

# Corporate Responsibility

## Report 2012/2013



Content

---

**p. 1      Strategy and challenges**

p. 2      Strategy

p. 16     Challenges

**p. 20     Management**

p. 21     Responsible corporate governance

p. 29     Sustainable investments

p. 33     Responsibility towards staff

p. 45     Our environmental awareness

**p. 52     Solutions**

p. 53     Reinsurance

p. 58     Primary insurance

p. 60     Munich Health

p. 62     Capital management

**p. 63     Commitment**

p. 65     Focal areas

p. 71     Foundations

**p. 75     Facts and figures**

p. 76     Key figures

p. 79     Reporting


p. 110    Service

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home

“Forward-looking and responsible actions are an integral part of our Group strategy.”

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



Munich Re

Related topics

- » Management
- » Solutions
- » Commitment
- » Facts and figures

## 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 maintaining sustainable development in order to protect the environment and meet our social obligations.

The business model of insurance is built on the insurer's ability to always meet the obligations assumed under its contracts. Our clients' confidence in our financial stability is hence the basis of our business. That is why our business model is more than ever inseparably tied to the know-how needed to assess risks and to long-term, responsible management.

### Corporate responsibility strategy

Our activities are rooted in a corporate responsibility strategy adopted by the Board of Management in March 2011. 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 dialogue with our key stakeholders: clients, staff, investors, NGOs and representatives from the world of science and politics. This exchange enables us to identify important social challenges and changes, for which we offer suitable business solutions or develop them for the future.

### Meeting challenges head on, identifying potential

Munich Re has defined four key topic areas. Besides climate change and global geopolitical and economic interaction, these issues include demographic change and tackling social inequalities. Finding solutions for them is a top priority. Based on dialogue with various stakeholders, we have refined the topics of greatest importance to us. We aim to identify the key drivers, to understand new developments and to meet challenges with our core business – for instance, through innovative coverage concepts and new collaborations with national and international partners.

### Organisational anchoring of our corporate responsibility

In 2008, we assigned the field of corporate responsibility to a separate unit at our Munich headquarters. This unit is incorporated in our Group Development Division, which is responsible for developing Group strategy and reports directly to the Chairman of the Munich Re Board of Management. It carries out its tasks at Group level and in direct consultation with the Group's primary insurance segment. At ERGO, too, corporate responsibility is handled by a separate unit in Group Development that reports directly to the Chairman of its Board of Management.

### Strategy and challenges

#### Strategy

- » Statement by the CEO
- » Our guiding principles
- » Fields of Action
- » Objectives and measures
- » Milestones
- » Stakeholder dialogue
- » Materiality analysis

#### Challenges

- » Climate change
- » Vulnerable financial markets
- » Demographic change
- » Access to financial solutions

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Strategy and challenges

## STRATEGY



STATEMENT BY THE CEO

OUR GUIDING PRINCIPLES

FIELDS OF ACTION

OBJECTIVES AND MEASURES

MILESTONES

STAKEHOLDER DIALOGUE

MATERIALITY ANALYSIS

Ladies and gentlemen,

Signing the Principles for Sustainable Insurance (PSI) during the Rio+20 Conference in June 2012 was a significant event. After all, as globally applicable sustainability principles developed by the United Nations Environmental Programme Finance Initiative UNEP FI, the PSI will influence our industry's approach and business practices internationally. More than 60 companies and organisations from the insurance sector have signed the PSI to date.

The PSI, which we helped develop, serve as the basis for integrating aspects of ecology, social responsibility and corporate governance in our core business. Insurance, as a "promise for the future", naturally attaches great importance to sustainability. So it is only logical that this objective is expressly included as an integral part of our core principles.

The PSI complement the voluntary commitments to which Munich Re has already signed up, such as the UN Global Compact and the Principles for Responsible Investment (PRI). The latter serve as a guideline, implemented by our asset manager MEAG, for investing in line with sustainability criteria.

Our environmental management system, which has meanwhile been rolled out worldwide, and our social commitment are further important aspects of our strategy. For us, long-term financial success is inexorably linked to caring for people and the environment. The activities of our corporate foundations are also committed to achieving this goal, particularly in the field of natural disaster prevention and in helping to alleviate human suffering.

Thus, as you can see, a sustainable approach is the hallmark of our business and our organisation worldwide. Our ratings on the FTSE4Good and Dow Jones Sustainability Index are further evidence of this. This is an incentive for us for further improvement – an aspect we also address in this report.

I wish you a stimulating read.



Dr. Nikolaus von Bomhard  
Chairman of the Board of Management

July 2013



Dr. Nikolaus von Bomhard  
Chairman of the Board of Management

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Strategy and challenges](#)

## STRATEGY



[STATEMENT BY THE CEO](#)

[OUR GUIDING PRINCIPLES](#)

[FIELDS OF ACTION](#)

[OBJECTIVES AND MEASURES](#)

[MILESTONES](#)

[STAKEHOLDER DIALOGUE](#)

[MATERIALITY ANALYSIS](#)

## Our guiding principles

**Responsible actions aligned to sustainability play a key role in Munich Re's long-term corporate success. Corporate responsibility is therefore an integral part of our Group strategy and our core principles, covering all business areas and processes.**

Corporate responsibility is defined by our new, Group-wide core principles as an integral part of our Group strategy and thereby of all business areas and processes. The fields of action of our corporate responsibility strategy are covering three main focal areas:

- Firstly, our aim is to integrate ecological, social and ethical (i.e. also aspects of good corporate governance) factors ("ESG factors") into our core business and investments to a greater extent.
- Secondly, in order to minimise the impact we have on the environment, we have established a Group-wide environmental management system and are successively making our business operations carbon-neutral.
- Thirdly, on the basis of our corporate citizenship concept, we are committed to serving the communities in which we work and operate.

For us, sustained profitable growth and the awareness of our obligation to society are not contradictory.

### The key to achieving our corporate goals

On this basis our corporate responsibility activities are supposed to contribute significantly to the profitable growth of Munich Re (Group). By consistently integrating corporate responsibility in the Group strategy, we are seeking to

- 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.

### Related topics

- » [Fields of action](#)
- » [Objectives and measures](#)
- » [Milestones](#)
- » [Management](#)
- » [Solutions](#)
- » [Commitment](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Strategy and challenges

## STRATEGY

STATEMENT BY THE CEO

OUR GUIDING PRINCIPLES

FIELDS OF ACTION

OBJECTIVES AND MEASURES

MILESTONES

STAKEHOLDER DIALOGUE

MATERIALITY ANALYSIS

## Corporate responsibility at work

Our corporate responsibility strategy defines the specific fields of action and objectives, constituting a binding framework for our corporate activities.

We have derived five fields of action from our corporate responsibility mission. The areas "Strategy and governance" and "Reporting and communication" provide the framework for our core activities:

- Integrating corporate responsibility in our business
- Environmental management
- Corporate citizenship

The areas "Strategy and governance" and "Reporting and communication" provide the framework for our three content pillars.

### Fields of action in our corporate responsibility



### Strategy and governance – Binding requirements

The principles of the [Global Compact](#) constitute important guidelines for integrating corporate responsibility in our structures and processes. By considering these principles from the areas of human rights, labour standards, environmental protection and anti-corruption, we demonstrate our commitment to important values both inside and outside the Group. We derive key impulses for further developing our corporate responsibility strategy from the open and consistent dialogue we conduct with our stakeholders and from analysing their needs. At the end of 2012, it was decided to set up a Corporate Responsibility Committee to address all Group-wide management activities.

### Corporate responsibility in business – Setting standards

By integrating corporate responsibility into our core business on an ongoing basis, we are able to handle environmental, social and governance risks in a structured manner, thereby continually improving our risk management, tapping new business opportunities and actively protecting the Group's reputation. In this process, we use the new [Principles for Sustainable Insurance \(PSI\)](#), a global sustainability initiative of the [United Nations Environment Programme](#) for greater sustainability in the insurance industry, as a yardstick. Munich Re helped to develop this initiative and was one of the first signatories. As far as our investments are concerned, we have been applying the [Principles for Responsible Investment \(PRI\)](#) since 2006.

»

### Environmental management – Applicable worldwide

Munich Re is aiming for carbon neutrality throughout its business operations. The reinsurance group was made carbon neutral in 2012; by 2015, this will be achieved for the Group as a whole. This carbon neutrality will be brought about in two stages: firstly, reducing our ecological footprint by cutting down on energy consumption, travel, use of paper, waste and water and, secondly, compensating for unavoidable emissions by purchasing emission allowances. We also contribute to environmental protection by developing innovative insurance solutions.

### Corporate citizenship – Taking responsibility

Munich Re's understanding of corporate responsibility has always involved assuming responsibility for the communities in which we live and work. Our corporate citizenship concept provides the framework for aligning our commitment even more closely to business-relevant topics. Besides our involvement in the topics of environment, natural catastrophes, demographic change and health, Munich Re supports social and cultural projects at its business locations, as well as education and science elsewhere.

### Reporting and communications – Creating transparency

By communicating our corporate responsibility activities both internally and externally, we provide our stakeholders with complete and timely information. Our corporate responsibility portal is the primary medium for reporting our strategy and objectives, the measures we have decided on and the progress we have made. Our aim is to steadily expand our dialogue with stakeholders through professional communication and additional information tools, thereby enhancing the quality of reporting.

### Related topics

- » [Strategy and challenges](#)
- » [Management](#)
- » [Solutions](#)
- » [Commitment](#)
- » [Facts and figures](#)

### External links

- » [United Nations Global Compact](#)
- » [Principles for Responsible Investment \(PRI\)](#)
- » [Principles for Sustainable Insurance \(PSI\)](#)
- » [Corporate Responsibility at ERGO](#)



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Strategy and challenges

STRATEGY



STATEMENT BY THE CEO

OUR GUIDING PRINCIPLES

FIELDS OF ACTION

OBJECTIVES AND MEASURES

MILESTONES

STAKEHOLDER DIALOGUE

MATERIALITY ANALYSIS

Binding requirements for the achievement of objectives

We have set binding objectives for our five areas of action with a view to implementing our corporate responsibility strategy. 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 2012 and the new objectives for 2013.

Strategy and governance		
Objective	Action	Status
<b>2012:</b> Review and adjust Group-wide corporate responsibility governance	Corporate responsibility (CR) integrated into Munich Re's core principles	Measure complete
	Group Corporate Responsibility Committee (GCRC) established	Measure complete
<b>2013:</b> Ensure that Munich Re (Group) fulfils its obligations using its CR strategy » United Nations Global Compact » Principles for Responsible Investment (PRI) » Principles for Sustainable Insurance (PSI)	Review and update the Group CR objectives and areas of action in order to further develop the strategy as from 2014	
Corporate responsibility in business		
Objective	Action	Status
<b>2012:</b> Sign the Principles for Sustainable Insurance (PSI) as a framework for integrating the ESG factors into our core business	Signing of Principles for Sustainable Insurance (PSI) of the UN Financial Initiative on 19 June 2012 in Rio de Janeiro during the Rio+20 UN Conference	Measure complete
<b>2012:</b> Expansion of systematic, Group-wide integration of ESG aspects into core business (see Principle 1 of the PSI)	Determination of the extent to which ESG aspects are currently taken into account Group-wide	Measure complete
	Development of a plan for Group-wide integration of ESG aspects into core business	Measure ongoing
	Identification of first pilot projects	Measure ongoing
	Initiation of dialogue on PSI with business partners	Measure ongoing
<b>2013:</b> Gradual implementation of PSI with Group-wide inclusion of ESG aspects in core business	Continuation of the pilot project measures launched to raise awareness among select employee groups	
	Expansion of dialogue on PSI with business partners	
<b>2013:</b> Ensure ongoing implementation of the Principles for Responsible Investment (PRI)	Maintenance of 80% sustainability rate » Actions to ensure the ongoing implementation of the Principles for Responsible Insurance (PRI)	
<b>2013:</b> Actions to ensure the ongoing implementation of the Principles for Sustainable Insurance (PSI)	» Actions to ensure the ongoing implementation of the Principles for Sustainable Insurance (PSI) (PDF, 204 KB)	
Environmental management		
Objective	Action	Status
<b>2012:</b> Expansion of global environmental management system	Coverage of some 75% of our employees worldwide by the Group-wide environmental management system	Measure complete
	Re-certification of the environmental management system of the Munich site and the main German ERGO sites to DIN EN ISO 14001	Measure complete
	Carbon neutrality of the reinsurance group and Munich Health in 2012	Measure complete
	Launch of Munich Reinsurance America's solar energy facility (12,000 m²) at its headquarters in Princeton	Measure complete
<b>2013:</b> Expansion of global environmental management system to further units in order to reach the environmental objectives of MR (Group)	Increase in percentage of employees captured in reporting of environmental figures (currently 75%)	
	Expansion of environmental network to smaller Munich Re (Group) units	
<b>2013:</b> Reduction of CO <sub>2</sub> emissions by 10% per	Improvement in data quality for environmental reporting	

employee between 2009 and 2015 (based on emissions in 2009)	and systematic expansion of reduction measures for individual units	
<b>2013:</b> Preparation for Group's carbon-neutral status starting in 2015	Specification of carbon-reduction plan for MR (Group)	
<b>Corporate Citizenship (CC)</b>		
<b>Objective</b>	<b>Action</b>	<b>Status</b>
<b>2012:</b> Further development of CC project portfolio	Establishment of earthquake prevention project in northern India in cooperation with GeoHazards International	Measure ongoing
	New memberships in Acatech and Association for the Promotion of Science and Humanities in Germany	Measure complete
	Establishment of a new partnership with the Lenbachhaus in Munich	Measure complete
	Promotion of the Water Benefit Certificates (WBC) for the creation of an innovative financing mechanism	Measure ongoing
	Organisation of Social Days at various company sites	Measure ongoing
<b>2012:</b> Application of CC concept to activities of Munich Re's international organisation	Munich Re subsidiary The Hartford Steam Boiler (HSB) Inspection and Insurance Company adopts Corporate Contributions Guideline	Measure complete
<b>2013:</b> Quality assurance and further development of the CC project portfolio	Review of implementation and management of ongoing CC projects	
	Identification of additional CC projects according to the CC plan	
<b>2013:</b> Creation of a Group-wide corporate volunteering concept	Analysis of corporate volunteering options for Munich Re (Group) and development of Group-wide corporate volunteering concept	
<b>Reporting and communication</b>		
<b>Objective</b>	<b>Action</b>	<b>Status</b>
<b>2012:</b> Ongoing improvements to CR reporting	Establishment of stakeholder dialogue	Measure ongoing
<b>2012:</b> Annual participation and positioning in the key international SRI ratings and indices (such as FTSE4Good and Dow Jones Sustainability Index)	Munich Re has been continually listed in the renowned FTSE4Good and Dow Jones Sustainability Index since 2001	Measure ongoing
	Very good result in Sustainalytics rating (2nd place in the insurance sector)	
<b>2013:</b> Further optimisation of CR reporting and CR communications	Improvement in reporting processes to ensure that the publication date for the CR portal can be brought forward in the long term	
<b>2013:</b> Ensuring a good ranking in the SRI ratings (such as FTSE4Good and the Dow Jones Sustainability Index)	Systematic expansion of stakeholder dialogue, e.g. with SRI investors, ratings agencies and NGOs	



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Strategy and challenges](#)

## STRATEGY



[STATEMENT BY THE CEO](#)

[OUR GUIDING PRINCIPLES](#)

[FIELDS OF ACTION](#)

[OBJECTIVES AND MEASURES](#)

[MILESTONES](#)

[STAKEHOLDER DIALOGUE](#)

[MATERIALITY ANALYSIS](#)

## 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.

### ▼ 2013

**Group-wide carbon neutrality**

At the beginning of 2013, the reinsurance group and ERGO Germany meet their climate neutrality goals for the 2012 financial year.

**Expansion of environmental management system**

The environmental management system is extended to more than 75% of global staff for the first time in 2013, thus providing the cornerstone for reliable, almost group-wide environmental data collection.

### ▼ 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 cove 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.

### ▼ 2011

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

Under its RENT (Renewable Energies and New Technologies) project, Munich Re

#### Related topics

» [Objectives and measures](#)

#### Actions

» [EXPAND ALL](#)

» [COLLAPSE ALL](#)

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.

---

▼ **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.

---

▼ **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.

---

▼ **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.

---

▼ **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.

---

▼ **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.

---

▼ **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.

▼ **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.



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Strategy and challenges

## STRATEGY

STATEMENT BY THE CEO

OUR GUIDING PRINCIPLES

FIELDS OF ACTION

OBJECTIVES AND MEASURES

MILESTONES

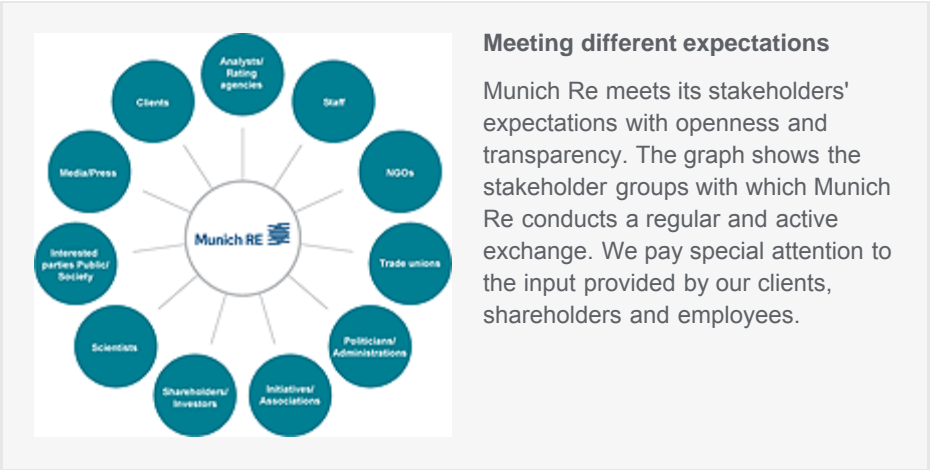
STAKEHOLDER DIALOGUE

MATERIALITY ANALYSIS

## In direct contact

Munich Re has always valued 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, for which we offer or develop suitable business solutions.

Our stakeholders' expectations provide Munich Re with useful input. Our aim is to add value for both sides through dialogue. In particular, we seek to identify social developments and trends at an early stage, so that we can take account of them in, say, innovative risk coverage and specific products.



### 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.

#### ▼ Dialogue with our staff – open and cooperative

**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. Numerous discussion forums, a shared intranet site and cross-divisional colloquia foster employee communication.
- 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".

#### ▼ Our client management – needs-based, solutions-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.

- At the heart of this activity are solution-oriented approaches, frequently in partnership with clients – as in the case of the DESERTEC desert-power project, or innovative risk covers for the generation of renewable energies ( » Solutions).
- Munich Re also initiates intensive client dialogue through many international client seminars and special courses as part of the Munich Re Scholarship Programme (until 2012, the "Horst K. Jannott Scholarship Programme") and numerous events of our international organisation in collaboration with academic institutions.
- Our online platform (connect.munichre) provides clients with special services and important information about business and market developments. This service range is complemented by innovative topic apps for new information channels.

Clear client focus is also a priority for our primary insurer ERGO, which has some 40 million clients, mainly private policyholders.

- At the heart of the ERGO philosophy are clear and up-to-date communications, structured, user-friendly feedback management (such as a free hotline) certified to ISO 9001, and speedy, efficient assistance and claims handling in the event of loss.
- ERGO is consistently living up to its slogan "To insure is to understand" with needs-based advice, clear communications and customised products that are

#### Related topics

» Materiality analysis

#### Actions

» EXPAND ALL

» COLLAPSE ALL

tailored to the clients' personal concerns. ( » ERGO: Clear text initiative (German)).

- As a means of furthering strengthening dialogue, the first » ERGO customer (PDF, German) report was published in 2012. It addresses customers' questions and expectations in detail.
- Since 2011, a » customer advocate (German) has ensured 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.
- The ERGO Open Innovation Platform is accessible to all ERGO employees. There they can inform themselves about customer feedback with a view to providing even better individual advice.

Munich Health is a separate business segment within Munich Re, in which we pool our global health expertise in primary insurance, reinsurance and risk management.

- Munich Health services the needs of insurance companies in more than 40 countries, and primary insurance clients in over 100 countries.
- A showcase example of this is the innovative » public private partnership with the regional health insurer Daman National Health Insurance in Abu Dhabi, which integrates our many years of expertise in disease management into an innovative service concept that is tailored to regional conditions and benefits the local insureds.
- The new » Munich Health Website launched in July 2012 places greater emphasis on client needs and detailed project information, and provides full reports on new developments in this sector.
- • 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 full about current topics and new, sustainable primary insurance solutions.

MEAG, the asset manager of Munich Re and ERGO, is among the market leaders in Europe.

- MEAG is a professional partner to external institutional investors and private investors. It also offers socially responsible investments (SRI) in the form of two funds: MEAG FairReturn and MEAG Nachhaltigkeit ( » MEAG Funds).
- MEAG provides full information to its investors using monthly fund reports, market forecasts and publication of the fund prices and performance on each trading day at » meag.com.
- Regular "one-on-one" meetings with investors give both sides the opportunity to discuss needs and investment preferences in order to find the best possible investment product.
- MEAG's many information forums, such as the one on the Principles for Responsible Investment (PRI) for all signatories to the initiative, provide the framework for regular communications within the financial sector.

---

#### ▼ Capital market communications with investors and shareholders – 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 others involved in the capital market want detailed, up-to-date information about our Group and the (re)insurance sector. In one-on-one meetings, expert interviews, roadshows and on the internet, we provide them with important and detailed information on the opportunities and risks of our business, in general and specifically for SRI.
- 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 conferences on the financial statements are broadcast live online via livestream. This also applies to Munich Re's Annual General Meeting, in which as a rule more than 4,000 shareholders take part personally. 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 on Munich Re's shares.
- Neutral third parties and specialised market research institutes (such as Flaspöhler for reinsurance) regularly conduct and review the results of client opinions and comments regarding our Group. These results are then taken into account in our strategic planning.

---

#### ▼ Society – a networked partnership

**The Munich Re Group aims to contribute its comprehensive knowledge to discussions concerning the challenges facing our society today.**

- Internationally, we actively communicate with various interest groups and NGOs, politicians, administrations and researchers via our departments Corporate Responsibility, Group Legal, the Corporate Climate Centre and others.
- Our experts from the Corporate Climate Centre (CCC) maintain an intensive dialogue around the world with researchers, associations and organisations, and are involved in national and international development projects, such as those with the Global Climate Forum and UNEP FI.
- In addition to partnering with various German and American universities, we are also working with the London School of Economics and Political Science (LSE) on means of making the economic consequences of climate change quantifiable.



- In 2013, Munich Re became the first insurance company to join acatech, the National Academy of Science and Engineering.
  - To expand our business activities in the public sector and partnerships with supranational organisations, a separate business unit was set up in 2012. Together with such bodies as the German Agency for International Cooperation (GIZ), Munich Re is cooperating with state institutions, associations and companies in the form of public-private partnerships in developing countries. Such projects help provide the poorer segments of the world's population with access to adequate insurance protection through innovative financial solutions ([» Reinsurance: Microinsurance](#)).
-

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Strategy and challenges](#)

## STRATEGY

[STATEMENT BY THE CEO](#)

[OUR GUIDING PRINCIPLES](#)

[FIELDS OF ACTION](#)

[OBJECTIVES AND MEASURES](#)

[MILESTONES](#)

[STAKEHOLDER DIALOGUE](#)

[MATERIALITY ANALYSIS](#)

## Analysis of our stakeholder survey

Related topics

» [Stakeholder dialogue](#)

Munich Re sees corporate responsibility as a dynamic process influenced by a variety of different expectations and challenges. By maintaining an ongoing dialogue with our stakeholders, we obtain valuable insight that helps us to improve our business model in a targeted manner and to bring out the main points in our activities.

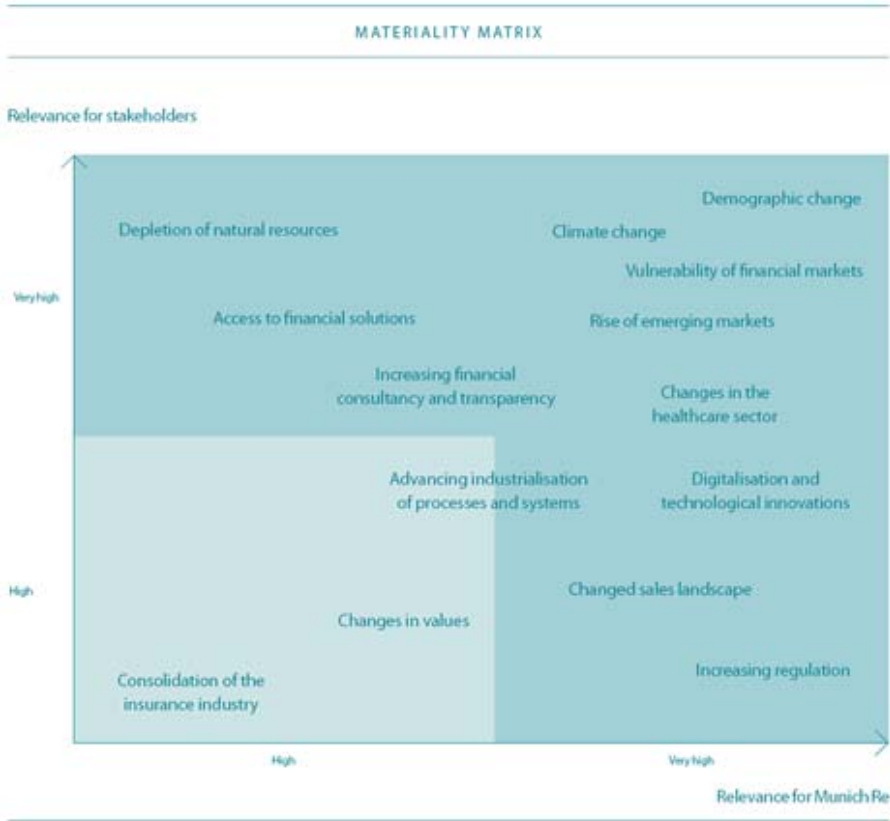
Worldwide, we are facing major challenges with a significant impact on the future of the insurance industry. Based on the input from our stakeholders, Munich Re has defined four topic areas of particular importance for our business model: climate change, the increasing globalisation and volatility of the financial markets, demographic development and the rise of the emerging markets. We pool our resources here, bring our expertise to bear and actively contribute to solving pressing problems.

### Important signals from our stakeholders

Further topics relevant for us are identified via continuous dialogue with our stakeholders. Our risk management experts as well as the Group-wide Group CR Committee, set up at the end of last year, are also included in this process.

A comprehensive analysis of future trends and a subsequent survey with different social interest groups provided Munich Re with important new signals in 2011/12. The survey addressed scientists, consultants, NGOs, corporations, trend-experts and our own top management. Last but not least, there are selected CR ratings, which provide us with another essential source of relevant CR aspects and topics to be considered.

The following illustration presents the respective topics – based on the relevance for our business and our stakeholders. It aims to show which topics are of special importance for us.



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Strategy and challenges](#)

## CHALLENGES

[CLIMATE CHANGE](#)

[VULNERABLE FINANCIAL MARKETS](#)

[DEMOGRAPHIC CHANGE](#)

[ACCESS TO FINANCIAL SOLUTIONS](#)

## Putting knowledge to use, devising solutions

In the financial and insurance sector, Munich Re is a pioneer in analysing the consequences of climate change. We are continually expanding the competence we have gained over decades in order to promote climate-protection solutions, such as new cover concepts for investors in innovative, climate-friendly technologies. Moreover, we plan to conduct all our business activities within Munich Re (Group) throughout the world on a climate-neutral basis.

In 2008, Munich Re pooled the knowledge it had accumulated on climate change in the course of more than three decades in its newly established » **Corporate Climate Centre**. In this network, staff members from all parts of the Group research the consequences of climate change and devise pioneering concepts and solutions. They maintain a close dialogue with scientists, associations and research organisations all over the world. For example, until 2013 Munich Re is working with the London School of Economics and Political Science (LSE) to make the economic consequences of climate change quantifiable. Through our new involvement with acatech, Deutsche Akademie der Technikwissenschaften, we aim to promote the advancement of innovative technologies using our risk expertise.



“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.”

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

### Innovative solutions

New insurance products in Munich Re's core business include crop failure covers and policies providing protection against flood damage. We also offer a globally unique service for better and earlier identification of complex natural hazards: the NATHAN Risk Suite, our programme for precisely determining locations around the world that are endangered by climate change. To smooth our transition to a low-carbon society, Munich Re is also developing specific insurance products in the area of renewable energies, such as innovative cover concepts for solar technologies or for manufacturers of wind farms. In 2009, moreover, Munich Re joined with the » **Desertec** Foundation and other international companies to found the industrial initiative Dii GmbH. Its long-term goal: solar and wind power generation in the desert. To mitigate the effects of climate change, Munich Re is also investing in renewable energies and new technologies within the framework of its RENT programme.

### Striving to benefit humanity

At the same time, Munich Re also plays a role in various national and international climate-protection organisations, like the United Nations Environment Programme. In the Umweltpakt Bayern (Bavarian Environmental Pact) and as a member of the Board of the Global Climate Forum – formerly known as the European Climate Forum – we share our expertise with other companies, political decision-makers and the general public. In 2005 Munich Re also initiated the » **Munich Climate Insurance Initiative (MCII)**. Comprising insurance, climate and economic experts and NGOs, the MCII prepares risk-transfer solutions for developing and emerging countries within the framework of the World Climate Conference (UNFCCC). These solutions mainly include new solutions for the Caribbean nations, which are among those most frequently affected by climate change. Microinsurance is particularly suitable here, as it makes possible the provision of swift and unbureaucratic aid when loss or damage occurs.

### Group-wide climate neutrality by 2015

Munich Re advocates effective and binding rules on carbon emissions not only internationally, but also internally. We want to act as a role model: business operations throughout our Group are to be made carbon-neutral by 2015 based on our internal environmental management system, which enables us to continually improve our ecological footprint and carbon emissions performance.

#### Related topics

- » [Solutions](#)
- » [Insurance concepts for renewable energies](#)
- » [Desert power](#)
- » [Memberships and partnerships](#)

[munichre.com](#)

- » [Focus topic Climate change](#)
- » [NATHAN Risk Suite](#)

#### External links

- » [MCII \(Munich Climate Insurance Initiative\)](#)
- » [Dii](#)
- » [LSE \(London School of Economics and Political Sciences\)](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Strategy and challenges

## CHALLENGES

CLIMATE CHANGE

VULNERABLE FINANCIAL MARKETS

DEMOGRAPHIC CHANGE

ACCESS TO FINANCIAL SOLUTIONS

## Managing risks through responsible action

Our aim is to offer our investors a safe investment with an attractive return. For years, we have systematically pursued a risk and investment strategy that secures Munich Re’s sustainable development. We do not allow short-term trends in the international financial markets to throw us off course. The fact that we were able to manage the financial market and euro crisis comparatively well confirms we are on the right track.

Developments since the beginning of this decade have shown that we must expect a high degree of » volatility and greater uncertainty on the international financial markets in future. Given the complexity of the international interdependencies involved, where and when crises and booms will develop in future – and the magnitude they will assume – is impossible to predict with certainty. Our risk and investment strategy takes account of this fact. At the same time, the capital markets are sensitive to short-term developments and to statements by political as well as economic actors. We define our strategy accordingly.

### Clear financial management brings long-term success

Munich Re has clearly positioned itself with its disciplined financial management. Our integrated risk management enables us to identify and manage all the significant risks in our Group. Our investment policy allows only investments based on our defined risk appetite and on sustainability. In pursuing this policy, we remain true to our principle of investing solely in assets we understand. Our value- and risk-based management is geared to the evaluation of risk on an economic basis. We consider only investment returns – particularly in the case of long-term business – that can also be achieved in times of crisis. It is this disciplined management that enables us to secure the financial strength of our Group in the long term, and that forms the basis of our business and our stakeholders’ confidence in Munich Re. That is why we were able to support our clients with comprehensive solutions and to offer them stability throughout the financial crisis. Munich Re’s shares offer all investors a » risk-return profile that is attractive in the long term. Thanks to this safe investment approach, we were in a position to maintain our dividend policy and buy back shares as planned.

### Sustainability as an investment criterion

Irrespective of developments in the financial markets, Munich Re has specified that 80% of Group-wide investments in shares and government and corporate bonds should comply with sustainability criteria. We are convinced that the risks of sustainable investments are often lower and their long-term returns tend to be higher because they are more crisis-resistant.

Munich Re is also a strategic investor in renewable energies. Munich Re expects premium volume in this segment to increase substantially by 2020. In mid-2010, we launched our investment project RENT (Renewable Energies and New Technologies). Since then, Munich Re and MEAG experts have been sounding out the potential for significant investment in renewable energy and new technologies, with the main focus on energy generation from non-fossil sources. Munich Re’s asset manager MEAG is responsible for selecting and managing the investments.

### Related topics

- » Risk management
- » Sustainability and Munich Re shares
- » Project RENT

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Strategy and challenges

## CHALLENGES

CLIMATE CHANGE

VULNERABLE FINANCIAL MARKETS

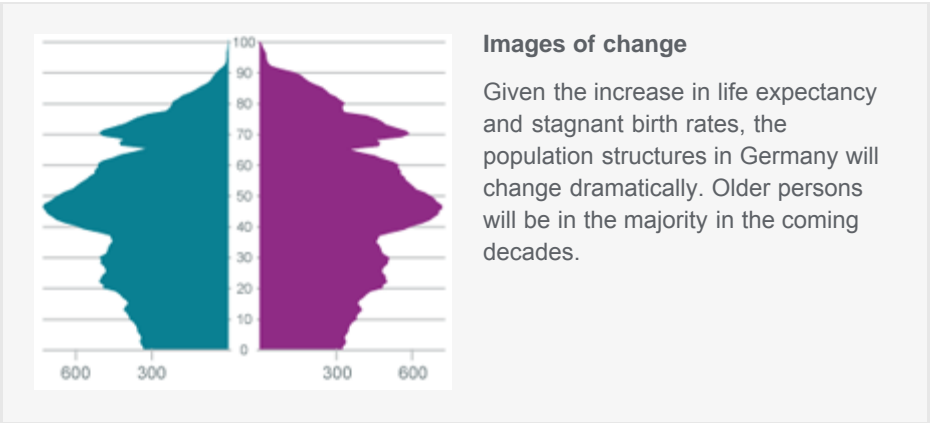
DEMOGRAPHIC CHANGE

ACCESS TO FINANCIAL SOLUTIONS

## The challenges posed by demographic change

Particularly in industrialised countries, people are tending to live longer on average, while birth rates are declining. » Demographic change is altering our society and requiring new solutions from the insurance industry as well. Munich Re is applying its extensive knowledge to address this dynamic development with customised offers in the various fields of business, a prudent staffing policy, and by promoting social diversity.

