133 KB)</b>              |  |
| <b>Environmental guidelines of Munich Re 2012 (PDF, 222 KB)</b> |  |
| <b>Munich Re Newables 2009 (PDF, 2.8 MB)</b>                    |  |
| <b>SystemAgro 2009 (PDF, 1 MB)</b>                              |  |

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GRI: G4-29

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## A

### Actuary

Qualified expert who analyses problems from the area of insurance, home loans, investments and pensions using methods of probability theory and financial mathematics, and develops solutions with due regard to legal and economic parameters.

### Asset-liability management

Often abbreviated to ALM, asset-liability management is a risk model for managing both sides of the balance sheet (assets and liabilities). The aim of ALM is to manage all of the items in the balance sheet in such a way as to optimise the expected return without exceeding the desired level of risk. In an ongoing process, assets and liabilities are simultaneously analysed with regard to their returns and timing. From this, a strategy is developed to achieve the desired financial objectives within the given risk parameters.

### Asset management

Management of an investment portfolio on the basis of risk and return considerations. It covers both the preparation and implementation of investment decisions regarding assets and the management of Special funds.

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## Frequently Asked Questions

Here you can find answers to some of our stakeholders' most frequent questions regarding corporate responsibility.

### What does corporate responsibility (CR) mean?

The terms corporate responsibility (CR) and corporate social responsibility (CSR), which are often used synonymously, refer to corporate management that weighs and takes into account economic, ecological and social principles.

The broader approach of CR also includes issues of corporate governance and corporate citizenship, i.e. a company's commitment to society.

In order to bring about transparent communication and mutual trust while identifying important societal challenges and changes, CR is always based on dialogue with all important stakeholder groups, including shareholders, clients, rating agencies, staff members, media and NGOs.

### What role does CR play in today's economic life?

In Germany and internationally, CR has meanwhile become largely a matter of course due particularly to the capital market's constantly growing interest in sustainable investments and general corporate responsibility. Clients' heightened sensitivity to CR affords the companies an opportunity to take action in order to realise competitive advantages in the area of CR.

### What does corporate responsibility mean to Munich Re?

For Munich Re, corporate responsibility means accepting responsibility within society, i.e. also taking economic, ecological and societal aspects into account in our business - an understanding that we have put into practice in our corporate responsibility strategy. We are convinced that we can secure our success over the long term only by bringing our entrepreneurial activities into harmony with our responsibility for our business environment. To underscore further this strong belief in corporate responsibility values, Munich Re joined the United Nations' Global Compact, the most important international standard for the implementation of sustainable corporate governance, in August 2007. We consider its ten principles on subjects such as the environment, labour standards, human rights and anti-corruption to be important action guidelines and standards for putting corporate responsibility into practice in our core business throughout the Group.

We emphasise our claim of being a responsible company by voluntarily committing to the implementation of the United Nations' Global Compact (UNGC), the Principles for Responsible Investment (PRI) and the Principles for Sustainable Insurance (PSI) in our insurance business and in our capital assets.

[Strategy and challenges](#)  
[Voluntary commitments](#)

### How is corporate responsibility integrated into Munich Re's core business?

A forward-looking, responsible approach is axiomatic for Munich Re (Group). It is essential for securing the long-term success of our business model, creating lasting value, and strengthening the confidence of our clients, investors and society in our work.

Corporate responsibility is therefore a major component of our Group strategy and enshrined in our core principles. We document this externally through voluntary commitments such as the Principles for Responsible Investment (PRI), the UN Global Compact and the Principles for Sustainable Insurance (PSI).

All our investment strategies adhere to the Principles for Responsible Investment (PRI), which Munich Re signed in 2006, as the first German company to do so. These six principles are the basis for action recommendations designed to take into account ecological and social factors, as well as aspects of good corporate governance, in making long-term investment decisions.

For us, the PSI serve as a framework for anchoring the perspectives of ecology, social responsibility and good corporate governance (environmental, social and governance [ESG] aspects) more strongly in our core business. By taking them into account along the entire value-added chain of our business, we add important parameters to our risk management as these contribute to long-term business success. ESG aspects are also a component in the Group's reputational risk management.

[Solutions](#)  
[Strategy and challenges](#)

## What fields of action are covered by Munich Re's corporate responsibility strategy?

Our core principles and objectives are realised in five fields of action: strategy and governance, reporting and communication, corporate responsibility in business, environmental management and corporate citizenship. The first two of these provide the framework for the last three.



## Fields of action

### How is corporate responsibility anchored in the Group organisation?

Given the close link between corporate responsibility issues and Munich Re's business strategy, a unit dedicated to this subject was set up at our Munich headquarters in 2008, subsumed under the Group Development division. This division is also responsible for further development of the Group strategy and reports directly to Munich Re's CEO. The department performs tasks for the Group and the Munich Health field of business. Corporate responsibility is also an integral part of ERGO's corporate strategy and an aspect handled directly by the Chairman of its Board of Management. A separate unit within the Group Communications division coordinates implementation among the departments. The Group Corporate Responsibility Committee (GCRC) at our Munich headquarters has been coordinating strategic implementation throughout the Group since 2013.

