



Principles for Sustainable Insurance – Corporate responsibility in business

A forward-looking and 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.

Munich Re documents its forward-looking and responsible approach through voluntary commitments such as the Principles for Responsible Investment (PRI), the UN Global Compact, and the Principles for Sustainable Insurance (PSI).

For us, the PSI serves as a framework for anchoring aspects of ecology, social responsibility and good corporate governance (ESG aspects) more strongly in our core business. By taking these aspects into account along the whole value chain of our business, we expand our risk management by a further dimension.

Integration of ESG aspects

Our three business fields of primary insurance, Munich Health and reinsurance are based on an integrated strategic alignment of Munich Re (Group). Before signing the PSI, we undertook an extensive review of the situation in each business field, giving explicit consideration to sustainability aspects in products, solutions and processes. From this, we derived a framework for integrating ESG aspects into our core business and identified appropriate focal areas.

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

Principle 1

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

We have put in place a Group-wide system of corporate responsibility governance that enables us to integrate ESG aspects beyond business-field boundaries.

Corporate responsibility is anchored in our “Core Principles”.

We have incorporated Munich Re’s commitment to the PSI in the preamble to our internal Group-wide risk management manual, which is the reference work for the relevant manuals of the business fields. At the same time, it constitutes a generally binding basis for all Group underwriting guidelines.

We have set up a Group Corporate Responsibility Committee (GCRC). This monitors compliance with all the voluntary commitments of Munich Re (Group) and develops the Group’s sustainability strategy further.

Link:

http://www.munichre.com/corporate-responsibility/en/service/annual-report-2013/index.html?start_page=118

In each of the three business fields, a Reputational Risk Committee advises staff on coverage issues or other business transactions that might affect Munich Re's reputation.

Link:

http://www.munichre.com/corporate-responsibility/en/service/cr-short-report-2012-2013/index.html?start_page=4

The ERGO Group mainly writes personal lines insurance, focusing on easy-to-understand products and a holistic sales advice approach.

Link:

<http://www.ergo.com/en/Unternehmen/Overview/Understand>

The business of Munich Health centres on access to health insurance, prevention programmes and disease management. In this field of business, we therefore focus on a sharing of "best practices" across organisational and geographical boundaries.

Link:

http://www.dkvseguros.com/dkvaccessible/inicio.asp?idioma=en&menu=1,614,641&enlace=iframedoc.asp?enlace=rsc/Memoria2011DKVSeguros_Resumen_Ingles.pdf

In reinsurance, we cover whole client portfolios, and manage and assume peak risks. With our knowledge and innovative coverage concepts, we help to expand the frontiers of insurability, thus often facilitating the breakthrough of new technologies. In doing so, we are conscious of the fact that there are industries and projects which have a major impact on the environment and local communities. We attach great importance to adopting a responsible approach to such industries.

Link:

http://www.munichre.com/corporate-responsibility/en/service/cr-short-report-2012-2013/index.html?start_page=5

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 central objective is to be a reliable, solution-oriented partner for our clients. We offer primary insurers, private clients and companies tailored products and services in our fields of business.

Link:

http://www.munichre.com/corporate-responsibility/en/service/cr-report-2012-2013/index.html?start_page=54

Link:

[Corporate Responsibility in Business at Munich Re \(Group\)](#)

In 2012, we were able to win a national insurance association and a multi-national organisation as Supporting Institutions for the PSI.

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 (Group) seeks to bring its considerable know-how to bear on the discussions concerning the challenges facing our society today. For this reason, we actively collaborate with a wide variety of interest groups and NGOs and with experts from the world of politics, public administration, and science.

Link:

http://www.munichre.com/corporate-responsibility/en/service/cr-report-2012-2013/index.html?start_page=107

Link:

http://www.munichre.com/corporate-responsibility/en/service/cr-report-2012-2013/index.html?start_page=65

Principle 4

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

This is our first progress report in connection with the Principles for Sustainable Insurance. It covers the period from the signing of the PSI (19 June) until the end of the calendar and financial year 2012. We will publish an update for the financial year 2013 (1 January to 31 December) 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.

Links

<http://www.munichre.com/corporate-responsibility/en/homepage/default.aspx>
<http://www.munichre.com/en/homepage/default.aspx>

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