As a global group, Munich Re carefully monitors the special needs of individual markets and the changes to be expected in their age structures. In the industrial nations, for instance, the costs of pension insurance and healthcare are continuing to spiral upward. As prosperity and life expectancy increase in many emerging markets, there is a need for comprehensive coverage solutions.



### Making pension models sustainable

Demographic change will mean a heavy strain on state social security systems. People will increasingly have to make private provision in order to maintain their standard of living over the long term. Regardless of whether life insurance policies or other, future-oriented models are needed, ERGO offers its clients a broad spectrum of individual and needs-based products for old-age provision.

### Greater need for coverage in the emerging markets

Long-term dynamic growth in many emerging markets is improving the standard of living for a broad segment of their populations. This is increasing demand for appropriate financial solutions, a trend which is naturally influencing the local insurance markets. The ERGO Group is therefore strategically expanding its international presence, for instance in the growth markets of China (especially in life insurance) and India.

### New challenges in the healthcare sector

Covering the risks of primary insurance customers is the goal of Munich Re's business field Munich Health, particularly in the area of health insurance. Altered living and nutritional habits are causing an increase in diseases of affluence. The incidence of cancer and cardiovascular diseases is also rapidly on the rise, as are treatment and nursing care costs. Munich Re is addressing this trend by pooling its expertise in a separate field of business: The products and services provided by Munich Health range from preventive measures and a wide variety of private insurance covers to medical care and advice to governments and public authorities on healthcare systems.

### Forward-looking human resources policy

Current demographic trends also pose a challenge for Munich Re as a company, particularly in view of the expected reduction in well-educated young college and university graduates. We are therefore already offering specific, individualised further training and career planning within the Group, to provide the most promising offers for future employees and to ensure that they have adequate professional development opportunities. Diversity has a high priority for the Group as well: a workforce characterised by a wide variety of social backgrounds and broad experience is an objective of our human resources work. The Group-wide introduction of our Diversity Policy in 2011 underscores our claim to be perceptive to social changes within our Group and to take the necessary measures to promote diversity.

### Related topics

- » Responsibility for staff: Training and development
- » Responsibility for staff: Diversity



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Strategy and challenges

## CHALLENGES

CLIMATE CHANGE

VULNERABLE FINANCIAL MARKETS

DEMOGRAPHIC CHANGE

ACCESS TO FINANCIAL SOLUTIONS

## Partnerships provide new opportunities for developing and emerging countries

Millions of people, primarily in developing countries, lack adequate insurance cover and financial protection. At the same time, these countries frequently experience natural catastrophes. Munich Re has entered into public-private partnerships in primary insurance and reinsurance in order to further the development and propagation of innovative insurance solutions for the people affected by such risks, simultaneously reaching new markets and business segments.

Developing and emerging countries are hit particularly often by natural catastrophes such as floods, earthquakes and cyclones. At the same time, only around 3% of the population of the 100 poorest countries in the world have insurance that would cover the material damage incurred in such instances and would thus safeguard a stable economic existence. In Bangladesh, Laos, Angola and Ethiopia, fewer than 1% of the population have access to insurance.

### Reaching the emerging-countries growth market

Insurance products of this type also constitute a growth market for the insurance industry. Munich Re's reinsurance, primary insurance and Munich Health fields of business are responding to the demand for catastrophe loss cover, providing insurance solutions specifically tailored to the risks and economic situation of these regions.



“We want our clients to consider us the 'number one choice'. They include not only insurers, brokers, industrial clients but also government and non-government organisations. [...] The keyword here is public-private partnership.”

Dr. Torsten Jeworrek, member of the Board of Management and Chairman of Munich Re's Reinsurance Committee

### Public-private partnerships pave the way

Munich Re is working on new solutions with regional experts and global partners. A good example is the Munich Climate Insurance Initiative (MCII). Public-sector institutions, cooperatives, NGOs and private-sector companies are all involved in such multi-sector, public-private partnerships ( » public-private partnerships). Only by pooling resources can sufficient risk capital, optimal marketing channels, public funding and above all suitable products be ensured – in addition to the necessary legal parameters – in developing and emerging countries.

### Microinsurance risk transfer solutions

Microinsurance is a very promising product solution for promoting the spread of insurance cover. It gives low-income sections of the population financial protection and cover against risks such as weather-related losses. These insurance products support economic stabilisation in developing and emerging markets, making a real difference to social development in these countries.

### Munich Re Foundation promotes microinsurance dialogue

Munich Re is also involved in the microfinancial services sector through the Munich Re Foundation. The foundation and the global Microinsurance Network jointly host the annual International Microinsurance Conference in an emerging or developing country to discuss recent developments in this field. The conference was held in 2010 in Manila, Philippines and in 2011 in Rio de Janeiro, Brazil; in 2012, the 8th conference took place in Dar es Salaam, Tanzania. The primary goal of the conference is to promote the knowledge of risk-protection principles and opportunities for low-income population groups (capacity building). The dfjklfja provides an international forum at which experts can use their experience and ideas to discuss ways of overcoming obstacles currently encountered in this sector.

### Related topics

- » Solutions: Microinsurance (reinsurance)
- » Solutions: Microinsurance (primary insurance)

### External links

- » Munich Re Foundation
- » Munich Climate Insurance Initiative (MCII)

### Downloads


- » Munich Re NATHAN World Map of Natural Hazards (PDF)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home

“The average individual does not realise how insurance, by either transferring or mitigating risk, positively affects much of what happens in society.”

Tony Kuczinski, President and CEO,  
Munich Reinsurance America, Inc.



Munich Re

Related topics

- » Corporate governance
- » Compliance
- » Munich Re as an employer
- » Climate protection

Management

Responsible management – A promise for the future

For Munich Re, responsible action is a basic prerequisite for business success. High legal and ethical standards, sustainable and long-term HR management, responsible asset management and our environmental awareness are among our success factors, also instilling clients and investors with confidence in our operations.

Sustainably focused action

Corporate responsibility is an essential part of our Group strategy and applies to all of Munich Re's business fields around the globe. To meet our own requirements and those of our stakeholders, we have committed ourselves to Group-wide codes and regulations with the highest standards that frequently go beyond what the law requires. Responsibility and fairness are also 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.

Investing responsibly – Binding criteria

Like all insurance companies, Munich Re is subject to strict security and return requirements. That is just one reason why we are committed to investing our capital reliably, transparently and profitably. MEAG, the global asset manager of Munich Re and ERGO, currently has assets totalling some €203bn in its portfolio. Investments of this magnitude entail a substantial responsibility that we take very seriously. That is why our investments meet binding sustainability requirements.

Committed to the climate and the environment

Munich Re seeks to play its part in maintaining the ecological balance worldwide. With our expertise in the area of climate change, we set a positive example through our consistent environmental management throughout the Group. Our objective is to make office buildings at all companies in the Group carbon-neutral by 2015. We have committed ourselves to this in a number of agreements and initiatives.

Management

- » Responsible corporate governance
- » Sustainable investments
- » Responsibility towards staff
- » Our environmental awareness



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Management

## RESPONSIBLE CORPORATE GOVERNANCE



### CORPORATE GOVERNANCE

COMPLIANCE

ANTI-FRAUD MANAGEMENT

RISK MANAGEMENT

SUSTAINABILITY AND MUNICH RE SHARES

GUIDELINES FOR DEALING WITH JOURNALISTS

## Corporate governance – Comprehensive and efficient

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

We define » corporate governance as responsible corporate management and control geared to long-term value creation. To ensure that these activities are performed effectively, 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.

### Meeting demanding requirements

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 primarily in the German Stock Companies Act and the » German Corporate Governance Code (DCGK). Since 2002, this Code has contained the main legal requirements to be observed by listed German companies. In the annual declaration as per Section 161 of the German Stock Companies Act, Munich Re once again complied with all of the DCGK's recommendations. Also applicable in our case is the German Act on the Co-Determination of Employees in Cross-Border Mergers (MgVG) and a co-determination agreement concluded in December 2008 on the basis of the MgVG.

### Clear regulation of responsibilities

The Board of Management and 20-member Supervisory Board both contribute to 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. The company is a parent group with clearly delineated areas of responsibility, the Group Committee being responsible for all holding functions, while the Reinsurance Committee oversees the reinsurance business. Both of these spheres of activity are stipulated in 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.

### Further development of structures and processes

In October 2012, the "Head of the Actuarial Function" was added to the list of persons reporting to the Audit Committee. Moreover, we further specified procedure regarding the choice of external auditor for the financial statements and the explanation of the audit planning.

### Corporate governance expertise strengthened

At the beginning of 2013, Professor Ann-Kristin Achleitner was appointed a full member of the Supervisory Board. Professor Achleitner is Scientific Director of the Center for Entrepreneurial and Financial Studies (CEFS) at the Technical University of Munich and a member of the Government Commission on the German Corporate Governance Code since January 2012.

### Audit confirms good work by Munich Re's management

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 regularly monitors the effectiveness of its work. In the 2012 financial year, a detailed efficiency audit again revealed very good results. In 2012, nearly all members of the Supervisory Board took the opportunity to attend an informational event on current, insurance-related topics, in line with the DCGK's recommendations.

[munichre.com](#)

» Corporate Governance

RESPONSIBLE  
CORPORATE  
GOVERNANCE

CORPORATE GOVERNANCE

COMPLIANCE

ANTI-FRAUD MANAGEMENT

RISK MANAGEMENT

SUSTAINABILITY AND MUNICH RE  
SHARES

GUIDELINES FOR DEALING WITH  
JOURNALISTS

Binding rules of conduct for the Group

**Compliance with applicable laws and internal rules and principles (compliance) 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.**

Global Compact as a guideline

Since 2007, Munich Re (Group) has been committed to the ten principles of the » **United Nations Global Compact** These represent a worldwide standard and help us to continue to improve our corporate responsibility. The annual Communication on Progress (COP) is integrated into our corporate responsibility portal.

Group-wide code of conduct

Another guiding principle of 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 it is regularly reviewed and amended as needed. Based on the code of conduct, we introduced a new guideline for fair, client-focused conduct in 2012. Our aim was to ensure that the legal requirements are met and to define a uniform Munich Re position with regard to "ethical walls" situations. The guideline applies to all employees in the reinsurance units who make business decisions independently or who have access to confidential information.

Expanding compliance management

We are continually refining our » **compliance** systems in order to ensure comprehensive, efficient value management. A key component in this regard is training our employees in issues relevant to compliance. The annual "Compliance Awareness Survey", a structured and comprehensive survey among our employees, helps us to identify potential areas of improvement and to define specific measures on this basis. The high rate of participation in the 2012 survey across all units and hierarchical levels clearly shows that our employees attach great importance to the topic of compliance. We are pleased that, according to the survey, our managers enjoy great confidence in matters of compliance; at the same time, we see a need to further expand our communication and training measures in connection with this multifaceted topic.

Direct channels of communication and protection of anonymity

Munich Re has a Group-wide reporting system for violations of laws and rules. The system allows rapid reporting on infringements via the Compliance Officer to the Board of Management. The Compliance Officer is the contact point for all questions and assists the Board of Management in developing and implementing organisational measures. Employees have the opportunity to report incidents directly to the Compliance Officer or Group Audit. To strengthen the compliance system further, an independent, external » **ombudsman** has been appointed.

ERGO reinforces compliance in its corporate structure

The primary insurer has developed the compliance function into a separate central division reporting directly to the Chairman of the Board of Management since July 2012. In addition, ERGO has supplemented its compliance rules, expanded its code of conduct to include independent agents and tightened up the implementation of these rules and regulations. These include an extensive reporting system and clear, transparent requirements for performance bonuses.

Sustainable procurement

In our procurement policy, we also aim to achieve a balance in terms of economic, ecological and social respects. The internal purchasing guideline of Munich Re (reinsurance) stipulates that from October 2009 on all newly concluded contracts with suppliers and service providers must include an appropriate corporate responsibility clause. In this way, we extend the commitments of the Global Compact to our business partners as well.

The clause, which will gradually be implemented in the contracts Group-wide, states: "Munich Re is a member of the UN Global Compact initiative. Munich Re has thereby committed itself to protecting human rights, preventing forced, compulsory and child labour, promoting environmental protection, and combating corruption. Accordingly, as a prerequisite for cooperation, Munich Re also expects its business partners to comply with the principles laid down in the UN's Global Compact. In the event of breaches of these principles, Munich Re reserves the right to cancel the contractual relationship by way of extraordinary termination for good cause."

External links

» [United Nations Global Compact](#)

Downloads

- » [munichre.com: Risk report \(PDF, 487 KB\)](#)
- » [munichre.com: Code of conduct \(PDF, 354 KB\)](#)
- » [ERGO: Code of conduct \(PDF, 201 KB, German\)](#)
- » [ERGO: Code of conduct sales force \(PDF, 186 KB, German\)](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Management

## RESPONSIBLE CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

COMPLIANCE

ANTI-FRAUD MANAGEMENT

RISK MANAGEMENT

SUSTAINABILITY AND MUNICH RE  
SHARES

GUIDELINES FOR DEALING WITH  
JOURNALISTS

## Anti-Fraud Management – Measures to combat financial crime

The risk of falling victim to fraud increases with a company's size and the complexity of its organisation and processes. The financial loss, coupled with the damage to the company's reputation, may be devastating. Munich Re resolutely counters this risk with effective anti-fraud management.

Financial crime may take a wide variety of forms, ranging from directly caused asset losses to corruption and manipulation of accounts. Although there is no such thing as complete protection, much can be done to reduce the risks. Munich Re supplements its compliance measures with comprehensive anti-fraud management ( » Fraud) in all Group companies. These measures include strategies for preventing and detecting fraud and corruption as well as clearly defined steps that are to be taken in response to suspected incidents.

### Comprehensive expertise is ensured

At the Group level, Munich Re's Fraud Prevention Officer leads the activities of a special working group, the Fraud Prevention Committee. It consists of staff members from Compliance, Group Legal, Group Audit, Risk Management, Human Resources and Group Communications. The committee develops anti-fraud management methods and standards to be applied throughout Munich Re. Where appropriate, this includes courses by our Group Legal department on such topics as antitrust law and money laundering, or special anti-fraud training.

Based on these standards, each of the Group companies operates its own anti-fraud management system. This is meant to ensure that the various framework conditions and business processes are always adequately taken into account.

### Local fraud prevention officers

In some cases, owing to the size of a subsidiary or the nature of its operations, its management is assisted by a local Fraud Prevention Officer, who heads and coordinates local anti-fraud management activities. In cases of suspected fraud, the local officer involves the Group Fraud Prevention Officer in the investigation early on. Reported cases of fraud or suspected fraud are thoroughly investigated with the help of either appropriately qualified Group Audit staff and/or external specialists.

### Group Audit supports anti-fraud management

Along with carrying out compliance measures and cooperating in the Fraud Prevention Committee, Group Audit also supports Munich Re's Board and managers in performing their supervisory duties and effecting appropriate, risk-oriented anti-fraud management. These auditing and consulting services help to improve our processes, structures and systems and to minimise the risks within the Group.

### Group Audit optimises processes

In close collaboration with our subsidiaries, Group Audit furthers the development of rules, processes, methods and tools to be used for auditing within Munich Re. This ensures that the Board is advised of all processes and transactions of relevance for audits and is supported in applying uniform controls at all of our subsidiaries. Successful anti-fraud management is supported by internal audits, in which the risks are monitored and the effectiveness of the control systems are assessed.

[munichre.com](#)

» Corporate Governance

RESPONSIBLE  
CORPORATE  
GOVERNANCE

CORPORATE GOVERNANCE

COMPLIANCE

ANTI-FRAUD MANAGEMENT

RISK MANAGEMENT

SUSTAINABILITY AND MUNICH RE  
SHARES

GUIDELINES FOR DEALING WITH  
JOURNALISTS

Risk management – The guidance system for corporate governance

Effective risk management underpins the financial strength of Munich Re, enables us to meet our clients' expectations, creates sustained value for our shareholders and protects Munich Re's reputation.

Accepting risks is our business, and our risk strategy defines the scope of the risks we assume for our clients and shareholders. Our implementation of risk management at operational level embraces the identification, measurement, analysis and assessment of risks, and the resultant risk reporting, limitation (reduction to a level we have defined as appropriate) and monitoring, which enables us to follow all significant risks closely. Here we distinguish between market, credit, liquidity and reputational risks as well as operational and strategic risks.

Efficacy through transparent management

To provide for effective risk management, we have established specific risk management functions and committees. Our Integrated Risk Management Division (IRM) supervises risk management Group-wide with the support of decentralised structures in all units of the Group. It is headed by the Chief Risk Officer (CRO), who, like the local CROs at individual companies, is supported by interdisciplinary teams of highly qualified staff. 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, organisation and processes, enabling the risks incurred to be actively managed.



Determining the risk strategy

The risk strategy defines the extent to which we are prepared to incur risks for our clients and shareholders; the development of the risk 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. It takes into account the interests of our clients and shareholders. A great deal of our attention also focuses on protecting our reputation.

Our risk strategy is determined by our risk appetite, which is defined for a series of criteria. The criteria are based on 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.

Multidisciplinary approach towards emerging risks

We pay special attention to so-called "emerging risks", i.e. those that arise as a result of legislative, socio-political, scientific or technological changes and are therefore liable to have unmeasured or unknown effects on our portfolio. The degree of uncertainty as to extent of damage and probability of occurrence is naturally very high.

We identify trends and signals in many ways, including through systematic trend research, Munich Re's knowledge management, and regular structured discussions in our "emerging risks think-tank". This group of experts investigates the possible impact of emerging risks on Munich Re, also looking at interconnections and interdependencies between different risks and other consequences related directly or indirectly to emerging risks. Cooperation with external partners complements the internal early-warning system, for example the CRO Forum's Emerging Risks Initiative.



“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.”

Joachim Oechslein, Group Chief Risk Officer

Downloads

» [munichre.com: Risk report](#)  
(PDF, 487 KB)

**The Reputational Risk Committee provides advice on sensitive business issues**

Actual cases that could involve reputation issues are evaluated in the business segments by the Reputational Risk Committee (RRC) in which a coordinating unit ensures that appropriate experts are consulted. The respective unit's Compliance Officer can always be consulted on matters relating to the assessment of reputational risks.

In the Group Compliance Committee (GCC), reputational risks are also considered at Group level in order to ensure uniform analysis and handling throughout the Group. Furthermore, sensitive issues that could lead to reputational risks are handled for all segments by the new Group Corporate Responsibility Committee (GCRC).

---



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Management

## RESPONSIBLE CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

COMPLIANCE

ANTI-FRAUD MANAGEMENT

RISK MANAGEMENT

SUSTAINABILITY AND MUNICH RE SHARES

GUIDELINES FOR DEALING WITH JOURNALISTS

## Munich Re shares – An investment in sustainability

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.

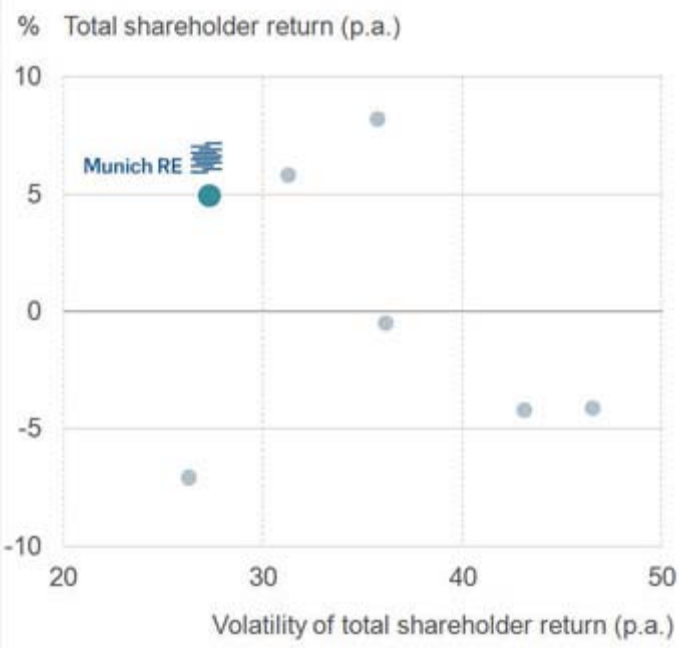
Munich Re is committed to the creation of sustained value. At the centre of our corporate activities is value- and risk-based management, integrated and active risk management and an all-embracing knowledge of risk. The strategy derived from this objective has, as our share performance shows, proved its worth in the past.

### Stable in 2012

Compared with many other sectors, the insurance industry again showed itself to be robust and stable in the year under review: The European insurance index ( » EURO STOXX Insurance) performed much better than the European » share price index ( » STOXX Europe 600) and even surpassed the European banking sector index ( » EURO STOXX Banks). Although falling interest rates increasingly exerted pressure on the running yield from investments, insurers were still able to realise substantial gains on disposals. Moreover, their overall bill from major losses was comparatively low -despite Hurricane Sandy in the US.

Within the insurance sector, the persistently low interest-rate environment posed considerable challenges, particularly for life primary insurers, which have to meet interest-rate guarantees. By contrast, reinsurers benefited in 2012 from much lower expenditure for natural catastrophes than in the previous year and from the lower interest-rate sensitivity of their risk and profitability profile. Given the reinsurance industry's strong capitalisation, the prospect of rising dividends played a significant role in investment decisions. As a consequence, reinsurers' stocks increased greatly in value.

### Promising performance: Munich Re shares



The annualised total return on shares takes into account both the change in the share price and the dividends paid over an eight-year period (1 January 2005 to 31 December 2012), based on Datastream total return indices in local currency and a volatility calculation with 250 trading days per year.

### High sustainability standards pay off

The benefits of our holistic approach can be clearly seen in the successes achieved to date. Since 2001, our shares have consistently featured in the Dow Jones Sustainability Index and FTSE4Good. They are recommended regularly by oekom research AG. Only companies that fulfil high ecological and social standards and are among the best in their sector are accepted into these indices and recommended by oekom research as an investment. Even mainstream analysts and major investment banks are paying more and more attention to sustainability criteria.

Our shareholders also value our responsible corporate governance structures and our certified environmental management system. Munich Re's compliance with the UN Principles for Responsible Investment (PRI) in its investment decisions and our signing of the Principles for Sustainable Insurance (PSI) in June 2012 is also playing an increasing role for investors and rating agencies: this is sustainability that pays.

### Related topics

- » Principles for Responsible Investment
- » SRI Indices
- » Challenges: Vulnerable financial markets

[munichre.com](#)

» Investor Relations

“In the corporate responsibility area, Munich Re is one of the leading insurance companies, particularly thanks to its Group-wide climate



protection strategy and good integration of environmental aspects in its primary insurance business. In other segments, however, there is still need for action. The Principles for Sustainable Insurance are an important basis for Munich Re.”

Rolf Häßler, oekom Research AG

---

**Proven attractiveness**

Munich Re shares closed the year at €136.00. We have thus once again demonstrated the attractiveness of our clear and dependable investment profile. With a rise in price of 43.5% in the year under review, Munich Re shares outperformed both the DAX 30 (+29.1%) and the EURO STOXX Insurance index (+34.1%). Taking into account the dividend paid for the financial year 2011, the performance was even better, with a total return on Munich Re shares of 51.6%.

---



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Management](#)

## RESPONSIBLE CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

COMPLIANCE

ANTI-FRAUD MANAGEMENT

RISK MANAGEMENT

SUSTAINABILITY AND MUNICH RE  
SHARES

GUIDELINES FOR DEALING WITH  
JOURNALISTS

## 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  
Dirk Benninghoff, Hamburg, Germany  
Bärbel Brockmann, Cologne, Germany  
Dr. Melinda Crane, Berlin, Germany  
Christoph Fasel, Mössingen, Germany  
Reiner Gärtner, Wangen im Allgäu, Germany  
Leticia Gow, Munich, Germany  
Ralf Grauel, Berlin, Germany  
Beate Hoffbauer, Berlin/Cologne, Germany  
Peter Kleffmann, Hamburg, Germany  
Olaf Kolbrück, Frankfurt am Main, Germany  
Adrian Ladbury, Bournemouth, United Kingdom  
Jane Lanhee Lau, Shanghai, China  
Tobias Mandelartz, Berlin, Germany  
Carl-Eduard Meyer, Hamburg, Germany  
Dr. Tanja Neuvians, Heidelberg, Germany  
Andreas Schuck, Munich, Germany  
Heiko Schwöbel, Tübingen, Germany  
Michael Smerconish, Philadelphia, PA, USA  
Sivam Subramaniam, Singapore

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

[munichre.com](#)

» [Corporate Governance](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Management](#)

## SUSTAINABLE INVESTMENTS



### MANAGING INVESTMENTS

INTERVIEW WITH DR. THOMAS KABISCH (MEAG)

RENT

## Management of investments – Pooling our know-how for sustainability

**MEAG pools its own expertise in asset management with the Group's risk and insurance expertise. The aim is to generate sustained returns and thus achieve above-average performance for investors.**

Our investment strategy is based on the principles of sustainability. MEAG can draw not only on Munich Re's extensive experience in the area of research and assessment of risks but also on that of external rating agencies and research institutions. A stringent investment process and exceptional capital market experience are features of its portfolio management geared to sustainability. 80% of Munich Re's investments in equities and bonds follow the principles of sustainable investment.

### Top-down approach and asset-liability management

The investment approach adopted by MEAG's experts is also geared to long-term above-average performance. Depending on the specific investment category and focus, the specialists put together portfolios based on » [top-down approach](#). Taking into account micro- and macroeconomic factors, as well as capital market data, MEAG decides on allocation in individual countries and sectors. Some 70 experienced portfolio managers are in charge of implementing investment decisions and selecting attractive securities. All involved strictly adhere to criteria of » [asset liability management](#) and integrated risk management. We thus jointly ensure that we can always fulfil our short and long-term obligations to our clients.

### Sustainable investments – Our General Investment Guidelines

As early as 2002, we decided that our investments in shares and bonds had to follow certain sustainability principles. In 2005, this requirement was incorporated in our Group-wide General Investment Guidelines (GIG) and extended to government bonds. We decided that at least 80% of corporate investments in shares, government and corporate bonds should meet sustainability criteria. In addition, as of 2011, the asset portfolio was expanded to include investments in RENT (Renewable Energies and New Technologies) and the asset class of real estate (from construction year 2010 onwards).

### Excellent portfolio management

Given its size and independence from banks, MEAG also obtains detailed information from international investment companies as well as low transaction fees. For this, MEAG received an award from xtp Transaction Partners for "Best Execution" in bond trading, having been rated successfully several times in the equity section of its funds. MEAG is attested as offering very good, and thus well above-average, execution quality in terms of transaction cost analysis. Investors in MEAG's retail and segregated funds can thus benefit from the amount of transaction fees saved. Besides this, the low transaction costs also enable the company to take better advantage of opportunities in the capital markets. In this way, investors reap double the benefit.

### External links

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

SUSTAINABLE INVESTMENTS



MANAGING INVESTMENTS

INTERVIEW WITH DR. THOMAS KABISCH (MEAG)

RENT

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.

Dr. Kabisch, why do you invest sustainably?

Achieving positive returns while taking account of the risks is our prime concern when investing. We invest with our obligations to our policyholders in mind. The premiums they pay have to be invested securely for many years. We need sustainability in order to be able to deliver on the promises that our insurance policies make, in the event of a claim. We gladly accept this responsibility.



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.

Related topics

» Solutions: Asset management

External links

» MEAG

How do you define sustainability when making investments?

We think in terms of negative and positive selection, with exclusion criteria for negative selection. For instance, in 2012 we decided against investing in agricultural commodities because there were political concerns that this could exacerbate food shortages. In terms of positive selection, I would like to mention our investments in renewable energies, such as solar and wind power plants. By the end of 2012 we had invested a billion euros in this sector.

German insurers announced in March 2013 that they would be investing more heavily in alternative energies. Is this also the case at MEAG?

Back in 2010, we decided to invest up to €2.5bn in renewable energies. We made the first investment in 2011 and others followed. We have invested in wind farms on the German mainland and in 2012 we also invested in the UK and in 2013 in France. We have also acquired solar power plants in Italy and Spain. As you can see, we are investing not only in Germany but Europe-wide. For us, the restructuring of the energy sector is not limited to Germany.

Are Munich Re and MEAG helping to take the energy revolution a major step forward?

As an insurance group, we have a very high level of risk expertise here, so we are in an excellent position to evaluate whether the risks related to renewable energies are acceptable and whether they are covered by an adequate return. Munich Re and MEAG are blazing a trail to some extent. Other investors are following our example. Together we can move amounts that definitely contribute to the energy transition. But it should be noted that we are talking about a magnitude of 800 billion or even a trillion euros in this context. This far exceeds what the insurance industry alone can shoulder. The greatly varying estimates of what the total cost of this transition will be also make it clear that we are still far from concrete planning, let alone realisation.

Would we be able to invest even more and more quickly in this segment?

Each investment in solar and wind power must be carefully examined to determine whether it meets our demanding investment criteria. After all, we intend to keep these investments for a very long time. We also have to ensure sufficient diversification to balance risk. For this reason we invest in a wide range of regions and technologies. We calculate the risk premiums carefully and precisely to make sure they provide an adequate return for the risk taken.

What should regulators do to encourage a greater willingness to invest?

First of all, let's consider what they shouldn't do. Investors need a long-term, stable regulation system without retroactive intervention. They want to be able to have confidence in the investment environment. Time and again there is discussion about skimming earnings retrospectively. But this must not happen. Not only would it be damaging to investments in renewable energies, it would suppress the willingness to invest in general - with dramatic consequences for growth and employment.

So what needs to be done?

Legislators and regulators impose strict rules on the types of investments permitted for insurance companies. For good reason: the state monitors promises made by insurers. To date, long-term investments in state-regulated renewable energies are not integrated into the rules for insurance companies' investments to the extent they should be. For instance, low-risk investments in renewable energies are still treated

today as if they were risky private equity investments. We need some changes, as demanded in March 2013 by the German Insurance Association.

**Are additional solar and wind power plants on MEAG's shopping list?**

We'll see. Many attractive locations for relatively secure investments in solar and wind power are already taken, and at the same time demand is strong. The result is higher prices and lower returns. Investments in other forms of non-fossil energy generation would be an alternative. We are carefully looking into whether and where we, with our high level of risk expertise, can take risks that the general market is not yet willing to enter into. This gives us the chance to achieve higher returns. But we also have to keep asking ourselves whether the risk is in relation to the return, and whether the returns are sustainable.

---

## SUSTAINABLE INVESTMENTS



MANAGING INVESTMENTS

INTERVIEW WITH DR. THOMAS KABISCH (MEAG)

RENT

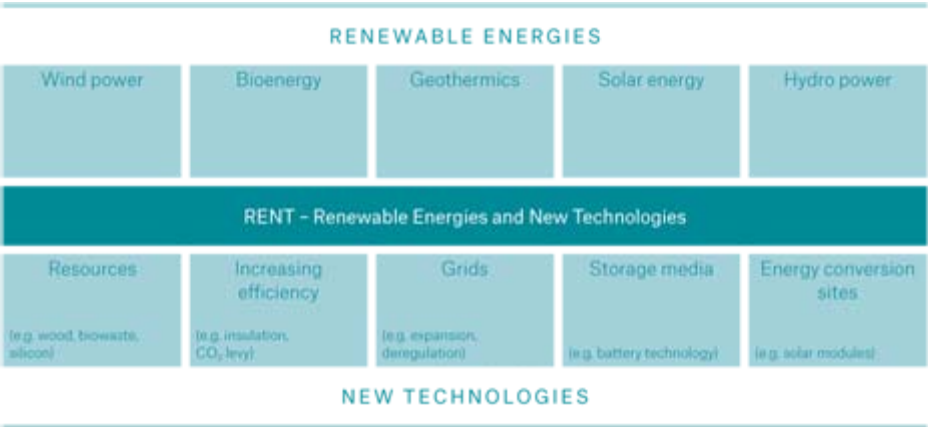
## RENT – Investing in the energy of the future

The future belongs to renewable energies. For this reason, as part of its RENT project, Munich Re is investing in these and other new technologies, thereby not only promoting sustainable power generation but also benefiting from it.

Our RENT (Renewable Energies and New Technologies) investment project was launched in mid-2010. Since then, Munich Re and MEAG experts have been sounding out and realising the potential for strategic investment in renewable energies and new technologies, the main focus being on non-fossil power generation.

### Applying all-round knowledge

The RENT initiative focuses mainly on solar and wind farm investments, but we also consider, for instance, geothermal energy, biogas and other attractive projects in the field of renewable energies and new technologies. We assess the risk of the corresponding investments and participations using the comprehensive expertise of our specialists in technological innovations and location analysis. Munich Re aims to invest up to €2.5bn in this segment over the coming years, depending on the prevailing market conditions.



RENT investments, which are spread over a range of renewable energy sectors, promote technological growth.

### Significant investment in renewable energies

MEAG has invested in visionary RENT projects, including solar parks in Spain and Italy and wind farms in Germany, France and the UK. MEAG has invested around €1bn for us in this area to date. On the underwriting side, Munich Re has been involved in renewable energy for many years – for instance, in developing new insurance solutions. Our commitment has a double leverage effect: by using our risk knowledge to promote new technologies through investments and innovative coverage concepts, we contribute to the advance of social developments.

### Consolidating synergy effects, developing new products

Our new strategic focus will enable us to exploit overlaps between the investment side and our core business. We are confident that our insurance know-how will continue to enable us to take better investment decisions. Very beneficial in this regard is our international experience and know-how at the various locations and in the different fields of technology. We also learn from our work with partners outside the Group and implement this knowledge in new insurance products. As a risk carrier and investor, we thus promote the spread of sustainable technologies, simultaneously generating synergies between business and our commitment to sustainability.

### Related topics

- » Challenges: Vulnerable financial markets
- » Solutions: Insurance concepts for renewable energies



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Management

## RESPONSIBILITY TOWARDS STAFF



### MUNICH RE AS AN EMPLOYER

TRAINING AND PERSONAL  
DEVELOPMENT

FAIR AND PERFORMANCE-RELATED  
REMUNERATION

WORK-LIFE BALANCE

HEALTH AT THE WORKPLACE

DIVERSITY

## Munich Re as an employer – Maintaining our reputation

Munich Re is an attractive employer worldwide. This is not only because Munich Re offers individual development measures and a vast range of challenging jobs but also because of the employees themselves.

Our business field of reinsurance involves an exceptional diversity of individual skills and challenging assignments in a demanding and appreciative work environment. Our founder, Carl von Thieme, was considered one of the most socio-politically progressive employers of his time. We uphold this tradition by offering staff first-class benefits and support. Consequently, for many years, we have enjoyed a high level of employee loyalty and consistently low staff turnover rates.

### Successful with clear positioning

We firmly believe that if we increase staff motivation through personal development, this will continue to have a very favourable impact in terms of keeping Munich Re on its successful course. In an international context, our global human resources management ensures that we uphold high-quality HR standards throughout our reinsurance units.