### Strategy and challenges

#### What do risk management and investment management have to do with corporate responsibility?

Risk management is an important part of corporate management and serves primarily to maintain the financial strength needed to meet our clients' requirements and create sustainable value for our shareholders. A responsible and forward-looking approach is our top priority with regard to investments, where our asset management company MEAG manages significant investments worldwide. That is why we were the first German company to sign the UN Principles for Responsible Investment (PRI) in 2006. Moreover, our General Investment Guidelines, which have binding for the entire Group since 2005, stipulate that a major part of all investments in shares and in government and corporate bonds should comply with sustainability criteria.

#### Management: Risk management Management

#### How do socially responsible investment (SRI) analysts rate Munich Re's social commitment?

For many years, Munich Re has been awarded consistently excellent ratings by the leading rating agencies. Again in the financial year 2014, the outlook for all Munich Re ratings remained stable at a high level. Our positive results in the ratings and inclusion in relevant indices and funds clearly show that we are pursuing a successful corporate responsibility strategy and implementing it effectively. For instance, Munich Re has been a member of the Dow Jones Sustainability Index (DJSI) and the FTSE4Good continuously since 2001. The rating agencies oekom, Sustainalytics and Vigeo, which specialise in sustainability, also gave Munich Re very good ratings in 2014. Their ratings are taken into account in the weighting of sustainability indices such as the Ethibel Sustainability Index (ESI) and the STOXX Global ESG Leaders index.

#### Facts and figures: SRI indices munichre.com: Investor Relations

#### How does Munich Re report on its activities in the field of corporate responsibility?

Munich Re reports on all its activities in the field of corporate responsibility online. Its portal presents an annual corporate responsibility report that reviews the measures taken and successes achieved in the preceding year. Our news section on the portal homepage features reports on current events and developments in the field of corporate responsibility. All contents are available in German and English and can be downloaded as a PDF document. This document is also our Corporate Responsibility Report for 2014. Please do not hesitate to contact our

experts if you have any questions regarding corporate responsibility at Munich Re.

[Contact](#)  
[News on corporate responsibility](#)  
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Please do not hesitate to contact us if you have any questions.

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### Contact Media Relations

Your message to our Corporate responsibility experts

Form of address\*  Ms.

Mr.

Surname\*, first name

Company

Country\*

E-mail\*

Subject\*

Your message\*

SEND

RESET



### Notice

When you have completed all the fields marked with an asterisk (\*) please click Send, and your message will be sent to our experts on Corporate Responsibility.  
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## RSS-Feed

Stay up to date on what's new on this website. All you need is an RSS newsreader or an RSS capable Browser.

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[www.munichre.com/cr.en.rss.xml](http://www.munichre.com/cr.en.rss.xml)

German RSS feed:  
[www.munichre.com/cr.de.rss.xml](http://www.munichre.com/cr.de.rss.xml)

External links

[RSS at Wikipedia](#)

20 August 2015  
**Excellent UN PRI rating for Munich Re's holistic investment strategy**

14 August 2015  
**POC21: Munich Re relies on innovations from creative minds**

10 August 2015  
**Help for earthquake victims in Nepal: Munich Re donations flow into sustainable reconstruction projects**

8 July 2015  
**Munich Re updates information in the Corporate Responsibility Portal 2014/15**

3 July 2015  
**10 years of Munich Re Foundation - Interview with Thomas Loster**

12 June 2015  
**Climate protection at Munich Re**

19 May 2015  
**Helping others to help themselves: Munich Re is extending to 2017 its financial commitment in the international earthquake and landslide risk reduction project in India**

29 April 2015  
**Munich Re America gains "Leadership in Energy & Environmental Design" (LEED) Platinum certification for their Conference and Fitness Center**

14 April 2015  
**Munich Re of Malta joins afforestation campaign in a local recreation area**

18 March 2015  
**Australian partnership honoured with certificate of distinction in global disaster reduction awards**

3 March 2015  
**Munich Re purchases three photovoltaic facilities in Great Britain**

6 February 2015  
**21 January 2015: DKV Seguros once again gains EMAS recognition from the European Commission for its improved environmental management**

5 December 2014  
**Munich Re wins the German Investors' Award for Responsible Management**

17 November 2014  
**Munich Re provides contribution to CRO Forum working paper "Human rights and corporate insurance"**

22 October 2014  
**Munich Re earns lead rating for climate risk management practices**

17 July 2014  
**New DKV Seguros headquarters with the highest qualifications in sustainability**

8 July 2014  
**Corporate Responsibility Report 2013/14 presents the objectives and progress of corporate responsibility within the Group.**

2 July 2014  
**Munich Re and GIZ are cooperating on an agricultural model project in Peru**

20 June 2014  
**Climate protection at Munich Re**

21 May 2014  
**Munich Re defines new SRI rating strategy**

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15 May 2014  
Munich Re concludes social partnership agreement with the Pfennigparade Foundation

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17 April 2014  
Munich Re meets with SRIs in London

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26 March 2014  
Keynote speech by Margareta Wahlström, UN Special Representative, at Munich Re

