

*somewhat  
different*

# GRI Report 2013

# Company Portrait



Hannover Re, with gross premium of around EUR 14 billion, is the third-largest reinsurer in the world.

We transact all lines of property/casualty and life/health reinsurance and are present on all continents with around 2,400 staff. The German business of the Hannover Re Group is transacted by our subsidiary E+S Rück.

The rating agencies most relevant to the insurance industry have awarded both Hannover Re and E+S Rück very good financial strength ratings: Standard & Poor's "AA-" (Very Strong); A.M. Best "A+" (Superior).

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## Degree of Fulfilment of Individual GRI Disclosures and Indicators

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In accordance with the **Guidelines G3.1** of the Global Reporting Initiative (GRI), we report

- all Standard Disclosures (42 Profile Disclosures, 6 Management Approaches and 84 Performance Indicators) and
  - all Financial Services Sector Disclosures (one Management Approach, 16 Indicators and all 6 Additional Indicators)
- either **■ fully** or **■ partially** or we **explain** the reason why we are **not reporting** corresponding Indicators (□).

Indicators shown in black are Core Indicators, those in grey are Additional Indicators.

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We again subjected the report to a GRI Application Level Check. GRI confirmed that the report fulfils the requirements of Application Level B.

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## Our key financial indicators

	2013	+/- previous year	2012	2011	2010	2009
in EUR million						
<b>Results</b>						
Gross written premium	13,963.4	+1.4%	13,774.2	12,096.1	11,428.7	10,274.8
Net premium earned	12,226.7	-0.4%	12,279.2	10,751.5	10,047.0	9,307.2
Net investment income	1,411.8	-14.7%	1,655.7	1,384.0	1,258.9	1,120.4
Operating profit (EBIT)	1,229.1	-11.8%	1,393.9	841.4	1,177.9	1,142.5
Group net income (loss)	895.5	+5.4%	849.6	606.0	748.9	733.7
<b>Balance sheet</b>						
Policyholders' surplus	8,767.9	-2.0%	8,947.2	7,338.2	6,987.0	5,621.6
Equity attributable to shareholders of Hannover Rück SE	5,888.4	-2.4%	6,032.5	4,970.6	4,509.0	3,714.4
Investments (excl. funds withheld by ceding companies)	31,875.2	0.0%	31,874.4	28,341.2	25,411.1	22,507.0
Total assets	53,915.5	-1.6%	54,811.7	49,867.0	46,725.3	40,837.6
<b>Key figures</b>						
Earnings per share (basic and diluted) in EUR	7.43	+5.4%	7.04	5.02	6.21	6.08
Book value per share in EUR	48.83	-2.4%	50.02	41.22	37.39	30.80
Dividend per share in EUR	3.00		2.60+0.40 <sup>1</sup>	2.10	2.30	2.10
Return on investment (excl. funds withheld by ceding companies)	3.3%		4.3%	3.9%	3.9%	4.0%
Return on equity (after tax)	15.0%		15.4%	12.8%	18.2%	22.4%

<sup>1</sup> Bonus

Detailed financial indicators are published in our Annual Report.

## Coverage indicators

	2013	+/- previous year	2012	2011	2010	2009
Proportion of data coverage (in % of Group employees)	50.4%	+0.1%p	50.3%	50.1%	49.7%	49.9%
Data capture percentage for the employee ratios, except LA7 (in % of Group employees)	100%	+/-0%p	100%	100%	-	-
Involvement in certified Environmental Management System (in % of Group employees)	50.4%	+0.1%p	50.3%	50.1%	-	-
Screening of investments under own management for compliance with ESG criteria	>90%	+/-0%p	>90%	>90%	-	-

## Our key environmental indicators<sup>1</sup>

	2013 <sup>4</sup>	+/- previous year	2012 <sup>4</sup>	2011 <sup>3</sup>	2010 <sup>2</sup>	2009 <sup>2</sup>
Number of employees in Germany	1,219	+4.7%	1,164	1,110	1,089	1,032
Electricity (in kWh)	9,114,482	+3.5%	8,802,262	8,214,917	8,055,429	8,014,946
Heat (in kWh)	3,359,694	+44.8%	2,319,854	1,859,119	2,383,918	2,314,009
Water (in l)	15,778,000	+5.5%	14,961,000	14,464,500	14,722,000	12,100,000
Paper (in sheets)	8,502,060	-3.0%	8,766,000	9,172,180	9,074,300	8,488,368
Waste (in kg)	214,250	+4.1%	205,790	257,400	297,000	327,000
Business trips (in km)	18,185,062	+9.2%	16,654,504	17,658,598	16,018,500	15,179,745
CO <sub>2</sub> -emissions <sup>5</sup> (in kg)	7,203,000	+44.5%	4,984,000	8,123,000	7,685,000	9,005,000

<sup>1</sup> The data refer to the German location

<sup>2</sup> Karl-Wiechert-Allee 50, Roderbruchstraße 26 and infant daycare centre, Hannover

<sup>3</sup> Karl-Wiechert-Allee 50, Roderbruchstraße 21 and 26 as well as infant daycare centre, Hannover

<sup>4</sup> Karl-Wiechert-Allee 50 and 57 (pro rata), Roderbruchstraße 21 and 26 as well as infant daycare centre, Hannover

<sup>5</sup> Radiative Forcing Index: 2.7

The absolute figures for our environmental data are shown in the Indicators for the Category “Environment” in this GRI Report.

## Our key personnel indicators

	2013	+/- previous year	2012	2011	2010	2009
<b>Group</b>						
Number of employees	2,419	+4.6%	2,312	2,217	2,192	2,069
Women	1,243	+4.3%	1,192	1,156	1,139	1,090
Men	1,176	+5.0%	1,120	1,061	1,053	979
<b>German location</b>						
Number of employees	1,219	+4.7%	1,164	1,110	1,089	1,032
Age structure						
Up to age 29	149	+5.7%	141	140	157	165
Age 30 to 49	814	+3.2%	789	754	743	698
Aged 50 and over	256	+9.4%	234	216	189	169
Proportion of women in management positions	15.6%	-1.2%p	16.8%	15.5%	12.3%	12.0%
Average number of training days per employee	5.0	+/-0.0%	5.0	5.0	5.0	6.5
Staff turnover rate	2.8%	+/-0.0%p	2.8%	4.3%	1.9%	2.3%
Absenteeism	3.4%	-0.1%p	3.5%	3.4%	3.0%	3.2%

## Ladies and gentlemen,

We can look back on a successful 2013 – not only in terms of Hannover Re's pleasing business development but also with an eye to our activities in the field of sustainability. In the present GRI Report 2013 we would like to update you on our progress and the latest developments. As in the previous years, our report is based upon the internationally recognised guidelines of the Global Reporting Initiative (GRI 3.1).

Sustainability is a major element of our Group strategy. The systematic accomplishment of the goals that we set ourselves in the context of our 2011 Sustainability Strategy creates a platform for our Group's continued stable economic development and is crucial to the further expansion of our position as one of the leading and most profitable globally operating reinsurers. Our strategy incorporates justified requirements from the broader public sphere in relation to our worldwide activities.

We are committed to responsible and transparent enterprise management that is geared to lasting success. The foundation for good enterprise management is established by our Corporate Strategy, the Corporate Governance Principles and our Code of Conduct. They ensure integrity in our dealings with business partners, employees, shareholders and the public at large. In the context of our strategy and in day-to-day business we are always guided by high ethical standards.

Hannover Re promotes economic activity that is also sustainable, especially with regard to the avoidance of adverse environmental impacts. We do this, inter alia, through an intensive dialogue with our clients on global issues such as climate change and demographic trends.

We consider the education of young people to be a core task of society. At the same time, qualified vocational training is vital to the emergence of the next generation of young talent for our company. It produces suitably qualified professionals and therefore plays a crucial part in our competitiveness.

Sustainable action is not static; on the contrary, it must respond dynamically to changing environmental circumstances. Our Sustainability Strategy is embedded in our Group Strategy. Both the Group Strategy and the Sustainability Strategy – as part of the Group Strategy – undergo regular revision every three years. This process of revision is currently ongoing. At the end of the year we shall publish our strategy, our objectives and our planned measures in the strategy section of our website and in our Strategy Brochure. You will then be able to read about the early results in our next GRI Report, which will be published in 2015.

Until then, I trust you will enjoy some stimulating reading with our present GRI Report!

Yours,



Ulrich Wallin  
Chairman of the Executive Board



Ulrich Wallin  
Chairman of the  
Executive Board

# Executive Board of Hannover Rück SE<sup>1</sup>

## Ulrich Wallin

### Chairman

Business Opportunity Management  
Controlling  
Corporate Communications  
Corporate Development  
Human Resources Management  
Internal Auditing  
Risk Management

## André Arrago

Property & Casualty reinsurance

- Facultative Reinsurance
- Global Catastrophe Business
- Treaty Reinsurance worldwide

## Claude Chèvre

Life & Health reinsurance

- Africa
- Asia
- Australia and New Zealand
- Latin America
- Western and Southern Europe

## Jürgen Gräber

Coordination of worldwide Property & Casualty reinsurance

Quotations Property & Casualty reinsurance

Retrocessions

Specialty Lines worldwide

- Aviation and Space
- Credit, Surety and Political Risks
- Marine incl. Offshore Energy
- Structured Reinsurance Products incl. Insurance-Linked Securities
- UK & Ireland and London Market, Direct Business

## Dr. Klaus Miller

Life & Health reinsurance

- Longevity Solutions
- North America
- Northern, Eastern and Central Europe
- United Kingdom and Ireland

## Dr. Michael Pickel

Group Legal Services, Compliance

Run-Off Solutions

Target Markets in Property & Casualty reinsurance

- Germany, Austria, Italy, Switzerland
- North America

## Roland Vogel

Asset Management

Facility Management

Finance and Accounting

Information Technology

<sup>1</sup> Valid until 31 July 2014. The latest information is available online at [www.hannover-re.com](http://www.hannover-re.com)

From left to right:  
André Arrago, Claude Chèvre,  
Dr. Michael Pickel, Ulrich Wallin,  
Roland Vogel, Dr. Klaus Miller,  
Jürgen Gräber



# Our Strategy

## 01

### Our business model

- Optimise risk diversification across all lines and countries
- Generate an exceptionally high return on equity by reducing the required capital
- Expand primary insurance business in selected niche markets as a complement to our reinsurance activities
- E+S Rück: Rank among the top 2 reinsurers in Germany
- E+S Rück: Maintain or enlarge the number of minority shareholders and cultivate trusting cooperation
- E+S Rück: Expand lead mandates in Life & Health and Property & Casualty

## 02

### We have ambitious profit and growth targets

- Achieve triple-10 target
- Grow premium volume (by more than the market average)
- Generate profit clearly in excess of the cost of capital
- Generate an IFRS return on equity of at least 750 basis points above the risk-free interest rate
- Outperform Global Reinsurance Index over a three-year period
- Consistently pay an attractive dividend

## 03

### We manage risks actively

- Ensure protection of capital through quantitative and qualitative risk management
- Maximise risk-adjusted profits

## 06

### We maintain an adequate level of capitalisation

- Ensure that requirements for equity resources (economic capital model, Solvency regulations, etc.) are met
- Optimise composition of the available capital

## 07

### We strive for stable investment income

- Take into account the maturities of our liabilities and the liquidity requirements of our business
- Ensure currency matching
- Ensure stability of the return to be generated
- Achieve target return – risk-free interest rate plus the cost of capital

Our employees contributed to the strategy revision. The high degree of familiarity and insight thereby created is a guarantor of successful execution.



# 04

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## We are a preferred business partner

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- Enhance our clients' commercial success through our services
  - Respond undogmatically, flexibly and quickly to the needs of our clients
  - Offer standard products as well as specially tailored customer solutions that add value for both contracting parties
  - Foster customer relationships to both parties' mutual benefit irrespective of the size of the account
  - Safeguard our financial capability
  - Systematically seek and explore new business opportunities
  - Cooperate across business groups
  - Generate additional business opportunities on the basis of Solvency II
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For many years now we have reviewed our corporate strategy in a three-year cycle. The present strategy is the product of the review conducted in 2011.

# 05

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## We aim for successful employees

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- Promote and require a goal-oriented working approach among our staff
  - Foster the qualifications, experience and commitment of our staff
  - Ensure the greatest possible delegation of tasks, responsibilities and authority
  - Offer attractive workplaces
  - Manage staff according to our management principles
- 

# 08

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## We ensure a lean organisation

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- Ensure a lower administrative expense ratio than our competitors
  - Information and communication systems assure optimal support for business processes in light of cost/benefit considerations
  - Achieve efficient processes through excellent process management
  - Maintain lean structure and organisation
- 

# 09

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## We are committed to sustained compliance

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- Ensure conformity with all legal requirements
  - Encourage sustainable actions with respect to all stakeholder groups
  - Support considered and pragmatic principles of corporate governance and recognise their central role in guiding our activities
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# 10

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## We strive for Performance Excellence

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- Ensure rigorous derivation of strategic objectives across all areas of the company
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## Our goals and measures in relation to sustainability

For many years we have reviewed our corporate strategy in a three-year cycle. In the context of this revision we also verify our Sustainability Strategy and report on the results of our sustainability activities. The currently ongoing review will be completed in the autumn of 2014. The updated Sustainability Strategy will then be published on our website. We shall report on initial results of the resulting goals and measures in the GRI Report 2014, which will be published at the end of 2015. In the present reporting year we have continued to work on the goals of our Sustainability Strategy adopted in 2011. The following table shows what we have achieved so far.

Our goals	Our measures and results	Degree of performance
<b>1st action field – Governance and dialogue</b>		
We report on our sustainability activities regularly, transparently and in line with customary industry standards. <sup>1</sup>	Since 2011 we have reported annually in our Sustainability Report on our measures and achievements as a responsible company. In this context we are guided by the standards of the Global Reporting Initiative (GRI), which again confirmed that the report fulfils the requirements of Application Level B.	✓
In terms of our sustainability efforts, we rank among the leading companies in our industry (oekom Research Prime Standard). <sup>1</sup>	With the publication of our first GRI Report on the 2011 financial year we were included in the oekom Prime Standard and were subsequently able to improve our oekom rating to C+.	✓
Our standing and reputation have improved. <sup>1</sup>	We incorporate sustainability criteria and ethical principles into our risk strategy and use them to evaluate business, liability and reputational risks. In the context of a current stakeholder survey we have received predominantly positive feedback on our performance as a responsible company.	✓
We are included in the leading global sustainability indices, and investors perceive us as a sustainable investment. <sup>1</sup>	We have not yet achieved this goal. It remains our goal for the future.	→
<b>2nd action field – Product responsibility</b>		
We incorporate environmental, social and governance (ESG) criteria into the management of our investments.	In managing our investments we consider not only traditional financial but also environmental, social and governance (ESG) criteria. In this connection we are guided specifically by the ten principles of the United Nations Global Compact, i. e. we pay attention to aspects relating to human rights, working conditions, the environment and anti-corruption. We review our investments half-yearly with an eye to compliance with ESG criteria.	✓
We design and develop our product range in light of sustainability criteria.	This goal involves an ongoing process. We draw on insights from our research activities on topics such as climate change, resource shortages and shifting demographics in order to identify emerging risks and devise targeted solutions at an early stage.	→
	We motivate our clients to engage more closely with the issue of sustainability and we support them with the development of their sustainability offerings.	
	We aim to expand our business activities in the area of agricultural covers (insurance of agricultural risks) and in the field of micro-insurance beyond our existing involvement.	

<sup>1</sup> These entries correspond to the goals enshrined in our Sustainability Strategy.

✓ = fulfilled → = target achievement still in progress




Our goals	Our measures and results	Degree of performance
<b>3rd action field – Successful employees</b>		
We systematically encourage talented young staff through targeted support measures.	Our wide-ranging (further) training programmes are open to all employees. On average each member of staff within the Group received 3.7 days of training in 2013.	✓
	In the area of vocational qualifications Hannover Re offers six places annually to obtain a Bachelor of Arts degree in business administration with an insurance concentration and one or two places to study for a Bachelor of Science in information science under an integrated degree programme.	
We promote the compatibility of career and personal life for our employees.	Hannover Re offers flexible working-time arrangements that facilitate a balance between work and leisure. At its Hannover location the company operates its own crèche.	✓
<b>4th action field – Procurement and environmental protection</b>		
Our major suppliers have been evaluated and found to be in compliance with our environmental and social standards. <sup>1</sup>	Since mid-2012 our Code of Conduct for Suppliers has been applicable to large areas of the company at the Hannover location. Since 2013 an application-based process for self-reporting by suppliers and service providers has complemented our efforts to build up a reliable supplier base – by way of a systematic supplier selection and evaluation procedure – that meets, inter alia, the criteria of the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.	→
Concretely defined goals and measures for climate conservation.	Our environmental management system implemented in 2012 in accordance with DIN EN ISO 14001 was successfully recertified in the year under review.	✓
We have reduced our emissions and are on track to be carbon-neutral by 2015 at the Hannover location. <sup>1</sup>	In 2012 the electricity supply at the Hannover location was switched to 100% renewables. In 2013 we put into operation a photovoltaic system installed on the roof of the main office building in Hannover. The electricity generated in this way is fed entirely into Hannover Re's in-house grid, providing electricity for the air-conditioning and the computer centre, among other things.	→
<b>5th action field – Social commitment</b>		
Transparent communication of spending on donations and sponsorship.	Since 1966 we have supported social projects, the arts and culture and we are consistently expanding our community engagement. We subdivide our social commitment into the four areas of sponsoring, foundation support, donations and the voluntary activities of our employees, and we abide by the constraints of our Donations Guideline.	→

<sup>1</sup> These entries correspond to the goals enshrined in our Sustainability Strategy.