“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

This mindset pays off: Munich Re's reputation as an employer is being strengthened further in the face of national and international competition. Our comprehensive corporate health and diversity management play a major part here, as do our performance-related and transparent remuneration system and family-friendly structures. The latter is reflected by our membership since December 2011 in the City of Munich's Action Forum for Families, which supports family-friendly projects and initiatives and networks them locally.

Our standing is further affirmed by the fact that we continue to rank among the top 100 employers (business) in the Trendence Institute's graduate barometer and in Universum Communications employer ranking.

### Good global working climate

Primary insurer ERGO's positive working climate is not confined solely 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 the Polish newspaper Rzeczpospolita. Our commitment in this regard is also illustrated by the fact that in 2012, the reinsurance group and Munich Health extended the Leadership Monitoring survey, which is conducted every two years, to include all units worldwide. 10,436 staff gave 1,758 managers very positive feedback on their leadership behaviour and thus gave favourable marks for a key aspect of employee satisfaction. This additionally provides a solid basis for the systematic further development of our leadership culture.

An employee survey was also conducted in the German primary insurance sector on topics relating to the working atmosphere. This survey will serve as a basis for further developments.

### Systematic HR work with maximum outreach

We rely on systematic HR work to maintain the same high standards globally in the future, thus developing and attracting the right specialists 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 brands 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 careers fairs, social media activities and extensive public relations work.

The team at Munich Re Greater China Life in Beijing came up with an ingenious idea to solve the shortage of qualified actuaries: a national competition for internships at Munich Re. The competition had been held for the first time on a smaller scale in 2011 and is now the largest event of its kind in the region. It offers us the chance to select the best talent in the market, foster future business relationships and promote Munich Re as an innovative employer.



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

» Career

External links

» ERGO: Career

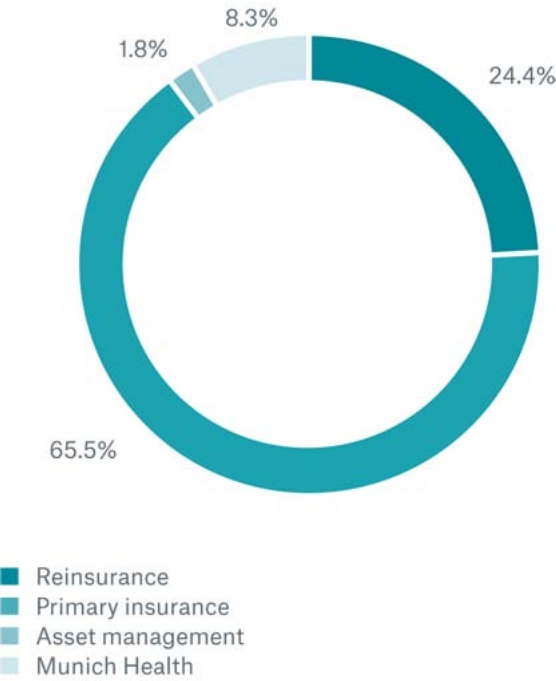
Actions

» EXPAND ALL

» COLLAPSE ALL

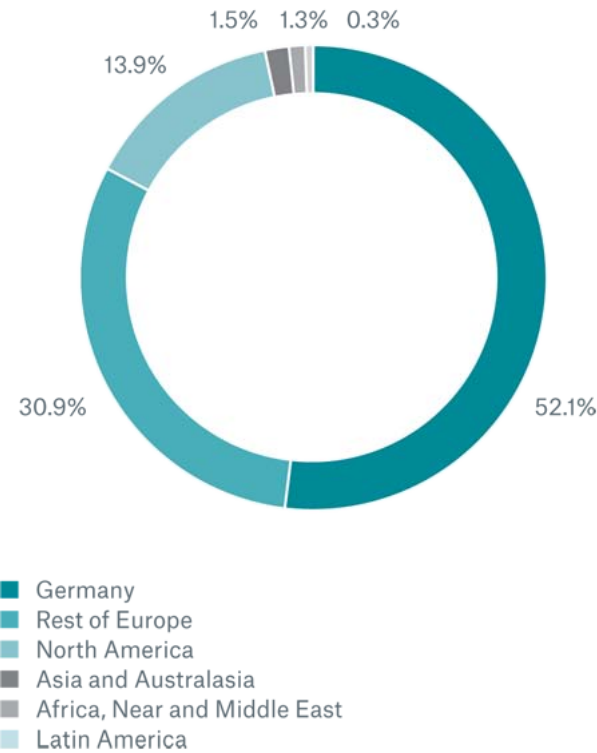
▼ Group staff by field of business

Group staff by field of business



▼ Group staff by region

Group staff by region





MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Management](#)

## RESPONSIBILITY TOWARDS STAFF



MUNICH RE AS AN EMPLOYER

TRAINING AND PERSONAL  
DEVELOPMENT

FAIR AND PERFORMANCE-RELATED  
REMUNERATION

WORK-LIFE BALANCE

HEALTH AT THE WORKPLACE

DIVERSITY

## Training and personal development – Our aim

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

### Systematic promotion of talent

The opportunities for personal development within the Group are extensive. With systematic talent management in all fields of business, we ensure that key functions are staffed in-house with the best, most qualified people to do the job. In the last three years, over 90% of the management positions at MEAG, Munich Re's asset manager, have been filled in this way. 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 group, talented employees with management potential are supported worldwide on the basis of the same philosophy. The FUEL programme (Future Excellence in Leadership) offers the framework for promoting personal development. Young, upcoming management candidates with international potential are prepared for their first assignments abroad in the "Emerge International Programme". At ERGO, the Management Development Unit grooms senior executives for their move up to the next level and the challenges that await them there.

### Training measures and careers

Munich Re advocates 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. User-friendly e-learning platforms, to which Munich Re staff have access worldwide irrespective of their working hours, offer additional target-oriented training opportunities. The positive impression of this development has been confirmed by external sources as well. In 2012, the reinsurance group was awarded the seal of excellence of 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 more responsibility in one's current position and moving laterally at the same managerial level in order to progress to senior executive along the expert career path.

### Combining work and studies

At its Munich headquarters, Munich Re offers its reinsurance staff practical ways of combining studies and career, the "Executive Master of Science in Insurance" course being one of many examples. This in-service degree course is run in conjunction with the Munich School of Management (Ludwig Maximilian University). Another example of the best possible combination of 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 meeting a portion 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. ERGO and renowned academic institutions like the University of Leipzig and the German Insurance Academy offer courses such as a Bachelor of Insurance Practice and an Insurance MBA.

### Support through graduate trainee programme

Munich Re develops talent systematically by providing targeted apprenticeships and attractive student and graduate trainee programmes. For instance, our reinsurance graduate trainee programme, comprising numerous professional and personal development modules, offers a detailed overview of our core business for an all-round career start. The ERGO Group also operates a Group-wide, international graduate trainee programme that provides a pool of highly qualified junior staff.



[munichre.com](#)

» [Career](#)

External links

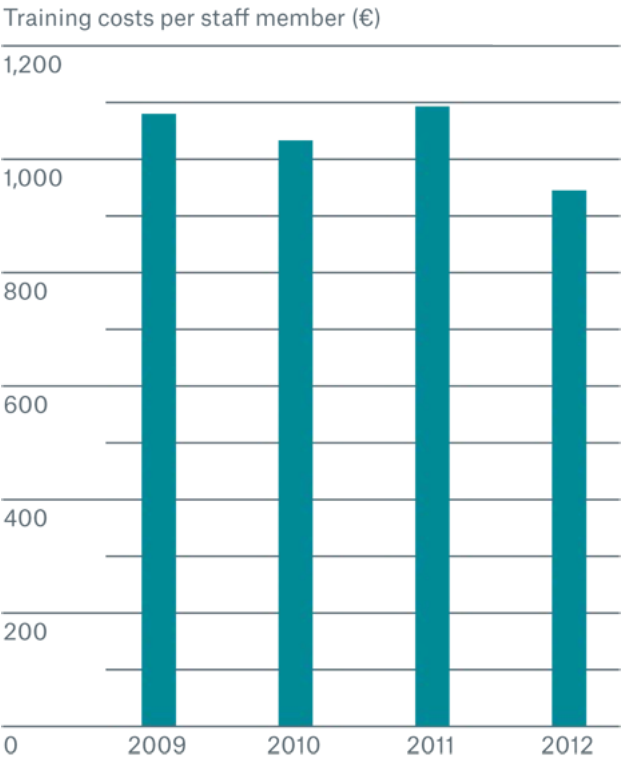
» [ERGO: Career](#)  
» [Sustainable HR policies at ERGO](#)

Actions

» [EXPAND ALL](#)  
» [COLLAPSE ALL](#)

▼ [Munich Re \(Group\) training expenditure](#)

Munich Re (Group) training expenditure

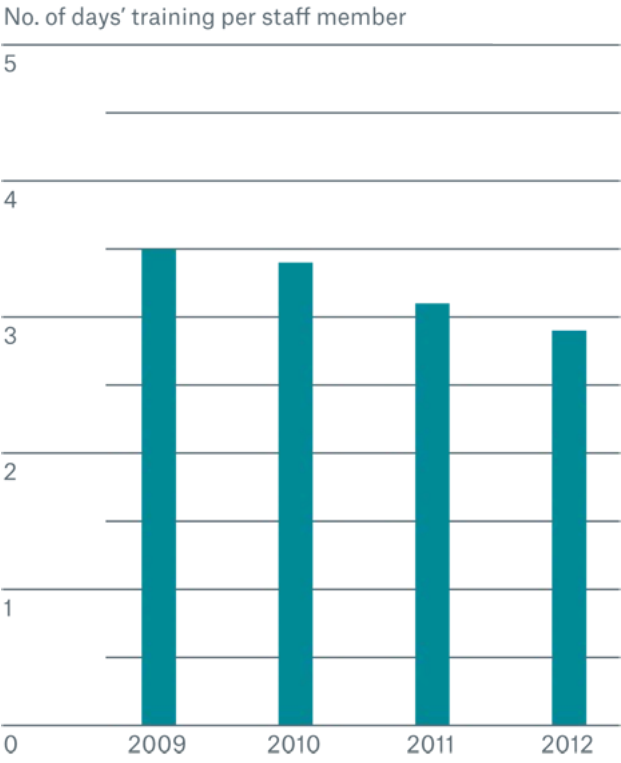


The data related to Germany (proportion of the workforce covered in 2012: 52%).

Investments in training and the number of days' training per staff member declined slightly owing to various developments, for example because training measures were increasingly conducted internally and thus more cost-effectively, requiring no separate recording of hours/days. In addition, a number of extensive programmes were completed in connection with ERGO's realignment phase.

▼ Number of days' training per staff member

Munich Re (Group) training



Data refer to staff in Germany (proportion of the workforce covered in 2012: 52%).

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Management](#)

## RESPONSIBILITY TOWARDS STAFF



MUNICH RE AS AN EMPLOYER

TRAINING AND PERSONAL  
DEVELOPMENT

FAIR AND PERFORMANCE-RELATED  
REMUNERATION

WORK-LIFE BALANCE

HEALTH AT THE WORKPLACE

DIVERSITY

## Fair and performance-based remuneration

In the long term, we can maintain and enhance the high quality of our work only if our employees are satisfied, and so Munich Re offers its staff corresponding conditions. These include fair, performance-based remuneration that treats everyone equally in terms of opportunities and recognition.

Our pay structure is designed to foster the success of each individual and of the Group as a whole. Our internal remuneration systems have to be fair, transparent and adaptable because, in addition to other factors in our HR policy, they are designed to motivate staff and bind them to us.

### Rewarding personal performance and sharing corporate success

Our revised reinsurance human resources programme includes flexible remuneration structures that give greater weight than before to the individual employee's personal performance and our financial success. Our remuneration models and incentive systems are linked to agreed objectives, based on the function involved, and take financial results into account. They are made up of two components: the individual employee's personal performance and the success achieved by the Group. Performance-related remuneration is thus based on personally agreed objectives and performance-assessment interviews. We use transparent factors to measure and apportion the corporate result. Constant revision and updating of our all-round remuneration system is also a key factor in successful value-based management.

### Setting an example

A modern, successful company must take the needs and values of its staff into account and align them with its corporate objectives. At Munich Re (reinsurance), ERGO and MEAG, additional benefits are a long-standing tradition and we attach great importance to them. They are part and parcel of our overall remuneration concept and mirror our corporate culture. The attractive package we offer includes membership of 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 adequate remuneration for students and graduates and aims to offer them the best opportunities for making a successful start to their career. That is why the reinsurance group and ERGO have joined the Fair Company initiative, committed to providing fair internships and offering real opportunities for graduates.



### External links

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

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Management

## RESPONSIBILITY TOWARDS STAFF



MUNICH RE AS AN EMPLOYER

TRAINING AND PERSONAL  
DEVELOPMENT

FAIR AND PERFORMANCE-RELATED  
REMUNERATION

WORK-LIFE BALANCE

HEALTH AT THE WORKPLACE

DIVERSITY

## Combining career and family

The ability to find the right work-life balance – with or without a family – is essential for a successful career. We create a professional environment that is among the most attractive in our sector. Munich Re offers its staff flexible working conditions, interesting working-hour models and needs-oriented support.

More and more employees are seeking to actively pursue their careers and develop professionally without compromising their family lives. This involves not only caring for children but also for other family members, in many cases parents. Flexible working-hour models and options for returning to the workplace after lengthy leaves of absence accommodate staff and their different needs.

### Uniform rules thanks to the Family and Career internal company agreement

Since 2002, the measures set out in the internal agreement on family and career have made it easier for staff in the reinsurance group in Munich to reconcile their personal and career aspirations. In this agreement, we undertake to help relieve the strain on parents and give them preference when it comes to granting part-time contracts. The agreement also provides for special payments and childcare allowances.

With the renewed agreement in 2011, Munich Re has further improved the conditions for parental or care leave. Going beyond the legal requirements, we guarantee parents who return to work within 12 months reintegration in their previous positions, also in a part-time capacity. As a further enhancement, the agreement now applies to all senior executive staff as well.



### External links

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

### Downloads

- » [ERGO-Flyer: Beruf und Familie im Einklang \(PDF, available only in German\)](#)



“Combining career and family poses a major challenge to both parties – the employee and the company. This challenge can be overcome with commitment and consistency, on both sides.”

Dr. Katja Bucher, Head of Group HR

### Better support for parents needing childcare facilities

By enlisting service providers, we help staff find the best childcare in specific facilities. If necessary, these capacities are supplemented by external places. Reserved places in childcare centres help female staff in particular return to qualified positions.

Alternatively, we pay a childcare allowance of up to €400 a month. And if parents at the Munich site occasionally need to look after their offspring during working hours, special offices are available with play and nap corners for the little ones.

In-house contact persons are available to give their colleagues information 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.

### Facilitating the return to work

Munich Re makes every effort to encourage its female staff 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 are offered the opportunity under certain circumstances to work from home or convert special payments into leave.

### Family-friendly options for employees

ERGO cuts a good figure with its family-friendly human resources policy. In 2012, it won the audit berufundfamilie® (family and career audit) for the fourth time for all its main German administrative centres, a certificate awarded by the non-profit Hertie Foundation for outstanding efforts in this area. Parents at ERGO also have the opportunity to book one of two fully equipped workstations in the parent-and-child office with a play corner. This offer is available at all major German locations.

ERGO has also reserved places in several kindergartens at its main office sites, 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 site, ERGO and E.ON AG have opened a joint childcare facility in cooperation with pme Familienservice.

Holidays are often difficult for working parents; when schools and other facilities are closed, parents cannot fully cover this time by taking their own holiday leave, and finding suitable childcare to fill the gaps is often difficult and expensive. ERGO has partnered with other companies to offer childcare during holidays at the Hamburg, Düsseldorf and Munich sites.

The primary insurer also sets standards in terms of care for relatives: Qualifying staff can take up to twelve months' leave on half pay, (payable during their absence and in the subsequent "active phase"). In addition, external social service providers offer pragmatic and efficient assistance.

---

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Management

## RESPONSIBILITY TOWARDS STAFF



MUNICH RE AS AN EMPLOYER

TRAINING AND PERSONAL  
DEVELOPMENT

FAIR AND PERFORMANCE-RELATED  
REMUNERATION

WORK-LIFE BALANCE

HEALTH AT THE WORKPLACE

DIVERSITY

## Health promotion – Programmes and measures

**The well-being of our staff is a matter of priority. Munich Re is therefore actively and firmly committed to promoting their health. For instance, in addition to medical care, sport and relaxation programmes, we offer personal measures to help staff return to their working life after a prolonged absence.**

Health promotion and disease prevention programmes are part and parcel of our offer to staff. The scope of the programmes we provide is considerably greater than that required by law. They also include expert advice and an array of support measures in the event of illness. Stress management is another subject that is fast coming to the fore.

### Active healthcare promotion

Munich Re scrupulously and effectively complies with the occupational safety requirements imposed by law. 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 or assignments abroad. Up-to-date travel advice is published and seminars are held on business travel safety.

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 medical centre also offers detailed information on fitness and gymnastics courses in sports rooms at the Munich site.

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, as well as the ERGO back-care centre in Düsseldorf, provide a wide range of activities. ERGO offers one of the most extensive company sports programmes in Germany under the name ERGO Sports. International tournaments and staff competitions are regularly organised in many disciplines.



“I love what ERGO Sports has to offer. I really appreciate that I can incorporate exercise into my work schedule without having to go to a lot of trouble. I was surprised to see the results of my fitness activities so quickly.”

Tülay Güven, ERGO

### Professional social counselling

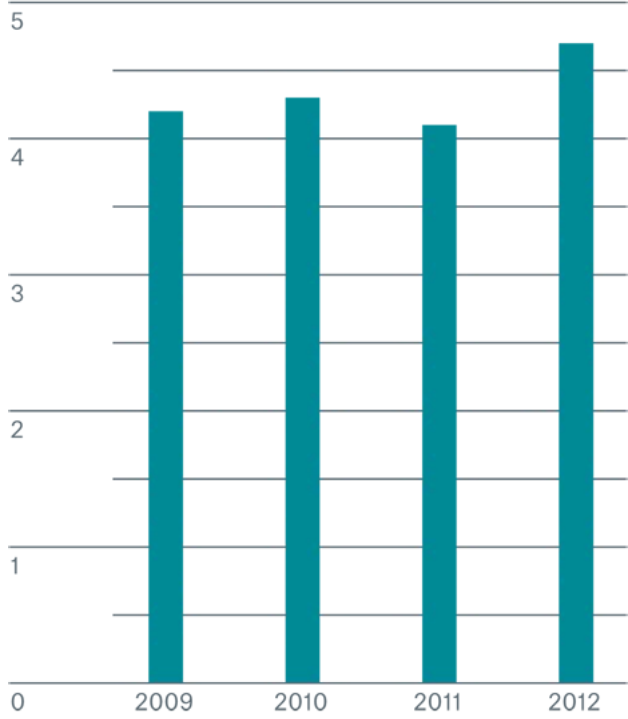
We attach great importance not only to the physical health but also to the emotional well-being of our staff. Munich Re therefore offers social counselling at various office sites in Germany to help staff deal with difficulties at work or at home. In the reinsurance group in Munich, Human Resources recently introduced a comprehensive external Employee Assistance Programme (EAP) together with the Fürstenberg Institute. The programme is designed to provide employees and their families with extensive direct and flexible support during personal and professional crises. Employees can contact the institute in the strictest confidence and benefit from individual treatment, therapy and support services. Our expanded healthcare promotion programme includes mandatory workshops for new managers on how to prevent stress-related and mental disorders among staff.

External links

» Fürstenberg-Institut



Sick Leave Munich Re (Group) (%)



These figures cover 70% of Munich Re's total workforce.

RESPONSIBILITY  
TOWARDS STAFF

- MUNICH RE AS AN EMPLOYER
- TRAINING AND PERSONAL DEVELOPMENT
- FAIR AND PERFORMANCE-RELATED REMUNERATION
- WORK-LIFE BALANCE
- HEALTH AT THE WORKPLACE
- DIVERSITY

Diversity is our strength

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

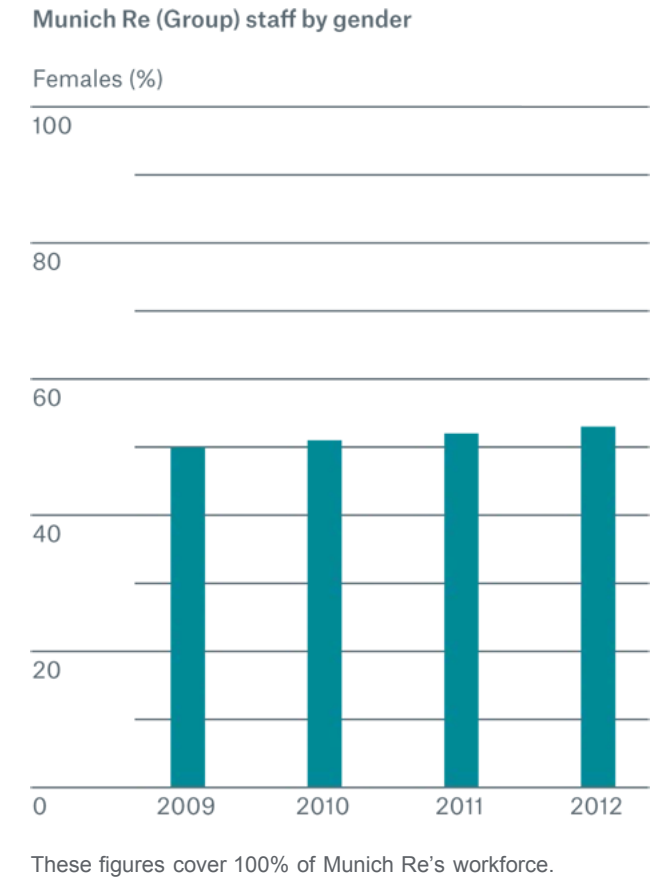
Diversity at the workplace also assists us in achieving our strategic goals. The establishment of universally valid principles and the implementation of specific measures reflect our conviction that diversity is crucial to Munich Re's success. We therefore intend to promote it actively. Each individual's personal strength and experience have their part to play in Munich Re's performance. Given the breadth of the topic and its cultural embedding, diversity management is not a short-term trend. Appreciation and specific promotion of different mindsets, mentalities, experience and specialist knowledge will remain an important focal point of our work.

**Diversity policy – Global management, local solutions**  
By introducing a Group-wide diversity policy in 2011, Munich Re laid the groundwork for an overarching and comprehensive diversity management programme that will actively promote diversity and embed it even more firmly in our Group. The new guideline sets out our definition of diversity, the main principles for promoting diversity within the Group, and our global commitment to embracing diversity as a strength and investing in it. It also defines the focal points of our action: gender, age and internationality.



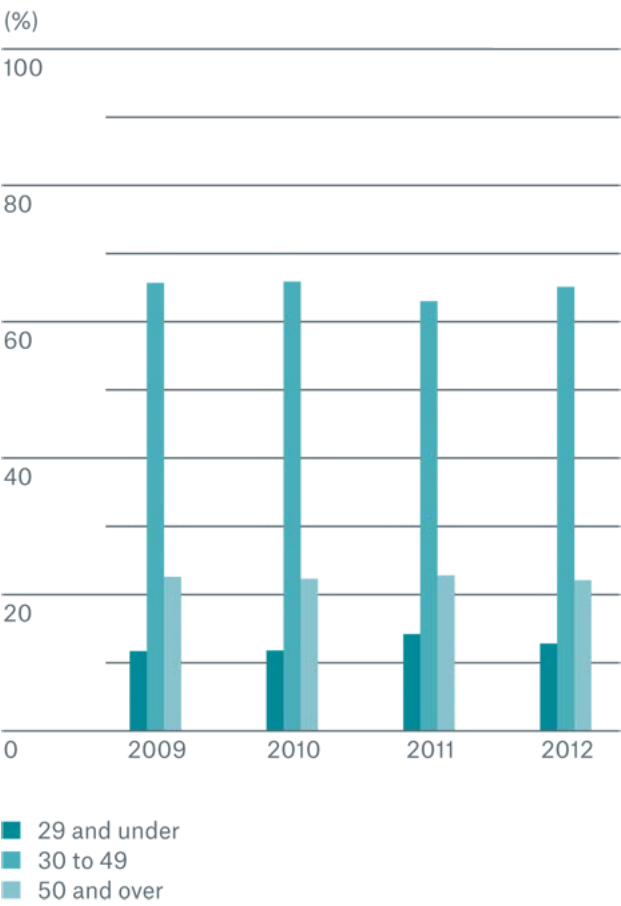
- Downloads
- » Diversity Policy: Global steering – Local solutions (PDF, 410 KB)
- Actions
- » EXPAND ALL
- » COLLAPSE ALL

▼ Munich Re (Group) staff by gender



▼ Munich Re staff by age

No. of staff by age Munich Re (Group)



These figures cover 70% of Munich Re's total workforce.

**Diversity management – Our next objectives**

With regard to gender, in March 2011 the HR board members of the DAX 30 companies issued a joint statement on increasing the proportion of women in management. As part of this commitment, Munich Re undertook 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 the low staff turnover rate and managers' average age, the target is definitely an ambitious one. At the end of 2012, the figure stood at 21% (2011: 20.5%). The company is thus well on its way to achieving the target.

Other important topics besides gender are age and internationality. Regarding the aspect of age, we focus on the step-by-step expansion of health promotion programmes and lifelong learning programmes. With our flexible work models, we aim to fully engage employees of all generations throughout all stages of their career. In the spirit of internationality, we take account of increasing globalisation by intensively expanding the options available to our employees for gathering international experience and skills worldwide.



“The promotion of diversity at a group like Munich Re is not an end in itself but is geared to the changes in social environment, our stakeholders' demands and the development of our markets. Diversity is geared to value creation. And we want to make this visible.”

Martin Thumm, Group HR Manager, Munich Re

This is implemented for each field of business; at ERGO, for instance, diversity has been one of several core projects since 2011. The long-term goal is to take into account as many viewpoints as possible. At ERGO, our support and mentoring programme for female staff was taken a stage further, while a new HR process for partnering employees on parental leave was introduced. In a pilot project, we are examining the necessary parameters for extending the option of part-time employment to senior management. With a view to the impact of demographic change, we are looking at flexible options for employees that take account of their particular life stage and career phase. Our diversity seminar for trainees won first place in the InnoWard 2012, a training prize awarded by the German insurance industry.

In reinsurance and Munich Health, we have organised Group-wide workshops to sensitise managers to the significance of diversity management, and have analysed the options based on our company needs. One example is the introduction of our global trainee programme, in which the international diversity of the participants is specifically enhanced. The same goal is served by Emerge International, a programme that prepares employees from our international organisation for the assumption of their first managerial positions outside their home countries. With our mentoring scheme for the female participants of our development programmes, our women's network EFEU and our independent career counselling for female staff, we have created suitable platforms and improved career opportunities for women.

On an international scale, the measures are also adapted to local requirements and conditions. At Munich Re of Africa, Johannesburg, for instance, the subjects of ethnicity and skin colour are of particular importance for historical reasons. Quantitative objectives are embedded in our balanced scorecard. This means we

adjust our recruiting practices on an ongoing basis and take account of these criteria in our internal personnel development as well.

**Equal treatment of persons with disabilities**

Equal treatment of persons with disabilities is also of special concern to us. 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. And ERGO also invests in various training and health programmes for people with disabilities. DKV Seguros and ERGO Hestia in Poland employ only people with physical disabilities in their call centres. The Polish subsidiary has set up a foundation specifically for this purpose.

---

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Management

# OUR ENVIRONMENTAL AWARENESS

## ENVIRONMENTAL MANAGEMENT

OPERATIONAL ECOLOGY

CLIMATE PROTECTION

EMISSION ALLOWANCES

## Environmental management – Setting standards

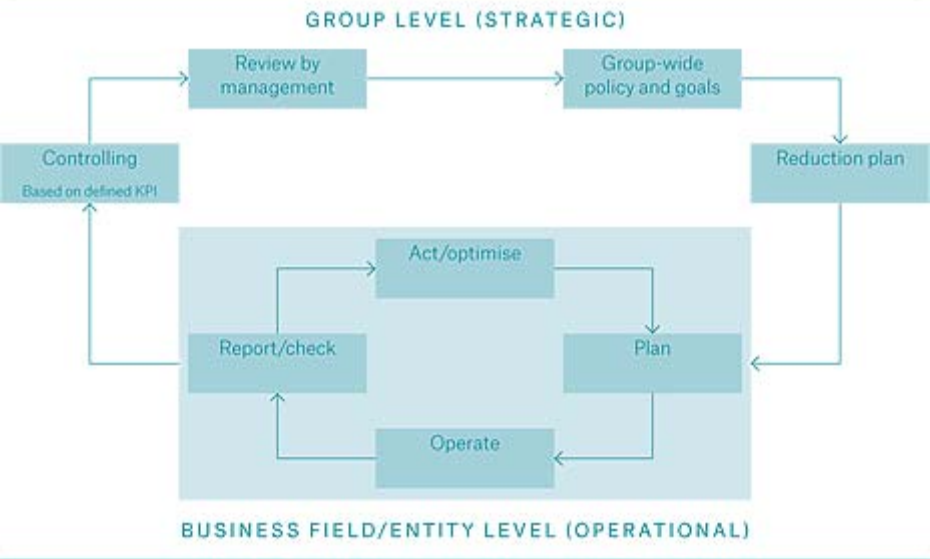
We take a systematic approach to environmental protection. Since 2012, a Group-wide framework has defined goals and guidelines for environmental management, regulated tasks and organisational responsibilities, and prescribed standards for implementation. We have already introduced environmental management systems at many of our sites.

Munich Re (Group) wants to keep the environmental impact caused by its business operations to a minimum. For this reason, we are reducing the consumption of paper, water and energy, along with CO<sub>2</sub> emissions caused by business travel and waste. In doing so, we apply the highest technical standards within the framework of our corporate goals.

### Introduction of Group-wide environmental management system

Environmental management systems register all effects of our operations on the environment and help us to restrict possible negative consequences as much as possible. After the application of individual environmental management systems at many Group sites, Munich Re's Board of Management adopted a uniform corporate framework in September 2012. It defines our key performance indicators (KPIs), goals and environmental guidelines and governs tasks and organisational responsibilities.

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



The management processes adopted allow for the global integration of sites, based on the international DIN » ISO 14001 standard. Moreover, the environmental management system is the basis for CO<sub>2</sub>-reducing measures and serves to assess and control the implementation of our carbon-neutral goals.

### Environmental management anchored in our organisational set-up

At Munich Re, the full Board of Management, represented by Chairman Dr. Nikolaus von Bomhard, is responsible for our Group-wide environmental protection strategy and all related measures. He is assisted by Dr. Astrid Zwick, Head of Corporate Responsibility, as Environmental Officer. ERGO's Board member for environmental matters, Dr. Ulf Mainzer, is supported by the employment, health and environmental protection unit founded in 2009. It is in charge of coordinating environmental management matters at ERGO. Implementation of environmental management for Munich Re and Munich Health is overseen by the Corporate Responsibility Department.

The framework has confirmed and refined the organisational structure. Local environmental managers have already been appointed at several sites, or will be shortly. These managers are locally in charge of implementing the environmental guidelines, goals and programmes, realising the carbon-neutral strategy including minimisation measures, and collecting environmental data. Contact persons on site report to the environmental managers of the respective business area. Within its responsibility for guidelines, the Corporate Responsibility Department defines the strategy for Group-wide environmental management and carbon neutrality, provides assistance with establishment of the system on site, and also reviews the corresponding environmental management systems and data collection.

### Downloads

» Environmental policy of Munich Re Group (PDF, 222 KB)



#### Group-wide environmental guidelines

Since 2012, » Group-wide environmental guidelines (PDF, 222 KB) have governed the protection of natural resources. This requires

- that the environmental performance and environmental protection of our units be improved,
- that emissions (caused by business travel, energy, water and paper consumption and waste) be avoided completely or at least reduced, and that environmentally sound criteria be defined for the selection of materials, suppliers and service providers,
- that environmental awareness and the sense and motivation of all staff members regarding environmental protection be increased,
- and that we share our knowledge.

The environmental guidelines are binding for all units and can be expanded as needed at each location.

#### Improved data quality

The ongoing expansion of our data collection ensures better data quality over the long term. As a result, data and coverage of environmental figures have to be retroactively changed and adjusted. By the end of 2012, 75% of Munich Re (Group) employees were captured in the environmental data. Moreover, 32% of our employees are already working at ISO-14001-certified locations, and this proportion is increasing. Additionally, since 2012 the environmental data in Munich (8% of employees) have been externally certified to ISO 14064. Leading the way, besides the sites of our German primary insurers and reinsurers, is DKV Seguros in Spain. These ISO-certified environmental management systems are being continually improved, with appropriate innovations.

#### Establishing an international environmental network

The more comprehensive the Group-wide exchange of information, the more successful the results. The second Group-wide network meeting of environmental managers, organised in January 2013, focused on improvements of the established structures and processes. Moreover, several sample measures for energy efficiency, CO<sub>2</sub> reductions, and enhancing environmental protection in our core business were discussed and analysed.

#### Leading the field in primary insurance: ERGO

The environmental management system launched in 1998 by Victoria (now ERGO) was reviewed again in 2012 and found to be very effective. The certifications at the Düsseldorf, Berlin, Leipzig, Cologne and Mannheim sites were also affirmed. In October 2012, the external certification audit at D.A.S. headquarters in Munich was also successful. ITERGO, the internal IT service provider of ERGO, is certified at these locations as well.



“With our environmental management system, we are pursuing the goal of continuous improvements to ERGO's environmental performance; this applies to building services engineering and office technology, but also includes our employees, products and services.”

Dr. Rolf Arera, Head of Employment, Health and Environmental Protection, ERGO Germany

D.A.S. has also launched an environmental management system in the UK. In 2003, the headquarters of DAS in Bristol became the first legal protection insurance company to have its environmental management system certified to ISO 14001 – and now all of the DAS sites in the UK and Ireland have followed suit.



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home    » Management

## OUR ENVIRONMENTAL AWARENESS

### ENVIRONMENTAL MANAGEMENT

#### OPERATIONAL ECOLOGY

Munich Re America utilises solar energy

### CLIMATE PROTECTION

### EMISSION ALLOWANCES

## Operational ecology – Conserving environment and resources

Munich Re consumes as few natural resources as possible and uses eco-friendly materials to minimise our impact on the environment.

In our reporting on our emissions and consumption of resources, we focus on the main environmental impacts for a financial services provider, namely our consumption of energy, paper and water, the waste we produce, the number of business trips taken and our CO<sub>2</sub>-emissions. We adhere to the criteria for indicators and conversion factors of the Greenhouse Gas Protocol and the Association for Environmental Management in Banks, Savings Banks, and Insurance Companies (VfU).

