

Human rights policy statement of Hannover Re

With the present policy statement, Hannover Re recognises its responsibility to respect human rights and apply entrepreneurial diligence with regard to these rights. The policy statement was adopted by the Executive Board of Hannover Rück SE and applies to all locations worldwide. The policy statement is communicated both internally and externally. It is reviewed on a regular basis.

It is part of our purpose and values to respect and observe human rights and, where it lies within our sphere of influence, to avoid or prevent violations as far as possible. In affirming this, we are in line with the "UN Guiding Principles on Business and Human Rights" and the "National Action Plans" derived from them, which we apply within our company.

We are guided by various international standards when it comes to compliance with human rights:

- The United Nations Universal Declaration of Human Rights (UDHR)
- The International Covenant on Civil and Political Rights (ICCPR)
- The International Covenant on Economic, Social and Cultural Rights (ICESCR)
- The UN Guiding Principles on Business and Human Rights (UNGPs)
- The United Nations Global Compact (UNGC)
- The core labour standards of the International Labour Organization (ILO)
- The Sustainable Development Goals (SDGs)

Furthermore, internal documents regulate our actions and those of our business partners:

- Our business principles (Code of Conduct)
- Internal guidelines relating to our human resources management and data protection requirements
- Our Code of Conduct for Suppliers
- Our Third Party Provisions Guideline
- Our IT Procurement Guideline
- Our Responsible Investment Policy
- Our ESG manual for facultative insurance

Identification of impacts

As an internationally active reinsurance company, we are a service provider in the financial industry. In the spring of 2021, Hannover Re conducted a risk analysis. The analysis was led by the Sustainability Officer and supported by the risk management and compliance function (2nd line of defence) as well as participants in the 1st line of defence. Following our risk assessment, we identified and prioritised business units that might be exposed to potential risks in connection with human rights violations. The identified and prioritised units have refined this analysis and determined measures in their role as the 1st line of defence.

Our employees

Our employees are a key factor to our own success as a company and the promotion of fair working conditions and a healthy and non-discriminatory working environment is part of our corporate culture.

Hannover Re has recognised the core labour standards of the International Labour Organization (ILO) for all staff.

We do not tolerate any form of discrimination or harassment, as enshrined in our Group-wide Code of Conduct. We also respect employees' right to freedom of association and collective bargaining over working conditions and will neither discriminate against nor favour employees on account of their involvement in such activities.

Within our human resources management, we promote diversity and equal opportunities at the workplace. We adhere to high health and safety standards for our employees and have implemented additional measures to support the health and well-being of our staff, including encouraging a work-life balance and complying with all applicable working-time regulations. Personal data of our employees are protected through strict adherence to statutory data protection regulations.

Given that our employees are highly skilled personnel and we attach the highest priority to compliance with applicable

national, collective bargaining and company rules, we do not see any material risk of serious breaches of human rights. Issues such as discrimination, equal opportunities and harassment nevertheless require continuous attention and monitoring. We manage these issues through our human resources management structure.

Our suppliers

As a service company, we do not have a classic upstream or downstream supply chain of raw and auxiliary materials or manufactured goods such as manufacturing companies. Nevertheless, we also purchase a wide range of goods and services. We conduct risk assessments in order to identify sourcing categories that have a higher risk from a human rights perspective and we take measures accordingly.

Hannover Re has a Code of Conduct for Suppliers. Among other things, the Code of Conduct for Suppliers prescribes mandatory compliance with legal and ethical provisions, respect for human rights including compliance with the core labour standards of the International Labour Organization (ILO), and compliance with all applicable regulations in the areas of health, safety and environmental protection.

We do not tolerate any form of bribery, corruption and/or embezzlement and, not least through its Code of Conduct, we demand the same from our suppliers. The Code also requires our suppliers to set up a management system that ensures compliance with the listed points.

Our investments

Hannover Re is active as an investor on the capital market. We incorporate environmental, social and governance (ESG) criteria into our investment ecosystem. This is enshrined in our "Responsible Investment Policy".

Within our self-managed investments, all fixed-income securities (government and semi-government bonds, corporate bonds and collateralised bonds) as well as listed equities are subject to half-yearly negative screening with the aim of identifying human rights violations, among other ESG concerns.

The Ten Principles of the UN Global Compact form the main criterion for screening. We exclude issuers from our investment universe that disregard human rights or are complicit in human rights violations – including the use of

forced or child labour – or discrimination or fail to respect fundamental labour standards or environmental protection concerns. Issuers associated with specified controversial weapons are identified and excluded using an ESG screening tool.

Our reinsurance business

Our clients are mainly primary insurance companies whose employees are considered to have a similarly low risk exposure as our own. Data and information entrusted to us are protected through strict adherence to statutory data protection regulations as well as our Information Security Management system.

With regard to our underwriting activities, we take a differentiated view of our facultative (individual risks) and obligatory reinsurance business.

In facultative reinsurance business, we write reinsurance contracts for individual risks, i.e. the contracts can be assigned to specific projects or policyholders. Based on our risk analysis, we have identified the greatest risk of potential impacts on human rights in the following particularly exposed areas: large construction projects (including dams, mines, and pipelines), the operation of mines as well as companies associated with internationally controversial weapons. To tackle such risks, we have adopted a globally applicable ESG manual for our facultative reinsurance business. In this context, our underwriters are urged to be vigilant with regard to business that involves a risk of serious violations of fundamental human rights and to consistently reject such business. Serious violations include forced labour and child labour, fundamental breaches of health and safety regulations which may result in serious or irreparable damage to the health of those concerned, serious cases of land grabbing, serious violations of the rights of indigenous peoples, and serious exacerbation of factors conducive to water stress. Companies associated with specified controversial weapons are identified and excluded using an ESG screening tool.

In our obligatory reinsurance business (P&C), we provide reinsurance for large-volume portfolios that may contain heterogeneous elements. It is not possible to assign concrete impacts on rights holders.

Reporting

We report on our measures in our sustainability reporting (GRI), our non-financial information statement and our communication on progress (COP) in connection with our participation in the United Nations Global Compact.

Monitoring and responsibilities

The risk analysis is initiated by the “Sustainability Function” with the involvement of further business units. Responsibility for taking risk mitigation actions rests with the identified business units. Group-wide compliance units perform monitoring procedures with respect to the risks identified in the context of a compliance risk analysis.

Complaints regarding human rights violations can be reported through the [contact button](#) on Hannover Re’s webpage.

Training

To carry out the assessments, we are providing focused training activities on human rights and labour standards as well as other ESG issues at all locations worldwide.