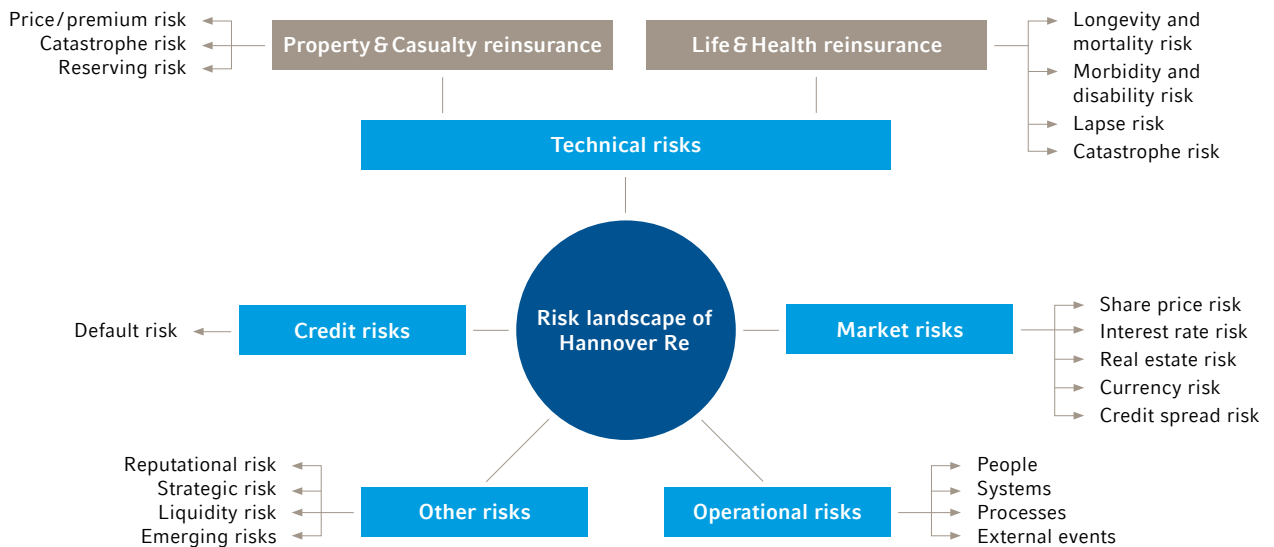
✓ = fulfilled → = target achievement still in progress


For further information on our sustainability strategy please see our website:  
[www.hannover-re.com/sustainability](http://www.hannover-re.com/sustainability)

# Profile

GRI Indicator	Information from Hannover Re	Further Details
<b>1. Strategy and Analysis</b>		
<p>■ <b>1.1</b> Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy</p>	<p>The statement by the Executive Board on the relevance of sustainability to Hannover Re is provided in the Chief Executive Officer's foreword (p. 6) to this GRI Report.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability &gt; Strategy and Management</p>
<p>■ <b>1.2</b> Description of key impacts, risks and opportunities</p>	<p>In the context of its business activities Hannover Re ensures that people and enterprises have reliable and long-term protection against various risks.</p> <p>Risk management is of crucial importance to the success of our business. Our expertise in appropriately evaluating risks is correspondingly strong. The risk landscape of Hannover Re encompasses underwriting risks in property/casualty and life/health reinsurance, market risks, credit risks, operational risks and other risks such as emerging risks.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; About Hannover Re &gt; Corporate Governance &gt; Opportunities and risks</p> <p> Opportunity and risk report in our Group Annual Report p. 70–94</p> <p>Group Strategy Sustainability Strategy</p>

## Risk landscape of Hannover Re



GRI Indicator	Information from Hannover Re	Further Details
	<p>We make a fundamental distinction here between risks that result from business operations of past years (reserving risk) and those stemming from activities in the current or future years.</p> <p>Emerging risks play a particularly important role because the content of such risks cannot be reliably assessed with respect to our portfolio of underwriting business. They include, among others, risks arising out of the emergence of large cities and urban conurbations – so-called megacities – as well as risks associated with pandemics, the use of nanotechnology and Internet crime. They also encompass risks in connection with natural disasters (earthquakes, windstorms and floods) and with asbestos and pollution claims. Megatrends such as climate change and the growth of emerging markets have twofold implications for our business: on the one hand, they can trigger greater demand for reinsurance solutions, while on the other hand the potential risk assumed – above all the catastrophe risk – can lead to a greater financial burden for Hannover Re.</p> <p>Hannover Re searches systematically for new business opportunities in order to generate sustainable growth and strengthen the company's profitable development. With a view to identifying opportunities and successfully translating ideas into business, Hannover Re adopts a number of closely related approaches in order to achieve holistic opportunistic and risk management. Of significance here is the interplay without overlaps of the various functions within opportunity and risk management, which is ensured by interfaces.</p> <p>Key elements in Hannover Re's opportunity management include its various market-specific innovations in the Life &amp; Health and Property &amp; Casualty reinsurance business groups. What is more, innovative and creative ideas are generated by our employees. If they can be successfully translated into additional profitable premium volume, such ideas are financially rewarded. Further elements are the "Future Radar" initiative and the working group on "Emerging Risks and Scientific Affairs". Not only that, Hannover Re has set up a stand-alone organisational unit for "Business Opportunity Management". This service unit deals exclusively and systematically with ideas and opportunities and it concentrates its activities on generating additional premium volume with profit potential. In this context, among other things, ideas on business opportunities are refined and optimal framework conditions for fresh commercial ideas are put in place.</p> <p>The "Future Radar" initiative, the members of which cut across divisions and hierarchies, picks up on a broad range of topics and arrives at initial business approaches. The working group is tasked with evaluating trends and issues of the future. This includes, for example, increasing fluctuations in the weather, obstacles to the turnaround in energy policy, greater scarcity of resources, developments in the health market or cybercrime.</p>	 <p>BaFin www.bafin.de</p>

GRI Indicator	Information from Hannover Re	Further Details
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A stable financial market is of vital importance both generally for global sustainable development and for us as a listed company. Of greatest significance in the period under review was the agreement reached in November 2013 on the implementation of Solvency II effective 1 January 2016. The Solvency II Framework Directive is primarily intended to strengthen protection for insureds, establish uniform standards of competition in the insurance sector of the Single European Market and hence assure broadly consistent regulatory practice in Europe. Before the new regulations can fully enter into force on 1 January 2016, important details must still be determined on the European and national level. We can utilise the know-how gained from development of the internal capital model in various ways to provide the markets with bespoke products. At Hannover Re we have long practised a risk-based, value-based management approach of the type called for by regulators under Solvency II and we began to prepare for the requirements of Solvency II at an early stage. Our internal capitalisation targets go well beyond the regulatory standards, and Hannover Re is therefore well placed for the capital requirements that will exist under Solvency II.

We publish detailed information on strategic objectives, governance mechanisms and approaches adopted in our management of opportunities and risks in the opportunity/risk report contained in the Group Annual Report.

## 2. Organisational Profile

### ■ 2.1 Name of the organisation

In March 2013 Hannover Re completed the transformation into a European Company, Societas Europaea (SE). The company therefore bears the name Hannover Rück SE (previously: Hannover Rückversicherung AG).

### ■ 2.2 Primary brands, products, and/or services

With gross premium of around EUR 14 billion Hannover Re is the third-largest reinsurer in the world. It transacts all lines of property/casualty and life/health reinsurance. The Group's German business is written exclusively by the subsidiary E+S Rückversicherung AG.

Of the gross premium totalling EUR 14 billion written in 2013, 56% was attributable to property/casualty reinsurance and 44% to life/health reinsurance.

Reflecting the areas of Board responsibility, property and casualty reinsurance is split into the following three subareas<sup>1</sup>:

1. target markets, which we have defined as Germany and North America,
2. specialty lines, i. e. marine, aviation, credit and surety, structured reinsurance, insurance-linked securities (ILS) as well as the United Kingdom, London Market and direct business,
3. global reinsurance, i. e. treaty reinsurance worldwide, facultative reinsurance and global catastrophe business.

Since 2012 we have split our Life & Health reinsurance business into Financial Solutions and Risk Solutions, with Risk Solutions further differentiated according to the risk types Longevity, Mortality and Morbidity.

<sup>1</sup> Valid until 31 July 2014. The latest information is available online at [www.hannover-re.com](http://www.hannover-re.com)



[www.hannover-re.com](http://www.hannover-re.com)  
> Business groups



Group Annual Report,  
front inside cover flap and  
p. 23 et seq.

GRI Indicator	Information from Hannover Re	Further Details
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■ **2.3** Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures

The Hannover Re Group is organised according to strategic business groups, i.e. split into Property & Casualty and Life & Health reinsurance.

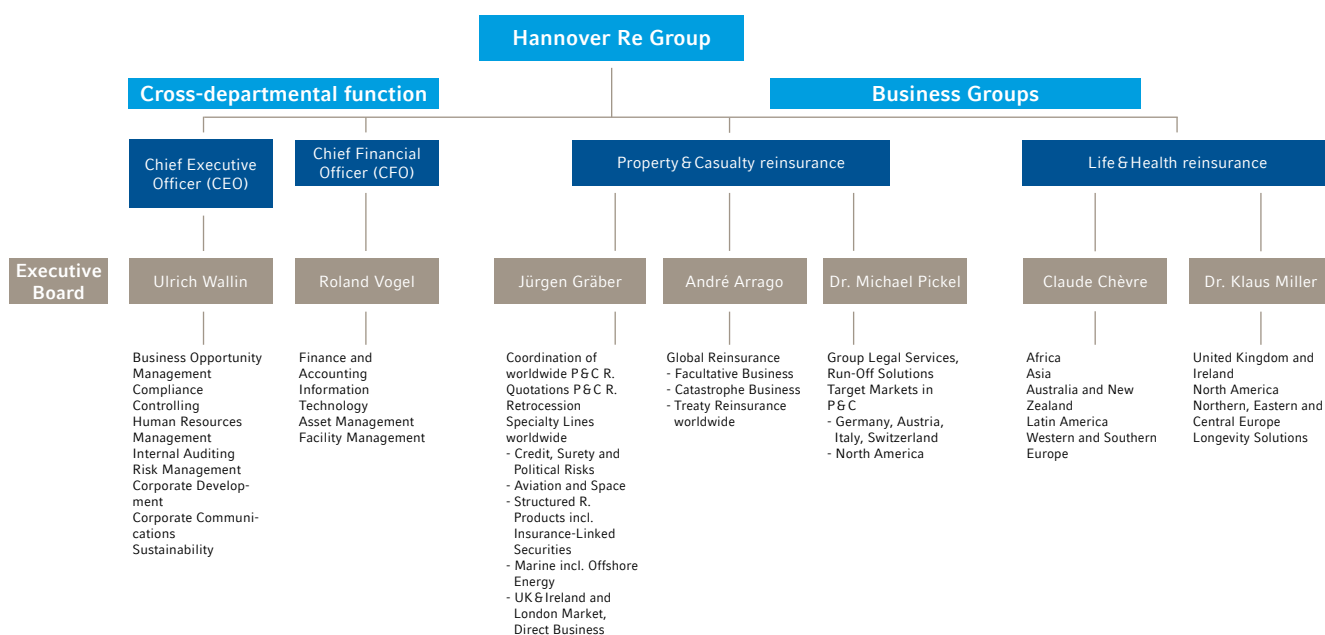
Key divisions that should be mentioned are Opportunity and Risk Management, Controlling, Finance and Accounting, Information Technology, Investments, Human Resources, Legal Affairs and Compliance, Internal Auditing, Corporate Development, Corporate Communications and Facilities Management.

Hannover Rück SE has more than 100 representative offices, branches and subsidiaries worldwide with a total workforce of 2,419 (valid: 31 December 2013).



Group Annual Report p. 6 and p. 95 et seq.

**Our operational Group structure<sup>1</sup>**



P & C = Property & Casualty reinsurance

R. = Reinsurance

<sup>1</sup> Valid until 31 July 2014. The latest information is available online at [www.hannover-re.com](http://www.hannover-re.com)

■ **2.4** Location of organisation's headquarters

Hannover, Germany

■ **2.5** 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

Hannover Re is present in 22 countries on all continents with representative offices and subsidiaries. In addition to the headquarters in Hannover (50.4% of the workforce), major operations are in the United States (11.6% of the workforce), South Africa (6.8% of the workforce) and the United Kingdom (8.6% of the workforce).

The sustainability issues covered in this GRI Report refer, unless otherwise indicated, to the business operations of Hannover Re in Germany.



Group Annual Report, map on the front inside cover flap and p. 63 et seq.

Table "Coverage indicators" on p. 4 of this GRI Report

GRI Indicator	Information from Hannover Re	Further Details
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■ **2.6** Nature of ownership and legal form

Hannover Re is a European Company (SE) with its registered office in Germany. 50.2% of the altogether 120,597,134 outstanding shares of Hannover Re are held by Talanx AG.

The shareholding of private investors increased year-on-year by 0.9 percentage points to 7.8%. The proportionate holding of institutional investors, on the other hand, decreased to 42.0% (valid: 31 December 2013).

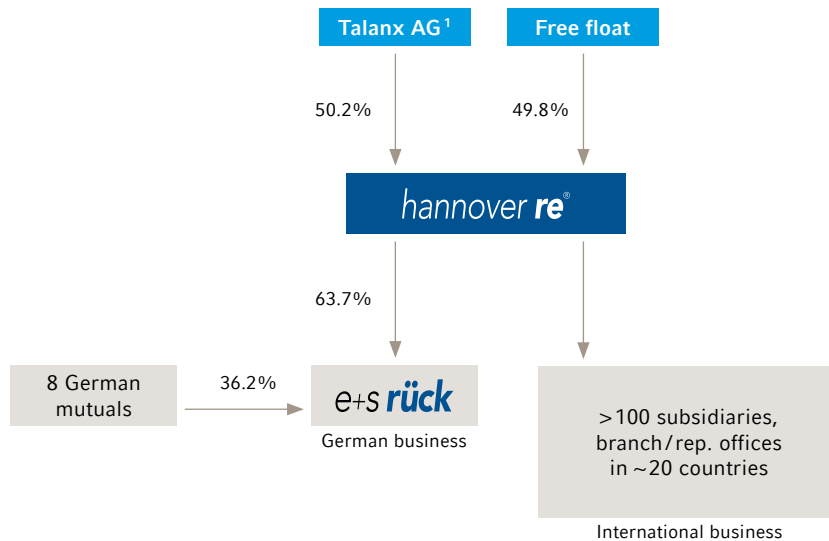
Talanx AG, the long-standing principal shareholder of Hannover Re, is also a listed company; 79.0% of its shares are currently held by "Haftpflichtverband der deutschen Industrie" (HDI), a mutual insurance company whose long-term orientation contributes to attainment of our goal of sustainable value creation.



[www.hannover-re.com](http://www.hannover-re.com)  
 > Investor Relations  
 > Share  
 > Shareholder Structure



Group Annual Report  
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<sup>1</sup> Majority owner HDI V.a.G.

■ **2.7** Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)




Information on the markets and sectors served by Hannover Re is provided under Disclosure 2.2 of this GRI Report and in our Group Annual Report.






Our clients in the Property & Casualty reinsurance business group are primary insurers and reinsurers. Clients in the Life & Health reinsurance business group include not only life and health insurers but also banks, sales companies and pension funds.




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 p. 29 et seq.





GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>2.8</b> Scale of the reporting organisation, including (as appropriate by region):</p> <ul style="list-style-type: none"> <li>• Number of employees</li> <li>• Net sales</li> <li>• Total capitalisation</li> <li>• Quantity of products or services provided</li> </ul>	<p>Hannover Re employs a workforce of altogether 2,419 (valid: 31 December 2013), thereof 1,219 (50.4%) in Germany, 416 (17.2%) in the rest of Europe (incl. the United Kingdom with 208 employees) and 280 (11.6%) in the United States. Detailed information can be obtained from the Indicators for the Category "Labour Practices and Decent Work" in this GRI Report.</p> <p>The gross premium written by Hannover Re increased in 2013 by 1.4% to around EUR 14 billion (previous year: EUR 13.8 billion). Net premium earned fell by 0.4% to EUR 12.2 billion (EUR 12.3 billion). The balance sheet total (corresponding to the definition of "total capitalisation" as per GRI) of Hannover Re for the 2013 financial year amounted to EUR 53.9 billion, thereof EUR 47.4 billion as liabilities and EUR 6.5 billion as shareholders' equity. The market capitalisation as at year-end 2013 stood at EUR 7.5 billion.</p> <p>Hannover Re offers all standard treaty types, such as obligatory, facultative and excess of loss covers. The total number of services that we offer cannot be specified owing to the highly complex, specialised and in some cases individually tailored contractual arrangements.</p>	<p> Group Annual Report p. 64; p. 126 et seq.</p> <p>Company Portrait on p. 2 of this GRI Report</p>
<p>■ <b>2.9</b> Significant changes during the reporting period regarding size, structure, or ownership</p>	<p>There were no significant changes during the reporting period</p>	<p> Group Annual Report p. 12</p>
<p>■ <b>2.10</b> Awards received in the reporting period</p>	<p>In 2013 Hannover Re was again honoured for its achievements:</p> <p>Ulrich Wallin, Chief Executive Officer of Hannover Re, was named "CEO of the Year" by the research firm Obermatt in recognition of his achievements. The Insurance Insider honoured him as "Outstanding Contributor of the Year" in the "Risk" category. This prize is awarded in recognition of personalities who have made outstanding contributions to the development of the insurance industry.</p> <p>At the "International Takaful Awards 2014" Hannover Re ranked among the winners as "Best Retakaful Company". Mahomed Akoob, Managing Director of Hannover Re Takaful B.S.C., Bahrain, was crowned "CEO of the Year".</p> <p>The "Flaspöhler US Surveys" alternate annually between surveys of brokers and ceding companies. In the Flaspöhler US Broker Survey 2012 Hannover Re achieved the outstanding rating of "best overall reinsurer". This is the fifth time in succession that Hannover Re has been ranked first overall since the Broker Survey 2004. It was most recently awarded the title in 2012 (2004, 2006, 2008, 2010 and 2012). The results of the upcoming 2014 survey are expected in early November 2014. In the Flaspöhler US Cedent Survey 2013 Hannover Re secured fourth place in the overall ranking. Looking at the nine rated criteria individually, Hannover Re has improved significantly in every category – including for example customer orientation, claims settlement and experience/ market know-how. It was also certified as having the broadest market penetration (56.7%). In the Flaspöhler Surveys North America and Latin America Life 2013 Hannover Re's life and health reinsurance operations placed it in the top three in the category of "best overall reinsurer".</p>	<p> Flaspöhler Research Group www.frssurveys.com</p> <p>Insurance Insider www.insuranceinsider.com</p>





GRI Indicator	Information from Hannover Re	Further Details
<b>3. Report Parameters</b>		
<p>■ <b>3.1</b> Reporting period</p>	<p>The reporting period for this sustainability report (“GRI Report”) published by Hannover Re is the 2013 financial year (1 January to 31 December 2013). For selected criteria comparative figures from prior years are available.</p> <p>The editorial deadline for the Hannover Re GRI Report was in the third quarter of 2014. Significant developments in 2014 have therefore already been taken into account and disclosed accordingly.</p>	
<p>■ <b>3.2</b> Date of most recent previous report (if any)</p>	<p>Hannover Re’s first sustainability report was published in December 2012. Further information on the topic of sustainability is published on the company’s website and regularly in its Group Annual Report.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability</p> <p> Group Annual Report p. 65 et seq.</p>
<p>■ <b>3.3</b> Reporting cycle</p>	<p>Annual</p>	
<p>■ <b>3.4</b> Contact point for questions regarding the report or its contents</p>	<p>Karl Steinle, General Manager Corporate Communications (karl.steinle@hannover-re.com) Julia Hartmann, Senior Investor Relations Manager (julia.hartmann@hannover-re.com) Melanie Raudzis-Bokelmann, Deputy Investor Relations Manager (melanie.raudzis@hannover-re.com)</p>	<p> GRI Report, Imprint</p>
<p>■ <b>3.5</b> Process for defining report content</p>	<p>The present Sustainability Report reflects the issues and challenges of sustainable development that are material to our company. It takes into account the requirements of stakeholders who are of major significance to Hannover Re. The underlying principles on which the report is based are materiality, the inclusion of stakeholders, the sustainability context and comprehensiveness.</p> <p>In order to identify material issues for Hannover Re a stakeholder survey and a materiality analysis were carried out in 2011 prior to compilation of the reporting. The findings remain valid for the present report.</p> <p>Based on these findings, we have identified the following topics as being of special relevance to Hannover Re:</p> <p>Action field: Governance and Dialogue</p> <ul style="list-style-type: none"> <li>• Value-based management</li> <li>• Strategic positioning in relation to Corporate Responsibility</li> </ul> <p>Action field: Product Responsibility</p> <ul style="list-style-type: none"> <li>• Sustainable products and services</li> <li>• Sustainability in asset management</li> </ul> <p>Action field: Employees</p> <ul style="list-style-type: none"> <li>• (Further) training, skills management</li> </ul> <p>Action field: Procurement and environmental protection</p> <ul style="list-style-type: none"> <li>• Environmental management</li> <li>• Sustainability in Procurement, Protection of resources</li> </ul>	<p> Global Reporting Initiative (GRI) <a href="http://www.globalreporting.org">www.globalreporting.org</a></p> <p> Information on the stakeholder survey: p. 25 et seq. of this GRI Report</p> <p>Sustainability Strategy</p>


GRI Indicator	Information from Hannover Re	Further Details
	<p>Action field: Corporate Citizenship</p> <ul style="list-style-type: none"> <li>• Projects relating to Corporate Citizenship</li> </ul> <p>All topics identified as relevant have since been included in the reporting. Furthermore, Hannover Re also reports on matters of minimal relevance in order to provide the greatest possible transparency in relation to its sustainability performance.</p> <p>Issues, expectations, suggestions and criticisms regarding the company's sustainability performance were again collected from stakeholders by way of a stakeholder survey in advance of the 2012 reporting. The participants included representatives of the capital market, clients, employees, NGOs and the public sector. These findings were also incorporated into the present report.</p>	
<p>■ <b>3.6</b> Boundary of the report (e. g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)</p>	<p>The present GRI Report 2013 published by Hannover Re reports, unless otherwise indicated, on the activities of Hannover Re in Germany (more than 50% of the Group as a whole).</p> <p>In the case of selected Management Approaches and Performance Indicators, the scope of consolidation is extended to include non-German representative offices and subsidiaries or the entire Group. This is explained where applicable.</p> <p>Over the long term, Hannover Re will strive to extend the boundary of the report.</p>	
<p>■ <b>3.7</b> Limitations on the scope or boundary of the report</p>	<p>In this GRI Report and on the company website Hannover Re reports on the relevant product-related, economic, ecological and social impacts of the company on its stakeholders and the environment. Please see Indicator 3.6 with regard to any limitations on the scope or boundary of the report.</p> <p>Hannover Re's business operations involve the provision of services. Consequently, we do not report on GRI Standard Disclosures that are exclusively product-related.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability</p>
<p>■ <b>3.8</b> 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</p>	<p>Mention of additional information on subsidiaries is, as described under 3.6, explained accordingly.</p>	
<p>■ <b>3.9</b> 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</p>	<p>In order to compile this GRI Report we used internally collected data from various departments as well as the consumption data taken from the bills provided by our electricity and district heat suppliers.</p> <p>With regard to the calculation of our CO<sub>2</sub> emissions from business travel, we adopt the calculation methods used by our carbon offset service providers "atmosfair" and Deutsche Bahn AG.</p>	




GRI Indicator	Information from Hannover Re	Further Details
■ <b>3.10</b> Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	The presentation of information in the GRI Report 2012 has not changed in comparison with the previous year.	
■ <b>3.11</b> Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	Any significant changes in the scope, boundary or measurement methods applied are noted at the appropriate point in the report.	
■ <b>3.12</b> GRI Content Index	The present report is structured in accordance with the GRI Content Index.	
■ <b>3.13</b> External assurance for the report	Fulfilment of GRI Application Level B has again been confirmed by the Global Reporting Initiative (GRI) (see certificate on p. 78 of this GRI Report).	