The recording of our consumption of resources is being steadily extended geographically to increase the degree of capture and thus improve the meaningfulness of our environmental indicators. 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 going back to the 2009.

### Munich Re’s environmental indicators

Indicator	Unit	2012	2011	2010	2009
Proportion of employees captured by certified environmental management system	Percentage of staff	32	30	23	20
Direct energy consumption	MWh per employee	4.71	6.13	3.28	4.35
Indirect energy consumption	MWh per employee	5.78	5.88	6.64	7.27
Paper consumption	t per employee	0.05	0.05	0.04	0.05
Water consumption	m <sup>3</sup> per employee	19.98	19.06	18.55	19.73
Waste handling	t per employee	0.27	0.25	0.30	0.30
Business travel	km per employee	7,418	7,375	7,990	8,228
Total direct, indirect and other greenhouse gas emissions <sup>1</sup>	kg per employee	4,082	4,468	4,196	4,784
No. of staff as at 31 December		45,437	47,206	46,915	47,249

Summary of our current resource consumption and CO<sub>2</sub> emissions.

<sup>1</sup> Emission sources: Direct emissions from primary energy consumption (natural gas, heating oil, diesel for emergency generators), indirect emissions from power supplied by third parties (purchase of electricity and district heating), other indirect emissions (business trips, fuel for company vehicles, paper and water consumption, waste, excluding emissions from products and investments). Since 2011, we report data according to the Corporate Value Chain Accounting & Reporting Standard of the Greenhouse Gas Protocol (GHG).

We are on track to reduce our CO<sub>2</sub>-emissions by 10%, with all our Group units responsible for implementing reduction measures at their site within the scope available. Besides sensitising our staff to the issue, we also focus on measures that have major leverage. Thus we are using digital communications to an increased extent, such as video and telephone conferences or live meetings, in order to reduce the number of business trips and the emissions they cause. We also strive to reduce energy consumption through consolidation of sites, the modernisation of properties and parts of buildings, and the optimisation of building management and operation.

The use of electrical vehicles at the sites of DKV Seguros in Spain and the change of ERGO's car fleet in Germany to fuel-efficient vehicles are effective means of reducing our emissions. Munich Re America is also leading by [» example](#). In Princeton, 7,660 solar panels with an installed capacity of 2.5 megawatts per year have been providing the office buildings with solar power since autumn 2012. Numerous other sites also use green electricity, which amounted to 64% of the power required in 2012. Other measures that have made a positive contribution to the environment include the expansion and overhaul of the block-type thermal power stations in Düsseldorf and Köln in 2011, enabling direct energy to be generated at these sites.

### Green building – Real estate with certified sustainability

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 investments for Munich Re and ERGO in certified sustainable property in Europe, America and Asia have nearly reached the €1bn mark. A number of our commercially

### Image galleries



Sustainable real estate of Munich Re (in own use) – A selection



MEAG green buildings – award-winning examples

### Downloads

» Environmental policy of Munich Re Group (PDF, 222 KB)

### External links

» Protecting resources at ERGO

used buildings in Germany and abroad received the EU GreenBuilding Award in 2012, e.g. the Waterfront Building in Stockholm owing to its excellent energy efficiency and user friendliness. In Toronto, Canada, the Munich Re Centre was awarded the BOMA-BEST Building Prize. BOMA BEST is the green building standard in North America.

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

---

---

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Management

## OUR ENVIRONMENTAL AWARENESS

- ENVIRONMENTAL MANAGEMENT
- OPERATIONAL ECOLOGY
- CLIMATE PROTECTION
- EMISSION ALLOWANCES

## Climate protection – Leading by example

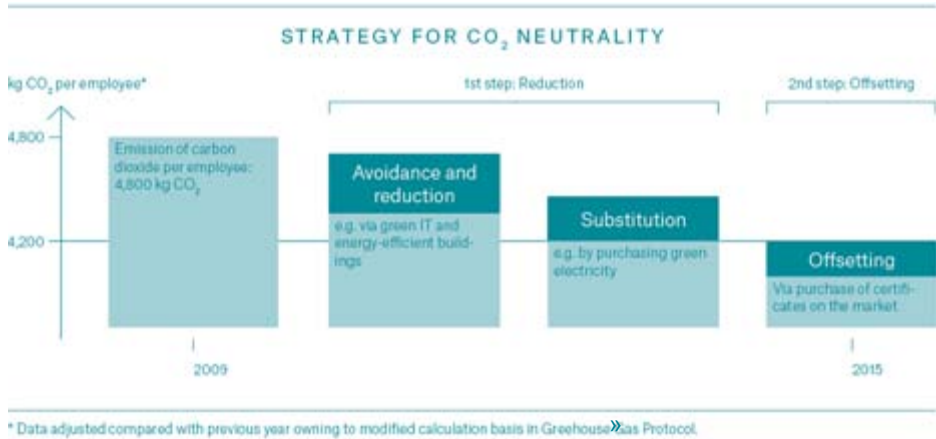
Our objective is to increase the awareness of climate change among politicians and the general public – using all our insurance expertise. Munich Re is setting a good example in this respect. By 2015, business operations throughout the Group will be carbon-neutral. The whole reinsurance group and ERGO Germany achieved this milestone in 2012. Our global involvement in climate initiatives and political consultancy is also part of our comprehensive climate strategy.

As insurers, we see the effects of climate change at first hand. After all, weather-related damage from natural disasters is among the things we insure. Accordingly, our company environmental protection efforts aim to reduce our own carbon emissions. To achieve this objective, we adopted a Group-wide binding carbon-neutral strategy in March 2011. We have also been conducting research on climate change for decades.

### Two-level concept: Reducing and compensating for emissions

In order to gradually neutralise carbon emissions for each employee from 4.8 tonnes annually by 2015, the Munich Re Group decided in 2011 to consolidate its efforts into a uniform strategy. The carbon neutrality project consists of two phases for making the entire Group carbon neutral by 2015. During the first stage, emissions will be lowered Group-wide by at least 10% to less than 4.3 tonnes per employee. During the second phase, the remaining emissions will be compensated for by emission certificates. Another significant measure is to expand the use of electricity from renewable energy sources to additional sites. For example, Group headquarters in Munich, numerous locations of ERGO Germany, New Re in Zurich, DKV Seguros in Barcelona and Munich Re of America in Princeton all purchase green energy.

### Strategy for CO<sub>2</sub> neutrality



### Reinsurance group and ERGO Germany carbon-neutral since 2012

The reinsurance group and ERGO Germany have been carbon neutral since 2012. Our headquarters in Munich have been carbon neutral since 2009. To this end, carbon emissions created by our business activities were reduced as far as possible. The remaining emissions were neutralised by purchasing carbon credits. Credits were purchased from three projects: small and micro hydroelectric power plants in southwestern China that generate carbon-neutral energy and replace diesel power generators; a geothermal project in Indonesia; and wind farms in western India that feed clean energy into the local grid. Aside from reducing emissions, the operators create synergies for regional infrastructures along with educational opportunities and services for local residents.

### Munich Re supports climate change activities of UNEP FI, Global Climate Forum and MCII

Munich Re's involvement in the climate change working group of UNEP FI (Finance Initiative of the United Nations Environment Programme) goes back to 1999. UNEP FI is a global partnership between UNEP and the financial sector. UNEP FI seeks to encourage the better implementation of sustainability principles at all levels of operations in financial institutions, as laid down in the UNEP Statement by Financial Institutions on the Environment and Sustainable Development.

Furthermore Munich Re is a member in the Advisory Board of both the Munich Climate Insurance Initiative (MCII) and the Global Climate Forum. This research-based initiative initiates and conducts studies on the economic effects of climate change and climate protection. Members include firms such as Munich Re, scientific institutions and non-governmental organisations. Until January 2012, the association was known as the European Climate Forum, but it has in the meantime expanded its network worldwide. The Global Climate Forum defines itself as a dialogue forum for all major interest groups.

The Munich Climate Insurance Initiative, or MCII, was launched by Munich Re in 2005 in response to the increasing perception that insurance solutions could play a part in adaptation to climate change. The focus is on helping people in developing countries protect themselves better against rising losses from weather-related extreme events.

### Related topics

- » Challenges: Climate change
- » Environmental management
- » Certificate purchases

### External links

- » MCII
- » UNEP FI
- » Global Climate Forum

The Munich Climate Insurance Initiative, or MCII, was launched by Munich Re in 2005 in response to the increasing perception that insurance solutions could play a part in adaptation to climate change. The focus is on helping people in developing countries protect themselves better against rising losses from weather-related extreme events.



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Management

# OUR ENVIRONMENTAL AWARENESS



ENVIRONMENTAL MANAGEMENT

OPERATIONAL ECOLOGY

CLIMATE PROTECTION

EMISSION ALLOWANCES

## Building block of carbon neutrality: Emission allowances

Our reinsurance group and ERGO Germany have been carbon-neutral since 2012, while our headquarters in Munich have had this status since 2009. Carbon emissions produced by our business operations that cannot be avoided or reduced are "neutralised" through the purchase of carbon credits.

Our carbon neutrality has been supported by the purchase of credits from three projects: small hydroelectric power plants in southeastern China, geothermal plants in Indonesia and wind farms in western India. In addition to avoiding carbon emissions, the projects have a positive impact on the local infrastructure, promoting education and other services for local residents.

### Hydroelectric power plants in southeastern China

Small hydroelectric power plants are very suitable for creating carbon-neutral energy without causing significant harm to local flora and fauna. This solution was used in China to improve energy supply in the provinces of Szechuan, Chongqing, Yunnan and Guizhou. So far energy has been produced by means of diesel generators which had negative emission and noise effects both on people and nature. By linking many small and micro power plants with an installed capacity of between 0.5 and 15 megawatts in one project, the provinces were able to use emissions trading in an economically meaningful way.

When purchasing credits, Munich Re ensures that the projects provide advantages for the local population. The hydroelectric power plants benefit farmers thanks to new irrigation and employment opportunities. The infrastructure is also improved, with a defined portion of the funds being spent on education projects, for example.

### Geothermal projects in Indonesia

Indonesia is located in the Pacific Ring of Fire, which has not only volcanic activity but also great potential for clean, geothermal energy production. The geothermal power plant that serves as a model project in the region is about 100 km southwest of the capital, Jakarta. Using the profits from the certificate sales, the power plant turbines are being modernised. This results in considerable efficiency gains and additional carbon neutral energy from the same geothermal steam source. This project also improves local infrastructure while creating new employment and educational opportunities.

### Wind farms in India

This project includes several wind farms in the southern provinces of Karnataka and Tamil Nadu and the western provinces of Rajasthan, Gujarat and Maharashtra in India. In all, more than 100 wind turbine generators with an installed capacity of more than 75 megawatts were built in small or medium-sized wind farms. The electricity generated in this way is fed directly into the general grid, thereby saving more than 140,000 tons of carbon emissions annually. In addition to the energy benefits of carbon neutral wind energy, the wind farms have been particularly advantageous in structural terms for the settlement of businesses in these provinces.

### Image gallery



» Certificate purchases: Project images

### Related topics


» Climate protection

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#)

“The great leap forward in the CR culture has been the changes in the way the business community operates.”

Dr. Josep Santacreu, CEO,  
DKV Group, Spain



Munich Re

Related topics

- » [Strategy and challenges](#)
- » [Management](#)

External links

- » [munichre.com](#)
- » [ERGO](#)
- » [Munich Health](#)
- » [MEAG](#)

Downloads

- » [Corporate responsibility in business \(PDF, 227 KB\)](#)

## Solutions

Bringing corporate responsibility to life

Corporate responsibility is reflected in Munich Re's products and services, which bring us financial success and address the needs of the environment and society. We offer tailored solutions and services that give our clients the security they need in the face of global issues like climate change impacts.

Changes in consumer behaviour, more and more complex risk scenarios, and increasing uncertainty are constantly presenting new challenges in reinsurance. By accounting for environmental aspects, social responsibility and corporate governance – the » ESG aspects – in our core business, we can identify new risks and reduce these in close collaboration with our clients. With our many years of experience and a holistic risk concept, we create by means of newly established » public private partnerships innovative products and services for new demands of our customers. This includes, for instance, new coverage concepts for renewable energy, or public-private partnership solutions in the agricultural sector.

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 » microinsurance policies tailored to the needs of lower-income population groups in emerging markets and developing countries.

**Broadening perspectives in the health sector**

Experts at Munich Health develop integrated solutions tailored to the individual needs of clients in their local markets. Preventing and managing chronic diseases are therefore as important and central elements as the access to health care. Through enabling this new business field we achieve sustainable growth and create at the same time benefit for our clients and partners.

**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. The assets managed by MEAG currently include retail funds for private investors with a volume of more than €2bn.

Many of our insurance solutions clearly reflect our corporate responsibility. Selected products, services and models can be found in the "Solutions" section.

Solutions

- » [Reinsurance](#)
- » [Primary insurance](#)
- » [Munich Health](#)
- » [Capital management](#)



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Solutions

## REINSURANCE



INSURANCE CONCEPTS FOR  
RENEWABLE ENERGIES

DESERT POWER

NATHAN - GEOINTELLIGENT  
SOLUTIONS

MICROINSURANCE

SYSTEMAGRO

## Insurance concepts for renewable energies for a low-carbon future

**Munich Re is actively supporting the role of renewable energies in the transition to low-carbon energy. We offer innovative insurance solutions that are geared to the risks of new technologies, thus promoting the development and propagation of renewable energy sources.**

Wind, solar and geothermal energy are in unlimited supply. Future energy supply from these sources helps the climate but also brings with it enterprise risks and other new risks, because returns on the relevant investments are often subject to a special type of risk, such as lack of wind, cloudy days, or unsuccessful geothermal drilling projects. Munich Re can provide risk transfer solutions for a large portion of these problems, thus facilitating investment in technologies for a low-carbon future. Our new coverage programmes give technology developers, operators and investors the necessary planning certainty and reliable parameters.

### Special cover for the requirements of offshore facilities

Investment risks are particularly great in the realm of offshore wind technology. It takes approximately three years before an offshore facility is operational. The construction phase alone can be problematic for all parties, but serial damage in the operational phase can pose a serious threat as well. However, with our many years of experience and ability to evaluate the latest research results, we can play a significant role worldwide in making such risks insurable.

### Comprehensive warranties for solar cells

Many solar cell manufacturers provide a performance guarantee that goes well beyond the legislative requirements. Munich Re has devised new coverage solutions that will meet existing guarantees even over a period of up to 25 years. We insure severe reductions in the output of photovoltaic modules below specified levels. This performance guarantee coverage is complemented by a new insurance solution for potential manufacturer insolvency risks, thereby making it much easier to obtain funding for major solar energy projects and giving all stakeholders greater planning reliability.

### Promoting geothermal energy – innovative exploration risk insurance

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 district heating systems and electricity generation. However, investors must take into account the fact that, despite painstaking and costly preparatory work, the quantities of hot water found 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 costs of unsuccessful geothermal drilling projects.

### Customised solutions for major projects

As an investor and partner for innovative solutions and competent risk management, Munich Re is familiar with every conceivable risk. We assist consortia in all stages of development and implementation using our experience from large-scale international projects. This benefits investors, owners, principals, suppliers and other contracting parties. With our individual, customised measures, we help contain risks and make projects even more appealing for potential new investors.

#### Related topics

- » Sustainable investments: RENT
- » Challenges: Climate change

[munichre.com](#)

- » Focus topic Climate change

#### Downloads

- » HSB Renewable Energy Solutions (PDF)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Solutions

## REINSURANCE

INSURANCE CONCEPTS FOR RENEWABLE ENERGIES

DESERT POWER

NATHAN - GEOINTELLIGENT SOLUTIONS

MICROINSURANCE

SYSTEMAGRO

## Desert power – A vision takes shape

Since 2009, Dii GmbH, which was co-founded by Munich Re, has been working on accelerated market development for renewable energies in the deserts of North Africa and the Middle East. Companies from 17 countries, the Fraunhofer and Max-Planck-Gesellschaft research institutes are involved in the project. The Dii's objective is to lead the way by launching reference projects and ensuring that solar and wind power plants in North Africa and the Middle East generate power for local needs. Some of the power will be exported to Europe in order to cover a portion of Europe's power requirements without generating CO<sub>2</sub> emissions.

In 2009, together with 12 other companies, Munich Re launched Dii GmbH as one of the world's most remarkable projects in the field of renewable energies. Although the political circumstances are challenging, particularly in some North African countries, Dii and its partners represent a unique network of companies, political interest groups and research institutes working to realise a major vision: to establish a comprehensive energy alliance for Europe, the Middle East and North Africa, in which solar and wind energy from the deserts will play a key role.



### Solar energy from the desert

The electricity is to be transmitted to Europe via a high-voltage direct-current power grid.

(Source: <http://www.dii-eumena.com/>)

### Backing climate protection and increasing development opportunities

Dii GmbH is promoting greater energy security in Europe, the Middle East and North Africa ( » EUMENA region). Significant investments are boosting the development opportunities for energy-producing countries in the Middle East and North Africa ( » MENA region). Initial reference projects have begun: Morocco is building the first solar thermal power plant in Ourzazate, which is being financed in part by the German federal government. A photovoltaic and wind project in Morocco is also at the development stage. Plans for new power transmission lines to Europe are in full swing, and on the Arabian Peninsula planning is starting for solar power plants, especially in Saudi Arabia.



“We have to develop solutions that cover the needs of a growing population on a sustainable basis without coming into conflict with scarce resources and climate objectives. The desert power initiative could play a significant role here.”

Ernst Rauch, Head of the Corporate Climate Centre and in charge of the Dii foundation project at Munich Re

### Improving the quality of life while protecting the core business

Part of the locally stored energy from renewable primary energy sources (solar/wind) is to be used for seawater desalination plants; this combination will be employed particularly on the Arabian Peninsula. In this way, the project can do much to improve the drinking water supply in the region.

Our commitment to this initiative, which is being supported by the Fraunhofer-Gesellschaft and a number of companies from the MENA region, sends a clear signal for greater climate protection through the market development of CO<sub>2</sub>-free technologies. It is also a prime example of our strategy of using our expertise and skills to make the future insurable; at the same time, we are ensuring the long-term profitability of our business.

### University network as a future global platform

The DESERTEC University Network (DUN) promotes training programmes in renewable-energy technologies and scientific development opportunities in the EUMENA region. At present, 18 universities from six countries in North Africa and Europe are participating in the network.

The idea is that, in the long term, this network will evolve into a global platform for successor projects to the DESERTEC initiative worldwide. Munich Re is keen to promote international dialogue in this particular field of research.

### Related topics

» Challenges: Climate change

[munichre.com](#)

» Focus topic Climate Change - Power from the desert

### External links

» [Dii GmbH](#)  
» [DESERTEC Foundation](#)

## REINSURANCE

INSURANCE CONCEPTS FOR RENEWABLE ENERGIES

DESERT POWER

NATHAN - GEOINTELLIGENT SOLUTIONS

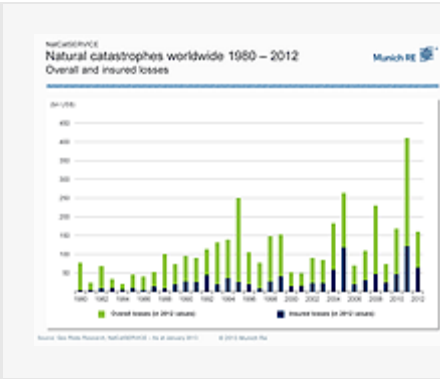
MICROINSURANCE

SYSTEMAGRO

## NATHAN – Improving natural hazard assessments

In the NATHAN Risk Suite, Munich Re offers unique information and consultancy services that make it easier to identify and assess natural hazard risks that are distributed over large areas. Among the services offered are its World Map and Globe of Natural Hazards.

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.



### Losses resulting from natural catastrophes

This diagram indicates the total damage and the insured damage caused by major natural catastrophes. This long-term analysis is one of the most important and reliable statistics available on natural catastrophes.

### 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 determine precisely the exposure of specific locations to natural catastrophes, detect substantial gaps in cover and improve the envisioned risk management measures. The system is based on catastrophe and loss data systematically recorded by Munich Re over the past four decades and now stored in a unique loss database with more than 28,000 entries. This extensive knowledge is the basis for our NATHAN product range, which include worldwide and national risk assessments, loss lists and brief opinions and statements by experts. The database also serves to develop client-specific insurance solutions and is used in both scientific research 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 Geospatial Solutions at 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. NATHAN maps, which were 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 collective geo-intelligence, for example, also in relation to urban areas. Via its client portal » [connect.munichre](#), Munich Re also offers online services such as individual risk analyses featuring high-resolution maps and analyses of the natural hazard exposures of entire portfolios.

These services are rounded off by expert consulting services regarding, for instance, risk controlling or the introduction of geoscientific solutions in a client company. For these features, NATHAN Risk Suite was shortlisted for the GeoBusiness Award 2011. The award is given by the German Minister of Economics and Technology for innovative business ideas in the area of geo-information business.

### Related topics

» Challenges: Climate change

### munichre.com

» Touch Natural Hazards  
» NATHAN Risk Suite

### Downloads

» TOPICS GEO Natural catastrophes (PDF)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Solutions](#)

## REINSURANCE

INSURANCE CONCEPTS FOR  
RENEWABLE ENERGIES

DESERT POWER

NATHAN - GEOINTELLIGENT  
SOLUTIONS

MICROINSURANCE

SYSTEMAGRO

## Microinsurance – Safeguarding livelihoods in emerging countries

Munich Re designs » microinsurance solutions for developing and emerging countries, fighting poverty being one of our goals. In many parts of the world, we therefore cooperate with local experts and international organisations in the context of » public-private partnerships in order to devise and offer new risk-transfer solutions for low-income sections of the population.

Developing countries in disaster-prone regions like the Caribbean and Asia suffer considerably from the effects of global climate change. It is also more difficult for the low-income sections of the population in these countries to protect themselves against the increasing dangers. Microinsurance is an effective tool for protection against the life-threatening effects of natural disasters.

### Developing and implementing customised solutions

The coverage options previously in place did not protect a large section of the people particularly affected. The reasons were insufficient data on local weather risks, inadequate risk management and lack of experience in risk transfer on the part of the initiators. A frequent problem was also the absence of a viable reinsurance concept.

Munich Re – in partnership with primary insurers, other institutions as well as international NGOs – offers people in the affected regions affordable policies tailored to their specific needs. This helps families and small businesses protect themselves against loss of livelihood in the event of disaster-related property damage or loss of life of the policyholder. These insurance policies play an important role in preventing potential impoverishment.

### Microinsurance policies offer growth potential

Microinsurance promotes economic stability locally and has a positive effect on social development. Microinsurance is also an investment in the future for Munich Re. This segment is a growth market, and the Group consequently offers microinsurance products not only in the form of reinsurance but also in its primary insurance (ERGO) and Munich Health segments.

### Public-private partnership in the Philippines and in the Caribbean

For a number of years, Munich Re, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the umbrella organisation of Philippine cooperatives – CLIMBS – have together been successfully realising the following project in the Philippines: Based on a detailed analysis, Munich Re and GIZ developed an innovative weather-index-based microinsurance policy, enabling the cooperatives to limit their loan defaults and meet their social commitments in the event of a catastrophe. Immediately after an event, the affected institution receives a reinsurance payment, which is disbursed to its members in the form of emergency loans granted on favourable terms, according to need. The new insurance protection has proven its value in these regions. Cooperatives adversely affected by Typhoon Bopha in December 2012 received immediate financial support.

Under the umbrella of the » [Munich Climate Insurance Initiative \(MCII\)](#), Munich Re is cooperating in the Caribbean with the Caribbean Catastrophe Risk Insurance Facility (CCRIF) and MicroEnsure, a broker specialising in microinsurance. The aim is to develop up to three different insurance products and launch them on the market in the coming years. What is new about this is that for the first time the products will be closely linked to risk minimisation measures. This regionally specific and innovative coverage concept is one of the MCII's first operative steps towards a holistic risk management system for developing countries.

### Related topics

- » [Primary insurance: Microinsurance](#)
- » [Challenges: Access to financial solutions](#)
- » [Commitment: Munich Re Foundation](#)

### External links

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

### Downloads

- » [Factsheet Munich Re GIZ Microinsurance \(PDF, 274 KB\)](#)



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Solutions](#)

## REINSURANCE

INSURANCE CONCEPTS FOR RENEWABLE ENERGIES

DESERT POWER

NATHAN - GEOINTELLIGENT SOLUTIONS

MICROINSURANCE

[SYSTEMAGRO](#)

## SystemAgro – 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. Special public-private partnerships facilitate close cooperation between farmers, the state and agricultural insurers.

No other sector of the economy is as dependent on weather conditions as agricultural production. Thus climate change, as a result of which the variability of weather patterns is increasing and weather extremes are becoming more frequent and severe, has a particularly massive impact here. Effective insurance tools against natural hazards are of great significance for food security and agricultural development.

### Increase in food production by 70%

At the same time, the world is undergoing a transformation: in the coming decades, the world's population will expand dramatically, there will be a change in dietary habits and lifestyles as a result of growing affluence, and the demand for bioenergy will increase due to the greater scarcity of fossil fuels. Developments such as these will cause much higher demand for agricultural raw materials. The UN's Food and Agriculture Organization (FAO) reckons that worldwide food production needs to increase by 70% by 2050 in order to feed the world's future population of 9 billion – a particular challenge in view of the risks of climate change and limited land resources.

### Security for investments and agricultural loans

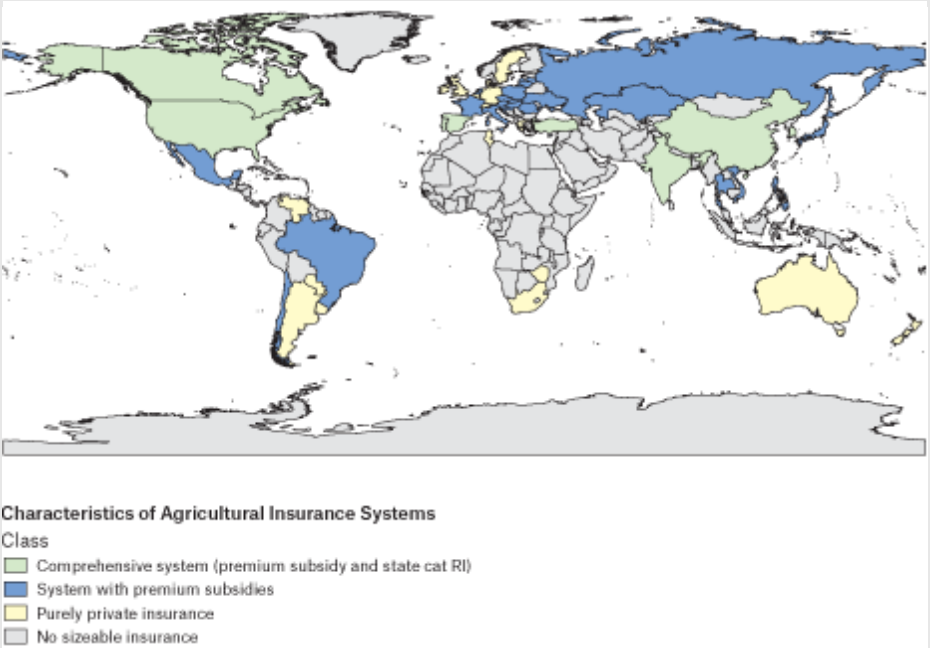
In order to continue to meet the rising demand for food in the future, it will be necessary to invest in improved production technology for seed, fertiliser and pesticides, and in modern agricultural technology. The required financing will have to come largely from agricultural loans. Securing these agricultural loans through crop insurance reduces the default risk for banks and increases their willingness to extend agricultural loans.

### SystemAgro – A sustainable insurance system for all farmers

Munich Re has combined in SystemAgro the experience it has gained with the world's crop insurance systems over the past 30 years. SystemAgro is based on a » public-private partnership between the state, farmers and the insurance sector, and is integrated with the relevant laws in national agricultural policy. It is founded on pillars, each of which helps to ensure the system's success: state premium subsidies, government catastrophe reinsurance, central structures with uniform insurance rates, terms and conditions, and the availability of insurance for all farmers.

The goal of SystemAgro is to provide individual crop yield coverage. Combining the state's involvement with agricultural and insurance structures, SystemAgro becomes a central instrument of agricultural policy.

### Worldmap of Agricultural Insurance



Source: Joachim Herbold, Munich Re

Thanks to SystemAgro, a wide range of arable crops on more than 200 million hectares of land around the world – the largest share of which is accounted for by North America – are insured against natural hazards. Sustainable crop insurance systems are indispensable for further agricultural development, particularly in the more highly exposed emerging and developing countries. After all, banks only grant the required volume of agricultural loans if these are backed by insurance coverage. Munich Re's SystemAgro is thus a response to the pressing challenges posed by climate change, population growth, land shortage, and globalised agricultural markets.

[munichre.com](#)

» [SystemAgro](#)

Externe links

» [Food and Agriculture Organization of the United Nations \(FAO\)](#)

Downloads

» [Risk management in agriculture: SystemAgro \(PDF, 334 KB, english\)](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Solutions

## PRIMARY INSURANCE



ECOLOGICAL INSURANCE SOLUTIONS

MICROINSURANCE

## Insurance solutions that help protect the environment

**Environmental aspects are taken into account in many of ERGO's products. 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.**

ERGO has a number of insurance products in its portfolio that give special consideration to ecological aspects. 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 geared to photovoltaics, wind energy, water power, biogas, geothermal power, fuel cells and their special features.

### Insurance secures the future of renewable energies

The 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.



“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

To give due weight to the increasingly important field of renewable energies, we have created a separate segment for these types of risks with the "2012 tariff". This contains information and clear underwriting guidelines in all areas such as solar and wind energy, hydropower, geothermics and biomass. These parameters are necessary for insuring the specific liability risks.

### Repairing 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. Up to and including 2012, some 100,000 clients had concluded a policy of this type with ERGO. Moreover, since 2009, our primary insurer has also integrated environmental impairment insurance in public liability insurance, particularly for commercial risks.

### Helping clients save energy

ERGO helps its clients save energy by offering them suitable insurance products. 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 thus bears the additional costs for purchasing energy-efficient models with environmentally friendlier standards.

### Low-cost policies for climate-friendly vehicles

ERGO also offers environmentally friendly insurance policies for vehicles: In Germany, ERGO promotes the use of vehicles with very low carbon emissions, thereby providing incentives for eco-friendly mobility. At present, the insurer offers a discount in motor liability and comprehensive motor own damage insurance in six different vehicle segments for about 50 selected vehicle types.

### Environmentally friendly – Unit-linked annuities

Life and annuity insurance gives clients the opportunity to protect themselves against various risks and provide for their later years while making sustainable investments. Using unit-linked annuity insurance, ERGO takes into account ethical, social and ecological criteria, and clients can invest their capital in sustainability funds according to different investment strategies.

#### Related topics

- » Climate change
- » Management

#### External links

- » ERGO: Eco-insurance policies



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Solutions

## PRIMARY INSURANCE



ECOLOGICAL INSURANCE SOLUTIONS

MICROINSURANCE

## Microinsurance – 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, its subsidiary HDFC ERGO markets microinsurance policies in the rural sector such as health, personal accident and fire, as well as special livestock and equipment coverage.

ERGO helps people in developing and emerging countries by providing insurance products that enable them to safeguard their livelihood at affordable prices. For this purpose, our German-Indian joint venture HDFC ERGO uses » public-private partnerships to offer products in close cooperation with NGOs and microfinancing institutions.

Policies range from health, personal accident and property to coverage against the loss of working animals and crops. Together with the Biocon Foundation HDFC ERGO also offers affordable health insurance to the poor covering the cost of hospitalisation, treatment and operations. Registration is done by mobile phone so that coverage can be arranged simply and without the need for paperwork.

This allows ERGO to combine social commitment with an investment in a growing market whose untapped potential the United Nations estimates at 95%.



“Microinsurance will strongly gain in significance in emerging countries over the next few years. International demand is estimated at €1.5bn to €3bn, and insurance companies expect a growth rate of 100% in the next four to five years.”

Andreas Matthias Kleiner, member of the Board of Management of ERGO International AG, responsible for Asia

### Successful projects in India

In India, the overwhelming majority of the population has no access to the traditional insurance market. ERGO's subsidiary HDFC ERGO is successfully marketing » microinsurance in rural India. Products of this type must be easy to understand and very affordable. To reach the customer, microinsurance also has to be marketed on a large scale, using innovative channels. For instance, sales offices have been set up in some 50 rural supermarkets in Uttar Pradesh province, providing fast, easy access. Policies range from health, personal accident and property to coverage against the loss of working animals and crops.

HDFC ERGO and the Biocon Foundation also offer affordable health insurance to the poor covering the cost of hospitalisation, treatment and operations. Registration is done by mobile phone so that coverage can be arranged simply and without the need for paperwork.

### Weather insurance – A growth area

Furthermore, HDFC ERGO is one of the largest providers of weather insurance based on parametric triggers and now offers this insurance in 14 of India's 28 states. In all, HDFC ERGO wrote more than €40 million in gross premiums for this segment in the last financial year. This is nearly a sixfold increase compared with the previous year.

In 2010, HDFC ERGO became one of the first private insurers commissioned by the Indian government to develop weather-based crop insurance in multiple states under a state-backed programme.

### Related topics

- » Reinsurance: Microinsurance
- » Challenges: Access to financial solutions

### External links

- » ERGO: Microinsurance
- » HDFC ERGO India

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Solutions

## MUNICH HEALTH



### INTEGRATED HEALTHCARE

#### INNOVATIVE HEALTHCARE PROGRAMMES

## Integrated healthcare – An exemplary model

On Spain’s Mediterranean coast, Munich Health is showing how public healthcare services can be improved and costs simultaneously saved using an integrated healthcare model. This » public-private partnership can serve as a model for other projects in the healthcare sector.

It is an innovative healthcare approach at a time when many state healthcare systems are stretched to their limits: companies undertake to manage the district healthcare system on a long-term basis on behalf of the government. Spain’s Dénia district administration has transferred responsibility for its healthcare system to DKV Seguros – a part of Munich Re (Group) – along the whole value chain from insurance to healthcare provision.

### High quality, low costs

Since then the company, which is part of Munich Health, has not only ensured medical care for the district’s 140,000 inhabitants who have statutory health coverage, but the 350,000 or so tourists who holiday in the region each year also benefit from this partnership. The new approach is proving advantageous for everyone concerned: DKV Seguros’ involvement saves the district administration costs in the long run, whilst the people insured enjoy the improved quality of public healthcare services.

### A hospital improves healthcare quality

In Dénia, we provide the complete range of public healthcare services – from emergency, in-patient and outpatient care to a broad spectrum of prevention programmes. Apart from healthcare, our responsibilities include cost management – both collecting health insurance contributions and operating an efficient spending policy. Thanks to a 229-bed hospital built to the latest medical standards, we are also improving healthcare quality locally and giving insureds better access to medical services.