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14 March 2014  
Playtime – A Lenbachhaus exhibition on the working world

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28 February 2014  
Environmental management at ERGO Hamburg successfully certified for the first time

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31 January 2014  
High-level sustainability: Munich Re experts meet professors from Munich University of Applied Sciences

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20 December 2013  
MEAG donates to the Munich Children's Hospice

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16 December 2013  
Lecture by primatologist Jane Goodall at Munich Re: "Reasons for Hope"

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11 December 2013  
Munich Re Foundation helps in Tacloban in the Philippine

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15 October 2013  
First Munich Re SRI (Sustainable Responsible Investment) Day

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15 October 2013  
Climate protection at Munich Re

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5 September 2013  
First Summer Festival of the Bayerische Philharmonie at Schloss Hohenkammer

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6 August 2013  
75% of Munich Re (Group) is already climate neutral

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31 July 2013  
Munich Re launches updated Corporate Responsibility Portal 2012/13

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22 May 2013  
DKV Seguros once again ranks as Spain's third best employer

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18 April 2013  
The Städtische Galerie in Lenbachhaus is collaborating with Munich Re in the area of contemporary art.

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21 March 2013  
New UNEP magazine with input from Munich Re

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24 January 2013  
Munich Re – reaching Silver Class at RobecoSAM

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17 January 2013  
Munich Re's CEO, Nikolaus von Bomhard honored by St. John's University's School of Risk Management as "2012 Insurance Leader of the Year"

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30 November 2012  
The bit-disposal days at ERGO – For the environment: Out with unused data

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19 September 2012  
Munich Re reaching top positioning in the Dow Jones Sustainability Index

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14 September 2012  
Carbon neutrality at Munich Re

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3 July 2012  
Börsen-Zeitung: Partnerships for a successful energy turnaround (PDF, 61 KB)

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26 June 2012  
DKV Seguros is the first insurance company in Europe to be carbon neutral

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19 June 2012  
Munich Re signs the "Principles for Sustainable Insurance" (PSI) of the United Nations Environmental Programme Finance Initiative

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12 June 2012  
Insurance solutions to help Caribbean nations – Among the worst hit by climate change

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27 April 2012  
Existing environmental management system at our Munich location successfully recertified

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29 March 2012  
Munich Re again listed in the FTSE4Good and classified one of the 30 most preferred sustainable companies in Europe by Oddo Securities

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24 February 2012  
Press release BMFSFJ: "Companies strengthen civic involvement" (PDF, 52 KB)

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12 January 2012  
Strategies for responsible investments – international panel discussion

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6 December 2011  
Global Leaders Discuss Economic Recovery at UN Summit

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21 October 2011  
Pole position for Munich Re in Newsweek's Green Rankings

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8 August 2011  
Project cooperation on corporate responsibility between Munich University of Applied Sciences and Munich Re

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4 August 2011  
Environmental certification at Munich Re (Munich) and ERGO, Germany successfully confirmed

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19 July 2011  
Munich Re invests in solar parks

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17 June 2011  
Munich Re's head office in Munich achieves carbon neutrality again in 2010

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23 May 2011  
Future UN PRI chair Wolfgang Engshuber meets UN Secretary-General Ban Ki-moon

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19 May 2011  
Sustainable Investment pays off

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9 May 2011  
Munich Re donates 7,500 books and DVDs to BOOKBRIDGE

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17 March 2011  
Global sustainable insurance initiative consultations launched in South Africa

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16 February 2011  
UN debate regarding disaster reduction and preparedness: "Pointing out the strengths of insurance-based solutions"

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15 February 2011  
Munich Re aid: Taking stock of our Pakistan and Haiti aid efforts

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8 February 2011  
Chief Administrative Officer of Munich Re America elected as new PRI chair

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28 January 2011  
PRI Workshop at MEAG

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22 November 2010  
6th International Microinsurance Conference in Manila

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25 October 2010  
Recently opened: The Munich Risk and Insurance Center (MRIC)

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12 October 2010  
Munich Re launches new portal providing information on corporate responsibility

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15 September 2010  
Sustainability indices give Munich Re top ratings

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15 September 2010  
Professor Höppe speaks at international conference on the importance of renewable energies

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27 May 2010  
First milestone reached: Munich Re's Munich offices carbon-neutral since 2009

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21 May 2010  
Munich Re cited as one of "Europe's Greenest Companies" by Institutional Investor magazine

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21 May 2010  
Confirmation of Munich Re's prime status as a sustainable investment

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19 April 2010  
Munich Re sponsors 2010 Easter tour of the Gustav Mahler Jugendorchester

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22 March 2010  
Desertec: Enel Green Power, NAREVA Holding, Red Eléctrica de España and Saint-Gobain Solar become part of joint venture Dii

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15 March 2010  
Munich Re Signs Photovoltaic Module Guarantee Cover for LDK Solar

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The updating of our internet pages requires us to make periodical adjustments to our privacy statement. Please note the latest version of our privacy statement (current status: 17 September 2012).

The previous version of our privacy statement (from 17 November 2009) is available [here](#).

[Privacy statement \(from 17 November 2009\)](#)

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