#### 4. Governance, Commitments and Engagement

<p>■ <b>4.1</b> Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight</p>	<p>As a listed European joint-stock company (SE) based in Hannover, Hannover Re is subject to SE-specific laws – as well as German laws governing stock corporations and the capital market – and laws on co-determination, especially the participation agreement concluded with the employees. The three governance bodies of Executive Board, Supervisory Board and General Meeting make up the governance structure of the organisation. Their cooperation is regulated by law and by the company's Articles of Association.</p> <p>For detailed information on the composition of the Executive Board and Supervisory Board please see pages 6 and 233 of the Annual Report 2013 as well as our corporate website. We do not make any breakdown according to age group or belonging to a minority.</p> <p>State-of-the-art Corporate Governance is embodied by Hannover Re as a matter of course. In addition to constant engagement with the changing legal framework, since 2003 we have provided annually a Declaration of Conformity with the German Corporate Governance Code which can be accessed on the company's website. Furthermore, the Corporate Governance Principles of Hannover Rück SE undergo regular updating and reflect the recommendations contained in the latest version of the German Corporate Governance Code as amended.</p> <p>Responsibility for sustainability rests with the Executive Board of Hannover Re. Further information on the management of specific sustainability issues can be found in the respective descriptions of the Management Approaches to the GRI Categories in the section of this GRI Report entitled "Management and Performance".</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; About Hannover Re &gt; Corporate Governance</p> <p> Group Annual Report p. 95 et seq.</p> <p>Articles of Association</p> <p>Corporate Governance Principles</p>
<p>■ <b>4.2</b> Indicate whether the Chair of the highest governance body is also an executive officer</p>	<p>In conformity with legal requirements, the Chairman of the Supervisory Board of Hannover Re is not at the same time a member of the Executive Board, i. e. he is not active with the company in an operational role or as a managing director.</p>	



GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>4.3</b> For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members</p>	<p>Not applicable because Hannover Re has an independent Supervisory Board.</p>	
<p>■ <b>4.4</b> Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body</p>	<p>The shareholders of Hannover Re exercise their right of co-determination at the company's Annual General Meeting, in particular by appointing the members of the Supervisory Board, ratifying the actions of the Executive Board and Supervisory Board, adopting the resolution on the appropriation of the disposable profit and by exercising their right to ask questions and receive information.</p> <p>The right of employees to have their say within the company is safeguarded by the SE Employee Council, the joint German Employee Council of Hannover Re and E+S Rück and by the three employee representatives on the Supervisory Board elected by this joint Employee Council.</p>	<p> Articles of Association</p> <p>Corporate Governance Principles</p>
<p>■ <b>4.5</b> Linkage between compensation for members of the highest governance body, senior managers, and executives</p>	<p>The linkage between the performance of Hannover Re and the compensation of the governance bodies is ensured by a remuneration system with two components: fixed salary/benefits in kind and variable remuneration. The variable remuneration elements have multi-year calculation bases and thereby support the company's sustainable development.</p> <p>Detailed information on the remuneration of the Executive Board, Supervisory Board and senior managers below board level is published in the remuneration report contained in the Group Annual Report 2013.</p>	<p> Remuneration report in our Group Annual Report p. 99–115</p>
<p>■ <b>4.6</b> Processes in place for the highest governance body to ensure conflicts of interest are avoided</p>	<p>The avoidance of conflicts of interest is ensured by the control mechanisms existing between the three governance bodies as defined by law and the Articles of Association.</p> <p>The members of the Supervisory Board ensure that they have sufficient time available to perform their duties; potential conflicts of interest are avoided. Under the Rules of Procedure of the Supervisory Board members of the Supervisory Board may not have reached the age of 72 at the time of their election. In order to make sure that the Executive Board receives independent advice and supervision from the Supervisory Board, no more than two former members of the Executive Board shall belong to the Supervisory Board. Members of the Supervisory Board may not exercise a governance function or perform advisory tasks at significant competitors of the company.</p>	<p> Articles of Association</p>
<p>■ <b>4.7</b> Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity</p>	<p>The anticipated commitment to sustainable value creation by the company is a central criterion for determining the members of the Supervisory Board and Executive Board.</p> <p>The objectives of Hannover Re's Sustainability Strategy are pursued by all members of the governance bodies.</p> <p>The Supervisory Board consists of nine members. In accordance with legal requirements and the participation agreement, the employees are represented by three members. When selecting the shareholders' candidates who are to be proposed to the General Meeting for election to the Supervisory Board, care is taken to ensure that the persons in question have the necessary knowledge, abilities and professional experience. In addition, consideration is given to the principle of diversity in the selection process.</p>	<p> Group Annual Report p. 63 et seq. and p. 230 et seq.</p>

GRI Indicator	Information from Hannover Re	Further Details
	<p>In order to deal with complex matters and depending upon the specific circumstances of the company, the Supervisory Board forms committees within the scope of its Rules of Procedure. These currently consist of the Standing Committee, the Finance and Audit Committee and the Nomination Committee. The relevant necessary professional suitability is determinative in the appointment of committee members.</p>	
<p>■ <b>4.8</b> Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation</p>	<p>Sustainability is included as the ninth of ten strategic action fields in our Group Strategy, which was revised in 2011 (“We are committed to sustained compliance”). We defined our orientation towards sustainability more concretely in our Sustainability Strategy, which was also approved in 2011.</p> <p>Compliance with the law is a fundamental prerequisite of our business, for which trust and an immaculate reputation are essential. Hannover Re’s internal Code of Conduct ensures adherence to our high ethical and legal standards. It applies to all members of staff around the world. Internal Auditing regularly audits all business units with an eye to compliance with internal guidelines and the Code of Conduct, including anti-corruption regulations. Tips can be submitted anonymously through an Internet-based system. In this way, possible instances of misconduct can be reported without difficulty and Hannover Re can be assisted with their resolution. In addition, the company is able to take steps to prevent any reoccurrence in the future.</p> <p>Since mid-2012 our Code of Conduct for Suppliers has been in force for large areas of the company at the Hannover location. The Code of Conduct was developed with the support of Group Legal Services by the areas of Facilities Management (FM) and Information Technology (IT) in the context of the sustainability project. It requires, among other things, compliance with environmental and social standards and forms an integral contractual component in the tendering and contracting by FM of infrastructure services as well as various construction projects. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Core suppliers serving the IT sector also satisfy our Code of Conduct.</p> <p>This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.</p> <p>Our environmental management system certified according to DIN ISO 14001 has been in place since June 2012. Our company’s commitment to protecting the environment is thus unambiguous. An internal national and international Donations Guideline ensures that in the context of our social commitment we support primarily organisations that benefit the common good. Please see here Indicator S01.</p>	<p> Group Strategy p. 34 et seq.</p> <p>Sustainability Strategy</p> <p>Code of Conduct</p>

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>4.9</b> Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance</p>	<p>At Hannover Re the Chief Executive Officer takes responsibility for the topic of sustainability. The Environmental Management Officer and the Corporate Governance Officer both report directly to the Executive Board on a regular basis.</p> <p>In addition, the sustainable value creation of Hannover Re is further ensured by a comprehensive risk management system with appropriately established reporting structures, responsibility for which rests with the full Executive Board.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability</p>
<p>■ <b>4.10</b> Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance</p>	<p>The Executive Board is appointed and supervised by the Supervisory Board, and its actions are ratified by a vote of the General Meeting. The goals on the basis of which the Executive Board is evaluated are geared towards sustainable development of the company. This is also reflected in a variable remuneration structure based to an appropriate extent on a multi-year calculation method.</p> <p>The profit- and performance-based remuneration (variable remuneration) is contingent on certain defined results and the attainment of certain set targets. The set targets vary according to the function of the Board member in question.</p> <p>The variable remuneration consists of a profit bonus and a performance bonus. In the event of goal attainment of 100%, the share of the variable remuneration attributable to the profit bonus amounts to 70% for the Chief Executive Officer and Chief Financial Officer and 50% for the members of the Executive Board with business group responsibility. The performance bonus accounts for the remaining 30% or 50%.</p> <p>The profit bonus is dependent on the risk-free interest rate and the average return on equity (RoE) over the last three financial years.</p> <p>The performance bonus for the Chief Executive Officer and the Chief Financial Officer is arrived at from individual qualitative and, as appropriate, quantitative targets defined annually by the Supervisory Board that are to be accomplished in the subsequent year.</p> <p>For members of the Executive Board with responsibility for a certain business group, the performance bonus consists in equal parts of the business group bonus and the individual bonus.</p> <p>The goals of Hannover Re's Sustainability Strategy are pursued jointly by all members of the governance bodies.</p>	<p> Articles of Association</p> <p>Remuneration report in our Group Annual Report p. 99–115</p>
<p>■ <b>4.11</b> Explanation of whether and how the precautionary approach or principle is addressed by the organisation</p>	<p>The business model of Hannover Re is closely linked to the principle of early detection of risks. As a general principle, risk management, especially the assessment of risks in order to avoid adverse consequences, is accorded central importance at Hannover Re.</p> <p>Furthermore, our forward-looking approach is also reflected in the regular analysis and evaluation of emerging risks. We take this to mean risks, the potential losses from which are still unknown and the implications of which are difficult to assess. Climate change and its effects on global social trends and technological developments as well as pandemics may be cited by way of example. These risks, too, are actively managed in the spirit of the precautionary principle.</p>	<p> Opportunity and risk report in our Group Annual Report p. 70–94</p>

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>4.12</b> Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses</p>	<p>In the context of the “Climate Alliance Hannover”, a joint project of the state capital and Greater Hannover Region, Hannover Re has undertaken to emit 40% less harmful greenhouse gases by 2020 than in the base year of 1990. Hannover Re’s emissions have been regularly checked every two years since 2011.</p> <p>Under the “Climate Alliance” Hannover Re additionally participates in the Business Strategy Group of the “Master Plan 2050 for the City and Region of Hannover, 100% for Climate Protection”.</p> <p>Since 2007 Hannover Re has also participated in the “Ecological Project for Integrated Environmental Technology” (Ecoprofit) of the City and Region of Hannover. The underlying idea of the project is the connection between economic gain and ecological benefit through preventive environmental protection. The energy-saving successes already achieved are regularly publicised in the relevant project publications.</p> <p>On the international level Hannover Re was a signatory to the Geneva Association’s Climate Risk Statement in 2009 and reaffirmed its commitment in 2014. Sixty-six Chief Executives of the world’s leading insurers commit to the insurance industry’s fundamental responsibility in global efforts to tackle climate-related risks.</p> <p>The design of our investment policy is guided primarily by the ten principles of the United Nations Global Compact.</p> <p>We support ensuring decent working conditions in our supply chain. Our Code of Conduct for suppliers requires respect for human rights and compliance with the core labour standards of the International Labour Organisation (ILO).</p>	 <p>www.hannover-re.com &gt; Sustainability &gt; Procurement and environmental protection</p> <p>Region Hannover www.hannover.de</p> <p>Ecological Project for Integrated Environmental Technology www.oekoprofit-hannover.de</p> <p>Geneva Association www.genevaassociation.org</p> <p>United Nations www.unglobalcompact.org</p> <p>International Labour Organization www.ilo.org</p>
<p>■ <b>4.13</b> Memberships in associations and/or national/international advocacy organisations</p>	<p>Hannover Re is a member of numerous associations, interest groups and organisations. Employees of the Hannover Re Group participate in various working groups and contribute their specialist expertise to relevant discussions. In June 2013 Hannover Re ceded the chair of the “Reinsurance Advisory Board” of Insurance Europe, the European umbrella federation for insurers and reinsurers, which it had held for two years on a regular rotating basis.</p> <p>The following list shows a selection of key memberships:</p> <p>In Germany:</p> <ul style="list-style-type: none"> <li>• German Insurance Association (www.gdv.de)</li> </ul> <p>International:</p> <ul style="list-style-type: none"> <li>• American Council of Life Insurers (www.acli.com)</li> <li>• Chief Risk Officer Forum (www.thecroforum.org)</li> <li>• European Insurance CFO Forum (www.cfoforum.eu)</li> <li>• Geneva Association (www.genevaassociation.org)</li> <li>• Global Earthquake Model (www.globalquakemodel.org)</li> <li>• International Actuarial Association (www.actuaries.org)</li> <li>• International Association of Insurance Supervisors (www.iaisweb.org) (Observer)</li> <li>• International Underwriting Association of London (www.iaa.co.uk)</li> <li>• Reinsurance Advisory Board of the Insurance Europe federation (www.insuranceeurope.eu)</li> </ul>	
<p>■ <b>4.14</b> List of stakeholder groups engaged by the organisation</p>	<p>The following stakeholder groups are particularly relevant to Hannover Re: our clients, our employees, the public sector, non-governmental organisations (NGOs) and the capital market.</p>	



GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>4.15</b> Basis for identification and selection of stakeholders with whom to engage</p>	<p>The stakeholder universe of Hannover Re was defined in the context of the elaboration of the Sustainability Strategy. The selection of relevant stakeholders is based on our business operations and our geographical presence, and is regularly reconciled with representatives of the business units.</p>	
<p>■ <b>4.16</b> Approaches to stakeholder engagement</p>	<p>Hannover Re maintains an open dialogue with its stakeholders. By sharing information and opinions with our stakeholders we seek to identify the expectations and aspirations of the various groups and integrate them into our business operations. Furthermore, this dialogue helps to identify risks and opportunities at an early stage and serves to build trust.</p> <p>In order to draw up the Sustainability Strategy in 2011 we surveyed individuals from all our important stakeholder groups (i. e. clients, employees, public sector, NGOs and the capital market) with regard to their perspective on sustainability at Hannover Re. Their answers were incorporated into the determination of concentrations in our Sustainability Strategy.</p> <p>In the run-up to compiling the present GRI Report another stakeholder survey was carried out, this time with the involvement of 30 representatives spanning the capital market, clients, employees, NGOs and the public sector. Further information is provided under 4.17.</p> <p>As part of our Investor Relations activities we engage in a dialogue in various ways with representatives of the capital market, for example in numerous group and one-to-one discussions with interested investors and financial analysts at conferences and roadshows. At our 16th Investors' Day, which in 2013 was held in Frankfurt, 35 analysts and institutional investors availed themselves of the opportunity to engage in an intensive exchange with the Executive Board.</p> <p>Our Investor Relations website was chosen in 2013 by the company NetFederation as the second-best in the MDAX.</p> <p>The online Annual Report that we published this year was also very well received: our online Annual Report for 2013 was rated "very good" and placed an outstanding third in the annually released Kirchhoff rankings of all DAX and MDAX companies.</p> <p>We participate in an ongoing dialogue with our clients around the world. Client relationships are normally maintained by individual divisions at Hannover Re. The Life &amp; Health reinsurance business group has pursued a systematic CRM approach since as long ago as 2000. The Property &amp; Casualty reinsurance business group thoroughly revised its customer relationship strategy in 2012. Going forward, we intend to respond even more closely and systematically and with even greater anticipation to the individual reinsurance needs of our clients.</p> <p>In addition, Hannover Re regularly conducts employee surveys, the most recent of which took place in the autumn of 2012 with the participation of altogether some 800 members of staff. Among other things, the aims were to measure employee satisfaction and assess in detail the appeal of Hannover Re as an employer. 93% of the employees surveyed considered Hannover Re to be a particularly good place to work. Potential room for improvement was identified, above all, in the expansion of our range of personnel development and advancement activities, in opportunities for project work and in dealing with conflicts.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Investor Relations</p> <p> Group Annual Report p. 12, p. 63</p> <p>Sustainability Strategy</p>

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>4.17</b> 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 its reporting</p>	<p>Hannover Re is one of the largest reinsurers in the world. For the company's stakeholders, therefore, corporate responsibility with regard to economic concerns and product responsibility – including asset management – are fundamentally of central importance.</p> <p>It is in the area of responsible enterprise management that Hannover Re's activities have to date been most widely recognised and most favourably evaluated. Room for improvement is evident in our communication on the topic of sustainability and in our product responsibility, while the greatest opportunity was identified with respect to corporate environmental protection and our employees. It is also important to keep a close eye on emerging global issues such as renewable energies, climate change, environmental conservation, financial inclusion and tax policy.</p> <p>Particularly evident in the stakeholder survey conducted in the summer of 2013 was a desire for greater communication on the topic of sustainability at Hannover Re. We are seeking to address this desire through annual reporting in accordance with the GRI guidelines. Sustainability also features as an item on the agenda of our company presentation; in this way we would like to encourage discussion of the subject with our stakeholders.</p> <p>Turning to its asset management, Hannover Re avoids investment in sectors that should be judged critically from a social perspective and in light of sustainability considerations. Hannover Re incorporates environmental, social and governance (ESG) criteria into its investment policy. This is guided in particular by the ten principles of the United Nations Global Compact, i. e. it reflects values relating to human rights, working conditions, the environment and anti-corruption. Our investments are reviewed regularly for compliance with these ESG criteria. Exclusion from our investment universe is provided for in the event of failure to comply with the criteria.</p>	

# Management and Performance

GRI Indicator	Information from Hannover Re	Further Details
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## Category: Financial Services Sector Indicators (FS)

### ■ DMA

Description of the Management Approach to Aspects of the Financial Services Sector Indicators

In 2011 we revised our Group Strategy and adopted our Sustainability Strategy. This states that we shall align and refine our business operations according to sustainability criteria. Responsibility for this rests with the Executive Board.

We develop and design our product range in light of sustainability criteria. In so doing, we apply insights gained from our research activities on topics such as climate change, scarcity of resources and shifting demographics in order to be able to identify new risks and devise specific solutions at an early stage.

Along with our product portfolio, we attach priority to the responsible management of our investments. We incorporate environmental, social and governance (ESG) criteria into our investment policy. This is guided in particular by the ten principles of the United Nations Global Compact, i.e. it reflects values relating to human rights, working conditions, the environment and anti-corruption. Our investments are reviewed half-yearly with an eye to compliance with these ESG criteria.

Exclusion from our investment universe is provided for in the event of failure to comply with the criteria. Furthermore, investments in correspondingly identified securities are also prospectively avoided. As we develop and continuously review our investment strategy, we work together with a service provider that specialises in sustainability.



[www.hannover-re.com](http://www.hannover-re.com)  
> Sustainability  
> Product responsibility

[www.hannover-re.com](http://www.hannover-re.com)  
> Sustainability  
> Procurement and environmental protection



GRI Report p. 33 et seq.

### Product Portfolio Aspect

■ FS1 Policies with specific environmental and social components applied to business lines

Our Sustainability Strategy is considered to be an overarching guideline for the design of our range of products and services.



The high ethical and moral standards to which we aspire not only for our products and services but also in our dealings with one another are defined in our Group-wide Code of Conduct as being binding upon all members of staff. The Compliance Department, as part of our Group Legal Services, bears responsibility within the Group for compliance with all laws as well as for anti-corruption issues and the prevention of anti-competitive behaviour and provides appropriate training activities for the members of staff. Group Auditing regularly audits all business units with an eye to compliance with the Code of Conduct, including anti-corruption regulations. Applicable Group-wide, the Code of Conduct regulates interactions among employees and with clients and business partners. We have adopted environmentally relevant measures in the Sustainability Strategy specifically for our core business, for example by strengthening our research activities into issues such as climate change and shortage of resources.



Our investments are subject to strict ESG criteria, compliance with which we verify regularly in cooperation with an external service provider.