### Greater client focus in Latin America

Through its sales cooperation with International Reinsurance Managers (IRM), Munich Health will specifically reinforce its client focus in Latin America as from 2013. As a managing general underwriter and recognised leader in risk management, IRM is active in the field of health reinsurance. The cooperation aims to support clients in generating sustainable growth in the health segment by providing them with the comprehensive solutions of a specialty insurer with global outreach and local market know-how based on close client relationships.

### Related topics

» Demographic change

### External links

» Munich Health

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Solutions

## MUNICH HEALTH

INTEGRATED HEALTHCARE

INNOVATIVE HEALTHCARE PROGRAMMES

## Innovative healthcare programmes – Abu Dhabi and almeda as role models

**In Abu Dhabi, Munich Health has incorporated its long-standing global expertise in a programme for the chronically ill. This integrated disease management programme has led to better coordinated patient care, lower incidence of disease and more efficient cost management.**

In the past 20 years, lifestyles in the United Arab Emirates have changed drastically. One of the consequences has been an increase in diabetes and obesity; according to the World Health Organization, every fifth inhabitant has diabetes, and over half of the population is overweight. Rising medical costs pose huge problems for the local healthcare systems. In response to these challenges, Munich Health and the regional health insurer DAMAN National Health Insurance have devised a new medical service programme on behalf of the government. This programme offers health insurance in combination with Munich Re's range of services delivered by almeda GmbH.

### Improving the quality of life of the chronically ill

almeda GmbH is Munich Re's assistance and telemedical healthcare service provider. Its services help people in emergencies or in the longer term, person to person and on the phone or through the internet. Since August 2009, Munich Health and almeda have offered comprehensive healthcare programmes for diabetics and obese patients, ranging from prevention and efficient treatment management to the management of healthcare costs.



“We aim to counteract the rapid spread of obesity through education. The local population will not change their behaviour until they are aware of the risks of obesity.”

Dr. Franz Benstetter, Head of Operational Services  
Munich Health

### Prevention through phone coaching

The core element of the integrated health solution is phone coaching for the chronically ill by fixed contact persons. In discussions with medical experts, patients are taught how to manage their diseases themselves, the aim being to exercise a positive and lasting influence on their lifestyle. The overriding goal is to improve the quality of life of those patients suffering from diabetes mellitus and/or obesity, to coordinate their treatment and to reduce the long-term consequences and complications, hence lowering healthcare expenditure in the long run.

### Patients benefit from public-private partnership

The first results of the programme illustrate that this cooperation could well serve as a model project. Our long-term experience in disease management and in the efficient running of healthcare programmes worldwide is paying off in Abu Dhabi. Patients are benefiting from better care and the programme has eased the cost pressure on state health budgets. More than two million clients have in the meantime made use of Munich Health's services. The strategic partnership between DAMAN and Munich Health has plans reaching until 2019.

### Related topics

» Demographic change

### External links

» Munich Health

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home    » Solutions

## CAPITAL MANAGEMENT



### Strategies for investing responsibly

MEAG’s investment products prove that economic, ecological and social requirements need not be a contradiction in terms. The asset manager of Munich Re and ERGO offers its customers investment funds that focus on sustainability.

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 just as much on the basis of their environmentally friendly and socially responsible conduct as on their financial success. This involves supplementing leading equities with forward-looking niche providers. In contrast, producers of tobacco, alcoholic beverages, arms and weapons are excluded, as are companies in the gambling industry.

**Private investors profit from expertise**

Secure returns plus protection for endowment capital is the purpose of every foundation. The MEAG FairReturn investment fund established in June 2009 meets both requirements. Its managers apply strict social, ecological and financial criteria and invest mainly in Europe. Their objective is to deliver positive performance. The fund met with so much approval that MEAG opened it to private investors in spring 2010. The MEAG FairReturn fund was rated as "very good" by Feri EuroRating at the beginning of 2013. The fund's sustained success is evidenced by further awards, principally due to the fund's investment style, particularly its limitation of the risk of loss.

All our investment strategies adhere to the Principles for Responsible Investment (PRI), which Munich Re signed in 2006, the first German company to do so. These six principles are the basis for devising 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.



Related topics

- » Management: Managing investments
- » Principles for Responsible Investment – Investing responsibly

External links


- » MEAG
- » Principles for Responsible Investment (PRI)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#)

“Education is still the best insurance policy of our society for the future.”

Heike Poganaz, Leiterin Corporate Responsibility,  
ERGO Versicherungsgruppe AG



Munich Re

Downloads

- » [Corporate citizenship guidelines \(PDF, 417 KB\)](#)

Commitment

Our corporate citizenship concept: Responsibility for the community

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 defines the guidelines and criteria for selecting donations and sponsorship projects.

Assuming an active role as a corporate citizen, as a sponsor, donor and co-designer of innovative social processes and projects, is an indispensable part of our corporate responsibility.

To position ourselves more strategically and create a framework for our international social commitment, we have designed a Group-wide corporate citizenship concept that contains specific sponsorship criteria. In addition to basic assistance for social and cultural projects at corporate locations, we focus clearly on topics that are related to our business activities. The emphasis is on long-term partnerships and a stronger involvement of our staff through corporate volunteering measures.

Besides engaging in the topics of environment, natural catastrophes, demographic change and health, Munich Re supports social and cultural projects at its business locations, and promotes education and science. Munich Re's corporate responsibility strategy is based on binding criteria set out by the Board of Management and on conceptual guidelines for our social commitment. Our corporate citizenship guidelines provide information on the sponsorship categories and criteria (see “Downloads” on the right).

Commitment

Focal areas

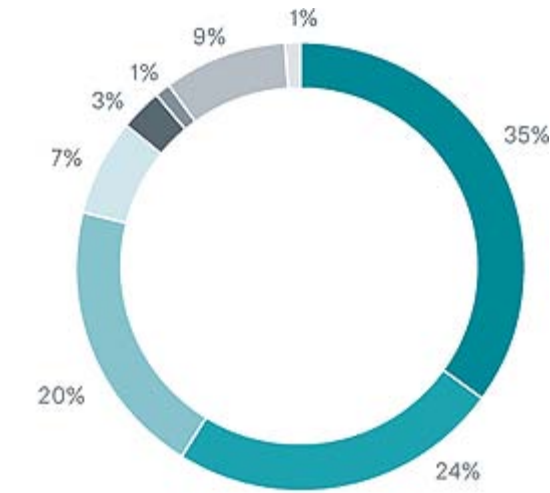
- » Education and science
- » Art and culture
- » Social commitment
- » Health

Foundations

- » Munich Re Foundation
- » Dr. Hans-Jürgen Schinzler Foundation
- » ERGO “Youth & Future” Foundation
- » DKV “Integralia” Foundation

Corporate citizenship expenses in 2012

Corporate citizenship expenses of Munich Re (Group)\* in 2012: 4,905,376 €\*\*



- Science/Education 1,692,450 €
- Social 1,196,481 €
- Health 997,927 €
- Culture & Arts 355,588 €
- Society & Demographic change 147,520 €
- Environment 42,909 €
- Natural Catastrophes 441,464 €
- Not Classified 31,037 €

Additional spending:

- Donations in kind 30,866.28 €
- Political donations 168,000 €
- Corporate Volunteering hours 195,220 €
- Foundation ERGO 45,000 €
- Foundation Munich Re 1,181,180 €

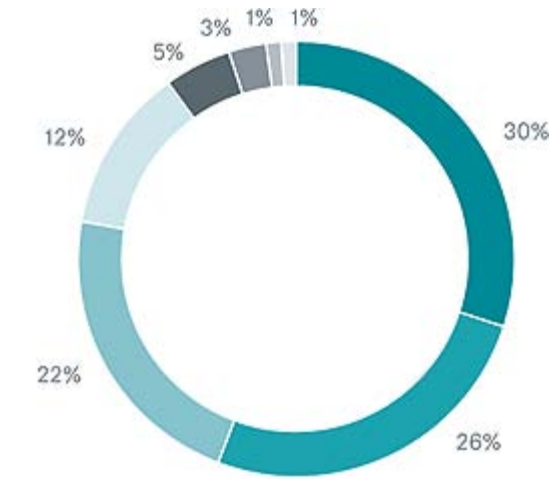


0,13% of pre tax result (incl. political donations, corporate volunteering and donations in kind)  
0,15% of pre tax result (incl. political donations, corporate volunteering and donations in kind and foundations)

\* 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

▼ Political donations

At the same time, Munich Re (Group) supports all parties committed to the free market economy in Germany with a total annual amount of €150,000, of which €75,000 is donated by Munich Re and €75,000 by ERGO. In the 2012 financial year, Munich Re and ERGO both donated €15,000 (without stipulating a purpose of any kind) to each of the following parties: Bündnis 90/Die Grünen, the Christian Democratic Union (CDU), the Christian Social Union (CSU), the Free Democratic Party (FDP) and the Social Democratic Party of Germany (SPD). The donations were 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.

Project commitments by the foundations

Munich Re's project commitments are complemented by the activities 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".



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Commitment](#)

## FOCAL AREAS

EDUCATION AND SCIENCE

ART AND CULTURE

SOCIAL COMMITMENT

HEALTH

## Education and science – Basis for the future

Expert knowledge is a high priority for a provider of financial services such as Munich Re. Our knowledge of risk is the cornerstone of our business. Therefore, our social commitment is also centred on the areas of education and science.

### Social dialogue

With our specialist knowledge, we actively engage in national and international social dialogue with various interest groups and NGOs, as well as with experts from the worlds of politics, public administration and science, in order to develop appropriate strategies for handling risks worldwide. Numerous memberships and partnerships with university associations and academic societies to promote insurance research facilitate a direct exchange with specialists, who in turn benefit from our experience.

### School, vocational and university education

As a member of the Stifterverband für die Deutsche Wissenschaft (Association for the Promotion of German Science and Humanities), Munich Re helps promote Germany as a research location. The Association has launched a multi-year educational initiative to give greater direction and substance to the debate on improved educational opportunities in Germany. For this purpose, it has described central areas of action for the first time and defined quantitative educational goals for university-level education until the year 2020.

ERGO is also assisting young people in training and schools with a number of sponsorships. For instance, in 2012, ERGO was again the main sponsor of the "Schule macht Zukunft" (Schools for the Future) competition. This is a project by the publisher of FOCUS magazine, designed to foster dialogue between schools and industry. The programme will encourage young people to take active responsibility for themselves and their future.

However, many talented young people lack financial and other means to make the most of their potential. Munich Re endeavours to provide long-term, effective support. One way it does this is through support for the "Joblinge" initiative, sponsored by business, government and social institutions for unemployed youngsters with limited qualifications. Apart from financing two scholarships, several Munich Re employees serve as mentors for this project. They share their practical and professional expertise with young people to help them gain footing in the working world.

ERGO Austria also places special emphasis on the field of education. Since 2012, it has sponsored the Wiener Lerntafel, a non-profit institution which offers financially or socially disadvantaged children aged 6–14 free tutoring services and support for the full range of school-related issues. The cooperation of ERGO Austria has helped finance a new, specialised teacher training programme. As a result, many more learning units can be offered than previously.

Also in 2012, in cooperation with the Genesis Institute, ERGO set up the "bildungsstifter" platform for innovative educational measures. Together with renowned educational experts, the founders of this platform aim to make an effective contribution to achieving equal educational opportunities in Germany. The first version of the platform went live online in January 2013 and is open for new educational cooperation partners.

### Science and research

Munich Re has been supporting the Ludwig Maximilian University in Munich since 1922 through its involvement in the Münchener Universitätsgesellschaft (Munich University Society), which promotes academic research and teaching. The Society's offices and staff are provided by Munich Re and this organisation is able to fund a large number of academic projects, interdisciplinary visiting professors and lecture series, national and international academic conferences and ongoing cooperation with other universities. The underlying philosophy is to provide assistance particularly when there are no, or limited, funds from other (mainly public) sources. In addition, the Society presents annual awards and sponsorship prizes for the Ludwig Maximilian University's new academic talent and supports from 2012 to 2014 up to 45 students with a German national scholarship (Deutschlandstipendium).

The ERGO Insurance Group also supports young university students. Under North Rhine-Westphalia's Germany scholarship and also in cooperation with the Dr. Kurt-Hamann Foundation, ERGO sponsors gifted students and diploma candidates.

MEAG – asset manager of Munich Re and ERGO – continued its partnership with Munich universities in 2012. As part of the third instalment in the series "Get Connected" with the motto "The future belongs to those who invest in it", MEAG invited students from TUM, LMU and Munich University of Applied Sciences to information events, offering them the chance to get to know one of Europe's largest asset managers at first hand.

We target a select range of scientific topics. For example, in order to promote awareness of mathematical principles and to get people more interested in this science, Munich Re has supported the internet portals of the German and European Mathematical Societies since 2001 and 2009, respectively. The core content of the European portal is now defined by 16 project coordinators from across Europe and is updated on an ongoing basis.



### External links

- » [ERGO: Commitment to education and science](#)
- » [German Mathematical Society \(German only\)](#)
- » [European Mathematical Society](#)
- » [Stifterverband für die Deutsche Wissenschaft \(German only\)](#)
- » [Munich University Society \(German only\)](#)
- » [Bildungsstifter \(German only\)](#)
- » [Joblinge \(German only\)](#)

Organisations supported by Munich Re:



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Commitment](#)

## FOCAL AREAS

EDUCATION AND SCIENCE

ART AND CULTURE

SOCIAL COMMITMENT

HEALTH

## 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 society's vitality and a barometer for innovative ideas.

Both sides benefit from interaction between business and culture, and many cultural projects would not be possible without corporate sponsorship. At the same time, creative and aesthetic aspects can also provide inspiration for employees and society as a whole.

### Munich Re's 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, thus laying the foundation for our artistic commitment.

Our corporate art collection has always been an integral part of Munich Re's corporate culture. We add to this collection by acquiring works from contemporary artists that mirror the present as a "seismograph" of society. The art collection in Munich has more than 2,500 exhibits from international artists. In addition to well-known artists, the focus is also increasingly on up-and-coming talent.

### Innovative cooperation project with Städtische Galerie/Lenbachhaus and Kunstbau München

In December 2012, a decision was taken to sponsor a very special project. For the next three years, Munich Re will work in close cooperation with Lenbachhaus as part of its corporate citizenship.

Franz von Lenbach (1836–1904) and Carl von Thieme (1844–1924) were contemporaries – linked by a common interest in art – who presumably encountered each other frequently at cultural events of their time in Munich. Today, the partnership with the internationally renowned Lenbachhaus underscores Munich Re's social commitment to Munich that extends beyond the historical roots of the two institutions.

The curators will work together on the contents of the partnership and devise various formats for exhibitions, teaching, publications and events, which Munich Re will also support financially.

In keeping with the guiding principles of the Lenbachhaus and the corporate citizenship concept of Munich Re, the collaboration will focus on projects devoted to the communication of contemporary culture and will critically address and discuss relevant social issues. It is important to both partners that project development gives priority to the new and the contemporary. The focus will be deliberately geared to dialogue with the public. MEAG adopts a similar approach to promoting art. Several times a year, it organises guided tours for staff to current exhibitions at Munich museums.

### Strengthening the dialogue between culture and business

With our membership in various bodies dedicated to promoting and supporting Munich cultural institutions, such as the Pinakothek Society or the Premium Circle of the Bavarian State Opera, we underscore our commitment to the arts. As a partner and member of the Premium Circle, we want to spotlight the interface between culture and business. The cultural promotion of children and young people also plays a key role. For instance, the CAMPUS programme is an initiative of the Bavarian State Opera, the State Ballet and the State Orchestra aimed at children, youths and young adults. Whether it be tours of the National Children's Theatre, youth workshops, the opera studio or the orchestra academy – with CAMPUS, the Bavarian State Opera aims to educate and entertain using music and theatre while fostering talent.

### Promotion of young artistic talent

Munich Re promotes young artists. In 2012, for instance, the Kulturkreis der deutschen Wirtschaft (Association of Arts and Culture of the German Economy) sponsored a violin competition, "Ton und Erklärung – Werkvermittlung in Musik und Wort". Sixteen hand-picked musicians under the age of 28 were given the opportunity to play a selection of works to a jury. The winners were introduced to the public in a final concert.

In 2013, Munich Re is again supporting the Bavarian Philharmonic for the education and development of young prodigies. The Bavarian Philharmonic is dedicated to supporting young musicians on a broad basis from the first practical experiences in orchestral performances to professional preparatory orchestra academies. The fourth Carl Orff Days in 2013 is being held with the aid of Munich Re sponsorship.

### Sparking children's interest in music

Since 2009, the ERGO Insurance Group has sponsored the classical concert series "3-2-1 Ignition". The youth concerts presented by the Düsseldorf Tonhalle within its "Junge Tonhalle" series seek to bring classical music closer to young people. In the "SingPause" project also sponsored by ERGO, trained singers visit Düsseldorf primary school classes twice a week to build up a broad international repertoire of songs among the children. This model project for early music education has now reached 12,000 children – from all social backgrounds – at 54 schools around the city. This is about two-thirds of all primary school pupils.



© Städtische Galerie im Lenbachhaus und Kunstbau in Munich

### 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 \(German only\)](#)

Organisations supported by Munich Re:



BAYERISCHE  
STAATSOPER



LENBACHHAUS

AKADEMIE DER  
BILDENDEN KÜNSTE  
MÜNCHEN

STÄDTISCHE GALERIE IM  
LENBACHHAUS UND  
KUNSTRAU MÜNCHEN





MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Commitment](#)

## FOCAL AREAS

EDUCATION AND SCIENCE

ART AND CULTURE

SOCIAL COMMITMENT

HEALTH

## Our social commitment for society and nature – sustainable and personal

Munich Re and its staff support social institutions and projects in Germany and internationally. As well as the financial help we provide, a number of our employees also make personal contributions. They participate in charitable sporting events, donate a portion of their monthly salary or do voluntary work for non-profit organisations.

As part of our corporate citizenship concept, we attempt to take our commitment beyond pure financial aid and underpin it wherever possible with expertise from our core business. We aim to do so in areas and countries where our knowledge and experience offer the greatest benefit.

### Supporting and integrating people with disabilities

We attach great importance to the integration of people with disabilities. As a result, since 2001, we have supported Munich's Stiftung Pfennigparade, a foundation dedicated to the physical and psychological rehabilitation of physically disabled people. At our Munich site, for example, we regularly employ interns with physical disabilities whose placements are arranged via Pfennigparade.

The integration of people with disabilities is promoted at Munich Re's international sites as well. An outstanding example of integration is provided by ERGO Hestia in Poland, where employees with physical disabilities work in the call centre. The project is sponsored by an in-house foundation. The role model for this integration is the "Integralia" Foundation of DKV Seguros in Spain.

Munich Re America in Princeton is the main sponsor of the annual "Eden Autism Family 5k Race" and "1-Mile Fun Run" of local non-profit organisation Eden Autism Services. Since its inception in 1975, the Eden Foundation has devoted itself to early childhood education and training for autistic youths and adults, assisting them in not only their professional but also their personal lives. The two fundraising events in 2012 raised US\$152,000 in all.

### Our employees' commitment

In a private-public partnership (PPP) founded in 2011 by Water Benefit Partners (WBP) and the Swiss Agency for Development and Cooperation (DEZA), we have joined 14 other partners to develop an innovative financing mechanism – the Water Benefit Standard. The aim is to create sustainable water projects in regions with great water shortages. On a voluntary basis, two Munich Re staff members from different divisional units are contributing their expertise to coordinating and supporting this process.

To do their part, the employees of ERGO have even started their own association: The non-profit organisation "ergo: wir helfen e.V." was founded by staff members to support social institutions and initiatives. Some 5,000 employees of ERGO have joined the organisation, which sponsors social projects. The primary focus is on assisting people in need, particularly children and young people. Thanks to the organisation, war-traumatised children from international crisis areas are receiving medical and psychological treatment in Germany.

An ERGO national team of amateur footballers, drawn from all over Germany, plays for charity. Every year, talented footballers can try out for the benefit match against Bundesliga team FC Schalke 04. ERGO donated the €10,000 proceeds from the 2012 benefit match to a social project in Gelsenkirchen. The entire donation will go to speech therapy for socially disadvantaged children in Gelsenkirchen.

### International projects providing more security

Risks in daily life are diverse. Munich Re's social commitment also includes the promise to offer security in social contexts whenever possible.

Last year, to cite another example, we partnered with GeoHazards International to launch a two-year disaster prevention project in a region in northern India with a high earthquake risk. The local measures include instruction and training on how to behave when earthquakes occur, and the structural consolidation of public buildings like schools, hospitals and other important infrastructure.

Munich Re of Africa, for instance, donates as one of their annual contributions to the non-profit organisation Boys and Girls Town in South Africa. The organisation is active in several cities, assisting and educating disadvantaged, abused and neglected children aged 8-16.

### Organisations supported by Munich Re:



© 2013 Water Benefit Partners

Efficient drip watering of agricultural land in India.



© 2012 Lalrinpui Tlau, GeoHazards International

Houses destroyed by earthquake in Aizawl, Northeast India.

### Related topics

- » [Dr. Hans-Jürgen Schinzler Foundation](#)
- » [DKV Foundation "Integralia"](#)
- » [Management: Diversity](#)

### External links

- » [ERGO: Social commitment](#)
- » [Eden Autism Services](#)
- » [GeoHazards International](#)
- » [Water Benefit Partners](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Commitment

## FOCAL AREAS

EDUCATION AND SCIENCE

ART AND CULTURE

SOCIAL COMMITMENT

HEALTH

## Health – Education and prevention

Munich Re is very much committed to helping create a healthier society by supporting health education, promoting sporting activities and financing life-saving technology.

In spite of all progress, there are still diseases that cannot be cured, though many can be treated if they are detected in good time. Other conditions can be prevented altogether, e.g. through a combination of exercise and a healthy diet. It is therefore also in Munich Re's interest to disseminate knowledge about health and to promote measures specifically designed to prevent, diagnose and treat diseases.

### Promoting health education

For this reason, we mainly support projects that focus on health education. ERGO Estonia, for instance, is devoted to prevention and health education for breast cancer. Using "mammobuses", mobile mammogram stations, ERGO Estonia aims to educate women about breast cancer and, in particular, about the possibilities of early detection. The buses travel throughout the country, stopping at public meeting points to offer women a free mammogram. The screening is backed by an information campaign on breast cancer.

### Promoting fitness – one step at a time

According to the latest DKV health report from 2012, the number of people who get sufficient exercise is on the decline. However, the number of people who consider themselves overweight is on the rise. For this reason, promoting physical fitness is a key part of our social commitment. After all, exercise promotes good health and helps prevent illness. DKV, "The health company", has launched the "Run" initiative, encouraging people to take control of their own health and get plenty of exercise as a step in the right direction.

The annual DKV Brückenlauf (bridge race) and DKV team race are a highlight of this programme. The 32nd DKV 15-kilometre team race was held in Cologne in 2012. Instead of a registration fee, DKV Deutsche Krankenversicherung, as event organiser, asked the participants to make a voluntary donation, thereby again providing an additional contribution to a good cause. In all, €6,900 was collected for the Kölner Kinderschutzbund.

DKV Seguros is the main sponsor of Intermón Oxfam Trailwalker, the world's largest team sporting event with a social background. Nearly 1,000 runners took part in the CaminoporAfrica charity walk, organised by both sponsors for aid projects in the Horn of Africa.

### Help for sick and disadvantaged children

ERGO is also devoted to helping people in difficult life situations. As the main sponsor of the Madeleine Schickedanz children's cancer foundation, ERGO supports juvenile cancer research to help improve cure rates for children and young people.

During the national "Bike to Work" campaign, for example, the ERGO Direkt team cycled some 35,000 kilometres, with ERGO Direkt donating 50 cents for each kilometre. ERGO Direkt Versicherungen has raised a total of €1,070,000 for the foundation to date.

DKV is one of the largest sponsors, partners and co-founders of the "Cuida'm" programme, which provides special medical care at no cost to children around the world from disadvantaged backgrounds. The programme partners with the Sant Joan de Déu children's hospital in Barcelona, which offers top-quality medical care. Some 19 children benefited from this in 2012.



### Downloads

» DKV report: How healthy are Germans? (PDF, 2.9 MB, German)

### External links

» ERGO: Health & Sport  
» DKV: Run (German only)  
» Cuida'm Programme  
» Madeleine Schickedanz-KinderKrebs-Stiftung (German only)



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Commitment](#)

## FOUNDATIONS

### MUNICH RE FOUNDATION

DR. HANS-JÜRGEN SCHINZLER  
FOUNDATION

ERGO “YOUTH & FUTURE”  
FOUNDATION

DKV “INTEGRALIA” FOUNDATION

## Munich Re Foundation – Improving living conditions

Munich Re adopts a forward-looking, prudent and responsible risk management approach. For around 130 years, we have created value over the long term by assuming a diverse range of risks globally. 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 prevention is an important element of the foundation's work, and there are a number of ongoing projects in this field. The €100,000 RISK Award, which was launched in 2012 in cooperation with the Davos Global Risk Forum and the United Nations International Strategy for Disaster Reduction (UNISDR), contributes to optimising global disaster management. In 2012, it was awarded to an early warning system in the city of Beira, Mozambique, designed to reinforce Beira's protective measures against floods and storms.

### Mozambique flood warning system

In 2000, more than 700 people died in heavy flooding in Mozambique. The Munich Re Foundation works to prepare people living in flood-prone areas better for disasters by operating and extending effective flood warning systems.

Since its launch, the Munich Re Foundation's Mozambique flood warning system project has helped establish simple but effective early warning systems along a number of rivers, including the Búzi and Save. It uses existing structures and the experience of well-known organisations to provide help as effectively as possible. Experts from the German Agency for International Cooperation (GIZ) and IPConsult, Stuttgart, set up the early warning system with the help of local experts and institutions and always in cooperation with the local population. The project is supported and endorsed by the region's inhabitants and politicians. They and the Munich Re Foundation make risk prevention possible for thousands of Mozambicans living near the rivers. As Eric Salas, local project partner, explains: “We can use our expertise to make things happen only if we receive effective aid resources thanks to the support of partners like the Munich Re Foundation.”

### Microinsurance safeguarding livelihoods

It is not only the field of disaster management in which the Munich Re Foundation's efforts are making a difference. Its worldwide projects are aimed at helping to achieve the United Nations Millennium Development Goal of ending poverty, which is why the foundation has organised a large annual International Microinsurance Conference since 2005. Microinsurance offers low-income population groups an opportunity to insure against risks, primarily health risks, cushioning them against the consequences of severe financial hardship.

### Forum for microinsurance experts

The conference offers representatives of the insurance industry, regulatory authorities, development organisations and research institutes a platform for discussing new ways to insure the lowest income groups at reasonable cost. The 2012 conference held in Dar es Salaam, Tanzania, attracted some 600 experts from 60 different countries, making it the biggest microinsurance conference in the world. It is held in turn in Africa, Asia and Latin America. The 2013 conference will be held in Jakarta, Indonesia.

### Climate change and education

In addition to poverty reduction and disaster prevention, the foundation's main pillars include providing information and education in the area of climate change. Together with the University of the United Nations in Bonn (UNU-EHS) and the International Centre for Climate Change and Development in Bangladesh (ICCCAD), the foundation is investigating ways for people in affected regions to prepare for climate change and reduce risks. One example is the construction of fog nets to extract drinking water in the Anti-Atlas mountain range in Morocco. These supply several villages with drinking water extracted purely from fog.

The foundation also holds annual open dialogue forums where participants can speak with experts from politics, science and media about current (global) issues. Guests to date have featured Jürgen Trittin, Gesine Schwan, Frank-Walter Steinmeier and many more. The 2013 dialogue forums will focus on the issue of “The (im)mobile society – ready for the future?”



Drinking water extraction in the Anti-Atlas mountain range, Morocco: Fog nets transform fog into drinking water.



Experts in dialogue: Jürgen Trittin visited a public discussion forum of the Munich Re Foundation in 2012.



Flood assistance exercise for the flood warning system in Beira, Mozambique.

### Related topics

» [Solutions: Microinsurance \(reinsurance\)](#)

### External links

» [Munich Re Foundation](#)  
» [Munich Re Foundation: Publications](#)

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 set up in 2004 with the aim of encouraging Munich Re employees to perform volunteer work. The foundation is now a successful forum for the Group's » corporate volunteering activities.

It aims to offer Munich Re's reinsurance staff active support around the world in their volunteer assignments. It provides the framework for employees or entire company departments to get involved in a wide range of fields, such as culture, health, environment, charity and research. 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 2012

Escaping the daily routine

Through joint outings and other activities, Munich Re's Group Controlling Division has been involved for four years with orphans from the St. Josef children's home in Milbertshofen, Munich. It started in the summer of 2009 with a barbecue, and has now become a regular and close association. Every three months, the employees get together with the children and youths for a change from the daily routine. In 2012, thanks to the support of the Schinzler Foundation, the children took part in some fun activities with the employees, including a barbecue, hiking trips and a Christmas party with gifts. The children's evident pleasure and the enriching experience for the employees have made for an even closer and lasting relationship. There are further excursions and activities planned for 2013.

A corn mill for Kalgondin

A close friendship with a family coming from Kalgondin, a very poor village in Burkina Faso, motivated a Munich Re employee and his wife to initiate efforts to help the inhabitants of the village. They ultimately selected two ideas with great potential. Firstly, to plant non-native plants that are highly resistant to drought, and secondly, to help the village and the surrounding region with a motorised mill. The Schinzler Foundation provided all the funding for the mill, without which the project would not be possible. Apart from the immediate advantage, the mill is an additional source of income for the village residents, because farmers from neighbouring areas also have their corn ground there.

Social day for Munich Re trainees

Traditionally, every trainee at Munich Re works for two "social days". They organise both of them alone, from selecting the project to financing, which is supported by the Schinzler Foundation.

In 2012, the Munich Re trainees devoted two days of corporate volunteering to Kindergarten FortSchrift (German for "progress") for developing the skills of mentally and physically disabled children in Munich. On the first day, the trainees and children got to know each other during a games day at the kindergarten. The second day took place at Munich Re's Schliersee Guest House in Neuhaus. Accompanied by the trainees, the children went on a sleigh ride through the snow and were then visited by Father Christmas, who brought them presents. The children thus experienced a different environment and spent two interesting days with Munich Re trainees as "new" young carers. They, for their part, gained an insight into a field of activity completely different from their usual work.

As part of their 2013 "social days", the trainees worked with the "Artists for Kids" child and youth development project to paint and furnish their new holiday home in Allgäu. For two days in a row, the trainees put the final touches to the 300-square-metre building. It was a valuable experience for all, with impressive results!



Social Day of Munich Re trainees 2013

External links

» [Schinzler Foundation](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Commitment

## FOUNDATIONS

MUNICH RE FOUNDATION

DR. HANS-JÜRGEN SCHINZLER  
FOUNDATION

ERGO “YOUTH & FUTURE”  
FOUNDATION

DKV “INTEGRALIA” FOUNDATION

## ERGO Foundation – creating prospects for the future

ERGO’s “Jugend & Zukunft” (“Youth & Future”) Foundation was set up to improve the career prospects of disadvantaged youngsters in Germany. A key element of this is a national award (“Bildungspreis”), which will be given each year to innovative education projects from 2013.

With the "bildungsstifter" ("educational promoters") platform designed by ERGO and renowned educational experts, the ERGO "Jugend & Zukunft" Foundation is focusing on young, groundbreaking projects that approach the topic of education in Germany in a special way.

The goal of the new award is to provide developmental assistance to outstanding projects so that they can provide national impetus in education. The award is targeted at four regions (North, South, East and West) and is based on the selection criteria of "bildungsstifter". From 2013, unlike the previous award, which was given for a broad range of topics in years past, it will focus on new, effective educational innovations in two ways. Firstly, with financial resources; and secondly, with practical support. New initiatives that have already generated success and have the potential for expansion are eligible.

### Goal: Become an educational promoter

The same core jury chooses the winner of this national award as decides on the qualification of the projects for "bildungsstifter". This ensures that the regional projects chosen by the Foundation have sufficient development potential. Jury members are Peter Spiegel (Genesis Institute for Social Innovation and Social Impact Strategies), Professor Stephan Breidenbach (Europa University Viadrina), Professor Rita Süßmuth (former Bundestag President), Professor Gerald Hüther (neurobiologist and author) and representatives from the foundation's Executive Board.

### Impetus from the Job Locomotive

The Hamburg Job Locomotive project is another focal item on the foundation's agenda, supporting socially disadvantaged youngsters in developing career perspectives and in starting training or work.



### External links

» [ERGO “Youth & Future” Foundation](#)



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» [Home](#) » [Commitment](#)

## FOUNDATIONS

MUNICH RE FOUNDATION

DR. HANS-JÜRGEN SCHINZLER FOUNDATION

ERGO “YOUTH & FUTURE” FOUNDATION

[DKV “INTEGRALIA” FOUNDATION](#)

## DKV “Integralia” Foundation – integrating people with disabilities

With the "Integralia" Foundation, DKV Seguros has set up special call centres that assign priority to people with physical disabilities.

DKV's "Fundación Integralia" is a non-profit organisation founded by DKV Seguros. Its mission is to promote integration and employment for persons with physical challenges. With this aim in mind, the foundation has established a number of call centres staffed by such individuals to take customer orders, schedule appointments and conduct customer satisfaction surveys. The foundation was launched in 1999 and currently employs more than 200 people, most of whom have severe physical disabilities.

The headquarters of "Integralia" in El Prat de Llobregat (Barcelona) employs over 66 persons. Since it was founded in November 1999, the foundation has received numerous national awards and honours, particularly for its commitment to the social integration of persons with disabilities. By 2007, according to Spain's Fundación Empresa y Sociedad (foundation for enterprise and society), this integration model already put DKV among the Spanish companies with the highest percentage of employees with disabilities.

### Highlights of "Integralia's" work in 2012

- The foundation's first international project, in Peru, gave 19 young professionals with physical disabilities the chance to enter the working world. Both partners of the "Integralia" Foundation – "Conadis", a sub-department of the Peruvian Ministry for Women and Social Development, and international social foundation "Konekta" – were critical to the project's success.
- Since 2012, a new board of the foundation has contributed its expertise and wealth of experience to the practical implementation of the planned foundation projects.
- For the first time since the foundation was launched, four employees with disabilities transferred from the call centre to other jobs at DKV Seguros. In the next three years, another 30 employees will follow suit.



© Fundacion DKV Integralia

Celebration of the employees for the 10 years-anniversary of Fundacion DKV Integralia in 2010.



© Fundacion DKV Integralia

The call-centre in Barcelona run by Fundacion DKV Integralia within DKV Seguros.

### External links

» [DKV “Integralia” Foundation](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#)



Shutterstock

# Facts and figures

Related topics

» [Service](#)

External links

» [ERGO: Facts & figures](#)

## Comprehensive and transparent

Munich Re aims to report comprehensively and transparently on its performance in the field of corporate responsibility. In this section, we therefore provide detailed figures and compact information.

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 indicators of the Global Reporting Initiative (GRI). The CR portal and the GRI disclosures, including the sector supplement, also constitute our Communication on Progress for the Global Compact.

We additionally report on how our corporate responsibility performance is assessed by actors in the financial markets and what partnerships and initiatives we are engaged in.

### Facts and figures

Key figures

- » Financial indicators
- » Environmental indicators
- » Employee indicators

Reporting

- » GRI and Global Compact
- » SRI indices, ratings and awards
- » Memberships and partnerships

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#) » [Facts and figures](#)

## Financial indicators (IFRS)

In the 2012 financial year, Munich Re posted a very satisfying profit of €3.2bn, thus clearly exceeding our original consolidated result target of €2.5bn. 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		2012	2011	2010	2009	2008
Gross premiums written	€bn	52.0	49.5	45.5	41.4	37.8
Net earned premiums	€bn	50.5	47.3	43.1	39.5	35.7
Net expenses for claims and benefits	€bn	41.0	40.9	36.6	32.4	28.7
Net operating expenses	€bn	12.6	12.0	11.1	10.2	9.1
Operating result	€m	5,350	1,180	3,978	4,721	3,834
Taxes on income	€m	866	-552	692	1,264	1,372
Consolidated result	€m	3,211	712	2,430	2,564	1,579
Attributable to non-controlling interests	€m	16	10	8	43	24
Earnings per share	€	17.98	3.94	13.06	12.95	7.74
Dividend per share	€	7.00	6.25	6.25	5.75	5.50
Amount distributed	€m	1,254	1,110	1,110	1,072	1,073
Share price at 31 December	€	136.00	94.78	113.45	108.67	111.00
Munich Re's market capitalisation at 31 December <sup>3</sup>	€bn	24.4	17.0	21.4	21.5	22.9
Book value per share	€	152.25	129.86	126.31	114.89	106.42
Investments	€bn	213.8	201.7	193.1	182.2	174.9
Equity	€bn	27.4	23.3	23.0	22.3	21.1
Return on equity	%	12.6	3.3	10.4	11.8	7.0
Off-balance-sheet unrealised gains and losses <sup>4</sup>	€bn	11.0	5.7	3.6	3.2	2.5
Net technical provisions	€bn	186.1	181.2	171.1	163.9	157.1
Balance sheet total	€bn	258.4	247.6	236.4	223.4	215.4
Staff at 31 December		45,437	47,206	46,915	47,249	44,209

<sup>1</sup> Previous years' figures adjusted owing to 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 the previous year have been adjusted accordingly. Comparability with the years 2009 and 2010 is thus limited.

<sup>3</sup> Up to and including 2010, this contains own shares earmarked for retirement.

<sup>4</sup> Including those apportionable to minority interests and policyholders.

#### Related topics

- » [Environmental indicators](#)
- » [Employee indicators](#)

#### Downloads

- » [Group annual report 2012 \(PDF, 7.8 MB\)](#)



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home    » Facts and figures

## Environmental indicators

As a financial services provider, Munich Re has only a small environmental footprint compared with that of manufacturing companies. Nevertheless, we are working continuously to minimise our emissions and consumption of resources.

In our reporting on our emissions and consumption of resources, we focus on the main environmental impacts for a financial services provider, namely our consumption of paper, energy and water, the waste we produce, the number of business trips taken and our greenhouse gas emissions. We continue to update our list of resources consumed, in order to cover additional items and thus to improve the reliability of our environmental indicators. As a result of this broader and enhanced statistical base, there are occasional retroactive changes in the key figures, because consumption is calculated based on more fundamental data.

### Related topics

- » Financial indicators
- » Employee indicators
- » Management: Environment

### External links

- » ERGO: Key environmental figures

### Munich Re's environmental indicators

Indicator	Unit	2012	2011	2010	2009
Proportion of certified Environmental Management System	% of employees	32	30	23	20
These figures account for 100% of all Munich Re (Group) employees.					
Proportion of data coverage	% of employees	75	71	70	68
Direct energy consumption	MWh per employee	4.71	6.13	3.28	4.35
Indirect energy consumption	MWh per employee	5.78	5.88	6.64	7.27
Paper consumption	t per employee	0.05	0.05	0.04	0.05
Water consumption	m³ per employee	19.98	19.06	18.55	19.73
Waste handling	t per employee	0.27	0.25	0.30	0.30
Business travel	km per employee	7,418	7,375	7,990	8,228
Total greenhouse gas emissions <sup>1</sup>	kg per employee	4,082	4,468	4,196	4,784
No. of staff as at 31 December		45,437	47,206	46,915	47,249

Summary of our current resource consumption and CO<sub>2</sub> emissions.

<sup>1</sup> Emission sources: Direct emissions from primary energy consumption (natural gas, heating oil, diesel for emergency generators), indirect emissions from power supplied by third parties (purchase of electricity and district heating), other indirect emissions (business trips, fuel for company vehicles, paper and water consumption, waste, excluding emissions from products and investments). Since 2011, we report data according to the Corporate Value Chain Accounting & Reporting Standard of the Greenhouse Gas Protocol (GHG).

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Facts and figures

## Employee indicators

Highly qualified, motivated and performance-oriented staff are key to the success of our business. Munich Re currently has some 45,000 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 2009–2012.

- Related topics
- » Financial indicators

» Environmental indicators

» Management: Responsibility towards staff

Munich Re employee indicators		2012	2011	2010	2009
Employees		45,437	47,206	46,915	47,249
Employees by line of business	Reinsurance (%)	24.4	23.8	24.2	23.9
	Primary insurance (%)	65.5	66.3	65.8	65.9
	Asset management (%)	1.8	1.6	1.6	1.7
	Munich Health (%)	8.3	8.3	8.3	8.5
Percentage of female staff					
	Female employees (%)	54	54	51	50
	Women in management (%)	29	26	24	n.a.*
These figures account for 100% of all Munich Re (Group) employees in 2012.					
No. of staff by age	Employees aged 29 and under (%)	12.8	14.2	11.8	11.7
	Employees aged 30 to 50 (%)	65.1	63.0	65.9	65.7
	Employees aged over 50 (%)	22.1	22.8	22.3	22.6
No. of staff by type of employment contract	Permanent employment (%)	96.0	94.2	97.8	98.2
	Temporary employment (%)	4.0	5.8	2.2	1.8
Sick leave	Sick leave (%)	4.7	4.1	4.3	4.2
Employee turnover rate	Weighted average turnover rate (%)	9.2	12.5**	7.5	6.4
Length of service	Average length of service (years)	11.6	10.8	9.5	n.a.*
These figures account for 70% of all Munich Re (Group) employees in 2012.					
Training	Training costs per staff member (€)	946	1,096	1,036	1,082
	No. of days' training per staff member	2.9	3.1	3.4	3.5
These figures account for 52% of all Munich Re (Group) employees in 2012.					

\* Owing to changes in the basis for calculation, there are no comparative figures available.  
\*\* Increase due to the higher data capture rate since 2011.

**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 has only limited comparability with figures from earlier years.

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home » Facts and figures

## GRI reporting and Global Compact Communication on Progress

In preparing the Munich Re Corporate Responsibility Portal, we have taken as a basis the G3 Principles of the Global Reporting Initiative (GRI) and the Financial Services Sector Supplement. Our aim is to make our performance more transparent and comprehensible. Application Level B has been confirmed by the GRI.

In August 2007, Munich Re joined the United Nations Global Compact. The indicators presented in the GRI disclosures simultaneously fulfil the requirements of the annual » **Communication on Progress Report**. We thus document the measures we have taken to firmly anchor the ten principles of the Global Compact in our operations.

The following tables contain summarised comments on the individual indicators and refer to Munich Re’s Corporate ResponsibilityPortal and other publications. All information is valid for Munich Re (Group), including examples of our different business lines – reinsurance, primary insurance (ERGO), Munich Health and MEAG.

Related topics

» Strategy: Our guiding principles

Download

» Global Reporting Initiative 2012 - Results of the GRI Report (PDF, 319 KB)

External links

» Global Compact  
» Global Reporting Initiative

Actions

» EXPAND ALL  
» COLLAPSE ALL

▼ Strategy, organisation and reporting profile

GRI No./ (GC*)	Performance indicator / Brief answer	Link	Degree of compliance
1.0	Strategy and analysis		
1.1	Statement from the most senior decision-maker of the organisation (e.g. CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy	<b>CR portal</b> » Statement CEO	Full
1.2	Description of key impacts, risks, and opportunities  In our core business, we accept global challenges ranging from climate change to demographic trends and combating poverty in developing countries. As an insurance group, we can help to deal with these challenges primarily by identifying, assessing and pointing out the associated risks early on, and then offering innovative insurance solutions for them wherever possible. In addition, we have combined the results of a current survey into a comprehensive materiality matrix, highlighting key impacts, risks and opportunities.	<b>CR portal</b> » Strategy and challenges » Solutions » Materiality analysis  <b>Group annual report 2012</b> » “Business environment, General parameters”: p. 64 ff. » “Risk report, Risk governance and risk management system”: p. 115 ff. » Download (PDF, 7.8 MB) » Carbon Disclosure Report 2012 (PDF, 144 KB)	Full
2.0	Organisational profile		
2.1	Name of the organisation  Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München		Full
2.2	Primary brands, products, and/or services  Our integrated business model realises synergies and diversification effects along the whole value chain. This is achieved by our three business fields – reinsurance, primary insurance (ERGO) and Munich Health – as well as our asset manager MEAG.	<b>Group annual report 2012</b> » “Our brands”: Back cover page 302; » “Management Report, Group structure”: pp. 31-36 » Download (PDF, 7.8 MB)  <b>Corporate website (Portrait)</b> » munichre.com	Full
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.  Munich Re is one of the world’s leading risk carriers. Our integrated business model rests on three pillars –reinsurance, primary insurance (ERGO) and Munich Health, complemented by MEAG, Munich Re’s asset manager.  Reinsurance business is organised in six divisions (Life; Europe and Latin America; Germany, Asia Pacific and Africa; Special and Financial Risks; Global Clients and North America) and Munich Health.  Primary insurance business in Germany is divided into the segments life, health and property-casualty and operates under the brand name ERGO. This is supplemented by international business.  MEAG manages Munich Re’s assets for all three pillars, and offers investment products for private clients and institutional investors.	<b>Group annual report 2012</b> » “Munich Re, Management Report, Group structure”: pp. 31–36; » “List of shareholdings...”: pp. 276–285 » Download (PDF, 7.8 MB)	Full
2.4	Location of organisation's headquarters		Full

	Munich, Germany		
2.5	<p>Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report</p> <p>Munich Re is an international group with operations in Africa, Asia, Australia and New Zealand, Europe, Latin America and North America. Details of our global presence can be found on the individual websites of our business units.</p>	<p><b>Group annual report 2012</b></p> <p>» “Munich Re’s global presence”: cover 2</p> <p>» Download (PDF, 7.8 MB)</p> <p><b>Websites</b></p> <p>» Munich Re (Reinsurance)</p> <p>» ERGO</p> <p>» Munich Health</p> <p>» MEAG</p>	Full
2.6	<p>Nature of ownership and legal form</p> <p>Munich Reinsurance Company is a joint-stock company (Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München).</p>	<p><b>Group annual report 2012</b></p> <p>» “Munich Re shares”: p. 10 ff</p> <p>» Download (PDF, 7.8 MB)</p> <p><b>Website</b> (Shareholder profile)</p> <p>» munichre.com</p>	Full
2.7	<p>Markets served</p> <p>Munich Re engages in reinsurance and primary insurance (ERGO) worldwide. It also provides asset management services (MEAG). Munich Re serves institutional investors, small and medium-sized businesses, and private clients. The Group offers its services through its branches and subsidiaries in the United States, Canada, Poland, Italy, India, the United Kingdom, France, Spain, China, Korea, Hong Kong, Singapore, Malaysia, Switzerland, South Africa, Australia and New Zealand, and other countries.</p>	<p><b>Group annual report 2012</b></p> <p>» “Munich Re’s global presence”: cover 2</p> <p>» Download (PDF, 7.8 MB)</p>	Full
2.8	<p>Scale of the reporting organisation</p> <p>On 31 December 2012, the number of staff employed by Munich Re (Group) was 45,437.</p> <p>Consolidated result: €3,211m</p> <p>Analysis of our capital structure: Munich Re’s capital structure is essentially governed by its activity as an insurer and reinsurer. Investments on the assets side of the balance sheet serve mainly to cover technical provisions (74.3% of the balance sheet total). Equity (10.6% of the balance sheet total) and bonds classified as strategic debt (2.2% of the balance sheet total) are the most important sources of funds.</p> <p>Number of products and services offered: Munich Re is one of the world’s leading risk carriers. The Group’s business operations cover the whole value chain of reinsurance and primary insurance (ERGO). Munich Re is also active in the field of asset management (MEAG).</p>	<p><b>Group annual report 2012</b></p> <p>» “Business performance”: p. 69 ff.</p> <p>» “Financial position”: p. 99 ff.</p> <p>» “Consolidated financial statements”: p. 149 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full
2.9	<p>Significant changes during the reporting period regarding size, structure, or ownership</p> <p>Our primary insurance ERGO signed a joint-venture agreement with the Avantha Group in India. The new company will offer life insurance products for private clients. ERGO is thus strengthening its presence in the emerging Asian markets.</p> <p>Munich Health, Munich Re’s health specialist, and the underwriting agency International Reinsurance Managers, LLC, have agreed to cooperate in the Latin American health reinsurance market. Their aim is to offer cedants their global pricing know-how and services specifically geared to Latin American customers’ challenges.</p>	<p><b>Group annual report 2012</b></p> <p>» “Management Report, Group structure”: p.31 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full
2.10	<p>Awards received in the reporting period</p> <p>Munich Re won a range of awards in 2012, e.g. Nikolaus von Bomhard, Chairman of Munich Re’s Board of Management, was chosen as the 2012 Insurance Leader of the Year by St. John’s University’s School of Risk Management in New York. Our webpage » “SRI indices and awards“, provides a selection of the awards and prizes conferred on Munich Re in the reporting period.</p>	<p><b>CR portal</b></p> <p>» SRI indices, ratings and awards</p>	Full
3.0	<b>Report parameters</b>		
3.1	<p>Reporting period for information provided</p> <p>On its Corporate Responsibility Portal, Munich Re presents CR-specific information in the reporting period 1 January to 31 December 2012.</p> <p>The editorial deadline was 1 May 2013. Measures taken up to that date in 2013 in a number of units have been included in the reporting. On the homepage of the CR Portal, Munich Re also reports regularly on the latest significant developments in the area of Corporate Responsibility.</p> <p>Unless otherwise specified, quantitative data on the portal relate to the period 1 January to 31 December 2012.</p>	<p><b>CR portal</b></p> <p>» About CR portal</p> <p>» Corporate responsibility news</p>	Full

3.2	Date of most recent previous report		Full
	The last CR Report was published on the CR portal in July 2012.		
3.3	Reporting cycle		Full
	Annual		
3.4	Contact point for questions regarding the report and its contents	<b>CR portal</b> » Contact	Full
	Georg Schwarz » <a href="mailto:responsibility@munichre.com">responsibility@munichre.com</a>		
3.5	Process for defining report content	<b>CR portal</b> » Stakeholder dialogue » Materiality analysis	Full
	Our stakeholders' main expectations are the basis for the topics chosen for the Corporate Responsibility Portal. Munich Re cultivates ongoing, open and constructive communication with its stakeholders. The materiality process for confirming this year's reporting content was conducted with a small defined group of stakeholders.		
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	<b>CR portal</b> » About CR portal	Full
	The Corporate Responsibility Portal covers Munich Re (Group) as a whole, including examples of reinsurance, primary insurance (ERGO), Munich Health and MEAG. The basis for the boundaries are the employees included in the Annual Report.		
3.7	State any specific limitations on the scope or boundary of the report	<b>CR portal</b> » About CR portal	Full
	The Corporate Responsibility Portal addresses the most important and relevant activities in the field of Munich Re's Corporate Responsibility. All subsidiaries over which Munich Re has financial control and whose employees are covered by the Annual Report have been included within the reporting boundary.		
3.8	The basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations	<b>CR portal</b> » Facts and figures	Full
	In accordance with the Global Reporting Initiative GRI G3 guidelines, the CR Portal covers data and information for all companies in which Munich Re has a controlling interest. The key figures concerning human resources and the environmental sector relate to approximately 75% of Munich Re's employees and are extrapolated. All other information presented in the key figures refers to the Group as a whole.		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report	<b>CR portal</b> » Facts and figures	Full
	In 2009, Munich Re started collecting environmental data and information relevant to Corporate Responsibility Group-wide using a special corporate responsibility software solution. In 2012, activity data and emission factors were updated in line with the new Greenhouse Gas Protocol value chain standard, so that all environmental figures were recalculated accordingly.  Our data management system has increased the coverage of our reporting system from 45% to 75% of Group staff. To derive the environmental data for the Group as a whole, all data were extrapolated to 100% of staff.		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	<b>CR portal</b> » Facts and figures	Full
	We generally report on several years in order to show the development of performance indicators. The reasons for re-statements generally are 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 re-statements are explained for the affected indicators where applicable.		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report		Full
	We further expanded and improved our CR information system in 2012. As a result, our data collection now covers a good 75% of our employees. Our efforts to improve data availability and quality are focused on our Environmental Management System (EMS). No significant changes occurred in 2012 with regard to measurement and calculation methods.		
3.12	Table identifying the location of the standard disclosures		Full
	The information is included in this GRI summary document.		



References to webpages in the CR Portal and our Annual Report have been included above.

3.13 Policy and current practice with regard to seeking external assurance for the report Full

Munich Re recognises that good reporting relies on plausible data of high quality. Hence the Group works with a proven sustainability software system (SoFi) that enables a decentralised and dependable data collection process. Currently, only selected data reported in the Munich Re Corporate Responsibility Portal has been validated by a third party (e.g. environmental data of Munich Re Munich and DKV Seguros according to ISO14064 – approximately 10% of data coverage). However, Munich Re is confident that data quality is high and is making every effort to further improve and broaden its CR data management and reporting.

▼ Governance, commitments and engagement

GRI-No./ (GC*)	Performance indicator / Brief answer	Link	Degree of compliance
4.0	Governance, commitments and engagement		
4.1	<p>Governance</p> <p>Munich Reinsurance Company is a joint-stock company ("Aktiengesellschaft") under the German Stock Companies Act. It has three governing bodies: the Board of Management, the Supervisory Board and the Annual General Meeting. Their functions and powers derive from the relevant legal provisions, the co-determination agreement and the Articles of Association. The Munich Re Corporate Responsibility Department is part of the Group Development Division, which reports directly to the Chairman. Besides this, a Group Corporate Responsibility Committee was recently established.</p>	<p><b>Group annual report 2012</b></p> <p>» "Corporate governance report and corporate governance statement": pp.19-28</p> <p>» Download (PDF, 7.8 MB)</p> <p><b>Corporate website</b> (Articles of Association)</p> <p>» munichre.com</p>	Full
4.2	<p>Indicate whether the Chair of the highest governance body is also an executive officer</p> <p>The Chairman of Munich Re's Supervisory Board – Dr. Hans-Jürgen Schinzler (until 12/2012) and Bernd Pischetsrieder (since 01/2013) – is not the Chairman of Munich Re's Board of Management.</p>	<p><b>Group annual report 2012</b></p> <p>» "Corporate governance report and corporate governance statement": pp.19-28</p> <p>» Download (PDF, 7.8 MB)</p>	Full
4.3	<p>For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members</p> <p>We do not have a unitary board structure, so this does not apply.</p>		Full
4.4	<p>Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body</p> <p>Munich Re offers institutional investors, private investors and employees a range of opportunities for input into decision-making. These include annual general meetings, a shareholder hotline, a suggestion scheme and blogs. Munich Re was one of the first DAX 30 companies to offer its shareholders a postal vote for the annual general meeting and the possibility to participate in the meeting via livestream and vote on items of the agenda at the annual general meeting without necessarily being present. In addition to a Group-wide staff council, there are also local staff councils.</p>	<p><b>Website</b> (Investor &amp; Rating Agency Relations)</p> <p>» munichre.com</p>	Full
4.5	<p>Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organisation's performance</p> <p>Individual three-year objectives (2012–2014) for executive managers are linked to environmental, social or governance metrics and targets relating to approx. 3% of the total remuneration.</p>	<p><b>Group annual report 2012</b></p> <p>» "Remuneration report": p. 46 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full
4.6	<p>Processes in place for the highest governance body to ensure conflicts of interest are avoided</p> <p>In compliance with German law, Munich Re follows a dual management system that provides for independent supervision of the Board of Management by the Supervisory Board. In addition, Munich Re's Code of Conduct includes rules and guidance to prevent and address potential conflicts of interest. Also, further guidelines are in place to ensure that conflicts of interest are avoided.</p>	<p><b>Corporate website</b> (Code of Conduct, Section 4)</p> <p>» munichre.com</p> <p><b>CR portal</b></p> <p>» Corporate governance</p>	Full
4.7	<p>Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics</p> <p>The basis for the identification of suitable candidates for the Supervisory Board is a detailed catalogue of criteria formulating the technical and personal standards that candidates must fulfil.</p>	<p><b>Group annual report 2012</b></p> <p>» "Board of Management": p. 101 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full
4.8	Internally developed statements of mission or values, codes of	<b>Corporate website</b> (Code of	Full



	<p>conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation</p> <p>It is an integral part of Munich Re's business model as a global insurance group to adopt a forward-looking and responsible approach throughout our organisation. The Core Principles for Munich Re, established in 2012, further strengthened our Corporate Responsibility approach, making it an integral part of our corporate strategy and relevant for all business areas and operations. The statements rest on the three action fields – (1) CR in business, (2) the Environmental Management System and (3) Corporate Citizenship – and is supported via Strategy/ Governance and Communication.</p> <p>Besides this, the Munich Re Code of Conduct sets out what we understand by legally impeccable behaviour, based on ethical principles, specifying high-level ethical and legal requirements that must be met by every employee, as well as our shared responsibility towards the public, our business partners and ourselves. It serves as the basis for » <b>codes of conduct</b> within the Group (e.g. ERGO) and it contains regulations that are binding on all Munich Re employees including the management. In 2013, a specific reference to the UN Global Compact was added. Environmental protection is also part of the codes of conduct. Besides this, a special code of conduct for the sales agents of ERGO was implemented in the course of 2011 as part of their employment contract.</p> <p>Moreover, we were the first signatory of the Principles of Responsible Investment (PRI) in 2006 and signed the Principles for Sustainable Insurance (PSI) in July 2012.</p>	<p>Conduct) » <a href="http://munichre.com">munichre.com</a></p> <p><b>ERGO website</b> (Code of Conduct) » <a href="http://ergo.com">ergo.com</a></p> <p><b>CR portal</b> » Guiding principles » Compliance</p>	
4.9	<p>Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles</p> <p>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.</p> <p>Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance. The Supervisory Board monitors Munich Re's management and the effected long-term increase in corporate value. Since 2011, Board members have received an Annual Performance Report on Corporate Responsibility. Munich Re's information management provides for detailed analysis of economic, environmental and social factors. Regular reports are prepared for perusal by the Supervisory Board.</p>	<p><b>Group annual report 2012</b> » "Report of the Supervisory Board": (pp. 21–25) » Download (PDF, 7.8 MB)</p> <p><b>CR portal</b> » Strategy &amp; challenges » Corporate governance</p>	Full
4.10	<p>Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance</p> <p>The Supervisory Board monitors Munich Re's management and the effected long-term increase in corporate value. Since 2011, Board members have received an Annual Performance Report on Corporate Responsibility. Munich Re's information management provides for detailed analysis of economic, environmental and social factors. Regular reports are prepared for perusal by the Supervisory Board.</p>	<p><b>Group annual report 2012</b> » "Report of the Supervisory Board": (pp. 21–25) » Download (PDF, 7.8 MB)</p>	Full
4.11 (7)	<p>Explanation of whether and how the precautionary approach or principle is addressed by the organisation</p> <p>Munich Re's commitment to the precautionary principle is reflected in its sophisticated risk management. The development of its risk strategy is embedded in the annual planning cycle, and hence in Munich Re's business strategy.</p> <p>The risk strategy is approved by the Board of Management and discussed regularly with the Supervisory Board. Furthermore, our internal control system (ICS) is a uniform worldwide system for managing operational risks integrated across all risk dimensions and areas of the Group. It both meets Group management needs and complies with local regulations.</p>	<p><b>Group annual report 2012</b> » "Risk report": p. 115 ff. » Download (PDF, 7.8 MB)</p> <p><b>CR portal</b> » Risik management</p> <p><b>Website</b> (Risik management) » <a href="http://munichre.com">munichre.com</a></p>	Full
4.12	<p>Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses</p> <p>Munich Re joined the United Nations Global Compact in August 2007 and is a signatory to the German Charter of Diversity (Charta der Vielfalt).</p> <p>In April 2006, Munich Re became the first German company to sign the UN Principles for Responsible Investment (PRI). As a leading</p>	<p><b>CR portal</b> » Memberships and cooperations » Objectives</p>	Full

	<p>member of the Principles for Sustainable Insurance (PSI) Working Group, we have been actively promoting and supporting the efforts to establish a common framework of principles for the insurance industry, which we duly signed in June 2012. In addition, Munich Re supports a range of other international and national CR initiatives and organisations.</p>		
4.13	<p>Memberships in associations and/or national/international advocacy organisations</p> <p>Munich Re is represented in and actively contributes to numerous associations, interest groups and organisations. These include the German Insurance Association (GDV), the German Insurance Employers' Association, UNEP FI Insurance Commission and Climate Working Group, Principles for Responsible Investment (PRI), Principles for Sustainable Insurance (PSI), Global Earthquake Model (GEM), World Economic Forum (WEF), Global Climate Forum, International Insurance Society, German Industry Union (BDI), CDP, European Insurance CFO Forum, European Severe Storms Laboratory (ESSL), and the Munich Climate Insurance Initiative (MCII).</p>	<p><b>CR portal</b></p> <p>» Memberships and cooperations</p>	Full
4.14	<p>List of stakeholder groups engaged by the organisation</p> <p>The main Munich Re stakeholder groups are shareholders, staff, clients (including brokers), analysts, investors, rating agencies, media/press, scientists, non-governmental organisations (NGOs), representatives from politics and administration, trade unions and interested members of the public.</p>	<p><b>CR portal</b></p> <p>» Stakeholder dialogue</p> <p>» Memberships and cooperations</p>	Full
4.15	<p>Basis for identification and selection of stakeholders with whom to engage</p> <p>Munich Re has always placed great emphasis on transparency and dialogue with its stakeholders, including insurance and reinsurance clients, the media and general public, employees, and capital market players, as well as NGOs, political entities and trade unions. Identification and selection of stakeholders are the responsibility of different departments, including Investor Relations (investors and analysts, rating agencies); Group Development – Corporate Responsibility (society, SRI contacts, NGOs); Group Communications (press relations); Human Resources (employees, trade unions); and the Munich Re business units (customers).</p>	<p><b>CR portal</b></p> <p>» Stakeholder dialogue</p> <p>» Memberships and cooperations</p>	Full
4.16	<p>Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group</p> <p>Communication with our stakeholders at local, national and international level is our basis for responsible action.</p> <p>Responsibility for stakeholder dialogue is decentralised to ensure frequent in-depth engagement that systematically informs Munich Re's decision-making.</p>	<p><b>CR portal</b></p> <p>» Stakeholder dialogue</p> <p>» Memberships and cooperations</p>	Full
4.17	<p>Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through reporting</p> <p>The different expectations and needs of the stakeholder groups are ascertained by means of ongoing direct dialogue and through studies and surveys/questionnaires. For instance, client surveys are carried out regularly and their results critically reviewed by Munich Re. Prime concerns raised by Munich Re's stakeholders include transparency and climate change. Munich Re addresses the concern of climate change, for example, by offering specific (re)insurance products, intensifying research into the effects of climate change, and investing in assets with reduced climate risks.</p>	<p><b>CR portal</b></p> <p>» Stakeholder dialogue</p> <p>» Climate change</p>	Full

▼ **Economic performance indicators**

<b>GRI No./ (GC*)</b>	<b>Performance indicator / Brief answer</b>	<b>Link</b>	<b>Degree of compliance</b>
EC (1, 4, 6, 7)	<p>Management approach</p> <p>Turning risk into value – that is what Munich Re has been doing successfully for around 130 years. As an integrated insurance and reinsurance group, Munich Re adopts an international and interdisciplinary approach with a view to finding solutions that are viable for the future for our company, our clients and investors, and other stakeholders.</p> <p>Analysing and carrying complex risks requires expertise in many disciplines.</p> <p>The year 2012 was marked by the continuing sovereign debt and banking crisis in the eurozone and a further cooling of global economic growth. Monetary policy in the major industrialised countries remained expansive, yields on US and German government bonds fell further, and inflation rates stayed moderate worldwide, whilst the stock markets advanced.</p>	<p><b>Group annual report 2012</b></p> <p>» "Our strategy": p. 15 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full
EC1	<p>Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and</p>	<p><b>Group annual report 2012</b></p> <p>» "Key figures (IFRS)": cover</p>	Full

other community investments, retained earnings, and payments to capital providers and governments

Summary of the figures for the financial year 2012

The return on risk-adjusted capital (RORAC) totalled 13.2% for the 2012 financial year, compared with 3.2% in 2011. The RORAC for 2012 was therefore gratifyingly only marginally below the long-term target of 15% that we had first set for ourselves in 2006, when market interest rates were significantly higher. We clearly surpassed our profit target of €2.5bn for 2012, equivalent to a RORAC of around 10%.

We want our shareholders to participate in last year's success and will therefore propose to shareholders at the Annual General Meeting payment of a dividend of €7.00 (6.25) per dividend-bearing share.

Personnel expenses

The following personnel expenses are included in the operating expenses, in the expenses for claims and benefits (for claims adjustment) and in the investment result (please see Group annual report, page 266):

Breakdown of personnel expenses in 2012  
Wages and salaries: €2,727m  
Social security contributions and employee assistance: €490m  
Expenses for employees' pensions: €217m  
Total: €3,434m

Donations and social investment

CC spending of MR-Group in 2012: €4,905,376  
Additional spending such as donations in kind, donations to political parties MR, Corporate Volunteering hours and the three foundations are not included.

From 2011 on, political donations have been evenly and transparently distributed between all non-extreme parties:  
Munich Re Group: €150,000.  
Reinsurance and primary insurance (ERGO) each donate €15,000 to each of the main political parties in Germany (CDU, CSU, SPD, Die Grünen, FDP).

In addition, ERGO donates another €18,000 to political organisations closely affiliated with the above-mentioned parties, such as Wirtschaftsrat CDU e.V.

Donations in kind amounted to €30,866.

The projects and activities of Munich Re's three foundations (Munich Re Foundation, Dr. Hans Jürgen Schinzler Foundation, and the ERGO Foundation "Youth&Future") demonstrate how we can provide active support and deliver effective solutions for global, social and scientific challenges.  
Project funding of the three foundations: €1,181,180.

- page 2;
- » "Business performance": p. 69 ff.;
- » "Notes to the consolidated balance sheet – Equity and liabilities", p. 218
- » Download (PDF, 7.8 MB)

CR portal

- » Corporate Citizenship
- » Facts and figures

EC2 (7)	<p>Financial implications and other risks and opportunities for the organisation's activities due to climate change</p> <p>Munich Re's core business is to cover risks, including climate change risks. Since climate change modifies the probable distribution of weather-related losses, it can directly affect our business.</p> <p>As a global risk carrier, we therefore have to factor the risk changes into our underwriting, and have our own team of geo risks experts that constantly update our knowledge of the direct impacts of climate change. We have set up climate-change early-warning systems and teams to monitor signs of any effects the phenomenon may be having on society, the environment, the economy and our political and legal systems. Climate change is part of risk assessment and cannot be isolated from the overall product and pricing. Currently and in the future, climate change and its related implications will lead to a general increase in demand for insurance solutions and consultancy services. This will result in new business potential for Munich Re.</p> <p>To address the physical effects of climate change on our clients, we are developing insurance covers or other risk solutions. This is part of our usual business activities, and hence does not incur additional costs. Our insurance products are customer-tailored and differ widely according to the client's needs and the specific risk.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Insurance solutions for renewable energies</li><li>» Power from the desert</li><li>» RENT project</li><li>» Climate change</li><li>» Solutions</li></ul> <p>» CDP 2013 (PDF)</p> <p><b>Group annual report 2012</b></p> <ul style="list-style-type: none"><li>» "Climate change": p. 132 ff.</li><li>» Download (PDF, 7.8 MB)</li></ul> <p><b>Website</b> (Climate change)</p> <ul style="list-style-type: none"><li>» munichre.com</li></ul>	Full
EC3	<p>Coverage of the organisation's defined benefit plan obligations</p> <p>Munich Re companies generally give commitments to their staff in the form of defined contribution plans or defined benefit plans. The type and amount of the pension obligations are determined by the conditions of the respective pension plan. In general, they are based on the staff member's length of service and salary. Company pensions are a central component of our human resources policy.</p>	<p><b>Group annual report 2012</b></p> <ul style="list-style-type: none"><li>» "Other accrued liabilities": p. 182 f.</li><li>» Download (PDF, 7.8 MB)</li></ul>	Full
EC4	<p>Significant financial assistance received from government</p> <p>None</p>		Full
EC5	<p>Range of ratios of standard entry level wage compared to local</p>	<p><b>Group annual report 2012</b></p>	Full

(1)	minimum wage at significant locations of operation	<a href="#">» "Personnel expenses": p. 266</a> <a href="#">» Download (PDF, 7.8 MB)</a>	
	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). In 2012, it paid € 2,727m in salaries and wages (excluding social security, pension benefits).		
EC6	<p>Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation</p> <p>As our core business has separate business lines (reinsurance and primary insurance [ERGO]), we have two units in charge of handling our procurement processes. Both have Group-wide responsibility for their business line and they work closely together in order to exchange know-how and exploit synergies. Activities are based on the same principles, but with local freedom of application. Throughout the Group, adherence to the highest ethical and environmental standards is axiomatic and is clearly stipulated in our Code of Conduct. The evaluation of tenders favours local suppliers by gaining them extra points in the evaluation process.</p> <p><b>Reinsurance</b> An internal guideline stipulates the inclusion of a Corporate Responsibility clause in all new or renegotiated contracts. This clause requires our business partners to comply with UN Global Compact principles. We see it as our duty to extend this commitment to our suppliers and appeal to them to observe these principles and standards, which are as follows:</p> <p>Complying with the relevant laws Adhering to the basic principles of human rights, labour law, environmental protection and anti-corruption</p> <p>2.1 Protecting human rights 2.2 Complying with labour standards 2.3 Contributing to environmental protection 2.4 Stopping corruption</p> <p>Applying these principles to the supply chain The corporate responsibility clause is currently only applicable at our Munich headquarters, covering approx. 90% of overall spending, but will be implemented further through a graduated scheme.</p> <p><b>Primary insurance</b> The ERGO Purchasing Guideline for Work and Services is mandatory for all supplier relationships. Among other important aspects, it outlines that for a formal tender, a self-disclosure by the provider is mandatory before it becomes a supplier. Furthermore, a detailed supplier self-disclosure (including various questions related to environmental aspects and environmental certificates) is required for a purchasing volume of €1m or more.</p>	Full	
EC7 (6)	<p>Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation</p> <p>Our staff are recruited primarily on the local labour market unless a shortage of people with appropriate skills obliges us to look elsewhere – nationwide or on an international level. Munich Re complies with the applicable local labour laws and regulations. Most members of our Board of Management started their career within Munich Re. Jobs in our international organisation are advertised on our global intranet and we operate a talent development programme under which specialist and management staff at all levels are temporarily seconded to Munich Re offices in other countries.</p>	<b>CR portal</b> <a href="#">» Training and development</a>	Full
EC8	<p>Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement.</p> <p>As an internationally operating group, Munich Re accepts its responsibility towards the communities in which we live and work, investing in projects that have a positive impact on the infrastructure and therefore serve the public interest. In general, we pursue two approaches: – Public-private partnerships (PPP), e.g. CLIMBS – Microinsurance, e.g. HDFC ERGO</p> <p>Structural or economic change processes, such as those resulting from climate change, new legislation, more complex supply chains or outsourcing, offer new opportunities. For instance, our reinsurance activities support the development of new energy infrastructure projects (e.g. covers for photovoltaic modules and additional financing choices for solar parks and other customers).</p> <p>In close collaboration with important players (e.g. MFIs, NGOs), Munich Re is also active in the microinsurance segment. We analyse selected markets and develop insurance solutions that meet commercial requirements while simultaneously helping the disadvantaged to achieve access to adequate financial solutions.</p> <p>The Dr. Hans-Jürgen Schinzler Foundation and the Munich Re Foundation are actively engaged in pro bono and community</p>	<b>CR portal</b> <a href="#">» Insurance solutions for renewable energies</a> <a href="#">» Munich Climate Insurance Initiative</a> <a href="#">» CLIMBS</a> <a href="#">» ERGO microinsurance</a>	Full



investments.