Group Strategy

Sustainability Strategy

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>FS2</b> Procedures for assessing and screening environmental and social risks in business lines</p>	<p>In the context of its business operations Hannover Re enters into a broad range of risks. These risks are consciously accepted and steered in order to be able to act on the associated opportunities. We manage the process through our Group-wide risk management system, in which the individual elements are closely interlinked and the roles, tasks and reporting channels are clearly defined and documented in guidelines. This makes possible a common understanding of the Group-wide, holistic monitoring of all material risks.</p> <p>Social and environmental risks are considered as part of the analysis of emerging risks. Emerging risks are future risks that cannot be definitively assessed with any reliability. It is vital to detect and evaluate these risks at an early stage. A separate working group of specialists is therefore deployed Group-wide in a process that cuts across divisions. The members of the working group “Emerging Risks and Scientific Affairs” regularly attend conferences on selected risks and engage in a dialogue with other globally operating risk managers. The working group coordinates closely with Hannover Re’s central risk monitoring function.</p> <p>In addition, the evaluation results are integrated into the quarterly internal risk reports, which serve to keep the Executive Board – among others – updated on material risk assessments. The insights and risk assessments of the working group are incorporated directly into the Group’s decision-making.</p> <p>Climate change constitutes a major environmental risk. Experts from a wide range of specialist disciplines engage with this topic at Hannover Re. Not only insurance specialists but also geophysicists, meteorologists, seismologists and mathematicians – among others – are involved when natural hazards are evaluated and their economic impacts analysed and regionally monitored. By way of natural hazards modelling, for example, fundamental risk management standards are developed for dealing with natural disasters, as illustrated by the models for managing flood and hail risks. Hannover Re is currently engaged in the development of a model for handling the earthquake risk in Germany.</p> <p>All potential risks known to Hannover Re are split into three different risk categories, each of which is evaluated accordingly and checked for changes at least twice a year.</p> <p>For further information please see Disclosure 1.2 in the “Profile” section of this GRI Report.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; About Hannover Re &gt; Corporate Governance</p> <p> Opportunity and risk report in the Group Annual Report p. 70–94</p>
<p>■ <b>FS3</b> Processes for monitoring clients’ implementation of and compliance with environmental and social requirements included in agreements or transactions</p>	<p>We motivate our clients – also in their own interest – to engage more closely with the issue of sustainability and we support them with the development of their sustainability offerings.</p> <p>Thus, for example, we support insurance concepts under which agricultural actors receive better policy conditions if they practise smart cultivation techniques tailored to local conditions, the appropriate use of fertilizers and animal welfare etc.</p> <p>Insurers and reinsurers can play a part in promoting stability in the growth of rural development regions by offering local populations protection against existential losses in the form of agricultural microinsurance products and thereby helping to reduce migration to the cities.</p> <p>We have not set up mechanisms for monitoring compliance with environmental and social principles at our reinsurance clients.</p>	

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>FS4</b> Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines</p>	<p>The design and development of the product range in light of sustainability considerations forms part of the programme of our environmental management system, which was certified in 2012.</p> <p>The interactive training provided by Hannover Re has been enhanced through the addition of “Healthy Back” and “Environmental Management” modules. These and other occupational safety modules are to be worked through once a year by every member of staff in fulfilment of statutory requirements. Employees are awarded a certificate upon completion of the modules.</p>	
<p>■ <b>FS5</b> Interactions with clients/investees/business partners regarding environmental and social risks and opportunities</p>	<p>Since mid-2012 our Code of Conduct for Suppliers has been in force for large areas of the company at the Hannover location. The Code of Conduct was developed with the support of Group Legal Services by the areas of Facilities Management (FM) and Information Technology (IT) in the context of the sustainability project. It requires, among other things, compliance with environmental and social standards and forms an integral contractual component in the tendering and contracting by FM of infrastructure services as well as various construction projects. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Core suppliers serving the IT sector also satisfy our Code of Conduct.</p> <p>This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.</p> <p>In developing sustainability-related insurance solutions we work in partnerships. For example, under the “Energy Savings Protect” programme we cooperate with the specialised partner “KlimaProtect”. The programme was launched on the German market in 2012 and is considered a value-creating contribution by the insurance industry towards ensuring the successful transition in energy policy. The guaranteed return on investment has created incentives for private and commercial clients to invest in energy-saving technologies and solutions, without which many of the steps needed to accomplish energy policy objectives might not have been taken in the first place.</p> <p>Our subsidiary E+S Rück, which bears responsibility for German business, has developed various services and applications so as to be able to identify potential risks for its clients. The application ES HageIT®, for example, which was developed as one of these service offerings for our clients, is a simulation model used to calculate and capture (potentially extreme) hail events and the associated losses. Similar models have been developed to assess and evaluate flood and accident risks. Building on this analysis, E+S Rück then helps its clients to decide how they wish to deal with such risks.</p> <p>The annual expert conferences organised by E+S Rück offer our clients a range of claims-related information. Depending on the topic, speakers are on hand from various specialist disciplines, including for example physicians, legal experts or senior figures from the claims management department.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a>  &gt; Sustainability  &gt; Product responsibility</p> <p> 4.8 and 4.14 to 4.17 of this GRI Report</p>

### Performance Indicators for the Product Portfolio Aspect

■ **FS6** Percentage of the portfolio for business lines by specific region, size, (e.g. micro/SME/large) and by sector

The Hannover Re Group transacts all lines of property/casualty and life/health reinsurance worldwide. Detailed information and indicators regarding the size and segmentation of our business groups are provided in the Company Portrait and the section "Organisational Profile" in this GRI Report as well as in the section of our Group Annual Report entitled "Business groups".

Hannover Re is active on all continents, with different regional concentrations depending on the business group.

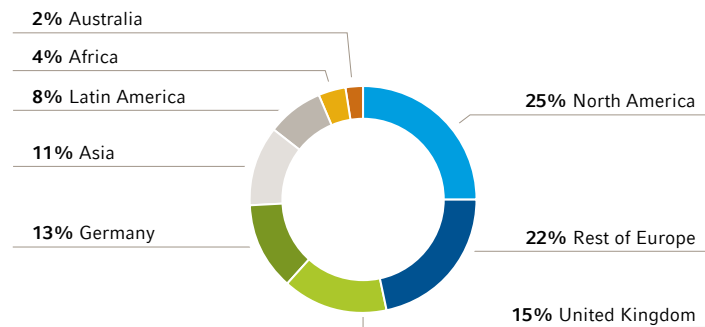


Group Annual Report p. 29 et seq.

Company Portrait and Disclosures on aspect 2. "Organisational Profile" in this GRI Report

#### Regional breakdown of gross premium in Property & Casualty reinsurance

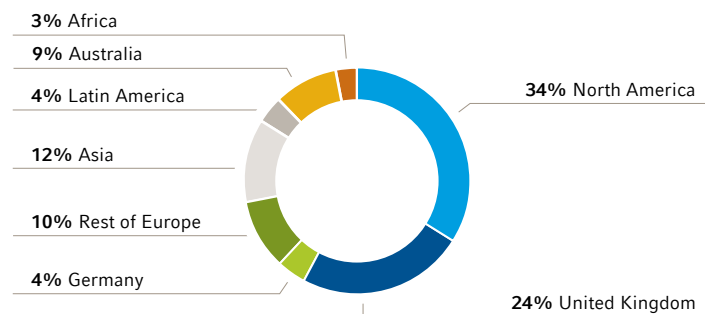
(valid: 31 December 2013)




Gross written premium 2013: EUR 7.8 billion



#### Regional breakdown of gross premium in Life & Health reinsurance

(valid: 31 December 2013)



Gross written premium 2013: EUR 6.1 billion

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>FS7</b> Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose</p>	<p>Demand for the insurance of agricultural land and livestock continues to grow, especially in view of a steadily rising need for food and the effects of climate change. This is especially true of developing countries.</p> <p>Safeguarding agricultural production is particularly important for the development of poor regions. In 2013 we wrote premium in the low triple-digit millions (EUR) in the area of agricultural risks, with around three-quarters of the total amount coming from developing and emerging markets in South America, Asia and Africa.</p> <p>In Peru, for example, our involvement enables more than 450,000 peasant families to insure their crops against damage from flood, drought, hail or frost and hence rely on a secure minimum income. In Burkina Faso our engagement enabled 6,200 farmers to obtain insurance coverage for their cotton production.</p> <p>Especially in developing countries microinsurance programmes – which offer low-income population groups protection against fundamental risks such as disease, disability, the consequences of natural disasters or crop failures – are taking on added importance.</p> <p>Hannover Re is committed to the goal that a financial infrastructure should not only exist in industrial nations, but can also develop in more socially deprived regions around the world. With this in mind, we participate in numerous projects for so-called microinsurances by reinsuring such contracts offered by primary insurers, for example in Mexico, Peru, India, Pakistan, China and some African countries. We are also engaged in a new and innovative cover against protracted periods of drought in African Union states and are thereby contributing to food security in Kenya, Mauretania, Mozambique, Niger and Senegal. In these countries, where the majority of the population works in agriculture, long droughts cause famines every year that cost countless lives. Further projects to protect small farmers are currently in the pipeline for Bangladesh and Paraguay. The premium volume from microinsurance products in the year under review was in the double-digit million euros.</p> <p>On the life and health reinsurance side, Hannover Re is particularly active in the area of government-assisted health microinsurance solutions in India. Poor sections of the population receive basic coverage for hospital treatment through state-subsidised covers offered by private and government health insurers alike. These programmes are able to reach millions of insureds thanks to the government's support. In 2013 we established a service company in New Delhi to handle this business.</p> <p>Microinsurance is also growing in markets such as the Philippines and Indonesia. Here, too, we offer appropriate products in cooperation with primary insurance partners.</p> <p>In addition, we actively support and promote holistic lifestyle insurance concepts that are geared to insureds' healthy living and factor this into the pricing. The design and marketing of these insurance products is similarly carried out in cooperation with primary insurers and local partners.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a>  &gt; Sustainability  &gt; Product responsibility</p>

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>FS8</b> Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose</p>	<p>In view of their considerable risk potential, environmental issues are an essential component of our business operations, especially in property/casualty reinsurance. The reduction of adverse environmental effects is therefore consistently a key goal for Hannover Re. With this in mind, we are always interested in working together with our clients to develop insurance solutions specifically designed to deliver environmental benefits.</p> <p>For example, Hannover Re offers – in cooperation with its partners “Energi” in the United States and “KlimaProtect” in Europe – concepts that create incentives for businesses to invest in energy-saving technologies. In this connection Hannover Re covers the energy savings warranties given by energy service providers. Premium income from this programme more than doubled year-on-year; nevertheless, its share of Hannover Re’s total premium volume so far remains negligible. In 2013 the programme was expanded to other industrial applications such as combined heat and power plants, lighting systems, heating control systems and fuel economy measures, e. g. for bus fleets. Providers of energy-efficient solutions are thereby able to guarantee the potential savings promised by their activities. If the promised energy savings fail to materialise, the business in question receives a compensatory payment. In this way Hannover Re is able to play its part in helping to reduce greenhouse gas emissions while at the same time opening up a new business segment. In the medium term there are plans to transfer the business model to other European countries too.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a>  &gt; Sustainability  &gt; Product responsibility</p>
<b>Aspect: Auditing</b>		
<p>■ <b>FS9</b> Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures</p>	<p>Our environmental management system, in which we adopted measures to translate sustainability criteria into practice both in our business groups and in our investments, was audited and certified according to DIN EN ISO 14001 in 2012.</p> <p>In September 2013 the re-certification audit was carried out and successfully passed. The certificate can be viewed on the company’s website.</p> <p>Some 90% of our investments are subject to half-yearly negative screening on the basis of ESG criteria (see Indicator FS11). The screening is carried out by an independent external service provider.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a>  &gt; Sustainability  &gt; Product responsibility</p> <p><a href="http://www.hannover-re.com">www.hannover-re.com</a>  &gt; Sustainability  &gt; Procurement and environmental protection</p>
<b>Aspect: Active Ownership</b>		
<p>□ <b>FS10</b> 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>We do not report on this Indicator because we have not so far identified the number of companies in our portfolio with which a dialogue takes place on environmental or social issues.</p>	



GRI Indicator	Information from Hannover Re	Further Details
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■ **FS11** Percentage of assets subject to positive and negative environmental or social screening

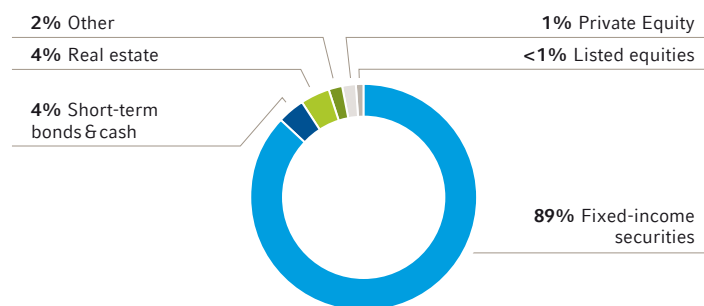
Our investment policy strives for stable and attractive returns and takes into account environmental, social and governance (ESG) criteria. In this connection we are guided by the ten principles of the United Nations Global Compact, i. e. we pay attention to aspects relating to human rights, working conditions, the environment and anti-corruption.

Since mid-2012 around 90% of Hannover Re's investments have undergone half-yearly negative screening based on individual ESG criteria that we have developed and continuously review in cooperation with a service provider specialising in sustainability. The portfolio subject to this voluntary screening encompasses the asset classes of fixed-income securities (government bonds and debt securities issued by semi-governmental entities, corporate bonds and covered bonds) as well as listed equities. Securities of issuers identified as "non-adequate" are actively reduced as far as possible. In addition, possible new investments are checked in advance to see whether the issuers violate the defined ESG criteria. Such exposure is rejected if this is found to be the case.

The criteria of the UN Global Compact are used to check entities that issue bonds or equities. Companies that fail to respect human rights or are complicit in human rights abuses thereby violate fundamental principles of the United Nations. Investments in securities of such entities are excluded, as are investments in instruments of issuers that disregard fundamental labour standards and environmental protection considerations. The primary concern here is with the use of forced or child labour and discrimination as well as with care for the environment and a heightened environmental awareness. Last but not least, exposures to entities that have attracted attention due to corruption are also ruled out. When checking government issuers the focus is on the question of whether – and if so, which – sanctions have currently been imposed on them.

**Asset allocation of Hannover Re**

(as at 31 December 2013)




Book value 2013: EUR 31.9 billion






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 > Sustainability  
 > Product responsibility

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>FS12</b> Voting policies) applied to environmental or social issues for shares</p>	<p>Generally speaking, only in the case of listed equities can we efficiently exert an influence on companies' sustainability orientation via voting rights. Given that the proportion of listed equities in our asset portfolio is less than 1% of the total investment portfolio of Hannover Re, the effect of engagement in this area would be limited in relation to our overall investment universe. For this reason, we have not approved any voting policies on environmental or social issues as part of the sustainability orientation of our investments. Within the bounds of our responsibility as an investor we concentrate on the development of the already mentioned ESG criteria and the regular screening of our investments. In this way, as shown in Indicator FS11, around 90% of our investments (including listed equities) are checked for sustainability and adjusted appropriately. Should the share of the portfolio attributable to listed equities increase significantly on a sustained basis, the topic of "active ownership" will be subject to fresh review and/or a decision will be taken.</p>	<p>  <a href="http://www.hannover-re.com">www.hannover-re.com</a>            &gt; Sustainability            &gt; Product responsibility</p>

## Category "Product Responsibility" (PR)


<p>■ <b>DMA</b> Description of the Management Approach to Product Responsibility Aspects</p>	<p>We engage primarily in business-to-business transactions and are in close contact with our clients – directly through our employees or indirectly through our reinsurance brokers. We do not conduct advertising activities in the sense of product marketing.</p> <p>We survey our interactions with clients, including with respect to sustainability issues, at regular intervals using suitable tools.</p> <p>Protection of client data and compliance with the law are basic prerequisites for our business. Our Code of Conduct as well as Information Security and Data Privacy Guidelines, which are compulsory for all employees, assure our exacting quality and compliance standards. It is therefore important that all employees of Hannover Re adhere to the relevant data privacy regulations and collect, process and use personal data only insofar as this is permitted by law, serves a lawful, defined purpose and is necessary for the performance of duties. What is more, data is protected against unauthorised access by means of appropriate technical and organisational safeguards. Responsible actions and sensitive handling of personal data are essential.</p> <p>An anonymous whistleblower system supports early detection of risks in relation to compliance with laws and internal guidelines. All systems used and measures taken are guided by the applicable legal provisions governing data protection.</p> <p>The reinsurance industry is not subject to statutory requirements to provide product or service information to its clients. By way of an ongoing dialogue we nevertheless endeavour to pass on new information relating to the reinsurance industry to our clients. In this context, observance of legal requirements and ensuring the best possible contracts for our clients are a matter of course for our company.</p> <p>Given the nature of our product, namely the provision of reinsurance services, the Indicators relating to the physical health and safety of the customer are not relevant to us.</p>	<p>  <a href="http://www.hannover-re.com">www.hannover-re.com</a>            &gt; Sustainability            &gt; Product responsibility</p> <p><a href="http://www.hannover-re.com">www.hannover-re.com</a>            &gt; About Hannover Re            &gt; Compliance</p> <p> Code of Conduct</p>
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GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>FS15</b> Policies for the fair design and sale of financial products</p>	<p>The foundation of our company's success lies in Hannover Re being a sought-after business partner for its clients. If we are to be perceived as the best option, Hannover Re must offer prices commensurate with the risks, adequate capacities and a reliable performance commitment. As a business-to-business service provider, the fair design of our products – i. e. of contracts with primary insurers – is an essential prerequisite for our business. What is more, integrity is expected from all employees at all times in dealings with clients – as prescribed in our Code of Conduct, which is applicable worldwide.</p>	<p> Group Strategy Code of Conduct</p>
<p><b>Aspect: Customer Health and Safety</b></p>		
<p>□ <b>PR1</b> 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</p>	<p>This Indicator is not relevant to Hannover Re. Hannover Re's products, i. e. reinsurance services, do not have any direct physical effects on customers and therefore do not entail any health and safety risks.</p>	
<p>□ <b>PR2</b> 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</p>	<p>For the reasons stated under Indicator PR1, this Indicator is not relevant to our company.</p>	
<p><b>Aspect: Product and Service Labelling</b></p>		
<p>■ <b>PR3</b> Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements</p>	<p>The reinsurance industry is not subject to any statutory requirements to provide product or service information to its clients. On the contrary, in the context of taking out a reinsurance treaty it is normally the primary insurers that are required to provide detailed information to reinsurers about their business operations and the reinsured portfolio so that the reinsurer can accurately assess the risks.</p> <p>Compliance with legal provisions and the guarantee of the best possible contracts for our clients are of crucial importance to our business model. The standard that we set ourselves in this regard is high.</p>	

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>PR4</b> Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes</p>	<p>In the reporting period there were no incidents of non-compliance with Hannover Re’s duties to provide information about products or services. Nor were there any incidents of non-compliance with voluntary codes governing requirements to provide information.</p>	
<p>■ <b>PR5</b> Practices related to customer satisfaction, including results of surveys measuring customer satisfaction</p>	<p>The satisfaction of our clients is the paramount objective of all our business operations.</p> <p>We engage in an ongoing dialogue with our clients around the world and use their direct feedback on our efforts for the purposes of further refining our activities.</p> <p>Customer relationships are normally cultivated on the level of individual business units at Hannover Re and they are reviewed at regular intervals through surveys and discussions focused on the satisfaction of our clients. Our underwriting centres around the world, for example, survey the satisfaction of their business partners on an individual basis.</p> <p>The Flaspöhler surveys carried out for the Property &amp; Casualty reinsurance business group provide valuable insights on a rotating basis into how our company is viewed by US cedents and US brokers.</p> <p>In cooperation with the Flaspöhler Research Group we conduct a survey every two years of reinsurance clients in the markets of Latin and Central America, North America, Europe and Asia (including Australia) for the Life &amp; Health reinsurance business group. The data offer access to a comprehensive customer perspective on the quality of our services as well as an assessment of how the Hannover Re brand is perceived in each market. Since 2008 we have recorded a consistent improvement in the brand perception of our life and health reinsurance business and an increase in customer satisfaction. This is especially true of the markets of North and Latin America. For the latest information please see 2.10.</p> <p>Furthermore, since 2012 a consulting agency commissioned by the company has provided the Life &amp; Health reinsurance business group – through an annual global study – with insights into the development of various business segments, a dedicated view of the life reinsurance markets, an area-wide analysis of market penetration and market perception as well as a profile of strengths and weaknesses from the customer perspective. In the category of Customer Relationship Management we are perceived as the leading reinsurer worldwide.</p> <p>The findings of both studies are processed internally in order to identify possible areas for action.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Media centre</p> <p>Flaspöhler Research Group <a href="http://www.frsurveys.com">www.frsurveys.com</a></p>
<p>□ <b>FS16</b> Initiatives to enhance financial literacy by type of beneficiary</p>	<p>Given that our clients are experts from the insurance sector, this aspect is of little relevance to our company. As described in the “Profile” section, Disclosure 4.16, and under Indicator PR5, we engage in a constant dialogue with our clients. In this context we also communicate the latest information relating to the topic of reinsurance.</p>	

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Marketing Communications**


<p>■ <b>PR6</b> Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship</p>	<p>Hannover Re does not conduct any advertising measures in the sense of product marketing since we do not address end customers as such. Our few marketing activities are carried out for the Hannover Re and E+S Rück brands, for example through image advertisements and information brochures about the company's orientation. Sales promotion takes place through individual contacts with clients.</p> <p>In view of Hannover Re's extremely modest advertising expenditure, we consider programmes for adherence to laws and standards related to marketing communications to be unnecessary.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability &gt; Social commitment</p>
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<p>□ <b>PR7</b> 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>This Indicator is not relevant because Hannover Re does not carry out advertising activities.</p>	
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**Aspect: Customer Privacy**

<p>■ <b>PR8</b> Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data</p>	<p>No complaints were made regarding breaches of customer privacy or losses of customer data during the reporting period. There was no requirement to provide any "data breach notifications" pursuant to Section 42a of the German Data Protection Act (BDSG).</p> <p>Ensuring confidentiality, data privacy and data security plays a prominent role for Hannover Re. The most important rules are stipulated with binding effect for all members of staff in our Code of Conduct as well as in our Information Security and Data Privacy Guidelines.</p>	 <p>Code of Conduct</p>
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**Aspect: Compliance**

<p>■ <b>PR9</b> Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services</p>	<p>In the reporting period and in the preceding years Hannover Re was not required to pay any significant fines for non-compliance with laws or regulations concerning the provision and use of products and services.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; About Hannover Re &gt; Compliance</p>
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## Category “Economic” (EC)

### ■ DMA

Description of the Management Approach to Aspects of the Economic Category

(FSSS: Commentary added to invite reporting on key elements of the organisation’s community investment strategy)

Management of Hannover Re’s economic performance is the responsibility of the Executive Board. Each member of the Executive Board bears responsibility within their assigned areas for ensuring the economic success of Hannover Re. As a Group, we report our economic indicators – as required by law – on the basis of International Financial Reporting Standards (IFRS). In addition, as one of the undertakings listed in the Prime Standard of deutsche Börse AG, we have voluntarily committed to adhere to the code of ethics of the Deutscher Investor Relations Kreis (DIRK). These ethical principles encompass, for example, objectivity, credibility, timeliness, comprehensiveness and the non-disclosure of insider information.