EC9	<p>Understanding and describing significant indirect economic impacts, including the extent of impacts</p> <p>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.</p> <p>Renewable energies: The principal risk drivers for investments in renewable energies are technology and geographical factors. Assessing these risk drivers is the daily business of our insurance experts. One of the key objectives of the RENT (Renewable Energies and New Technologies) initiative is therefore to use this know-how as a basis for investment decisions. As part of this investment programme, MEAG is investing in German power grids and solar plants in Italy and Spain. By the end of the year, around €1bn of RENT's €2.5bn target had been invested in this way.</p> <p>Climate change: Munich Re is a financial and insurance sector leader in the field of climate-change analysis. We are taking steps to avoid greenhouse gas emissions in our own business operations, one of our major objectives being to achieve carbon neutrality in our reinsurance operations worldwide by 2012 and at Group level by 2015.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Insurance solutions for renewable energies</li><li>» RENT project</li><li>» Climate change</li></ul>	Full
-----	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------	------

▼ Environmental performance indicators

GRI-No./ (GC*)	Performance indicator / Brief answer	Link	Degree of compliance
EN (7–9)	<p>Management approach</p> <p>Preserving our natural resources is part of corporate responsibility management, as our economic success is inseparably linked with protecting people, the environment, and physical resources. We aim to reduce as far as possible the environmental impact directly and indirectly arising from our business operations, as well as to sensitise our staff to the relevant issues.</p> <p>We are seeking to keep our direct environmental impact to an absolute minimum. This commitment is laid out in our mission statement approved by the Munich Re Board of Management in 2011. It is our Group-wide strategy and target to reduce greenhouse gas emissions by 10% per employee by 2015 (by means of our environmental management system [EMS] and on the baseline of 2009 emissions) and also to become carbon-neutral. Since 2009, carbon neutrality has been achieved for Munich Re's headquarters in Munich. ISO 14001 certified environmental management systems have been introduced at several sites (coverage approximately 30%), with a particular commitment from our operations in Germany, the UK and Spain. We are seeking to achieve our environmental goals in accordance with the highest technical standards wherever economically feasible. In general, we report on relative numbers according to our employees; in the GRI table, we report on absolute and extrapolated figures.</p> <p>As a reinsurer, insurer and asset manager, Munich Re's acknowledges the indirect impact we have through our business activities and transactions. Munich Re is therefore committed to good-practice business principles that favour low-impact projects and activities, as well as investments that meet Munich Re's sustainable investment criteria.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Environmental management</li><li>» Climate protection</li><li>» Operational ecology</li><li>» Environmental indicators</li><li>» Guiding principles</li></ul>	Full
EN1 (8)	<p>Materials used by weight or volume</p> <p>As Munich Re is a services provider, its consumption of materials is limited. Major consumption occurs for paper, amounting to 2,189 tonnes in 2012.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Operational ecology</li><li>» Environmental indicators</li></ul>	Full
EN2 (8, 9)	<p>Percentage of materials used that are recycled input materials</p> <p>54% of paper consumed in 2012 was from recycled sources.</p>		Full
EN3 (8)	<p>Direct energy consumption by primary source</p> <p>We consumed 213,803 MWh of direct energy in 2012 (mainly heating oil, gas, and diesel for back-up generators), including 56% from renewable energy sources (electricity and heat generated ourselves).</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Climate protection</li><li>» Operational ecology</li><li>» Environmental indicators</li></ul>	Partial
EN4 (8)	<p>Indirect energy consumption by primary source</p> <p>We consumed 262,816 MWh of indirect energy in 2012 (mainly electricity and district heating), including 64% from renewable energy sources/green electricity.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Climate protection</li><li>» Operational ecology</li><li>» Environmental indicators</li></ul>	Partial
EN5 (8, 9)	<p>Energy saved due to conservation and efficiency improvements</p> <p>Munich Re Group companies resolutely strive to conserve resources and consume less energy. As a result, Munich Re's direct and indirect energy consumption could be reduced by 19% to 476,619 MWh between 2011 and 2012.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"><li>» Climate protection</li><li>» Operational ecology</li><li>» Environmental indicators</li></ul>	Partial

A couple of selected projects illustrate the efforts undertaken across the Group: At Munich Reinsurance America, a 2.5-MW solar power system was built on a carport structure, reducing annual electricity costs by almost \$500,000.

Additionally, Munich Re considers green building standards in its real estate management: e.g. Maria-Josepha-Strasse. The GreenBuilding certification awarded confirms that a building undercuts the 2007 German Energy Saving Ordinance limit by more than 25% and is awarded to the owners of commercial buildings whose energy-saving designs promote sustainable.

EN6 (8, 9)	<p>Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives</p> <p>Our innovative insurance solutions provide opportunities for our clients to make sustainable investments. We are firmly committed to finding innovative coverage concepts for new and complex risks, as well as integrated solutions. In addition, Munich Re's asset management focuses on assets that meet defined CR criteria, thereby ensuring preferred investments in companies that in turn provide products and services with sustainability credentials.</p> <p>Offshore wind parks, solar and geothermal installations and energy-efficiency technologies are possible only if the risks are insured. As a reinsurance company, Munich Re enables such projects by offering productivity risk insurance, and actively monitors the complex and ever-changing factors that determine the insurability of relevant projects.</p> <p>In 2009, our reinsurance group and MEAG set up the RENT (Renewable Energies and New Technologies) project. Since then, experts from the reinsurance group and MEAG have been sounding out the potential for strategic investment in renewable energy and new technologies. Total investment under RENT within the next ten years is projected at up to €2.5bn.</p> <p>Munich Re clients seeking sustainable investment options can choose from insurance and investment funds such as MEAG's successful climate strategy ("Klimastrategie") fund which is made up of a selection of global companies whose operations are designed to curb climate change by cutting carbon emissions or to promote sustainable development.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» RENT project</li> <li>» Insurance solutions for renewable energies</li> <li>» Eco-friendly insurance solutions</li> <li>» Asset management</li> <li>» Climate protection</li> </ul>	Full
EN7 (8, 9)	<p>Initiatives to reduce indirect energy consumption and reductions achieved</p> <p>Munich Re is striving to reduce indirect energy consumption by, for example, replacing business trips with telephone and video conferences where possible.</p> <p>At Munich Reinsurance Company, a guideline encourages the purchase of low-impact and fuel-saving company cars. ERGO encourages eco-efficient driving by informing and sensitising employees and offering an "eco driving course". Besides this, there are plans at ERGO for an increased integration of environmental issues in training events and projects for staff to raise awareness and motivation (e.g. alternatives to business travel "Dienst statt Reisen" or with "Bike to Work", ERGO intranet links, online training tools, and ERGO carpooling).</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Climate protection</li> <li>» Operational ecology</li> </ul>	Partial
EN8 (8)	<p>Total water withdrawal by source</p> <p>As a financial services provider, Munich Re is not a water-intensive company. Total water withdrawal at Group-level by source: 907,744m³ Rain water: 0.055% Natural water: 0.025% Tap water: 99.92%</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Operational ecology</li> <li>» Environmental indicators</li> </ul>	Full
EN9 (8)	<p>Water sources significantly affected by withdrawal of water</p> <p>Munich Re companies only use local suppliers.</p>		Full
EN10 (8, 9)	<p>Percentage and total volume of water recycled and reused</p> <p>This indicator is of limited relevance for companies in the insurance sector, since most of their operations are office-based. Therefore no water is recycled nor reused at our sites.</p> <p>Toilets at our offices in Munich are flushed with rainwater.</p>		Not material / Not applicable
EN11 (8)	<p>Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</p> <p>This indicator is not applicable to Munich Re.</p>		Not relevant
EN12 (8)	<p>Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas</p>	<p><b>Download</b></p> <ul style="list-style-type: none"> <li>» CDP 2013 (PDF)</li> </ul>	Not relevant



In our guiding principles for corporate responsibility and our Code of Conduct, we undertake to help protect our natural environment.

Biodiversity plays a role particularly in connection with Munich Re's liability insurance. Munich Re is working on new covers for biodiversity risks, which will, for example, trigger prevention measures.

EN13 (8)	<p>Habitats protected or restored</p> <p>No data are available for this indicator due to its limited relevance for companies in the insurance sector.</p>		Not relevant									
EN14 (8)	<p>Strategies, current actions, and future plans for managing impacts on biodiversity</p> <p>Munich Re does not have Group-wide strategies in this respect.</p>		Not relevant									
EN15 (8)	<p>Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk</p> <p>No data are available for this indicator due to its limited relevance for companies in the insurance sector.</p>		Not relevant									
EN16 (8)	<p>Total direct and indirect greenhouse gas emissions by weight</p> <p>Our total direct and indirect greenhouse gas emissions came to 130,736 t CO<sub>2</sub>e (primary energy consumption, electricity, district heating and company cars/vehicle fleet) in 2012.</p>	<p><b>CR portal</b></p> <p>» Climate protection</p> <p>» Environmental indicators</p>	Full									
EN17 (8)	<p>Other relevant indirect greenhouse gas emissions by weight</p> <p>Other relevant indirect greenhouse gas emissions totalled 54,717 t CO<sub>2</sub>e (from paper and water consumption, waste, travel) in 2012.</p>	<p><b>CR portal</b></p> <p>» Environmental indicators</p>	Full									
EN18 (7–9)	<p>Initiatives to reduce greenhouse gas emissions and reductions achieved</p> <p>Our Group-wide environmental activities are focused on reducing greenhouse gas emissions, and we adopted a carbon-neutrality strategy in 2007.</p> <p>Munich Re (reinsurance) in Munich has been carbon-neutral since 2009, all our international reinsurance operations followed suit by 2012, and the whole Munich Re Group will do so by 2015, with a reduction of 10% in our emissions globally. To this end, we are pursuing a twofold strategy:</p> <p>to increase energy efficiency and to purchase green electricity rather than a conventional energy mix. We will make up for inevitable emissions through the purchase and/or retirement of emission credits.</p>	<p><b>CR portal</b></p> <p>» Climate protection</p> <p>» Environmental indicators</p>	Full									
EN19 (8)	<p>Emissions of ozone-depleting substances by weight</p> <p>Use of ozone-depleting substances is not a major issue for us. Although they may be present in our air-conditioning, we have closed-circuit systems, and maintenance work is subject to the requisite precautions, preventing the release of such substances into the atmosphere. Consequently, no Group-wide data records are available. Our Group-wide environmental activities are focused on reducing greenhouse gas emissions (and above all carbon dioxide).</p>		Not relevant									
EN20 (8)	<p>NOx, SOx, and other significant air emissions by type and weight</p> <p>Our environmental management system controls, and emission-reduction programmes concentrate on greenhouse gases. Munich Re operates solely as a service provider, and does not release significant NOx, SOx, or other significant air emissions.</p>		Not relevant									
EN21 (8)	<p>Total water discharge by quality and destination</p> <p>This is not material for an office-based financial service provider. Therefore no Group-wide data records are available. Apart from a small quantity used to irrigate the grounds, all the water is used for drinking, cooking, cleaning or sanitation, and is discharged into sewers. Munich Re therefore estimates its total water discharge to be no more than its total water use.</p>		Full									
EN22 (8)	<p>Total weight of waste by type and disposal method</p> <p>We produced 12,172 tonnes of waste in 2012. The breakdown by type and disposal method is as follows:</p> <p>Please note that the indicated 12,172 tonnes of waste are extrapolated, so the following figures do not add up to the overall amount of waste.</p> <table><tr><td>Total weight of waste</td><td>14,329.13</td><td>t(metric)</td></tr><tr><td>Recycled (valuable) materials</td><td>4,425</td><td>t(metric)</td></tr><tr><td>Hazardous</td><td>10</td><td>t(metric)</td></tr></table>	Total weight of waste	14,329.13	t(metric)	Recycled (valuable) materials	4,425	t(metric)	Hazardous	10	t(metric)	<p><b>CR portal</b></p> <p>» Climate protection</p> <p>» Environmental indicators</p>	Full
Total weight of waste	14,329.13	t(metric)										
Recycled (valuable) materials	4,425	t(metric)										
Hazardous	10	t(metric)										

	Non-hazardous	4,416	t(metric)	
	Waste incinerated	1,511	t(metric)	
	Hazardous	0.452	t(metric)	
	Non-hazardous	1,510	t(metric)	
	Waste to landfill	797	t(metric)	
	Hazardous	0	t(metric)	
	Non-hazardous	797	t(metric)	
	Special waste treatment	43	t(metric)	
	Hazardous	10	t(metric)	
	Non-hazardous	33	t(metric)	
	Other waste, not specified	101	t(metric)	
	Organic waste	643	t(metric)	
EN23 (8)	Total number and volume of significant spills			Full
	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.			
EN24 (8)	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally			Not relevant
	Munich Re works with certified waste disposal entities which guarantee the correct transfer and processing of waste.			
EN25 (8)	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff			Full
	Waste water we produce is discharged into the public sewerage systems and we assume that it has no effect on biodiversity other than that which normally arises in connection with this type of discharge.			
EN26 (7–9)	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation		<b>CR portal</b> » Insurance solutions for renewable energies » Eco-friendly insurance solutions » Strategies for responsible investments » Climate change » Power from the desert	Full
	Our innovative insurance solutions enable our clients to make sustainable investments. We are firmly committed to devising innovative coverage concepts for new and complex risks together with integrated solutions. A number of our insurance and reinsurance solutions help to mitigate environmental impacts.			
	Munich Re has long advocated the promotion and development of renewable energy and emission reductions. This gave rise to an ambitious industrial initiative established in conjunction with the DESERTEC Foundation in 2009: Dii GmbH. The idea behind the initiative is to generate electricity in those areas (e.g. North Africa) where a virtually limitless supply of renewable energy is available, and subsequently transport it to the countries that consume it.			
	Furthermore, we have specialised departments working constantly on innovative insurance solutions, such as an insurance concept covering the exploration risk of a geothermal energy project in Taufkirchen, near Munich. At present, Munich Re is assessing the US market with a view to marketing such products and is currently involved in intensive negotiations with four projects in the states of Nevada and California.			
	In 2009, our reinsurance group and MEAG set up the major RENT (Renewable Energies and New Technologies) project, with a target investment volume of €2.5bn. Since then, experts from both reinsurance and asset management have been sounding out the potential for strategic investment in renewable energy and new technologies (for more details please see EN6).			
EN27 (8, 9)	Percentage of products sold and their packaging materials that are reclaimed by category			Not relevant
	No data are available, as this does not apply to companies in the insurance sector.			
EN28 (8)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations			Full
	This does not apply to companies in the insurance sector, as we do not have production sites but office buildings. Therefore no fines were paid.			

EN29 (8)	<p>Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce</p> <p>Business travel totalled 337,048,599 km in 2012. Environmental impacts caused by business travel are unavoidable in the insurance sector. Where possible, internal meetings are held in the form of telephone and video conferences to avoid business travel.</p> <p>See also examples under EN 7.</p>	<b>CR portal</b> » Environmental indicators	Partial
EN30 (7-9)	<p>Total environmental protection expenditures and investments by type</p> <p>Environmental protection expenditures are largely embedded in overall operational business expenditures, and are therefore without dedicated budgeting and reporting. Thus in most cases, it is not possible to determine the exact amount used for regular maintenance that is also environmentally beneficial. Furthermore, numerous activities that help reduce Munich Re's environmental impact do not involve any expenses.</p>	<b>CR portal</b> » RENT project	Partial

▼ **Social performance indicators**

GRI-No./ (GC*)	Performance indicator / Brief answer	Link	Degree of compliance
<p><b>Labour practices and decent work performance indicators</b></p> <p>Unless otherwise stated, the figures given in the following tables cover approximately 70% of employees. Further details are available under » <b>Employee indicators</b> in the “Facts and figures“ section.</p>			
LA (1, 3, 6)	<p>Management approach</p> <p>Our staff provide the basis for our success with their competence, motivation and commitment. We are consistently committed to investing in their development and provide all staff with equal opportunities and top-quality working conditions.</p> <p>We strive to recruit the best staff we can and to fill them with enthusiasm for the global business of dealing with opportunities and risks. In our international human resources work and strategic workforce planning, our focus is on the individual. Flexible work models, special conditions for employees with children, the promotion of healthcare, and social counselling services are just some of the factors that make Munich Re a respected employer. Equal treatment is an inherent part of our corporate culture.</p> <p>In the last few years, the Board of Management has positioned diversity as a strategic issue for the Group. To underscore this, Munich Re has launched an international project aimed at formulating Group-wide parameters and a Group-wide diversity concept steered by an international Munich Re diversity council. The intention of this framework is to show how we define diversity strategically at Group level and give recommendations to Munich Re's subsidiaries. At ERGO, a diversity project has been launched that is strongly aligned with the Group focus, which provides for mutual benefit.</p> <p>On the international level, we already have initiatives relating to family concerns in many places. For example, some units have employees who work from a home office, some provide childcare discounts or make available childcare options, and others offer employee assistance programmes for work-life balance and similar issues.</p>	<b>CR portal</b> » Munich Re as an employer	Full
LA1	<p>Total workforce by employment type, employment contract and region</p> <p>As at 31 December 2012, Munich Re employed a total of 45,437 staff, 11,094 of these in reinsurance (including Munich Health staff), 29,768 in primary insurance and 809 in asset management.</p> <p><b>Staff by employment contract at offices of Munich Re in 2012:</b>  Staff members with temporary employment contracts: 4%  Staff members with open-ended employment contracts: 96%</p> <p><b>Distribution of Munich Re staff by region (2012):</b>  Germany: 24,299  Rest of Europe: 13,962  North America: 6,781  Latin America: 128  Asia and Australasia: 1,472  Africa, Near and Middle East: 564</p>	<b>CR portal</b> » Munich Re as an employer » Work-life balance » Employee indicators  <b>Corporate website</b> (Staff) » munichre.com	Partial
LA2 (6)	<p>Total number and rate of employee turnover by age group, gender and region</p> <p>The weighted average turnover rate was 9.2% in 2012.</p> <p>Monitoring detailed turnover rates at Munich Re is a task of the decentralised units. Also, turnover categories often refer to local or company-specific regulations. Munich Re therefore does not aggregate detailed turnover data from the different decentralised units.</p>	<b>CR portal</b> » Munich Re as an employer » Employee indicators	Partial

LA3	<p>Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations</p> <p>Munich Re does not differentiate between benefits provided to full-time staff and those provided to part-time staff.</p> <p>Munich Re offers its staff various benefits, the nature and scope of which are determined on an individual company basis and not centrally. At Munich Re, additional benefits have a long-standing tradition and we attach great importance to them. They are part and parcel of our overall remuneration concept and mirror our corporate culture.</p> <p>Family-friendly work measures are also determined on a decentralised basis. Company childcare centres have reserved places for employees' children, which helps our staff return to qualified positions. In addition, independent family services offer assistance in securing tailor-made care for children of staff or for other family members.</p>	<p><b>CR portal</b> » Work-life balance</p>	Full
LA4 (1, 3)	<p>Percentage of employees covered by collective bargaining agreements</p> <p>Munich Re (reinsurance) Germany: 93% ERGO Germany: 95% MEAG: 97%</p> <p>We do not keep any record of employees' union memberships. Both MR Munich and ERGO are members of the Employers' Association for Insurance Companies 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. Employees' interests are represented by a staff council elected by the members of staff. Since July 2007, there has been a Group-wide staff council in addition to the different company staff councils. Besides this, there are employee representatives on the Supervisory Board. In addition, Munich Re is a member of the UN Global Compact and supports all its principles. Since 2013, the Code of Conduct has also included a reference to the UN Global Compact.</p>		Full
LA5 (3)	<p>Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.</p> <p>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.</p>		Full
LA6 (1)	<p>Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes</p> <p>Munich Re complies with the health and safety requirements provided for by law, but there is no Group-wide committee in place to help monitor and advise on occupational health and safety programmes. Each Munich Re company has its own health and safety committee with joint management/employee representation on a local level.</p>	<p><b>CR portal</b> » Health at the workplace</p>	Full
LA7 (1)	<p>Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities by region</p> <p>In 2012, the level of sick leave throughout Munich Re was 4.7%.</p> <p>The number of occupational accidents is not recorded centrally. As a financial services provider, our exposure to occupational accidents and work-related fatalities is very low.</p>	<p><b>CR portal</b> » Health at the workplace » Employee indicators</p>	Partial
LA8 (1)	<p>Education, training, counseling, prevention and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases</p> <p>As part of their responsibility as employers, Munich Re companies help their staff to look after their health and maintain it in the long term. Consequently, all the legal requirements in respect of health and safety at work are met and additional measures offered such as counselling and training programmes on stress management, ergonomic working conditions and similar issues.</p> <p>The measures are initiated and coordinated by the individual companies within Munich Re and not centrally. A substantial number of Munich Re sites have their own company medical officers who provide education/training, monitoring and accident prevention.</p> <p>Since 2001, Munich Re Munich has had a health and safety committee for Munich Re Munich going far beyond legal requirements, integrated into its risk management system.</p>	<p><b>CR portal</b> » Health at the workplace</p>	Full
LA9 (1)	<p>Health and safety topics covered in formal agreements with trade unions.</p> <p>Each company discusses safety at work issues with its own employee representatives. The relevant statutes are applied.</p>		Partial

LA10	<p>Average hours of training per year per employee by employee category</p> <p>In 2012, the average number of training days per employee for Munich Re Group was 2.9.</p> <p>The average hours per employee category are not tracked in our reporting system.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Training and development</li> <li>» Employee indicators</li> </ul>	Full
LA11	<p>Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</p> <p>We give high priority to staff training and personal development. Munich Re advocates lifelong learning. We offer a wide range of training options across our Group. Munich Re fosters key-skill and specialist staff training by organising focused and personal training measures. Training options further include modern e-learning platforms accessible to staff worldwide.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Training and development</li> </ul>	Full
LA12	<p>Percentage of employees receiving regular performance and career development reviews</p> <p>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.</p> <p>Most of the staff in Munich Re's international organisation have regular performance appraisals.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Fair and performance-related remuneration</li> </ul>	Full
LA13 (1, 6)	<p>Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity</p> <p>Staff diversity is a key aspect of Munich Re's corporate culture.</p> <p>In 2012, 54% of Munich Re employees were female. The proportion of females in management positions has been rising in recent years, and amounted to 29% in 2012.</p> <p>Munich Re staff by age (2012): 29 and under: 12.8% 30 to 49: 65.1% 50 and over: 22.1%</p> <p>In some of the countries where we operate, employers are prohibited by law from asking employees questions about minority group membership.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Diversity</li> <li>» Employee indicators</li> </ul> <p><b>Group annual report 2012</b></p> <ul style="list-style-type: none"> <li>» "Staff": p. 110 ff.</li> <li>» Download (PDF, 7.8 MB)</li> </ul>	Full
LA14 (1, 6)	<p>Ratio of basic salary of men to women by employee category</p> <p>Our policy on salary determination is not based on gender but on individual expertise, experience and market-based criteria. The Group's remuneration practices are strictly independent of any diversity factors including a person's gender; hence we do not differentiate between men and women in our remuneration system. This guidance on non-discrimination/social conduct is specified in our codes of conduct.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Diversity</li> </ul> <p><b>Download</b></p> <ul style="list-style-type: none"> <li>» Code of Conduct (PDF)</li> </ul>	Not reported
<b>2. Human rights</b>			
HR (1–6)	<p>Management approach</p> <p>Observance of human rights is axiomatic for Munich Re. This commitment is manifested for example in Munich Re's participation in the United Nations' Global Compact initiative (since 2007) and the UNEP FI Principles for Sustainable Insurance (PSI) Initiative.</p> <p>Munich Re (Group) treats the topic of human rights from three perspectives: 1) How we deal with our own employees 2) Aspects affecting our core businesses of insurance and reinsurance 3) Munich Re (Group) investments. Munich Re is an active member of the UN Global Compact and a member of its Peer Learning Group on Human Rights. Our goal is to discuss current national and international developments and best practices, and to learn from others.</p> <p>Our Code of Conduct specifies that we expect our employees to observe the personal dignity, privacy and personality rights of every individual. We do not tolerate any discrimination (on grounds of age, sex, ethnic origin, nationality, political opinion, race, religion or the like), sexual harassment, other personal harassment, or insulting behaviour. Neither do we tolerate any intimidation or violence, or the threat thereof. This is underlined by a new reference to the UN Global Compact within our Code of Conduct.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Compliance</li> <li>» Risk management</li> </ul>	Full
HR1 (1–6)	<p>Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening</p> <p>In our asset management, we follow the Principles for Responsible</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Managing Investments</li> <li>» Objectives</li> <li>» Asset management</li> </ul>	Full



Investment (PRI) throughout our Group. Munich Re was the first German company to sign the PRI, and played a prominent role in helping to establish it.

Based on the PRI, our General Investment Guidelines stipulate that 80% of our own investments in shares, bonds, real estate (from 2010) and investments in the RENT project should satisfy sustainability criteria which include human rights aspects.

In addition, MEAG offers its clients two investment products that take account of sustainability criteria. These sustainability funds enable clients to invest in accordance with the principles of socially responsible investing (SRI).

#### Group annual report 2012

» page 32

» Download (PDF, 7.8 MB)

HR2 (1-6)	<p>Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken</p> <p>In our procurement policy, we consider economic, ecological and social aspects, which include human rights.</p> <p>A corporate responsibility clause (Munich Re reinsurance group only) is included in all new and renegotiated contracts with suppliers and service providers, obligating suppliers and providers to comply with the ten principles of the UN Global Compact within the reinsurance group. In 2012, Central Procurement concluded contracts covering about 90% of the overall spend with German suppliers, who have to comply with the basic principles of the UN Global Compact like human rights, labour law and anti-corruption that are laid down in German legislation.</p> <p>A detailed supplier self-disclosure – including various questions related to environmental aspects and environmental certificates – is required for all purchasing volumes issued by ERGO. A pilot project is taking up this aspect at a Group-wide level.</p>	<p><b>CR portal</b></p> <p>» Compliance</p>	Full
HR3 (1–6)	<p>Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained</p> <p>To optimise the outcome of this value management, we provide training programmes on the Code of Conduct for our employees. Since the beginning of 2011, all employees in the reinsurance group have had access to an e-learning module on this topic. We expect employees to acquaint themselves with the contents and obligations of the Code of Conduct and test their knowledge of the areas that it covers.</p>	<p><b>CR portal</b></p> <p>» Compliance</p>	Partial
HR4 (1, 2, 6)	<p>Total number of incidents of discrimination and actions taken</p> <p>Equal treatment and non-discrimination are enshrined in Munich Re's Code of Conduct, with a direct reference to the UN Global Compact. Munich Re does not tolerate discrimination – whether based on age, gender, ethnic origin, cultural identity, religious beliefs, political opinions or similar grounds. Any incidents of discrimination and measures taken are recorded locally; Group Compliance follows these up and summarises the results in a report made available annually to the Board of Management.</p>	<p><b>CR portal</b></p> <p>» Compliance</p> <p>» Diversity</p>	Partial
HR5 (1–3)	<p>Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights</p> <p>In the period under review, no business operations were identified in which freedom of association and the right to collective bargaining were at risk.</p>	<p><b>CR portal</b></p> <p>» Compliance</p>	Full
HR6 (1, 2, 5)	<p>Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour</p> <p>In the period under review, no business operations were identified in which there was a significant risk of child labour. This aspect is of little relevance in Munich Re's business, as key units of the Group operate in countries where child labour is prohibited by law.</p>	<p><b>CR portal</b></p> <p>» Compliance</p>	Full
HR7 (1, 2, 4)	<p>Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour</p> <p>In the period under review, no business operations were identified in which there was a significant risk of forced or compulsory labour. This aspect is of little relevance in Munich Re's business, as key units of the Group operate in countries where such labour is prohibited by law.</p>	<p><b>CR portal</b></p> <p>» Compliance</p>	Full
HR8 (1, 2)	<p>Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations</p> <p>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, which require that all new supply and service contracts must contain a Corporate Responsibility clause based on the UN's Global Compact.</p>	<p><b>CR portal</b></p> <p>» Compliance</p>	Not applicable

HR9 (1, 2)	<p>Total number of incidents of violations involving rights of indigenous people and actions taken</p> <p>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.</p>	<b>CR portal</b> » Compliance	Full
<b>3. Society</b>			
SO (10)	<p>Management approach</p> <p>For us as a global risk carrier, a prospective, prudent and responsible approach is self-evident. We therefore aim to take due account of economic, ecological and social requirements in our operations. That is why the coordination of corporate responsibility is located in our Group Development Division – to ensure that we meet the aforementioned aim both in our business and in our interaction with society.</p> <p>Each Munich Re company has an effective anti-fraud management system in place. A corresponding directive sets out the specific duties and responsibilities that play an important part in preventing and combating fraud.</p> <p>We also attach great importance to preventing and combating corruption and financial crime. Key guidelines are provided by our Code of Conduct, which specifies our rules for legally impeccable conduct, based on ethical principles, and describes our understanding of the relevant values.</p> <p>We also exercise our corporate responsibility in the communities in which our operations are located. The focal points of our social commitment are the active promotion of science and the support of socially disadvantaged youngsters and people in need. For our international social commitment, we have designed a Group-wide corporate citizenship concept that contains concrete sponsorship criteria.</p>	<b>CR portal</b> » Corporate governance » Compliance » Anti-fraud management » Corporate Citizenship	Full
<b>Aspect: Community</b>			
SO1	<p>Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting</p> <p>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.</p> <p>Nevertheless, Munich Re is a participant in a working platform of the Bertelsmann Foundation, which is conducting research on the topic “Measuring benefits and implementing respective Group-wide tools”. The working group has developed the “iooi method” to measure and plan corporate citizenship (CC) impact. A code of practice was published in 2010, in which we actively participated. We are planning to use these results together with the London Benchmarking Group (LBG) recommendations for future measurements.</p> <p>Memberships are checked for their benefit/cost effectiveness and their specific outcome on a yearly basis by the Corporate Responsibility Department (within the Group Development Division) and by each department involved, as are donations and corporate responsibility sponsorship activities. The survey includes the expenses for CC and information on special projects and activities in this field. A network to foster contact and exchange between the different business units was implemented by the end of 2011. The evaluation of work/projects is also a key issue for the Munich Re Foundation (MRF), and all three of our foundations are part of our integral and holistic corporate responsibility. The Board of Trustees of MRF holds two meetings every year to systematically monitor project quality, risks and chances. The most recent evaluation of the foundation's work was conducted by an external expert team (AgenZ, Frankfurt, Germany). Its summary attests successful work and good progress. The impact of our CR commitment is reflected in the increasing number of applications and demands for support, sponsoring, cooperation and partnerships in CR-related sectors at Munich Re.</p>		Not relevant
<b>Aspect: Corruption</b>			
SO2 (10)	<p>Percentage and total number of business units analysed for risks related to corruption</p> <p>An anti-fraud analysis covering all business units and regions is conducted as part of the internal Group-wide risk-control system (ICS).</p>	<b>CR portal</b> » Corporate governance » Anti-fraud management » Risk management	Full
SO3 (10)	<p>Percentage of employees trained in the organisation's anti-corruption policies and procedures</p> <p>Our employees are regularly informed about the issues of anti-corruption and fraud in work instructions, courses and</p>	<b>CR portal</b> » Corporate governance » Anti-fraud management	Full

	<p>presentations. The aim of these programmes is to inform staff about the main anti-corruption and anti-fraud rules, the essentials of the Anti-Corruption and Gifts &amp; Entertainment Policies, and Munich Re's anti-fraud principles. An expanded e-learning module for the reinsurance group on the Code of Conduct has been available to employees since August 2010.</p>		
SO4 (10)	<p>Actions taken in response to incidents of corruption</p> <p>Recently we largely completed the enhancement of our internal control system, 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. In primary insurance, ERGO transparently discloses information on its corporate website regarding any wrongdoings, e.g. during incentive trips and incentive events.</p>	<p><b>CR portal</b></p> <ul style="list-style-type: none"> <li>» Corporate governance</li> <li>» Anti-fraud management</li> <li>» Risk management</li> <li>» ERGO transparency</li> </ul>	Full
<b>Aspect: Public policy</b>			
SO5 (1–10)	<p>Public policy positions and participation in public policy development and lobbying</p> <p>Munich Re has established a new unit within Group Legal (Governmental Affairs) to more effectively observe, assess and exert a constructive influence on the relevant developments and to actively communicate on a political stage. In Munich, Berlin and now in Brussels, the unit coordinates a process that takes in all of Munich Re, assessing the relevant issues and developing positions valid for the entire Group.</p> <p>A focal point of Munich Re's lobbying activities concerns issues of national, European and international supervisory legislation. In addition, Munich Re assumes a leading role in connection with the Geneva Association. An example of our activities in this connection is climate change: in line with our sustainability goals and due to our long-standing expertise, we are involved in major international activities with regard to climate change. Munich Re is an acknowledged partner for policymakers, providing specialist knowledge and advice to shape mitigation and adaptation measures for combating climate change.</p> <p>Moreover, Munich Re is the initiator of the Munich Climate Insurance Initiative (MCII) launched in 2005, and has been the sponsor of the MCII office on the United Nations University campus in Bonn since 2008. The MCII is made up of insurers, scientists, and non-governmental organisations. This wide-ranging group is united in the goal of formulating and putting in place insurance-related solutions for developing countries without functioning insurance markets in order to help combat the rising losses in these areas.</p>		Full
SO6 (10)	<p>Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country</p> <p>From 2011 on, political donations have been evenly and transparently distributed between all non-extreme parties: Munich Re (Group): €150,000.</p> <p>Reinsurance and primary insurance (ERGO) each donate €15,000 to each of the main political parties in Germany (CDU, CSU, SPD, Die Grünen, FDP).</p> <p>In addition, ERGO donates another €18,000 to political organisations closely affiliated with the above-mentioned parties, such as Wirtschaftsrat CDU e.V.</p>		Full
<b>Aspect: Anti-competitive behavior</b>			
SO7	<p>Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes</p> <p>For us, adherence to high ethical and legal standards is a matter of principle and regulated by our Code of Conduct. There were no cases of legal action against Munich Re for anticompetitive behaviour, anti-trust or monopoly practices in the reporting year.</p>	<p><b>Group annual report 2012</b></p> <ul style="list-style-type: none"> <li>» "Notes to the consolidated financial statements": p. 159 ff.</li> <li>» Download (PDF, 7.8 MB)</li> </ul>	Full
<b>Aspect: Compliance</b>			
SO8	<p>Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations</p> <p>For us, adherence to high ethical and legal standards is a matter of principle and regulated by our Code of Conduct. As a consequence, Munich Re was not subject to any fines or sanctions in the reporting year.</p>	<p><b>Group annual report 2012</b></p> <ul style="list-style-type: none"> <li>» "Notes to the consolidated financial statements": p. 159 ff.</li> <li>» Download (PDF, 7.8 MB)</li> </ul>	Not reported
<b>4. Product responsibility</b>			
PR (1, 8)	<p>Management approach</p> <p>We are committed to high-quality reinsurance and primary insurance (ERGO) client management, maintaining close contacts and regular communications with our clients, and thus enhancing client satisfaction and client loyalty. Corporate responsibility plays a</p>	<ul style="list-style-type: none"> <li>» Munich Re connect</li> <li>» ERGO Service</li> </ul>	Full

significant role in this exchange. The same commitment holds true for our asset management unit MEAG.