As a globally operating reinsurance service provider, the Aspect of local market presence is of little relevance to us. It goes without saying that local laws at all our locations and at our subsidiaries are observed. This is managed by local compliance officers and local management teams in cooperation with our Compliance Department and Group Legal Services as well as by our unit responsible for managing participating interests and is verified by Group Auditing at regular intervals.

Our indirect economic impacts are linked to our Group Strategy and fall, in common with our investments in local communities, within the scope of responsibility of the Executive Board.



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Group Annual Report  
p. 16–19

### Aspect: Economic Performance

■ **EC1** Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments (taxes)

(FSSS: Commentary added to the value generated by the organisation’s community investment programmes and breakdown of community investment by theme)

In the 2013 financial year Hannover Re booked a premium volume of around EUR 14 billion, equivalent to growth of 1.4% relative to the previous year. The operating profit (EBIT) came in at EUR 1,229.1 million (EUR 1,393.9 million). Earnings per share consequently amounted to EUR 7.43.

Altogether, the company distributed around 40% of Group net income to shareholders in the form of a regular dividend of EUR 3.00 per share. The total amount distributed was thus roughly EUR 362 million.

The equity attributable to shareholders of Hannover Re fell slightly (-2.4%) relative to the previous year (position as at 31 December 2013) to EUR 5.9 billion (EUR 6.0 billion). The total policyholders’ surplus (including non-controlling interests and hybrid capital) also decreased by a modest 2.0% to EUR 8.8 billion (EUR 8.9 billion). This was reflected accordingly in the book value per share of EUR 48.83 (EUR 50.02). The return on equity amounted to 15.0%, after 15.4% in the previous year.

Each year we support selected charitable projects on the community level, especially in the City of Hannover, and we thereby invest in various ways in the common good. In addition, we support projects in the areas of science and research as well as art and music by way of sponsoring partnerships and with our foundation. More detailed information on this topic is to be found under Indicator SO1 and in the Appendix to this GRI Report entitled “Hannover Re’s Support for Arts and Culture”.

We do not record any indicators on the financial value generated by our investments in local communities.






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Group Annual Report, front inside cover flap;  
p. 126 et seq.; p. 221

GRI Report p. 77 et seq.

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>EC2</b> Financial implications and other risks and opportunities for the organisation's activities due to climate change</p>	<p>The effects and financial implications of climate change cannot as yet be exactly quantified. The challenges associated with climate change are taken into consideration by the Executive Board as part of our risk management. The internal working group on emerging risks and the area responsible for natural perils risk management regularly examine and review the latest scientific insights into the field of climate change.</p> <p>As described in Disclosure 1.2 of this GRI Report, climate change presents us – as a reinsurer – with both risks and opportunities: on the one hand we can expect to see stronger demand for reinsurance services, while on the other hand the potentially increased catastrophe risk can lead to a higher financial burden for our company. Profitable growth can be assured by taking a forward-looking approach to emerging risks; strategies for dealing with the risks inherent in these perils are therefore of the utmost importance to our company as a reinsurer.</p>	<p> Opportunity and risk report in the Group Annual Report p. 70–94</p>
<p>■ <b>EC3</b> Coverage of the organisation's defined benefit plan obligations</p>	<p>Hannover Re's expenditures for social security contributions and assistance amounted to altogether EUR 44.9 million in the year under review.</p> <p>Supplementary to individual and statutory retirement provision, each employee is entitled to inclusion in Hannover Re's employer-funded retirement provision models. The amount of the funding contributions is determined by the individual salary levels and calculated according to the pay scale groups under the collective agreement.</p> <p>Employees can accumulate further employee-funded occupational retirement provision by way of deferred compensation. In this case Hannover Re pays the contributions from the employee's gross salary into the pension fund.</p>	<p> Group Annual Report p. 221</p>
<p>■ <b>EC4</b> Significant financial assistance received from government (e. g. subsidies)</p>	<p>Hannover Re did not receive any subsidies or other forms of support from the government in the year under review.</p>	
<p><b>Aspect: Market Presence</b></p>		
<p>□ <b>EC5</b> Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation</p>	<p>In order to satisfy the exacting quality standards of our complex services, Hannover Re relies upon highly qualified personnel worldwide. The level of salaries reflects this high skills level. There is consequently no risk of undershooting a local minimum wage.</p>	
<p>■ <b>EC6</b> Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation</p>	<p>As a general rule we require scarcely any physical material in order to perform our reinsurance services. Environmentally friendly procurement is nevertheless a matter of course for our company. Where possible and practicable, we therefore source products from locally-based suppliers. For example, the operator of our staff cafeteria has committed to making preferential use of local produce that is in season.</p>	<p> GRI Report p. 69 et seq.</p>
<p>■ <b>EC7</b> Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation</p>	<p>Throughout the entire Hannover Re Group employees are hired on their basis of their qualifications and without regard to local origin. Rather, in order to safeguard the high quality standard of our complex reinsurance services, we need a diverse range of experts from various areas and with a variety of cultural backgrounds.</p> <p>At Hannover Home Office in Germany, for example, individuals from altogether 37 countries work alongside one another.</p>	

**Aspect: Indirect Economic Impacts**

■ **EC8** Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement

Hannover Re is committed to the goal that a financial infrastructure should not only exist in industrial nations, but can also develop in more socially deprived regions around the world. With this in mind, we participate in numerous projects for so-called microinsurances by reinsuring such contracts offered by primary insurers, for example in Mexico, Peru, India, Pakistan, China and some African countries. We are also engaged in a new and innovative cover against protracted periods of drought in African Union states and are thereby contributing to food security in Kenya, Mauretania, Mozambique, Niger and Senegal. In these countries, where the majority of the population works in agriculture, long droughts cause famines every year that cost countless lives. Further projects to protect small farmers are currently in the pipeline for Bangladesh and Paraguay. The premium volume from microinsurance products in the year under review was in the double-digit million euros.

Safeguarding agricultural production is particularly important for the development of poor regions.

In 2013 we wrote premium in the low triple-digit millions (EUR) in the area of agricultural risks, with around three-quarters of the total amount coming from developing and emerging markets in South America, Asia and Africa. In Peru, for example, our involvement enables more than 450,000 peasant families to insure their crops against damage from flood, drought, hail or frost and hence rely on a secure minimum income. In Burkina Faso our engagement enabled 6,200 farmers to obtain insurance coverage for their cotton production.

On the life and health side, health insurance plays a particularly prominent role in the area of microinsurance solutions. We are heavily involved here in India, where poor sections of the population receive basic coverage for hospital treatment through state-subsidised covers offered by private and government health insurers alike. These programmes are able to reach millions of insureds thanks to the government's support. In 2013 we invested in a new local office that was established in New Delhi, India. This offers our clients and government bodies advice on the setting up, monitoring and risk management of state-subsidised health insurance schemes for poor sections of the population.

We also see our support for science, art and culture as an investment for public benefit. For further information please see the Management Approach and the Indicator SO1 for the Category "Society" in this GRI Report.

Since 2010 Hannover Re has offered with its partners in the United States an "Energy Savings Protect" programme to create incentives for the reduction of greenhouse gases. In 2012 the programme was also launched on the German market. It creates incentives for homeowners to invest in energy-saving technologies and energy-efficient building methods. This insurance solution enables providers of energy-efficient solutions to protect themselves in the event that the promised energy savings fail to materialise. In this case the business in question receives a compensatory payment from the insurer. Hannover Re, for its part, covers the energy savings warranties given by its primary insurance clients. In 2013 the programme was extended to industrial applications such as combined heat and power plants and lighting systems.

Hannover Re also invests inter alia in renewables through infrastructure funds.



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> Social commitment



GRI Report p. 72 et seq.



GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>EC9</b> Understanding and describing significant indirect economic impacts, including the extent of impacts</p>	<p>As the third-largest reinsurer in the world, we reinsure – through primary insurers – a broad range of economic and social actors. We thereby make it possible for them in the first place to conduct their activities and protect themselves personally. The indirect impacts of our business operations cannot be quantified owing to their potentially endless reach.</p> <p>As an employer Hannover Re employs more than 2,400 employees at 27 worldwide locations on every continent.</p>	

## Category “Environmental” (EN)

■ **DMA**  
Disclosure on Management Approach to Environmental Aspects

Environmental protection is one of five strategic action fields that we defined in 2011 as part of our Sustainability Strategy. Among other things, we set ourselves the goal of operating on a climate-neutral basis, i. e. in our case CO<sub>2</sub>-neutral, by 2015 at our Hannover location.

With the implementation of our environmental management system, which was certified according to DIN EN ISO 14001 in 2012, we have put in place standard processes for dealing with environmental protection and defined concrete measures in the environmental programme.

Responsibility for environmental management rests with the Executive Board. Targets and measures for environmental measurement are regularly updated. Reporting directly to the Executive Board, the Environmental Management Officer is responsible for continuous refinement of the system as well as for compliance with all legal provisions relating to the environment.

All managers and staff are required to observe the stipulations in the Environmental Management Manual as well as supplementary directions. The relevant training documents on environmental protection and the Environmental Management System form part of the basic training activities that Hannover Re holds for all employees. Hannover Re’s environmental policy is evaluated at regular intervals in the context of our Environmental Management System audit.

The measures of our environmental programme are geared to the overriding goal of climate neutrality by 2015 at the Hannover location and are guided by the criteria of materiality and controllability. The reduction of CO<sub>2</sub> emissions is the programme’s most important measure. The focus here is on our business travel and our consumption of electricity and heating energy. In addition, we have adopted measures for the resource-saving use of paper and the reduction of our waste quantities. Our water consumption and waste water have minimal environmental impact and we have therefore not adopted any measures in this regard for the time being.

For details of the measures with respect to material consumption, energy and emissions please see the corresponding Indicators in the present GRI Category of “Environment”.



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Carbon Disclosure Project (CDP) [www.cdproject.net](http://www.cdproject.net)



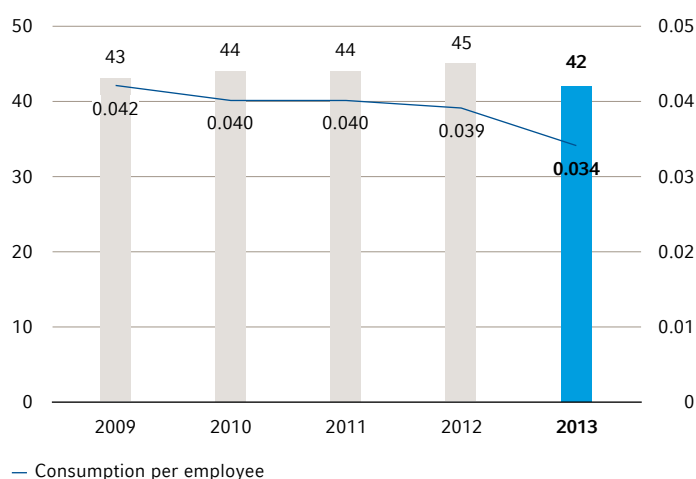
Group Annual Report  
p. 65 et seq.

GRI Indicator	Information from Hannover Re	Further Details
	<p>The issue of biodiversity has no relevance when it comes to evaluating the impacts of our business activities on the environment because our offices are located exclusively in urban areas. The topic is, however, relevant to our core business and has therefore been integrated into our risk management system. We have made available to our clients a position paper on the Environmental Damage Act. For further information please see Indicator FS5.</p> <p>We have adopted environmentally relevant measures specifically for our core business, for example by strengthening our research activities into issues such as climate change and shortage of resources.</p> <p>When it comes to our investments, since 2012 we have pursued an investment strategy that reflects ESG criteria. Further information on the sustainability of our core business is provided in the "Financial Services Sector Indicators" Category of this GRI Report.</p> <p>Above and beyond the implementation of the Environmental Management System at the Hannover location, we again participated in 2013 – as in previous years – in the survey conducted by the "Carbon Disclosure Project" (CDP). Information related to climate change is published here, especially with an eye to the capital market.</p>	
<b>Aspect: Materials</b>		
<p>■ <b>EN1</b> Materials used by weight or volume</p>	<p>Reinsurance business is a service that does not entail the use of physical materials. Only the paper consumption at our offices is relevant, and we therefore measure and manage this. It amounted to 8,502,060 sheets for the scope of consolidation in the year under review (equivalent to around 42 tonnes) and was thus slightly below the level of the previous year.</p> <p>More revealing than the paper consumption in absolute terms is the relative paper consumption per employee. Since 2010 we have consistently reduced our per capita consumption. Whereas in 2010 the figure was 8,333 sheets per year and employee, this number had dropped to 6,975 sheets in the year under review (0.034 tonnes per employee). We have achieved this reduction inter alia by changing the default setting on all printers to duplex printing.</p>	

**Paper consumption**

in tonnes

in tonnes/employee



■ **EN2** Percentage of materials used that are recycled input materials

Since 2012 we have purchased exclusively paper bearing the “Euro-blume” European environmental seal. This quality seal is awarded to consumer goods which are manufactured with reduced emissions and low energy consumption and which stand out for their restrictive use of chemicals and auxiliary materials.

Since 2011 we have used solely FSC-certified paper in the creation of printed products.

The attempt to switch over to using recycled paper in our printers and photocopiers proved counterproductive. Recycled paper causes considerable wear and tear in our devices, resulting in greater susceptibility to malfunctions and necessitating increased maintenance. As an alternative, we are currently exploring changing over to lighter, less dense paper which has a lower wood content than the previously used paper and is therefore more environmentally friendly.

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Energy**

■ **EN3** Direct energy consumption by primary energy

To date, we have obtained energy from external energy providers. Consequently, we do not use direct energy sources. For details of our energy consumption, broken down into electricity and district heating, please see the Indicator EN4.

In November 2013 we began the construction work for a photovoltaic system on the roof of the Home Office building in Hannover. The electricity generated will be fed entirely into the in-house grid. Altogether, 652 solar modules were installed on the roof. Depending on the number of hours of sunshine, some 145,000 kilowatt hours of solar energy can be generated per year, equivalent to the power consumption of 42 two-person households. Going forward, this will enable us to avoid around 130 tonnes of CO<sub>2</sub> emissions each year.

Some senior executives at Hannover Re use company cars. However, given that the associated proportion of our total energy consumption is very small, we do not record the fuel consumption for these vehicles.

■ **EN4** Indirect energy consumption by primary source

We collect the data on our energy consumption broken down into electricity and district heating (both in kilowatt hours).

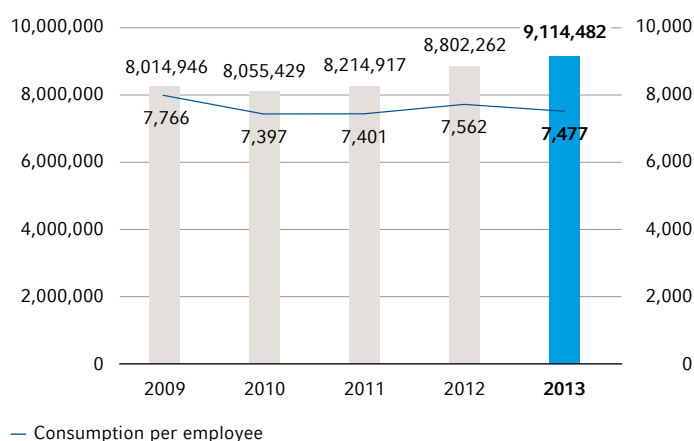
At the beginning of 2012 we switched our electricity supply to 100% renewables and have since used exclusively hydroelectric power. Electricity consumption in the year under review stood at 9,114,482 kilowatt hours (this equates to roughly 32,812 gigajoules) and was thus slightly higher than in previous years. The rise in electricity consumption is due to the increased size of the workforce and the associated expansion of cafeteria operations.

The consumption per employee was slightly lower than in the previous year. This reduction was achieved through an improved IT structure and more efficient devices.

**Electricity consumption**

in kWh

in kWh/employee



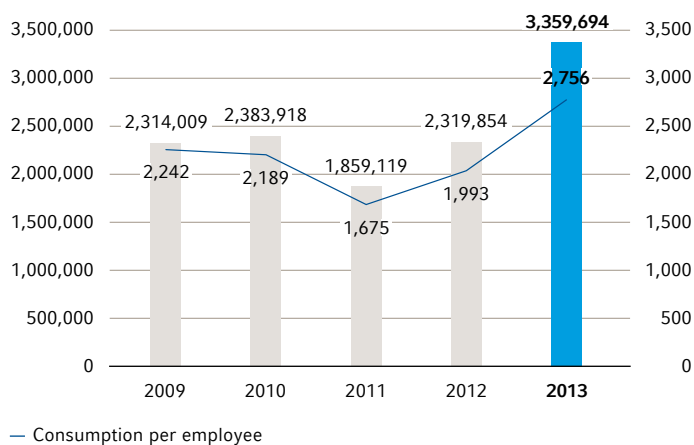
Our district heating consumption in 2013 amounted to 3,359,694 kilowatt hours (this equates to roughly 12,095 gigajoules), a significant increase relative to the previous year. The rise can be attributed to the increased number of employees, for whom new premises were leased or purchased. The underlying data in the following chart have not been adjusted to allow for weather conditions, i. e. the actual energy consumption figures are provided. Marked fluctuations may arise due, for example, to protracted periods of heating as was the case in the winter of 2012/2013.

In addition, we keep heated office space available for external consultants (not included in the number of employees), who work on a long-term basis at our premises depending on the volume of work.

**District heating consumption**

in kWh

in kWh/employee



GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>EN5</b> Energy saved due to conservation and efficiency improvements</p>	<p>In recent years we have successively raised the temperature in our server rooms to 26 degrees. Conservative estimates indicate that in so doing we have reduced the electricity consumption for cooling the server rooms by around 5%, or some 50,000 kilowatt hours, since 2012. The cost saving is put at around EUR 7,800 annually.</p> <p>In addition, we intend to move forward with the expansion of an energy-saving, intelligent LED lighting control system. The progressive changeover to this LED technology commenced in 2013.</p> <p>When planning new or modified processes or projects (such as new construction activities), we ensure that adequate consideration is given to environmental aspects in conformity with our Environmental Management System.</p>	
<p>■ <b>EN6</b> 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>We endeavour to play an active part in motivating others to conserve energy. Since 2010 Hannover Re has offered – in cooperation with partners in the United States – an “Energy Savings Protect” programme which creates incentives to invest in energy-saving technologies and energy-efficient products. In 2012 the programme was also launched on the German market. In this connection Hannover Re covers the energy savings warranties given to customers by energy service providers. In 2013, in cooperation with KlimaProtect, the programme was expanded to industrial applications such as pumps, combined heat and power plants and lighting systems. If the promised energy savings fail to materialise, the business in question receives a compensatory payment.</p>	<p>  <a href="http://www.hannover-re.com">www.hannover-re.com</a>            &gt; Sustainability            &gt; Product responsibility</p>
<p>■ <b>EN7</b> Initiatives to reduce indirect energy consumption and reductions achieved</p>	<p>The members of Hannover Re’s workforce are also encouraged to make energy savings; as part of our environmental management programme all our employees are trained in efficient energy consumption and environmental protection at the workplace.</p> <p>We make increasing use of state-of-the-art communication capabilities and continue to expand them in order to conserve resources in our business activities. In 2012, in the context of a company-wide IT project, steps were initiated to make standard workstations more energy-efficient and hence more environmentally friendly. Notebooks, PCs and workstation printers with high energy consumption and CO<sub>2</sub> emissions were replaced with more modern energy-efficient devices. It is also envisaged that in the future it should be possible to hold web conferences at all workstations so as to give further impetus to the reduction of business travel within the Group. The planning and realisation of area-wide web conferences has already been prepared this year. Implementation of the solution, together with completion of the IT project to restructure and optimise our PC workstations (“Next Generation Workplace”), is scheduled for 2014.</p> <p>Our staff are encouraged to use public transport or cycle on their daily commute to work. We support the option of teleworking from home.</p>	<p>  <a href="http://www.hannover-re.com">www.hannover-re.com</a>            &gt; Sustainability            &gt; Procurement and environmental protection</p>

## Aspect: Water

■ **EN8** Total water withdrawal by source

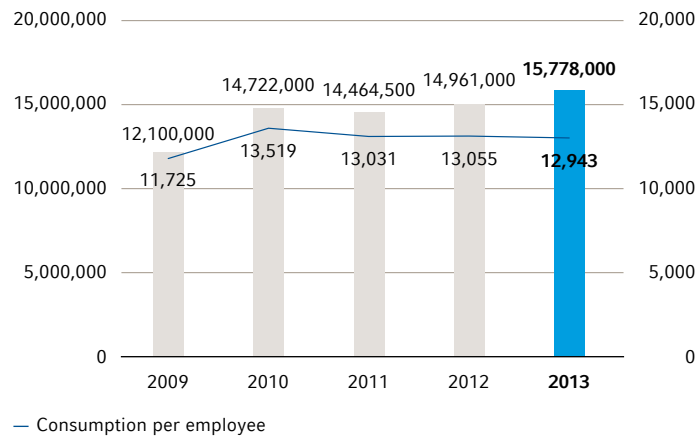
All Hannover Re's water is supplied by the regional water utility company. The total water consumption in the year under review amounted to 15,778,000 litres and was thus slightly higher than in the previous year. The increase can be attributed to the larger workforce, since water is used exclusively for sanitation and in the staff cafeteria.

The consumption per employee has remained constant.

**Water consumption**

in litres

in litres/employee



□ **EN9** Water sources significantly affected by withdrawal of water

We do not report on this Indicator because we obtain our water from the regional water utility company and therefore do not ourselves collect data on the water withdrawal sources.


■ **EN10** Percentage and total volume of water recycled and reused

As a non-manufacturing company, Hannover Re has not taken steps to recycle and reuse water.

## Aspect: Biodiversity

□ **EN11** Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

The land used by Hannover Re is not located in or adjacent to protected areas. As a company operating in the insurance industry that uses its premises solely for office work, our offices are normally located in cities or municipalities.

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>EN12</b> 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>With our reinsurance services we play a part in protecting against biodiversity damage, i.e. harm to species and natural habitats.</p> <p>Detailed analyses of our approach to biodiversity damage can be found in the "Schriftenreihe" series of publications (issue numbers 14 and 15) put out by our subsidiary E+S Rück. Our studies have shown that even slight impairments of biodiversity can give rise to considerable environmental damage. Our goal is to inform about these risks and raise awareness of them. As we see it, it is the responsibility of society as a whole to identify biodiversity risks, recognise them as such and eliminate them as quickly as possible.</p>	 <p><a href="http://www.es-rueck.de">www.es-rueck.de</a>  &gt; E+S Rück  &gt; Publikationen  &gt; Schriftenreihe</p>
<p>□ <b>EN13</b> Habitats protected or restored</p>	<p>This Indicator is not relevant to our company (see also Indicator EN11).</p>	
<p>□ <b>EN14</b> Strategies, current actions, and future plans for managing impacts on biodiversity</p>	<p>This Indicator is not relevant to our company (see also Indicator EN11).</p>	
<p>□ <b>EN15</b> 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>This Indicator is not relevant to our company.</p>	



### Aspect: Emissions, Effluents, and Waste

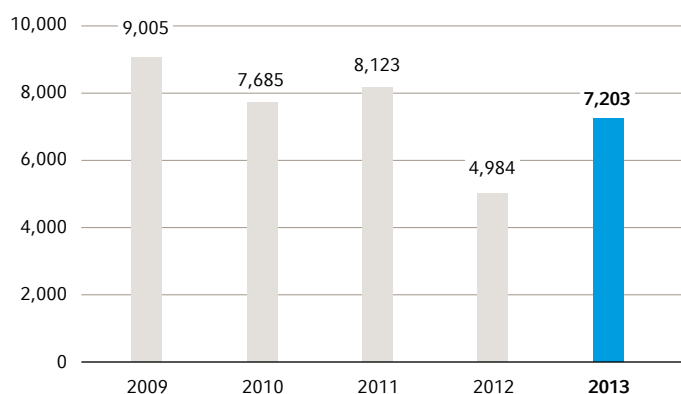
#### ■ EN16 Total direct and indirect greenhouse gas emissions by weight

(FSSS: Commentary added to invite reporting on greenhouse gas emissions relating to business travel)

Hannover Re's CO<sub>2</sub> emissions in the year under review amounted to 7,203 tonnes. This number refers to indirect CO<sub>2</sub> emissions (as stated in Indicator EN3 we do not produce direct CO<sub>2</sub> emissions). The calculation is based on the consumption of electricity, district heating and paper as well as business travel.

The marked increase is due to the increased number of business trips.

#### CO<sub>2</sub> emissions in tonnes



Business travel accounts for around 95% of our total emissions (Scope 1, 2 and 3). Since 2007 we have therefore worked together with "atmosfair", an external service provider, to calculate and control them. The fluctuation in CO<sub>2</sub> emissions between the years 2009 and 2010 is due to an updating of the calculation method used by "atmosfair".

The CO<sub>2</sub> emissions caused by business travel surged appreciably in the year under review to 6,875 tonnes. Business trips cannot always be replaced with videoconferences and are subject to considerable fluctuations attributable to the general state of the market, an increased workforce and in some instances the cultivation of closer customer contacts.

GRI Indicator	Information from Hannover Re	Further Details
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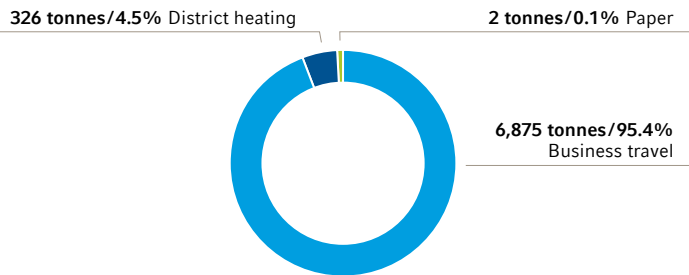
■ **EN17** Other relevant indirect greenhouse gas emissions by weight

Most relevant – accounting for 95% of total emissions – are our greenhouse gas emissions resulting from business travel. Since we obtain all our electricity from renewables, this is not shown in the chart below.



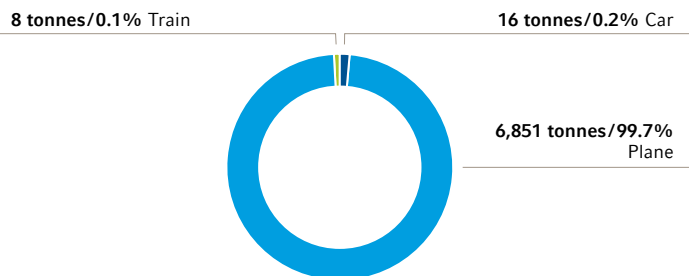
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**CO<sub>2</sub> emissions according to causation in 2013**  
 in tonnes and percentage of total CO<sub>2</sub> consumption

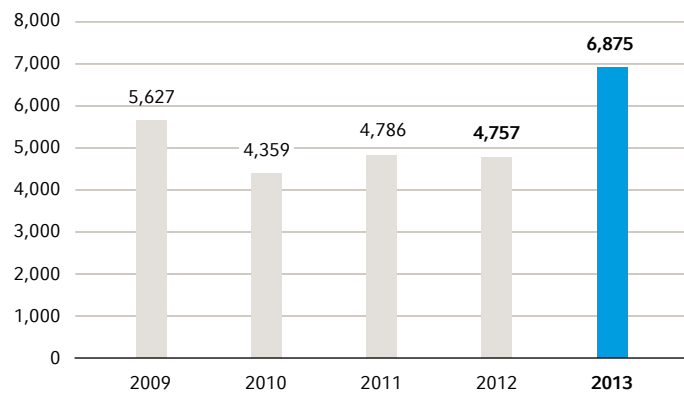


Virtually 100% of the greenhouse gas emissions resulting from business travel are caused by air travel.

**CO<sub>2</sub> emissions from business travel by means of transport in 2013**  
 in tonnes and as percentage of total business travel



### CO<sub>2</sub> emissions from business travel in tonnes



#### ■ EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved

Our goal is to operate on a climate-neutral basis at our Hannover location from 2015 onwards. To this end we continuously strive to reduce CO<sub>2</sub> emissions and take additional offsetting measures.

In November 2013 we began the construction work for a photovoltaic system on the roof of the Home Office building in Hannover. The electricity generated will be fed entirely into the in-house grid. Altogether, 652 solar modules were installed on the roof. Depending on the number of hours of sunshine, some 145,000 kilowatt hours of solar energy can be generated per year, equivalent to the power consumption of 42 two-person households. Going forward, this will enable us to avoid around 130 tonnes of CO<sub>2</sub> emissions each year.

Since 2008 we have offset the CO<sub>2</sub> pollution due to business flights by making voluntary compensatory payments to the organisation "atmosfair". Since April 2013 we have no longer made offsetting payments for rail travel on Deutsche Bahn AG because the railway operator has progressively switched to using electricity from renewable energy sources. Overall, we thereby neutralise the CO<sub>2</sub> emissions from virtually 100% of our business travel. As stated under EN17, 95% of our total CO<sub>2</sub> emissions result from business travel.

In order to reduce the total volume of our greenhouse gas emissions we have purchased all our electricity from renewables since 1 January 2012. It is therefore no longer necessary to offset the CO<sub>2</sub> pollution from our electricity consumption by purchasing RECS ("Renewable Energy Certificate System") certificates.

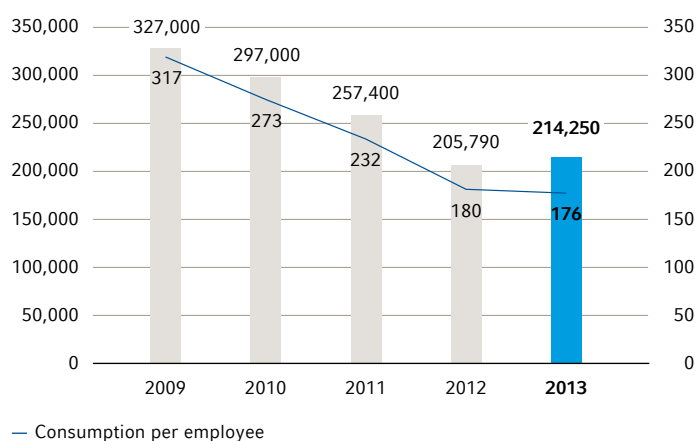
Paper-intensive publications such as our Group Annual Report, quarterly reports and documents for the Annual General Meeting are printed on a carbon-neutral basis. We have committed ourselves to this approach in our internal Corporate Design Manual.

GRI Indicator	Information from Hannover Re	Further Details
	<p>In addition, we reduce, where possible, our CO<sub>2</sub> emissions by replacing business travel with video conferences. In 2013 around 1,650 video conferences were held with two or more participating locations. The calculated savings in CO<sub>2</sub> emissions through video conferences are estimated. Making the conservative assumption that, apart from the host, one person would have flown for each participating location and that roughly a third of videoconferences were held as replacements for air travel, the 1,650 videoconferences correspond to around 17.8 million kilometres flown. This produces a saving of approximately 5.5 million kilometres flown; using the calculation method of our external service provider, this is equivalent to a saving of some 2,200 tonnes of CO<sub>2</sub>. Going forward, too, we intend to make greater use of videoconferences.</p>	
<p><input type="checkbox"/> <b>EN19</b> Emissions of ozone-depleting substances by weight</p>	<p>We do not emit any ozone-depleting substances.</p>	
<p><input type="checkbox"/> <b>EN20</b> NO<sub>x</sub>, SO<sub>x</sub> and other significant air emissions by type and weight</p>	<p>In our environmental management we concentrate on the reduction of CO<sub>2</sub> emissions owing to the proportionately high CO<sub>2</sub> associated with our business travel. Our business activities do not give rise to any NO<sub>x</sub> or SO<sub>x</sub> emissions.</p>	
<p><input checked="" type="checkbox"/> <b>EN21</b> Total water discharge by quality and destination</p>	<p>As a non-manufacturing provider of insurance services, the issue of water discharge is of minor relevance to Hannover Re. The volume of water discharged in the reporting period corresponds to the volume of water consumption (cf. Indicator EN8) and thus totalled 15,778,000 litres. Our water is discharged into the municipal sewage network. Environmentally critical effluents are not discharged in connection with Hannover Re's business operations.</p>	
<p><input checked="" type="checkbox"/> <b>EN22</b> Total weight of waste by type and disposal method</p> <p>(FSSS: Commentary added to specify primary types of waste streams being paper and waste IT for financial institutions)</p>	<p>The total weight of waste increased slightly in 2013 by 4% to 214,250 kilogrammes.</p> <p>The increased size of the workforce is significant here. Overall, it results in more waste from the cafeteria and more recyclable waste. The disproportionate rise in the proportion of waste paper, cardboard and cartons can be attributed to the relocation to new offices. In addition, Hannover Re's business activities are subject to retention periods for old files under the Data Privacy Act. Once they have expired the destruction of files inevitably leads to a rise in the volume of paper.</p>	

**Waste**

in kg

in kg/employee



Roughly half of our total waste in 2013 was recycled. All catering waste produced at Home Office in Hannover is used to generate energy (sent to a biogas plant).



**Waste by method of disposal in 2012 and 2013**

in kg	Quantity			
	2013	in %	2012	in %
Recycling	116,420	54.3	104,980	51.0
Composting	3,840	1.8	3,120	1.5
Energy recovery	21,090	9.8	44,570	21.7
Combination of material recycling, above-ground landfill and energy recovery <sup>1</sup>	69,560	32.5	51,180	24.9
Electronic waste	3,200	1.5	1,940	0.9
Hazardous waste (e.g. energy-saving light bulbs, paint, varnish)	140	0.1	0	0.0
<b>Total</b>	<b>214,250</b>	<b>100.0</b>	<b>205,790</b>	<b>100.0</b>

<sup>1</sup> Precise classification is not possible due to the method of waste collection.

□ **EN23** Total number and volume of significant spills

Reinsurance business does not give rise to any spills of harmful substances.

GRI Indicator	Information from Hannover Re	Further Details
<p>□ <b>EN24</b> 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</p>	<p>We comply with all legal provisions governing the proper disposal of various types of waste.</p>	
<p>□ <b>EN25</b> 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</p>	<p>As a provider of insurance services Hannover Re does not discharge any environmentally critical effluents. No critical effects are to be expected from the surface runoff of our premises.</p>	
<p><b>Aspect: Products and Services</b></p>		
<p>■ <b>EN26</b> Initiatives to mitigate environmental impacts of products and services, and extent of impact Mitigation</p>	<p>The insurance services provided by Hannover Re do not have any relevant environmental impacts. They help make it possible to adequately insure against risks associated with environmental damage.</p> <p>In the area of investments Hannover Re works to minimise possible negative environmental impacts. For further information please see the Category "Financial Services Sector Indicators" in this GRI Report.</p>	<p> Category "Financial Services Sector Indicators" in this GRI Report</p>
<p>□ <b>EN27</b> Percentage of products sold and their packaging materials that are reclaimed by category</p>	<p>We do not report on this Indicator because it is not applicable to our company.</p>	
<p><b>Aspect: Compliance</b></p>		
<p>■ <b>EN28</b> Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations</p>	<p>Hannover Re was not required to pay any significant fines in the reporting period or in previous years due to non-compliance with environmental laws or regulations. Nor were any non-monetary sanctions imposed on Hannover Re.</p>	
<p><b>Aspect: Transport</b></p>		
<p>■ <b>EN29</b> 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>Our reinsurance services do not cause any significant environmental impacts through transporting.</p> <p>We make systematic efforts (e.g. by way of videoconferences) to reduce business trips by our employees, especially air travel, and thereby control CO<sub>2</sub> emissions increasingly tightly (cf. also the disclosures under EN16, EN17, EN18). We offset all CO<sub>2</sub> emissions caused by unavoidable air travel by making offsetting payments. In addition, we encourage our employees to use environmentally friendly means of transport when travelling to work.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability &gt; Procurement and environmental protection &gt; CO<sub>2</sub> emissions</p>

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Overall**

■ **EN30** Total environmental protection expenditures and investments by type

Costs of around EUR 15,000 were incurred in the reporting period for internal auditing and the certification audit of our environmental management system. Additional internal personnel costs are associated with ongoing implementation of the environmental management system.

The offset payments made for our air travel amounted to altogether EUR 205,550 in the year under review. Train travel did not have to be offset because the railway operator has switched to green power and hence no CO<sub>2</sub> emissions are caused.

We also maintain a Group policy providing coverage for environmental impairment liability and environmental damage. Our total environmental protection expenditures and investments were therefore in the order of EUR 295,000 in 2013.

## Category “Labour Practices and Decent Work” (LA)

■ **DMA**  
Description of Management Approach to Aspects of Labour Practices and Decent Work

(FSSS: Commentary added to report on policies and practices regarding threats and violence in place to assist workforce members, their families, or community members)

Employing successful staff is one of the ten key elements of our Group Strategy. Responsibility for personnel rests with the Chief Executive Officer and human resources – as a cross-divisional function – is managed worldwide from Home Office. For the Indicators of the Category “Labour Practices and Decent Work” it is therefore possible to extend the scope of consolidation of this GRI Report in some cases and report selected disclosures Group-wide. In the coming years Hannover Re will strive to collect further data.

The diversity of our workforce is one of the cornerstones of our commercial success. Hannover Re collects data Group-wide on the diversity of its workforce in relation to gender and age, and at Hannover Home Office additionally in relation to nationality. On ethical grounds and in part due to statutory regulations, we do not collect any data on other categories such as religious belief or disability.

In order to perform our complex reinsurance services we require professionals from various fields. Consequently, the Hannover Re Group employs not only experts with a primary career background in the insurance sector, but also engineers, mathematicians, physicians, meteorologists and other specialists. This diversity enables us to optimally assess risks and hence safeguard our high quality standards and our sustainable corporate development.




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> Successful employees



Group Annual Report  
p. 25, 63 et seq., 114 et seq.