Through this constant exchange, Munich Re's products, services and processes can be geared to the clients' needs, and this enables us to meet their expectations of us as a quality provider. All client enquiries are treated with the same professionalism and integrity: our dealings with clients are always based on the same standards. Client data are handled with strict confidentiality, personal data being recorded and forwarded to others only with the client's express agreement. Furthermore, in respect of all the services mentioned, it is important to note that consumer protection is of utmost importance. Data and information from and about customers are handled extremely carefully based on the local standards as a minimum. Our systems are in compliance with the strict German Data Protection Act.

With regard to our insurance operations, our customer sales service and advisory activities are regularly monitored and rated by external agencies and client surveys. Certificates and service ratings awarded by prominent market research institutes confirm high customer-satisfaction levels, showing that our qualified representatives give advice tailored to individual needs. Client satisfaction is also one of the key performance indicators incorporated in the balanced scorecard objectives of ERGO sales staff.

Aspect: Client health and safety			
PR1 (1)	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures		Not relevant / Not applicable
	Munich Re's products are not tangible and therefore have no health and safety impacts. This indicator does not apply to our sector.		
PR2 (1)	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes		Not relevant / Not applicable
	Munich Re's products are not tangible and therefore have no health and safety impacts. This indicator does not apply to our sector.		
Aspect: Product and service labeling			
PR3 (8)	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	» ERGO	Full
	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.		
PR4 (1)	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, 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.		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	CR portal » Stakeholder dialogue	Full
	Munich Re's client-focused approach is based on open dialogue with our reinsurance and primary insurance (ERGO) clients. As we have different client bases, each entity has its own customer satisfaction measurement.	Group annual report 2012 » "Clients and client relationships": pp. 107 - 109 » Download (PDF, 7.8 MB)	
	In general, we measure Munich Re's company image on a regular basis. For example, for reinsurance, we participate in important Flaspöhler studies (surveys conducted every two years for different regions), in which we have achieved top ratings. The survey consists of questions about reinsurer utilisation, perceptions of reinsurers, products and services, reinsurer selection and associated topics, such as Solvency II. The results of the studies are summarised for the Board of Management, and specific projects are set up with a view to constantly improving results. Broker surveys are also conducted, thus covering the other important client group in reinsurance.		
	Since 2007, on a yearly basis, customer satisfaction ratings for primary insurance (ERGO) have been monitored by an external market research institute, the results being incorporated in ERGO's balanced scorecard. The German inspection agency TÜV has awarded ERGO's highly professional client management a "good" rating for service and client satisfaction. ERGO's claims		



management, which is subject to regular quality checks, claims audits and controls, is certified to Germany's DIN EN ISO 9001 standard.

Aspect: Marketing communications

PR6	<p>Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship</p> <p>We see it as our duty to ensure transparency and to present the terms, conditions and prices of our products and services clearly and coherently, carrying out regular checks of our marketing activities and advertisements to ensure they are understandable to clients.</p> <p>The corresponding activities and procedures are governed by an internal Code of Conduct, which sets binding standards and rules, including a commitment to fair and open dealings with business partners and clients.</p> <p>In a poll by the experts of the German consumer magazine "Guter Rat" ("Good Advice") and the Institut für Transparenz in der Altersvorsorge GmbH (ITA), the product information sheet from our primary insurer ERGO Lebensversicherung was voted the winner, as it was the easiest to understand compared to other providers' information.</p> <p>Since the reform of the German Insurance Contract Act in 2008, insurance policies must highlight all the key information to customers in product information sheets. The product information sheet acts as a simplified summary of the General Terms and Conditions of Insurance and should enable customers to understand exactly what they are signing. ERGO has committed itself to this specifically through its mission "To insure is to understand". Furthermore, all ERGO sales agents have to comply with a special code of conduct.</p>		Full
-----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	------

PR7	<p>Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes</p> <p>For us, adherence to high ethical and legal standards is a matter of principle and is regulated by our Code of Conduct. No cases of non-compliance occurred during 2012.</p>	<p><b>Group annual report 2012</b></p> <p>» "Notes to the consolidated financial statements": p. 159 ff.</p> <p>» "Munich Re Code of Conduct": p. 26</p> <p>» Download (PDF, 7.8 MB)</p>	Full
-----	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------

Aspect: Customer privacy

PR8 (1)	<p>Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data</p> <p>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. Munich Re has not received any information about material breaches of privacy rules.</p>		Full
------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	------

Aspect: Compliance

PR9	<p>Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services</p> <p>For us, adherence to high ethical and legal standards is a matter of principle. No cases of non-compliance occurred, and no fines were paid during 2012.</p>	<p><b>Group annual report 2012</b></p> <p>» "Notes to the consolidated financial statements": p. 159 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full
-----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------	------

Financial Services Sector Supplement

GRI-No./ (GC*)	Performance indicator / Brief answer	Link	Degree of compliance
Financial sector indicators: Financial Services Sector Supplement (FSSS)			
FS1	<p>Policies with specific environmental and social components applied to business lines</p> <p>Understanding/quantifying ESG (environmental, social, governance) aspects and risks is crucial for insurance and reinsurance companies. How best to manage risks of change in long-tail business is key for our business. We analyse in depth all relevant trends as well as geo risks/climate change that influence the corresponding financial risks. As we factor our risk knowledge into our business development, risks are at the same time business opportunities. Early detection of risk is implemented in all product/market development; appropriate ESG risks are taken into account. Each department has experts to ensure that all future risks relating to specific products are identified, and specific expert groups and committees are in place.</p> <p>Besides this, our Code of Conduct and compliance manual contain information on the main areas concerned with correct business practice in this context. The codes of conduct of all Munich Re Group companies lay down ESG (environmental, social,</p>	<p><b>CR portal</b></p> <p>» Management</p> <p>» Corporate governance</p> <p>» Managing investments</p>	Full



governance) criteria. We also have a new corporate responsibility mission statement. Applying a refined corporate responsibility (CR) strategy, we will use the UN Principles for Sustainable Insurance framework to develop a concept for the integration of CR in business, providing a more structured approach to the ESG topics in core business. The process of identifying relevant ESG issues is being steered by the CR Department. The first example is the elaboration of a new corporate policy on banned weapons. Currently, we are working on criteria regarding large infrastructure projects. Our Group Risk Committee deals with matters such as early identification of issues of concern or constituting a risk to the Group as a whole, such as reputational and emerging risks.

Specific guidelines regarding the environment play a vital part in our environmental strategy, which is valid Group-wide.

FS2	<p>Procedures for assessing and screening environmental and social risks in business lines</p> <p>Early detection of risk is implemented in all product/market development. Where appropriate, ESG risks are taken into account. The Global Underwriting and Risk Committee (GURC) is responsible for the establishment and ongoing implementation of an appropriate risk management process in the business field of reinsurance to ensure that risks are quantified and entered into consciously and that sufficient capital is available to cover all the significant risks in that business field.</p> <p>A key part of our Group-wide risk management being to detect future ESG risks for our core business, we analyse and monitor our markets in order to identify such risks. Munich Re's ESG risk-identification systems are managed and monitored by Group-level functions.</p> <p>Further specialised units/panels for early ESG risk detection include:</p> <ul style="list-style-type: none"> <li>– Reputational Risk Committee (Group Annual Report 2012, page 123)</li> <li>– Emerging Risks Think Tank (Group Annual Report 2012, page 133). In 2010, we largely completed the enhancement of our 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 2012, page 118)</li> <li>– In 2007, Munich Re established the Corporate Climate Centre (CCC), forming the link between geoscientific research and operative underwriting.</li> <li>– The Group Development and Economic Research Department provides not only "classic" macroeconomic research but also analyses of social, political, environmental and technological megatrends, including reputational risks, potential disruptive developments and their influence on the Group's future business.</li> <li>– In addition, in specialised centres of competence, e.g. for biosciences, experts develop solutions for new risks based on systematic analysis and prognoses. Whether it is natural catastrophes threatening our increasingly interwoven economies, demographic change, or new diseases – we actively contribute our know-how and implement risk management.</li> </ul>	<p><b>CR portal</b></p> <p>» Risk management</p> <p><b>Links</b></p> <p>» Geo Risk Research</p>	Full
FS3	<p>Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transaction</p> <p>Comprehensive risk analyses play a key part in our assessment of a client's risk profile.</p> <p>For Munich Re's reinsurance business, our core activities include the risk assessments we undertake prior to entering into business and during annual renewals, the objective of which is to re-evaluate and revise our reinsurance contracts. They include any particular environmental, social and political factors the individual contracts may involve.</p> <p>MEAG, the asset manager of Munich Re, currently has assets totalling some €238bn in its portfolio. Investments of this magnitude entail substantial responsibility, which we take very seriously and monitor accordingly. The MEAG strategy is strictly geared to our asset-liability management guidelines and consistent risk management.</p>	<p><b>CR portal</b></p> <p>» SRI indices</p> <p><b>Links</b></p> <p>» MEAG: Sustainability</p>	Full
FS4	<p>Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines</p> <p>Regular employee engagement and training takes place to enable our Group to live up to our Corporate Responsibility strategy and policies. Relevant information is presented in various formats, at events like our introduction courses for new staff members and courses for graduate recruits and trainees, and also at reinsurance and primary insurance management level. Staff members of all functions have open access to the Munich Re Corporate Responsibility function that promotes our strategy and ESG policies</p>		Full

across the Group.

Regular workshops giving opportunities for knowledge transfer with departments throughout Munich Re also play a part in the sharing of CR knowledge and promoting of CR issues.

Important guidelines are provided by our Code of Conduct, copies of which all our employees receive together with their employment contracts which have to be signed. Our asset management staff attend workshops and working groups that deal with the role of corporate responsibility in the investment process, and regular exchanges are organised with external specialists on socially responsible investment (SRI) and the Principles for Responsible Investment (PRI). The relevant teams address these issues in depth, dealing with in-house and external questions, carrying out research, attending courses and discussing ESG criteria with companies in which Munich Re invests.

Our environmental management system is systematically updated and assessed with regard to applicability and use in terms of compliance with the regulations laid down in the environmental manual and the appropriateness of these.

Munich Re has environmental management system courses, communications and controls, and sets annual environmental programme targets. We also organise continuing professional and personal development courses. Internal audits are performed annually to verify the overall extent and approach of our environmental management.

FS5	<p>Interactions with clients/investees/business partners regarding environmental and social risks and opportunities</p> <p>One of Munich Re's main concerns has always been to foster open interaction with our stakeholders, i.e. primarily with our insurance and reinsurance clients, the media, the general public, our employees and capital market players. This interaction entails addressing social and environmental risks that occur in connection with Munich Re's business relations and general activities.</p> <p>Our reinsurance operations focus on customised products. Each contract is designed to match the risks of the individual client and, as a result, we establish very close ties with our clients, also understanding the environmental and social challenges they might face.</p> <p>We share information with investors and analysts. At roadshows and in individual meetings, our senior management explain Munich Re's strategy and business model in detail, also giving details of our Corporate Responsibility approach.</p> <p>Our business is inextricably linked with environmental issues. Through our clients and investees we are directly affected by environmental impacts, such as the growing number and intensity of weather-related natural catastrophes. We have long been contributing our specialist knowledge to numerous organisations and associations concerned with global warming. We have analysed climate change issues for over 35 years; our work in this field supports efforts to tackle climate change impacts.</p> <p>Communications with external partners are among the main factors involved in implementation of the Principles for Responsible Investment (PRI). We communicate our investment criteria, which include sustainability considerations, and address them in dialogue with our business partners. Where our MEAG Nachhaltigkeit ("sustainability") and MEAG FairReturn funds are concerned, we ask our investees to supply information relevant to our sustainable investment criteria. We are publishing an increasing amount of information on PRI issues, e.g. through announcements in the financial press and our involvement in presentations and congresses on sustainability.</p>	<p><b>CR portal</b></p> <p>» Objectives</p> <p>» Corporate Citizenship</p>	Full
FS6	<p>Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector</p> <p>Gross premiums written: €51,969m</p> <p>By business line:</p> <p>Reinsurance Life: €11,130m Property-casualty insurance: €17,052m</p> <p>Primary insurance Life: €7,267m Health insurance: €5,732m Property-casualty insurance: €5,554m</p> <p>Munich Health Total: €6,703m</p> <p>Gross premium written by region:</p> <p>Germany: €14,284m Rest of Europe: €13,271m</p>	<p><b>Group Annual Report 2012</b></p> <p>» "Notes to the consolidated financial statements": p. 159 ff.</p> <p>» Download (PDF, 7.8 MB)</p>	Full

	<p>North America: €16,794m  Asia and Australasia: €4,969m  Africa, Near and Middle East: €1,051m  Latin America: €1,600m</p>		
FS7	<p>Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpos</p> <p>Our General Investment Guidelines stipulate that 80% of our own investments in shares and bonds should satisfy sustainability criteria. These SRI criteria include human rights issues.</p> <p>Our asset management arm, MEAG, offers different sustainable investment funds: MEAG Nachhaltigkeit and MEAG FairReturn. In total, €166.9bn (end of Q4 2011) of our total assets comply with SRI criteria.</p> <p>With different regional focuses and investment strategies, MEAG embeds ESG in asset management and offers corresponding products and services.</p>	<p><b>CR portal</b>  » Asset Management  » Objectives</p>	Full
FS8	<p>Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose</p> <p>Our General Investment Guidelines stipulate that 80% of our own investments in shares and bonds should satisfy sustainability criteria. In the coming years, we intend to invest €2.5bn in renewable energies and similar new technologies; so far already €1bn has been invested. Furthermore, we project a premium volume in the mid three-digit million range from insurance products for renewable energy.</p>	<p><b>CR portal</b>  » RENT project  » Asset Management  » Objectives</p>	Full
FS9	<p>Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures</p> <p>Munich Re's environmental management system (EMS) is certified to ISO 14001, and our Code of Conduct and environmental guidelines are geared to and support this system. Our externally certified environmental management system also monitors compliance with internal sustainability criteria and targets concerning our core business.</p>	<p><b>CR portal</b>  » Environmental management</p>	Full
FS10	<p>Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues</p> <p>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.</p>	<p><b>CR portal</b>  » Objectives</p>	Full
FS11	<p>Percentage of assets subject to positive and negative environmental or social screening</p> <p>As early as 2002, we decided that our investments in shares, corporate bonds and bank bonds should meet certain sustainability criteria.</p> <p>As of 31 December 2012, 83%, of our investments in shares, government, corporate and bank bonds meet these criteria.</p>	<p><b>CR portal</b>  » Managing investments</p>	Full
FS12	<p>Voting polic(y/ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting</p> <p>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.</p> <p>Shareholdings in other joint-stock companies make up a relatively low percentage of Munich Re's investments at the present time (as of 31 December 2012, 3.7% of total investments). We exercise our right to vote primarily at the annual general meetings of German companies, since exercising such rights outside Germany entails substantial costs.</p> <p>MEAG also holds in-depth talks with individual companies aimed at improving their SRI performance.</p>		Full
FS13	<p>Access points in low-populated or economically disadvantaged areas by type</p> <p>Microinsurance is playing an increasingly prominent role within Munich Re and globally because recent natural catastrophes have tended primarily to affect people whose financial means are extremely limited. Munich Re is working with MFIs, NGOs and other</p>	<p><b>CR portal</b>  » Reinsurance: microinsurance  » Primary insurance: microinsurance  » Munich Re Foundation</p>	Full

major players in this field.

In close collaboration with the important players (e.g. MFIs, NGOs), Munich Re is active in this market, all business lines included. We analyse selected markets and develop insurance solutions for our business-to-business and business-to-consumer business.

Some examples:

- Cooperation with CLIMBS on weather index related insurance (Cooperative Life Insurance & Mutual Benefit Services, Philippines).
- Munich Climate Insurance Initiative (MCII initiated in 2005 by Munich Re) to respond to the growing realisation that insurance solutions can play a role in adaptation to climate change
- ERGO offers microinsurance through a suite of products ranging from life to crop insurance.
- The Munich Re Foundation organises the world's biggest microinsurance conference.

FS14

Initiatives to improve access to financial services for disadvantaged people

Munich Re offers a number of insurance products specifically geared to the needs of disadvantaged people, including microinsurance products available in emerging and developing countries like India and the Philippines.

Our Indian subsidiary offers a large selection of microinsurances from the non-life sector. These include health, personal accident and fire insurances as well as cover for loss of livestock (which especially in rural areas can be vital to survival for each household), damage to tractors, or crop failure as a result of extreme weather events. HDFC ERGO works with renowned microfinance institutions, country-based businesses, cooperatives and other rural associations.

In 2010, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), Munich Re and GIZ (German Agency for International Cooperation) collaborated with the Philippine cooperative insurance company Coop Life Insurance & Mutual Benefit Services (CLIMBS) in launching a microinsurance product to protect the loan portfolio of cooperatives against losses from extreme weather events in the Philippines. A core concern is to pass on the benefits to end customers in low-income households.

Microinsurance is also a major topic addressed by the Munich Re Foundation, which among other things organises the world's biggest microinsurance conference (last held on 8 to 10 November 2011 in Rio de Janeiro, Brazil; next conference scheduled for 6 to 8 November 2012 in Dar es Salaam, Tanzania).

DKV offers special health insurance products for elderly policyholders struggling to pay the full insurance premium in their respective health insurance plans. With these new products, DKV is providing affordable health insurance schemes to the community. We also provide insurance coverage for HIV-infected people.

**CR portal**

- » Reinsurance: microinsurance
- » Primary insurance: microinsurance
- » Munich Re Foundation

**Links**

- » Microinsurance conference

Full

FS15

Policies for the fair design and sale of financial products and services

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 and the information they need to take sound decisions.

We avoid potential conflict with the interests of our clients and other business partners. Should such problems arise nonetheless, we make every effort to resolve them speedily. Munich Re's Code of Conduct also contains data protection guidelines.

Munich Re's product and service range – from development and marketing to the conclusion of business – is subject to strict quality controls. Transparency is important to us, and we are keen to ensure information on our products and services and the corresponding conditions is clearly expressed. Likewise, providing clear, coherent communications, beyond what is required by law, is one of ERGO's value propositions. Customer queries can be dealt with through personal contact with one of ERGO's many representatives.

After a major restructuring process within ERGO, a campaign for fair and easy perception of all ERGO products was conducted in 2011/2012 for more transparency and open communication. With its "clear language" initiative, the ERGO Insurance Group intends to put communication with its customers on a new footing. The aim is to make communication easier for customers to understand. ERGO will check texts for readability using special software and establish a minimum standard before the text is put to use.

Clarity also means concentrating on the information which customers need to know.

**Download**

- » Code of Conduct (PDF)

Full

In the reinsurance context, we aim to be our clients' preferred partner in risk, delivering solutions in the form of a broad range of products. Clients benefit from our strengths in financing issues and our expertise where risk is concerned.

We organise over 100 client seminars and workshops in Munich and at our other branches. Our connect.munichre client portal is one of our major client management assets. Compliance with the new standards is ensured using broad internal quality assurance procedures. New means of communication must meet the requirements in full, and existing ones are being successively reviewed and adapted.

FS16	<p>Initiatives to enhance financial literacy by type of beneficiary</p> <p>Financial literacy and competence are key to Munich Re and our business. Our aim is to minimise the risk that clients will not understand our products and services or will be insufficiently informed about them, and so we organise initiatives and take part in activities designed to increase literacy and competence in this area.</p> <p>To promote awareness of mathematical – and thus also financial – issues and the enjoyment of this subject, Munich Re's reinsurance and primary insurance (ERGO) business segments have sponsored the internet portals of the German (since 2001) and European (since 2009) Mathematical Society. In keeping with our efforts to inform our clients and the public about socially innovative insurance projects in the countries and regions concerned, the Munich Re Foundation holds its annual International Microinsurance Conference in different emerging and developing countries. This offers experts from the financial, public, private and development cooperation spheres a broad platform for sharing experiences and ideas on challenges in this sector. In addition, Munich Re offers a scholarship programme for business clients in order to prepare them for challenges of the global insurance industry.</p>	<p><b>CR portal</b></p> <p>» Corporate Citizenship</p>	Full
------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------	------

\*GC: Global Compact



MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» Home » Facts and figures

## SRI INDICES, SRI RATINGS AND AWARDS RECEIVED



## Munich Re corporate responsibility strategy rated positively

The open and transparent dialogue with our national and international stakeholders on implementing our strategy and commitment is an essential part of our corporate culture.

Open and transparent dialogue with our national and international stakeholders on implementing 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

Actions

- » EXPAND ALL
- » COLLAPSE ALL

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**  
Italian asset manager ECPI included Munich Re many years ago in the indices it manages – the ECPI Euro Ethical Equity, the ECPI Global Ethical Equity and the ECPI EMU Ethical Equity.



**Represented in two ESI indices again**  
Munich Re is represented in the ESI (Ethibel Pioneer Index) Excellence Europe and ESI Excellence Global, which are based on ratings results from Vigeo. Ethibel is an independent French consulting agency, specialised in socially responsible investments.



**Munich Re continually listed in various FTSE4Good index series**  
Since the establishment of this rating in 2001, Munich Re has been continually listed in various FTSE4Good index series. This rating comprises a global corporate responsibility benchmark from a total of 23 markets and 2,000 companies.



**Munich Re represented in newly created Vigeo index**  
Recently, 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 and Euronext Vigeo Europe 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 in the STOXX® Global ESG Leaders Index**  
The Global ESG Leaders Index represents leading companies from an ESG point of view. The list is based on analyses conducted by Sustainalytics.

Ratings



**Munich Re among the industry leaders**  
Bloomberg analyses and evaluates corporate transparency in environmental, social and governance (ESG) aspects. Munich Re is evaluated annually as well. According to Bloomberg, clients using its 250,000 data terminals have access to all publicly available ESG data from 2,000–3,000 companies.



**Munich Re involved since the start of the CDP rating**  
Since the start of the CDP (Carbon Disclosure Project) ratings, Munich Re has been taking part in

the annual information request and has consistently scored good results.



#### Rating from Goldman Sachs

Munich Re has participated in the Goldman Sachs ESG study for years. Goldman Sachs offers global investment solutions.



#### Best financial services provider according to "Imageprofile 2012"

Munich Re enjoys an outstanding reputation among German companies in the financial sector. In its "Imageprofile 2012" study, "manager magazin" polled some 4,000 board members, general managers and senior executive staff.



#### Very good rating by MSCI

Munich Re is rated AA in MSCI's ESG rating. MSCI is a leading global provider of investment solutions.



#### Prime rating

Munich Re was again awarded a "prime" corporate responsibility rating by oekom research in 2012, thus maintaining its insurance sector best-in-class status. oekom research is one of the world's leading SRI rating agencies.



#### Munich Re qualifies for sustainable investment products

Munich Re's performance in Sarasin Bank's 2012 ratings was again significantly above the average, qualifying it to be rated a sustainable investment product by the bank.



#### Second place in industry rating by Sustainalytics

In the industry rating by Sustainalytics Munich Re earned a very good second place in the insurance sector in 2012.

### ▼ Awards



#### DKV Seguros

For the second year running, Munich Re's subsidiary DKV Seguros in Spain took third place in a poll for the most attractive employer in Spain.



#### Trendence

In 2013, Munich Re again ranked among the top 100 business-sector employers in the trendence Institute's Graduate Barometer.



#### German Education Prize Seal of Excellence

Munich Re is being honoured in 2013 for its exemplary knowledge sharing among the Group's business fields; it has won the Seal of Excellence of the German Education Prize in the category of innovation.



#### BOMA Awards for Munich Re America and Munich Re Toronto

The office buildings of Munich Re America and Munich Re Toronto have received awards from the Building Owners and Management Association (BOMA) for their energy efficiency.



#### Munich Re among the TOP 25 worldwide in the Caring for Climate Initiative

In its company rating, the Caring for Climate Initiative takes account of the company's environmental performance and business strategy with regard to climate risks and the opportunities involved.



#### 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.



#### Reinsurer of the year in the MENA region

Munich Re was named reinsurer of the year for the MENA (Middle East and North Africa) region and presented with the MENA 2012 Insurance Award.



#### Munich Re takes silver

For the second consecutive year, Munich Re has been included in the Silver Class of the best and most sustainable companies by Robeco SAM AG, which assesses the sustainability performance of all global players and determines the composition of the Dow Jones Sustainability Indices.



#### CDLI 2012 for Germany, Austria and Switzerland

With a score of 82, Munich Re earned inclusion in the CDLI (Climate Disclosure Leadership Index) for the DACH regions by CDP.

MEMBERSHIPS AND PARTNERSHIPS

Memberships in national and international bodies, initiatives and foundations

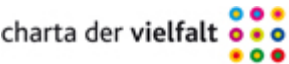
For Munich Re, corporate responsibility means taking an active part in all partnerships as well as promoting initiatives. Besides this, the foundations set up by Munich Re constitute a central component of our social commitment.

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



Charter of Diversity



Climate Service Center



Dii (Desertec Industrial Initiative)



European Academies Science Advisory Council



German Insurance Association (GDV)



Geneva Association



GeoHazards International (GHI)



Global Climate Forum

LENBACHHAUS

Lenbachhaus



Max Planck Institute for Meteorology



Munich Climate Insurance Initiative (MCII)



OECD (Munich Re is member in the Advisory Board on Management of Large Scale Catastrophes)



Principles for Sustainable Investment (PRI)



Principles for Sustainable Insurance (PSI)



Umweltpakt Bayern






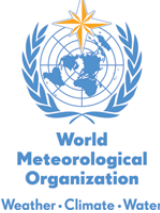











Verwandte Themen

» Commitment

Actions

» EXPAND ALL

» COLLAPSE ALL

	UNEP Finance Initiative
	UN Caring for Climate
	UN Global Compact
	Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (VfU)
	Water Benefit Partners (WBP)
	WMO (World Meteorological Organization)
<p>▼ Initiatives and sponsorships</p> <p>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.</p>	
	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
	London School of Economics (LSE)
	Madeleine Schickedanz-KinderKrebs-Stiftung (Madeleine Schickedanz Children's Cancer Foundation)
	Munich University Society
	SingPause (schools singing project)



	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

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES
-------------	-------------------------	------------	-----------	------------	-------------------

» Home

## SERVICE



## About the corporate responsibility portal

The CR portal presents Munich Re's approach to corporate responsibility. We illustrate this with specific examples and detailed indicators, and explain the relationship between corporate responsibility and our business.

In the form of our annual Corporate Responsibility Report, the portal provides a review of the further development of our processes and systems, the measures we have taken in the past year, and the successes achieved. We also report regularly on the CR activities of the entire Group. This comprises the business fields of reinsurance, primary insurance, Munich Health and MEAG, Munich Re's asset manager.

The measures and activities presented focus mainly on the period from 1 January 2012 to 30 April 2013; the key figures relate to the 2012 financial year (ending 31 December 2012). The content of the CR portal is available in German and English and can also be downloaded as a PDF. This document serves as our Corporate Responsibility Report for 2012. There is also a 20-page abridged version of the 2012 report that contains the key information.

### Selected topics – Qualitative and quantitative reporting

To ensure that the CR portal gives a comprehensive picture of our performance, the topics and contents have been selected according to their importance and the interests of our stakeholders. With its database for recording CR-specific information, which was introduced in 2009, Munich Re has increased the proportion of (Group) staff covered to over 75%.

### GRI guidelines and Global Compact "Communication on Progress" report

To provide greater transparency and clarity in preparing the CR portal, we have used as a basis the G3 Guidelines of the » [Global Reporting Initiative \(GRI\)](#) and the Financial Services Sector Supplement. The GRI has confirmed that the 2012 CR report meets its requirements for detailed reporting – Application Level B. The GRI Indicators and Financial Services Sector Supplement have been compiled in separate GRI disclosures. The CR portal and the GRI disclosures also constitute our annual Communication on Progress report for the Global Compact.

### Contact persons

Please do not hesitate to contact our experts if you have any questions regarding corporate responsibility at Munich Re.

Georg Justus Schwarz, Consultant for Corporate Responsibility, is the contact person for the CR portal. Please send your questions and comments to him at » [responsibility@munichre.com](mailto:responsibility@munichre.com)

### Editorial note

In texts on the CR portal, we dispense with gender-related alternative expressions (e.g. he/she) for the sake of better readability.

### Related topics

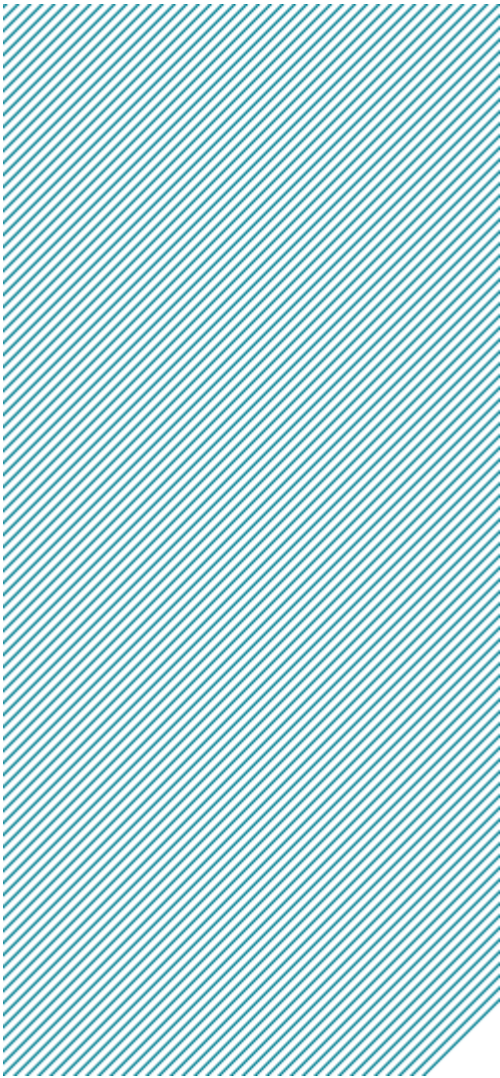
» [GRI and Global Compact](#)

### Downloads

- » [Corporate Responsibility Short Report 2012/2013 \(PDF, 2.0 MB\)](#)
- » [Global Reporting Initiative 2012 - Results of the GRI Report \(PDF, 319 KB\)](#)

MUNICH RE >	STRATEGY AND CHALLENGES	MANAGEMENT	SOLUTIONS	COMMITMENT	FACTS AND FIGURES	
-------------	-------------------------	------------	-----------	------------	-------------------	--

» [Home](#)



## Imprint

This imprint applies to all telemedia services of Münchener Rückversicherungs-Gesellschaft.

Münchener Rückversicherungs-Gesellschaft  
Aktiengesellschaft in München  
Königinstr. 107  
80802 München  
Germany

Tel.: +49 (89) 38 91-0  
Fax: +49 (89) 39 90 56

Münchener Rückversicherungs-Gesellschaft (Munich Reinsurance Company) is a reinsurance company organized under the laws of Germany. In some countries, including in the United States, Munich Reinsurance Company holds the status of an unauthorized reinsurer. Policies are underwritten by Munich Reinsurance Company or its affiliated insurance and reinsurance subsidiaries. Certain coverages are not available in all jurisdictions.

Any description in this document is for general information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any product

Board of Management: Dr. Nikolaus von Bomhard (Chairman),  
Dr. Ludger Arnoldussen, Dr. Thomas Blunck, Georg Daschner, Dr. Torsten Jeworrek,  
Dr. Peter Röder, Dr. Jörg Schneider, Dr. Wolfgang Strassl, Dr. Joachim Wenning

Commercial Register Munich, No. HRB 42039

Supervisory authority: Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Bonn

VAT registration number: DE 129274139

Stock quotations supplied by OnVista AG. Munich Re does not guarantee the accuracy of the data.

© 2000–2013  
Münchener Rückversicherungs-Gesellschaft  
Group Communications

### Links

- » [Legal notice](#)
- » [Privacy statement](#)

responsibility@munichre.com

Munich Re  
Königinstrasse 107  
80802 München  
Germany  
Tel.: +49 89 3891-0

© 2013  
Münchener Rückversicherungs-Gesellschaft  
Königinstrasse 107, 80802 München, Germany