Group Strategy

GRI Indicator	Information from Hannover Re	Further Details
	<p>The gender breakdown of Hannover Re's total workforce is very balanced. However, women are less widely represented than men in the higher hierarchical levels of the company. With a view to changing this and fostering the potential of all employees, the Executive Board decided in 2012 to promote measures for the advancement of women. To this end, our existing personnel development tools were supplemented by a mentoring programme designed especially for women. This programme involves bringing female employees together with experienced senior managers for a period of 12 months to engage in a targeted, regular dialogue. The mentees are encouraged to reflect on their professional development to date and to take steps to actively shape their future career. The first round of implementation, involving five mentee-mentor tandems, began in March 2013 and constituted a pilot phase intended to explore how exactly the mentoring programme should be organised. The feedback received from the participating employees and executives was positive across the board, prompting the next implementation phase of the mentoring programme to be planned for 2014/2015.</p> <p>Our internal and external (further) training programmes cover a broad range of topics and are an established routine focus of our human resources activities. In addition, for a number of years now Hannover Re has participated in the Fair Company Initiative launched by the publications Handelsblatt and Wirtschaftswoche. It thereby undertakes to comply with various principles governing the employment of interns, for example not to replace full-time positions with interns, volunteers, visiting students or long-term temporary workers.</p> <p>Employee salaries at Hannover Re are determined by skills and qualifications. Our Code of Conduct, which is applicable worldwide, specifies that nobody may be disadvantaged on the basis of gender. Salary increases and promotions follow a clearly defined process. The individual promotion grades are subject to transparent criteria published in the company's internal intranet, which are also purely skills-based. Promotions are agreed upon between the specialist unit, Human Resources Management, the Executive Board and the Employee Council.</p> <p>In the context of our management system Performance Excellence 2.0 performance appraisal targets are agreed for all managers. These are reflected not only in profit-oriented indicators but also in non-financial variables derived from the strategic parameters.</p> <p>Hannover Re would like to enable its employees to strike a balance between professional challenges and a harmonious private life. It therefore offers part-time and teleworking models that can be individually structured and flexible working-time arrangements without core hours. In addition, Hannover Re's Human Resources Management division advises employees who are interested in the opportunities for greater employment flexibility. This flexibility at the workplace can make it easier to organise everyday life in phases such as starting a family or preparing for the end of one's professional career, e. g. through partial retirement arrangements.</p>	 <p>Handelsblatt  <a href="http://www.faircompany.karriere.de">www.faircompany.karriere.de</a></p>



GRI Indicator	Information from Hannover Re	Further Details
	<p>We attach special importance to a family-friendly approach in our human resources policy. Among other measures, Hannover Re operates its own company daycare centre at its Home Office location offering altogether 30 places for all-day care of infants (up to the age of three).</p> <p>The employee-employer relationship is governed by the Co-Determination Act, our Articles of Association and the Agreements with the Employee Council.</p> <p>As far as health is concerned, and bearing in mind that most work is done at a desk, we emphasise good ergonomic working conditions, relief from eye and back strain and stress management. We address health issues through our company physicians, extensive wellness programmes and sports opportunities. Our approach here is preventive, i. e. we endeavour to stop risks of health impairments even arising in the first place.</p> <p>We survey the job satisfaction of our employees at regular two-year intervals. The last such survey carried out in the autumn of 2012 revealed that satisfaction with Hannover Re as an employer had remained unchanged on a very high level. The next survey will be conducted in autumn 2014 and the findings will be published in the next GRI Report.</p> <p>In the international arena, too, we are known as a good employer. Our subsidiary Hannover Life Reassurance Company of America has for six years been ranked in the top five of the "Top 100 Companies for Working Families" according to the Orlando Sentinel.</p>	

## Aspect: Employment

■ LA1 Total workforce by employment type, employment contract, and region, broken down by gender

**Breakdown of the workforce by region, gender, employment type and employment contract in 2012 and 2013**

	2013	2012
<b>Group-wide</b>		
Total workforce	2,419	2,312
Thereof women	1,243	1,192
Thereof men	1,176	1,120
Full-time positions	2,112	2,034
Thereof women	978	953
Thereof men	1,134	1,081
Part-time positions	307	278
Thereof women	265	239
Thereof men	42	39
Permanent positions	2,277	2,213
Thereof women	1,160	1,126
Thereof men	1,117	1,087
Temporary positions	142	99
Thereof women	83	65
Thereof men	59	34
Hannover Home Office		
Workforce	1,219	1,164
Thereof women	642	609
Thereof men	577	555
Trainees	18	18

GRI Indicator	Information from Hannover Re	Further Details
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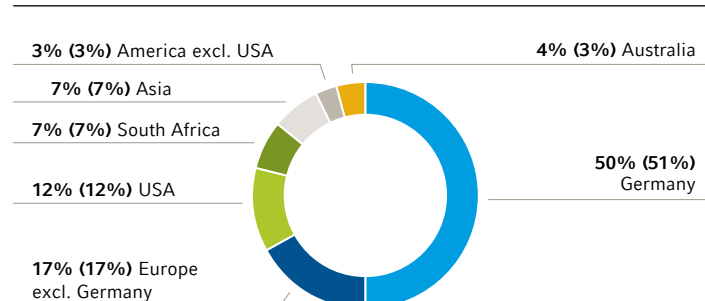
The number of employees Group-wide grew by almost 5% in the year under review. Half of this increase was due to new additions to the workforce in Germany. Staff numbers also rose in Europe and Asia by 6.1% and 6% respectively.

With regard to our Hannover location, there are 241 different part-time models. In addition, 285 employees have a teleworking position. A variety of part-time working models are also offered at our locations abroad, and teleworking opportunities are available. Precise data has not, however, been collected in this connection to date.

#### Number of employees by region and gender in 2012 and 2013

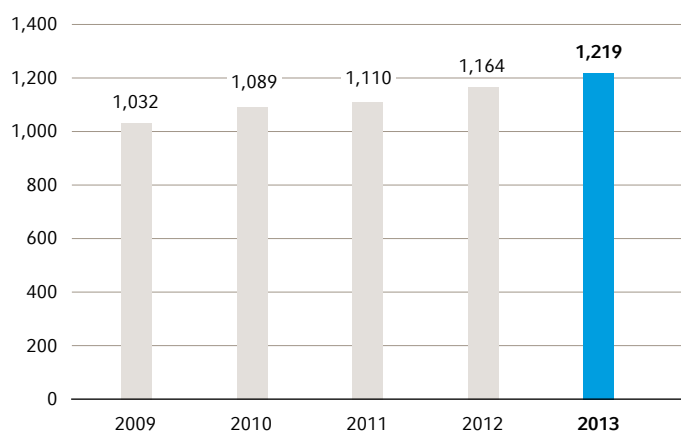
Region	2013			2012		
	Number of employees	Thereof men	Thereof women	Number of employees	Thereof men	Thereof women
Germany	1.219	577	642	1.164	555	609
Europe excl. Germany	416	210	206	392	182	210
USA	280	139	141	283	146	137
South Africa	164	74	90	164	73	91
Asia	172	99	73	162	90	72
Americas excl. USA	83	40	43	72	39	33
Australia	85	37	48	75	35	40
<b>Total</b>	<b>2.419</b>	<b>1.176</b>	<b>1.243</b>	<b>2.312</b>	<b>1.120</b>	<b>1.192</b>

#### Percentage breakdown of the workforce by region in 2012 and 2013



Figures in brackets refer to 2012

### Growth in the workforce at Hannover Home Office



■ **LA2** Total number and rate of new employee hires and employee turnover by age group, gender, and region

The following table shows the rate of persons joining and leaving the company in the reporting period. The rate of persons leaving corresponds to the staff turnover ratio, since it refers to the number of employees at year-end (which already includes the new appointments). The trend can be understood through the comparison with the number of persons joining the company.

The average length of service to the company at the Hannover location stood at 10.3 years in 2013.

### Staff turnover by region in 2012 and 2013

Region	2013				2012			
	Rate of persons joining		Rate of persons leaving		Rate of persons joining		Rate of persons leaving	
	Number	in %	Number	in %	Number	in %	Number	in %
Germany	110	9.0	40	3.3	93	8.0	33	2.8
Europe excl. Germany	74	18.9	54	13.8	54	13.8	33	8.4
USA	13	4.6	21	7.4	18	6.4	15	5.3
South Africa	11	6.7	16	9.8	9	5.5	18	11.0
Asia	29	17.9	8	4.9	30	18.5	16	9.9
Americas excl. USA	18	25.0	9	12.5	12	16.7	9	12.5
Australia	16	21.3	6	8.0	10	13.3	6	8.0

## Staff turnover by gender in 2012 and 2013

Gender	2013				2012			
	Rate of persons joining		Rate of persons leaving		Rate of persons joining		Rate of persons leaving	
	Num-ber	in %	Num-ber	in %	Num-ber	in %	Num-ber	in %
Men	117	9.9	76	6.5	123	11.0	64	5.7
Women	154	12.4	78	6.3	103	8.6	66	5.5

## Staff turnover by age group in 2012 and 2013

Age group	2013				2012			
	Rate of persons joining		Rate of persons leaving		Rate of persons joining		Rate of persons leaving	
	Num-ber	in %	Num-ber	in %	Num-ber	in %	Num-ber	in %
Up to age 29	99	31.6	22	7.0	93	29.7	29	9.3
Ages 30 to 49	146	9.7	97	6.5	121	8.1	75	5.0
Age 50 and over	26	5.2	35	7.0	12	2.4	26	5.2

■ **LA3** Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation

All employees of Hannover Re are provided with the same benefits in proportion to their working hours.


■ **LA15** Return to work and retention rates after parental leave, by gender

Group-wide, 112 employees of Hannover Re were entitled to parental leave in the year under review, thereof 28 men and 84 women. In 2013 32 employees returned to work after parental leave, thereof 10 men and 22 women.


25 employees who returned to work in 2012 from their parental leave were still working for Hannover Re after twelve months (8 men, 17 women).


GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Labour/Management Relations**

<p>■ <b>LA4</b> Percentage of employees covered by collective bargaining agreements</p>	<p>93% of Hannover Re employees at the Hannover location are covered by collective bargaining agreements. The remaining 7% can be attributed to some non-collective agreements with managers.</p> <p>Group-wide, 100% of employees in Brazil, Italy, France, Sweden and Spain are covered by collective bargaining agreements. In the other countries in which Hannover Re has operations there are no collective bargaining agreements or no information is available in this regard.</p>	<p> Remuneration Report in our Group Annual Report p. 99–115</p>
<p>■ <b>LA5</b> Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements</p>	<p>Employees of Hannover Re are informed Group-wide without delay of significant operational changes. This is ensured, inter alia, by the three employee representatives on the Supervisory Board. The Supervisory Board must be apprised immediately of matters that can have a material influence on the position of Hannover Re. No precise notice period has been set for this purpose.</p> <p>In the context of its right to information, the Employee Council duly receives all relevant information so as to be able to influence operational changes.</p>	

**Aspect: Occupational Health and Safety**

<p>■ <b>LA6</b> Percentage of total workforce represented in formal joint management – worker health and safety committees that help monitor and advise on occupational health and safety programs</p>	<p>All employees are fully represented by the Health and Safety Committee. It goes without saying that we meet all legal requirements under the Occupational Safety Act.</p>	
<p>■ <b>LA7</b> Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender</p>	<p>The risk of physical impairment to our employees, i. e. of occupational injuries or fatalities, is comparatively slight owing to our business operations as a financial services provider.</p> <p>Employees of Hannover Re in Germany reported altogether 15 accidents while at work or commuting in 2013. The total number of days lost was 9,982. The rate of absenteeism due to illness was slightly lower in Germany in 2013 than in the previous year at 3.4% (previous year: 3.5%). No fatalities were recorded at any Group company.</p> <p>We do not collect data on occupational diseases or gender-specific figures on absenteeism and accidents.</p>	<p> Group Annual Report p. 63</p>

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>LA8</b> Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases</p>	<p>As a general principle, the health of our employees is an essential prerequisite for safeguarding our high quality standards. Company physicians are therefore available at various locations to advise employees on matters of health protection and health promotion. The focus is on the prevention of diseases, e.g. through medical check-ups by the company physician, workplace inspections, advice and treatment on matters of general medicine as well as vaccinations and vaccination advice (including travel vaccinations).</p> <p>Most employees of Hannover Re have office workplaces. These pose risks above all to general fitness, the back and the eyes.</p> <p>We therefore offer our employees at our Home Office a broad range of sporting opportunities, for example through on-site sports facilities, company sports groups in various types of sport as well as through cooperation arrangements with fitness studios. Courses in back training are offered on a regular basis. When it comes to individual workstations, Hannover Re is responsible for providing the most ergonomic possible room layout, desks and chairs. Not only that, Hannover Re can organise a mobile massage service upon request.</p> <p>With regard to potential vision problems, an examination by the company physician can establish the need for so-called monitor glasses. In this case Hannover Re pays the cost of manufacturing the glasses at a local optician.</p> <p>A heavy workload can cause stress and then potentially lead to other medical problems. For several years we have therefore offered seminars for staff and managers designed to help identify stress triggers, develop coping strategies and present tried and tested stress management methods. The previous two-day "Life Balance Management Seminars" were updated in 2013. Now entitled "Gesund.Stabil.Leben" ("Healthy. Stable.Living"), greater emphasis is placed on prevention and a holistic understanding of well-being.</p> <p>Acute risks can be alleviated by members of staff who have completed a first aid training course.</p>	 <p><a href="http://www.hannover-re.com">www.hannover-re.com</a>  &gt; Sustainability  &gt; Successful employees</p>
<p>■ <b>LA9</b> Health and safety topics covered in formal agreements with trade unions</p>	<p>Our business operations, i.e. the provision of reinsurance services, do not give rise to any health and safety risks that are covered in formal agreements with trade unions.</p>	

## Aspect: Training and Education

■ **LA10** Average hours of training per year per employee by gender, and by employee category

Group-wide, each employee received an average of 3.7 days of (further) training in the year under review. This includes internal and external training activities that take up at least half a day.

**Average number of training days per employee by region in 2012 and 2013**

Region	2013		2012	
	Total number of employees	Average number of training days per employee	Total number of employees	Average number of training days per employee
Germany	1,219	5.0	1,164	5.0
Europe excl. Germany	416	1.5	392	1.8
USA	280	1.9	283	1.9
South Africa	164	3.6	164	3.5
Asia	172	3.3	162	3.9
Americas excl. USA	83	4.4	72	2.3
Australia	85	2.8	75	2.9
<b>Total</b>	<b>2,419</b>	<b>3.7</b>	<b>2,213</b>	<b>3.8</b>

We do not record training days by employee category or gender.

■ **LA11** Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings

Hannover Re offers its employees a diverse range of training, both internally and in cooperation with external training providers.

In the area of vocational qualifications Hannover Re offers six places annually to obtain a Bachelor of Arts degree in business administration with an insurance concentration and one or two places to study for a Bachelor of Science in information science under an integrated degree programme.

Our training programme, which is open to all employees, encompasses offerings relating above all to information technology, reinsurance, social and methodological skills as well as language courses. Each year every employee of the Hannover Re Group receives on average 3.7 days of further training.



All new employees of Hannover Re receive basic seminars that assist them with entry into their new field of work. A business game is organised for seasoned employees and managers throughout the Group that enables the participants to refine their skills in relation to strategic and entrepreneurial thinking as well as to expand their Group-wide network. Hannover Re offers (new) managers the possibility of individual coaching in addition to opportunities to attend various management seminars.



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> Career



GRI Indicator	Information from Hannover Re	Further Details
	<p>Many of our courses bring new recruits together with seasoned and older employees. In the past these mixed groups have proven helpful and especially fruitful for the company. With the development of a "blended learning" concept, which combines face-to-face training with online learning phases, we are able to more easily incorporate our colleagues at locations abroad.</p> <p>Although the gender breakdown of Hannover Re's total workforce is very balanced, women are less widely represented in the higher hierarchical levels of the company. With a view to changing this, the Executive Board decided in the 2012 financial year to make greater efforts to promote the advancement of women; it therefore launched a mentoring programme designed especially for women that is to be continued on a permanent basis going forward. For further information please see the Management Approach to the Category "Labour Practices and Decent Work" contained in this GRI Report.</p> <p>Our part-time and teleworking arrangements as well as flexible working time without fixed core hours enable our employees to structure their working hours to fit their needs in all stages of their working life. Not only does this facilitate preparations for career endings, it also makes it easier to organise everyday working life in other phases such as when starting a family. As at the end of the reporting period 285 employees of Hannover Re in Germany had taken up the possibility of a teleworkplace. In addition, Hannover Re's Human Resources Management division advises employees who are interested in the opportunities for greater employment flexibility.</p>	
<p>■ <b>LA12</b> Percentage of employees receiving regular performance and career development reviews</p>	<p>100% of Hannover Re employees are offered an annual performance review with their direct superior. During this interview the employee's performance is assessed on the basis of company-specific criteria, and matters relating to cooperation and the scope of duties as well as the objectives and professional development of the individual employee are discussed at length. Participation in the interview is voluntary for the employee. Hannover Re recommends an annual cycle of performance reviews for employees.</p> <p>In order to maintain and improve the good culture of leadership and communication at Hannover Re, feedback is envisaged for 100% of managers on their performance as a manager. Management feedback enables employees to give their superior feedback on his/her management style as they experience it every two years using a semi-anonymous procedure (anonymous questionnaire and subsequent discussion in the team). In addition, the manager is appraised by his/her direct superior in relation to their leadership abilities. Following on from the management feedback, appropriate supporting measures are agreed upon with the manager.</p> <p>The implementation ratio for employee performance reviews at the Hannover location was 95% in 2013. The implementation ratio for management feedback with respect to those managers eligible for participation was 100% at the Hannover location in 2013.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability &gt; Successful employees</p> <p> Group Annual Report p. 63 et seq.</p>

**Aspect: Diversity and Equal Opportunity**

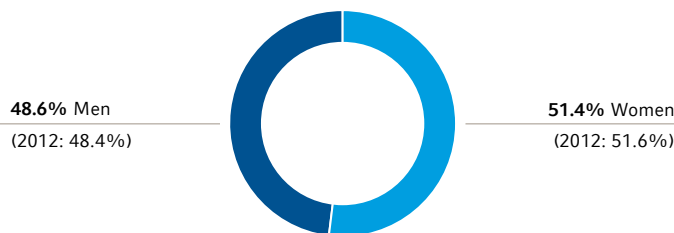
■ **LA13** Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity

The diversity of nationalities and cultures in our workforce safeguards our high global quality standard. Three different nationalities are represented on the seven-person Executive Board of Hannover Re.

**Breakdown of employees by nationality in 2012 and 2013**

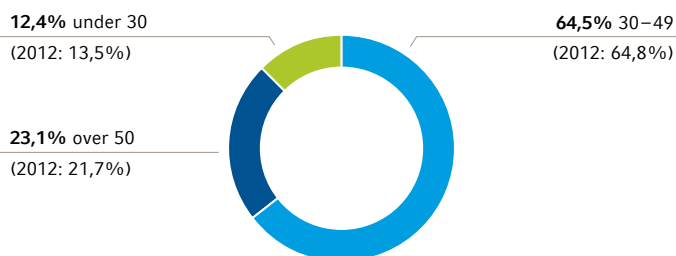
	2013	2012
<b>Nationality</b>		
Germany	1,128	1,081
Other	408	377
USA	285	287
South Africa	155	157
UK	227	210
Ireland	45	36
Sweden	90	90
Australia	81	74
<b>Total</b>	<b>2,419</b>	<b>2,312</b>

The 1,219 employees at the Hannover location come from 37 different nations. Of the 90 managers working in Germany, 14 are women, or 15.6%. The gender balance of the 2,419-strong workforce Group-wide is balanced at 48.6% male and 51.4% female.

**Breakdown into male and female employees in 2012 and 2013**

The picture is also balanced in relation to the age structure of our workforce: 12.4% of our employees are under 30, 64.5% are aged between 30 and 50 and 23.1% are over 50.

### Age structure of the workforce in 2012 and 2013



In Hannover Re's personnel statistics a distinction is made between three hierarchical levels: Group Executive, Senior Management and other employees. Of the altogether 2,419 employees Group-wide, 149 (6.2%) belong to the category of Group Executive, 531 (22.0%) to the category of Senior Management and 1,739 (71.9%) to the category of other employees.

Details of the breakdown of the various employee categories are provided in the tables below.

#### Breakdown of employees by gender in 2013

Gender	Group Executive		Senior Management		Other employees	
	Number	in %	Number	in %	Number	in %
Men	129	5,3	356	14,7	691	28,6
Women	20	0,8	175	7,2	1.048	43,3

#### Breakdown of employees by gender in 2012

Gender	Group Executive		Senior Management		Other employees	
	Number	in %	Number	in %	Number	in %
Men	128	5,5	356	15,4	636	27,5
Women	19	0,8	189	8,2	984	42,6

**Breakdown of staff by age group in 2013**

Age group	Group Executive		Senior Management		Other	
	Number	in %	Number	in %	Number	in %
Up to age 29	0	0	1	0	299	12.4
Ages 30 to 49	81	3.3	361	14.9	1,118	46.2
Aged 50 or over	68	2.8	169	7.0	322	13.3

**Breakdown of staff by age group in 2012**

Age group	Group Executive		Senior Management		Other employees	
	Number	in %	Number	in %	Number	in %
Up to age 29	0	0	6	0,3	307	13,3
Ages 30 to 49	78	3,3	394	17,0	1.014	43,8
Aged 50 or over	69	3,0	145	6,3	299	12,9

**Aspect: Equal Remuneration for Women and Men**

□ **LA14** Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation

We do not report on this Indicator because we do not collect any data in relation to differences in basic salary. As a general principle, employee salaries at Hannover Re are determined by skills and not by gender.

Please see our salary determination procedures in the description of the Management Approach to the Category "Labour Practices and Decent Work".

## Category “Human Rights” (HR)

### ■ DMA Disclosure on Management Approach to Aspects of Human Rights

In view of the nature of Hannover Re’s business operations – providing complex reinsurance services – human rights issues such as child labour or forced labour do not have relevance to the employees of Hannover Re worldwide. This is true of all Hannover Re locations, i.e. also in places where the issue is not regulated by law. Further human rights issues, such as equal treatment and discrimination or the right to protection of personal data, are governed by the Hannover Re Code of Conduct applicable to all employees of the Hannover Re Group as well as by our Information Security and Data Privacy Guidelines.

Above and beyond this, Hannover Re is committed to monitoring observance of human rights in its supply chain. In the Sustainability Strategy approved by the Executive Board in 2011, one of the measures defined by Hannover Re was to secure the commitment of all suppliers to comply with environmental and social standards in their daily business and to meet the minimum standards specified in the Purchasing Guidelines of Hannover Re.

In 2012 Hannover Re translated this intent into operational practice with the Code of Conduct for Suppliers; developed and approved in 2011, this includes respect for human rights (e.g. ILO core labour standards) as an essential component. The Code of Conduct is applicable to the Hannover Home Office location. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check by Facilities Management (FM) on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Our core IT suppliers also fulfil our Code of Conduct.

This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.



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> Procurement and environmental protection



Sustainability Strategy

Code of Conduct

### Aspect: Investment and Procurement Practices

■ **HR1** Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening

(FSSS: Commentary added to report on investment agreements for the financial services)

In the selection of our investments we are guided primarily by the Principles of the United Nations Global Compact. Two of the ten principles relate explicitly to human rights.

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


The Sustainability Strategy for investments developed in 2011 according to ESG criteria was approved in 2012 and is applied accordingly. Along with other criteria, it takes explicit account of human rights aspects. Around 90% of our investments are reviewed half-yearly on the basis of these ESG criteria. Securities of issuers who violate human rights are actively reduced. New exposures are avoided.



United Nations  
[www.unglobalcompact.org](http://www.unglobalcompact.org)



Category “Financial Services Sector Indicators” in this GRI Report

GRI Indicator	Information from Hannover Re	Further Details
<p>■ <b>HR2</b> Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken</p>	<p>Respect for human rights is a key requirement of the Code of Conduct for Suppliers developed by Hannover Re in 2011 for its Hannover Home Office.</p> <p>Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check by Facilities Management (FM) on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Our core IT suppliers also fulfil our Code of Conduct.</p> <p>This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.</p>	
<p>■ <b>HR3</b> 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>As described in the HR DMA section, human rights issues such as child labour or forced labour are not relevant to Hannover Re's own employees. Further human rights issues such as equal treatment and discrimination or the right to protection of personal data are governed by the Hannover Re Code of Conduct applicable to all employees. All new employees of Hannover Re receive training in this Code of Conduct from the Compliance Department and Group Legal Services. Special data privacy training is also provided by the Data Protection Officer in this context. In addition, employees are able at any time to make use of an online training programme in data privacy. The total hours of training and the percentage of employees trained are not currently recorded.</p>	 <p>Code of Conduct</p>
<p><b>Aspect: Non-Discrimination</b></p>		
<p>■ <b>HR4</b> Total number of incidents of discrimination and corrective actions taken</p>	<p>Neither in the year under review nor in any previous years were there any incidents of discrimination, and hence no corrective actions were taken.</p>	
<p><b>Aspect: Freedom of Association and Collective Bargaining</b></p>		
<p>■ <b>HR5</b> Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights</p>	<p>None of the business operations of Hannover Re pose a threat to freedom of association or collective bargaining.</p> <p>The employees in Germany are organised into an Employee Council. In addition, all employees in France, Italy, Sweden and Spain also fall under collective bargaining agreements.</p> <p>The Code of Conduct for Suppliers drawn up in 2011 requires – along with other conditions – safeguarding of the right of freedom of association, e. g. to join trade unions and the employee council. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check by Facilities Management (FM) on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Our core IT suppliers also fulfil our Code of Conduct.</p> <p>This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.</p>	

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Child Labour**

■ **HR6** Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.

As a provider of complex reinsurance services, child labour has no relevance to the employees of Hannover Re – or to global locations of Hannover Re where this issue is not legally regulated.

Hannover Re tackles the risk of child labour in the supply chain. The Code of Conduct for Suppliers drawn up in 2011 requires – along with other conditions – zero tolerance of any form of child labour. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check by Facilities Management (FM) on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Our core IT suppliers also fulfil our Code of Conduct.

This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.

**Aspect: Forced and Compulsory Labour**

■ **HR7** Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour

As a provider of complex reinsurance services, forced or compulsory labour has no relevance to the employees of Hannover Re – or to global locations of Hannover Re where this issue is not legally regulated.

Hannover Re tackles the risk of forced or compulsory labour in the supply chain. The Code of Conduct for Suppliers drawn up in 2011 requires – along with other conditions – zero tolerance of forced labour or labour that is not voluntary. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check by Facilities Management (FM) on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked by FM for compliance with the Code of Conduct as part of an ongoing process. Our core IT suppliers also fulfil our Code of Conduct.

This has been complemented by the development of an application-based process for self-reporting by suppliers and service providers that also contains criteria from the Code of Conduct. Initially part of a pilot project, the procedure is now used on a regular basis by Facilities Management.

**Aspect: Security Practices**

■ **HR8** Percentage of security personnel trained in the organisation’s policies or procedures concerning aspects of human rights that are relevant to operations

Hannover Re does not employ any security personnel of its own and has assigned this function to external service providers.

The risk of human rights violations in the context of Hannover Re’s business is extremely slight and in our assessment, therefore, this Indicator is in principle not relevant to our sustainability management.

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Indigenous Rights**

**HR9** Total number of incidents of violations involving rights of indigenous people and actions taken

We do not report on this Indicator because we do not consider the violation of rights of indigenous people to be relevant in the context of our business activities.

**Aspect: Assessment**

**HR10** Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments

We do not report on this Indicator because we do not currently monitor our business operations in this regard on account of the minimal risk of human rights violations.

**Aspect: Remediation**

**HR11** Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms

We do not report on this Indicator because human rights violations have not to date occurred at Hannover Re and we therefore do not consider the establishment of a grievance mechanism for human rights violations to be relevant to our company.

## Category "Society" (SO)

**DMA**  
Disclosure on Management Approach to Society Aspects

As a globally operating company that has played a part in shaping the reinsurance market for some 50 years, we consider our actions to be responsible and forward-thinking and we recognise our obligation to society.

By offering reinsurance arrangements we help to provide individuals and undertakings with reliable and long-term protection against a broad range of risks and potential major losses. Examples may be found in the "Financial Services Sector Indicators" section of this GRI Report.

In order to be able to offer our clients lasting reinsurance protection and to safeguard the company's economic stability on an enduring basis, it is absolutely essential to navigate a path through risks in a forward-looking manner and to take account of all relevant factors – economic, environmental and social. Our active approach to risk management, which gives us a clear picture of the current risk situation at all times and adequately reflects our overall risk profile, is a vital platform for fulfilling these requirements.

Through our global presence and infrastructure we are able to optimally accommodate the needs of our clients. Our range of standard products combined with specially tailored customer solutions creates added value for both contracting parties.



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Category "Financial Services Sector Indicators" in this GRI Report



GRI Indicator	Information from Hannover Re	Further Details
	<p>In order to offer such broad-ranging support to our clients it is important to actively track the latest developments in science and research. Although we do not engage in any pure research, in the course of our business operations we encourage the transfer of knowledge between research and the (re)insurance market through active participation and the provision of support funds for scientific initiatives geared towards the development of products, solutions or markets.</p> <p>By developing targeted product solutions we respond systematically to changing global risk structures. This is indispensable for a reinsurance undertaking if it is to be fit to face future challenges. Hannover Re thus plays a pivotal role in increasing insurance penetration, including in developing and emerging markets.</p> <p>Compliance with the law is a matter of course for our company. The high ethical and moral standards to which we aspire are defined in our Group-wide Code of Conduct as being binding upon all members of staff. The Compliance Department, as part of our Group Legal Services, bears responsibility within the Group for compliance with all laws as well as for anti-corruption issues and the prevention of anti-competitive behaviour and provides appropriate training activities for the members of staff. Group Auditing regularly audits all business units with an eye to compliance with the Code of Conduct, including anti-corruption regulations.</p> <p>In view of the aforementioned aspects, we consider the effects of our business activities on the community to be fundamentally positive and conducive to the stable and sustainable development of society. This is immediately evident for the communities in which our branches are located due to the creation of jobs and fostering of local prosperity.</p> <p>The regulatory and legal environment for national and international reinsurance operations is subject to constant change. Consequently, Hannover Re continuously monitors and evaluates relevant developments with a direct or indirect bearing on the reinsurance industry. The focus here is on matters of insurance supervision and further regulation of the financial market in Germany, the EU and on the international level. In this regard Hannover Re engages in a dialogue with various stakeholders. These include political decision-makers, supervisory authorities and insurance industry associations. In so doing, Hannover Re contributes professional expertise from corporate practice to the public debate. Responsibility for these activities rests primarily with the organisational unit "International Regulatory Affairs".</p> <p>Responsibility for Hannover Re's commitment to the community rests with the Executive Board. Individual members of the Executive Board have assumed specific areas of responsibility with a regional or international focus. Examples include supporting young musicians in Hannover or helping to shape microinsurance activities in developing and emerging countries.</p> <p>Our investment in the community is regulated by our national and international Donations Guideline, which rules out donations to political parties and churches or other organisations in the political or religious domain. Compliance with this guideline is verified by Group Auditing.</p>	 <p>Opportunity and risk report in our Group Annual Report, p. 70–94</p> <p>Group strategy</p>

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Local Communities**

■ **S01** Percentage of operations with implemented local community engagement, impact assessments, and development programs

We are particularly dedicated to the sustainable development of the City of Hannover, where our company's Home Office is located.

As part of the "Climate Alliance Hannover", for example, we have undertaken by 2020 to emit 40% less harmful greenhouse gases than in 1990. The specific contributions made by Hannover Re have been regularly checked every two years since 2011. In the context of the "Climate Alliance" we also took part in "multimobil-Tag" on 20 September 2012, when awareness of environmentally friendly mobility methods was raised right across Hannover through a variety of activities. Under the "Climate Alliance" Hannover Re additionally participates in the Business Strategy Group of the "Master Plan 2050 for the City and Region of Hannover, 100% for Climate Protection".

Since 2007 Hannover Re has also participated in the "Ecological Project for Integrated Environmental Technology" (Ecoprofit) of the Greater Hannover Region. The underlying idea of the project is the connection between economic gain and ecological benefit through preventive environmental protection. The energy-saving successes already achieved are regularly publicised in the relevant project publications.

Supporting fine art has traditionally been a cause for Hannover Re. In 1991, to mark the company's 25th anniversary, Hannover Re set up a foundation to benefit the Sprengel Museum in Hannover. The foundation's mission is to support contemporary art in Hannover through the acquisition of paintings and sculptures for exhibition at the Sprengel Museum. The foundation was originally equipped with capital of DM 1 million. The foundation's capital currently amounts to EUR 600,000.

With our Donations Guideline, which is applicable Group-wide, we have set ourselves rules for our social commitment. We attach crucial importance to the common public interest of the social groups and projects supported by our company. Key areas of our engagement are our support for science, environmental and climate protection, employee concerns such as the compatibility of family and career, the protection of young people and the advancement of humanitarian projects. We do not give donations to organisations or projects in the political domain, churches or faith-based communities and organisations or projects for the protection of historical monuments and animal welfare.

Our branch in South Africa assists students in the discipline of actuarial science and those taking a Bachelor of Commerce degree with a concentration in accounting. We also support needy pupils at a local high school.



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Greater Hannover Region  
[www.hannover.de/Leben-in-der-Region-Hannover/Umwelt/Klimaschutz-Energie/Akteure-und-Netzwerke/Klima-Allianz-Hannover](http://www.hannover.de/Leben-in-der-Region-Hannover/Umwelt/Klimaschutz-Energie/Akteure-und-Netzwerke/Klima-Allianz-Hannover)

Ecological Project for Integrated Environmental Technology (Ecoprofit)  
[www.oekoprofit-hannover.de](http://www.oekoprofit-hannover.de)

Sprengel Museums  
[www.sprengel-museum.de](http://www.sprengel-museum.de)

□ **S09** Operations with significant potential or actual negative impacts on local communities

We do not report on this Indicator because we do not consider it applicable to our business operations. As described in the Management Approach to this Category, negative impacts of our operations on local communities are extremely unlikely on account of the nature of our services.

GRI Indicator	Information from Hannover Re	Further Details
<p>□ <b>FS10</b> Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities</p>	<p>We do not report on this Indicator. Reflecting the correlations reported in the Management Approach and in Indicator S09, we do not consider measures to avoid potential negative impacts on local communities to be necessary.</p>	
<p>■ <b>FS13</b> Access points in low-populated or economically disadvantaged areas by type</p>	<p>With its products Hannover Re helps make it possible for many individuals to access insurance protection in the first place. It is only thanks to internationally operating reinsurers that insurers are able to protect people against potential major losses such as those resulting from natural disasters.</p> <p>Apart from a few exceptions, however, as a reinsurer – i. e. as a business-to-business service provider – we do not have any direct contact with initial customers. Our business activities do not, in principle, create access points to financial services.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability &gt; Product responsibility</p> <p> Category “Financial Services Sector Indicators” in this GRI Report</p>
<p>■ <b>FS14</b> Initiatives to improve access to financial services for disadvantaged people</p>	<p>As explained in Indicator FS13, our own business operations do not in principle create any access points to financial services. We are nevertheless aware that access to financial services and especially to insurance services can help to improve the living conditions of economically disadvantaged people.</p> <p>Hannover Re is therefore committed to helping also the poorest sections of the population obtain protection. With this in mind, we participate in numerous projects for so-called microinsurances by reinsuring such contracts offered by primary insurers, for example in Mexico, Peru, India, Pakistan, China and some African countries. We are also engaged in a new and innovative cover against protracted periods of drought in African Union states and are thereby contributing to food security in Kenya, Mauritania, Mozambique, Niger and Senegal. In these countries, where the majority of the population works in agriculture, long droughts cause famines every year that cost countless lives. Further projects to protect small farmers are currently in the pipeline for Bangladesh and Paraguay.</p> <p>For further information please see the Category “Financial Services Sector Indicators” in this GRI Report.</p>	<p> <a href="http://www.hannover-re.com">www.hannover-re.com</a> &gt; Sustainability &gt; Product responsibility</p> <p> Category “Financial Services Sector Indicators” in this GRI Report</p>
<p><b>Aspect: Corruption</b></p>		
<p>□ <b>S02</b> Percentage and total number of business units analysed for risks related to corruption</p>	<p>As part of our Group Auditing function’s multi-year roadmap, all business units are analysed regularly with an eye to corruption risks.</p> <p>The number of business units analysed in the reporting period (percentage or total number) was not recorded.</p>	
<p>■ <b>S03</b> Percentage of employees trained in organisation’s anti-corruption policies and procedures</p>	<p>All new employees of Hannover Re in Germany are given training in these topics when they join the company, irrespective of whether or not they belong to the managerial level. In addition, members of staff in Germany are invited to attend our compliance training sessions, which cover – along with other aspects – the topic of corruption and appropriate practices that are within the law.</p>	
<p>■ <b>S04</b> Actions taken in response to incidents of corruption</p>	<p>No incidents of corruption were detected in the year under review or in previous years, and hence no actions were taken.</p>	

GRI Indicator	Information from Hannover Re	Further Details
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**Aspect: Public Policy**

■ **S05** Public policy positions and participation in public policy development and lobbying

The regulatory and legal environment for national and international reinsurance operations is subject to constant change. Consequently, Hannover Re continuously monitors and evaluates relevant developments with a direct or indirect bearing on the reinsurance industry. The focus here is on matters of insurance supervision and further regulation of the financial market in Germany, the EU and on the international level.

In this regard Hannover Re engages in a dialogue with various stakeholders, including political decision-makers, supervisory authorities and insurance industry associations. In so doing, Hannover Re contributes professional expertise from corporate practice to the public debate. Responsibility for these activities rests primarily with the department "International Regulatory Affairs".

■ **S06** Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country

Hannover Re did not make any contributions to political parties, politicians or related institutions in the reporting period or in previous years.

**Aspect: Anti-Competitive Behaviour**

■ **S07** Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes

No legal actions for anticompetitive behaviour, anti-trust or monopoly practices were taken against Hannover Re in the reporting period or in previous years; consequently, there are no findings to report.

**Aspect: Compliance**

■ **S08** Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

No significant fines were payable by Hannover Re in the reporting period or in previous years for non-compliance with laws and regulations. Nor have any non-monetary sanctions been imposed on Hannover Re.

## Appendix: Hannover Re's Support for Arts and Culture

Since its establishment in 1966 Hannover Re has been committed to supporting art, culture and research – particularly at our company's Home Office in Hannover.

### Support for research

In order to correctly assess risks, Hannover Re attaches great importance to a constant transfer of knowledge between business and research. In this context the company supports the highly renowned Geo Research Center in Potsdam, an institution that engages in the systematic investigation and early detection of earthquakes. Internationally, we participate in the Global Earthquake Model (GEM) project initiated by the OECD, which is intended to assist local authorities in earthquake-exposed zones with contingency planning. Since 2006, with a view to also promoting the growth of academic disciplines relevant to the insurance sector, we have helped to fund a visiting professor position at the University of Göttingen with a concentration in Anglo-American contract and tort law. In this way we are seeking to encourage a more international approach to

the study of law. In addition, we support university research efforts by sponsoring an endowed professorship in actuarial science at the University of Hannover. We similarly support the work of topically relevant faculty associations at various universities, including for example the Förderkreis des Instituts für Versicherungswesen at Cologne Technical University and the Verein Braunschweiger Finanz- und Wirtschaftsmathematiker e.V. at the University of Braunschweig. We also belong to similar associations at the University of Hannover, the University of Ulm and the University of Oldenburg. Above and beyond our aforementioned involvement, we regularly offer study trips and systematically place various projects and topical issues with university departments.

### Support for fine arts in Hannover

Supporting contemporary art has traditionally been a cause for Hannover Re. In 1991, to mark the company's 25th anniversary, Hannover Re set up a foundation to benefit the Sprengel Museum in Hannover. The foundation's mission is to support art in Hannover through the acquisition of contemporary paintings and sculptures which are loaned to the Sprengel Museum. Opened in 1979, the Sprengel Museum ranks among the most prominent museums of twentieth century art with its extensive collection and diverse programme of exhibitions. Works of art acquired by the foundation and provided to the Sprengel Museum Hannover on permanent loan include pieces by, among others, Gerhard Richter, Donald Judd, Ronald B. Kitaj, Georg Baselitz, Sigmar Polke and Bernd Koberling. The Hannover Re Foundation is further tasked with financing publications and events to accompany the exhibitions.

Hannover Re also supports the Kestnergesellschaft Hannover, one of the largest and most well-known German art associations located in the heart of Hannover, through its participation in the latter's sponsorship programme. Since its founding in 1916 the Kestnergesellschaft has sought to profile internationally important artists and their latest works. In its role as a "Kestnerpartner" Hannover Re is able to promote the society's work on a continuous and lasting basis.

Furthermore, in the mid-1980s the company began efforts to build up an art collection of its own. The sizeable collection, which today numbers some 265 exhibits by 67 artists, is displayed in the main office building and surrounding gardens as well as the inner courtyard of the complex. Since the collection was first established it has been continuously expanded through new acquisitions.

### Advancement of talented musicians

Every year since 1998 E+S Rück, Hannover Re's subsidiary with responsibility for the German market, has organised an examination concert for graduating students in cooperation with the University of Music, Drama and Media Hannover. This

support gives "master students" an exceptional opportunity to play with a large orchestra at an early stage in their career. At the same time the concerts enable E+S Rück to offer its clients a musical highlight as part of the "Hannover Forum" event.

### Further information

[www.hannover-re.com/sustainability/socialcommitment/index.html](http://www.hannover-re.com/sustainability/socialcommitment/index.html)

# Certificate of Fulfilment of Application Level B by GRI



## Statement GRI Application Level Check

GRI hereby states that **Hannover Re SE** has presented its report "GRI Report 2013" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 01 October 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir  
Director Services  
Global Reporting Initiative



*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 19 September 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

# Imprint

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