

**somewhat  
different**

# GRI Report 2012

# Company Portrait



Hannover Re, with a gross premium of around EUR 13.8 billion, is the third-largest reinsurer in the world.

We transact all lines of non-life and life/health reinsurance and are present on all continents with around 2,300 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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This GRI Report has been compiled on the basis of **Version G3.1** of the internationally recognised reporting standards of the **Global Reporting Initiative (GRI)**. In addition to the Standard Disclosures material to most organisations (42 Profile Disclosures, 6 Management Approaches and 84 Indicators) we also report on the Financial Services Sector Disclosures (one Management Approach, 16 Indicators and 6 Supplementary Disclosures).

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## Our key financial indicators

in EUR million	2012	+/- previous year	2011	2010	2009	2008
<b>Results</b>						
Gross written premium	13,774.2	+13.9%	12,096.1	11,428.7	10,274.8	8,120.9
Net premium earned	12,279.2	+14.2%	10,751.5	10,047.0	9,307.2	7,061.6
Net investment income	1,655.7	+19.6%	1,384.0	1,258.9	1,120.4	278.5
Operating profit (EBIT)	1,406.5	+67.2%	841.4	1,177.9	1,142.5	148.1
Group net income (loss)	858.3	+41.6%	606.0	748.9	733.7	-127.0
<b>Balance sheet</b>						
Policyholders' surplus	8,973.3	+22.3%	7,338.2	6,987.0	5,621.6	4,708.4
Equity attributable to shareholders of Hannover Re	6,055.8	+21.8%	4,970.6	4,509.0	3,714.4	2,830.1
Investments (excl. funds withheld by ceding companies)	31,874.4	+12.5%	28,341.2	25,411.1	22,507.0	20,137.2
Total assets	54,811.7	+9.9%	49,867.0	46,725.3	40,837.6	37,490.2
<b>Key figures</b>						
Earnings per share (basic and diluted) in EUR	7.12	+41.6%	5.02	6.21	6.08	-1.05
Book value per share in EUR	50.22	+21.8%	41.22	37.39	30.80	23.47
Dividend per share in EUR	2.60+0.40 <sup>1</sup>	+42.9%	2.10	2.30	2.10	-
Return on investment (excl. funds withheld by ceding companies)	4.3%		3.9%	3.9%	4.0%	0.4%
Return on equity (after tax)	15.6%		12.8%	18.2%	22.4%	-4.1%

<sup>1</sup> Bonus

Detailed financial indicators are published in our Annual Report.

## Coverage indicators

	2012	+/- previous year	2011	2010	2009	2008
Proportion of data coverage (in % of Group employees)	50.3%	+0.2%p	50.1%	49.7%	49.9%	53.1%
Data capture percentage for the employee ratios, except LA7 (in % of Group employees)	100%	+/-0%p	100%	-	-	-
Involvement in certified Environmental Management System (in % of Group employees)	50.3%	+0.2%p	50.1%	-	-	-
Screening of investments under own management for compliance with ESG criteria	>90%	+/-0%p	>90%	-	-	-

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

	2012 <sup>5</sup>	+/- previous year	2011 <sup>4</sup>	2010 <sup>3</sup>	2009 <sup>3</sup>	2008 <sup>2</sup>
Number of employees in Germany	1,164	+4.9%	1,110	1,089	1,032	963
Electricity (in kWh)	8,802,262	+7.1%	8,214,917	8,055,429	8,014,946	7,624,709
Heat (in kWh)	2,319,854	+24.8%	1,859,119	2,383,918	2,314,009	2,051,501
Water (in l)	14,961,000	+3.4%	14,464,500	14,722,000	12,100,000	14,505,000
Paper (in sheets)	8,766,000	-4.4%	9,172,180	9,074,300	8,488,368	9,174,260
Waste (in kg)	205,790	-20.1%	257,400	297,000	327,000	no data
Business trips (in km)	16,654,504	-5.7%	17,658,598	16,018,500	15,179,745	14,766,598
CO <sub>2</sub> -emissions <sup>6</sup> (in kg)	4,984,000	-38.6%	8,123,000	7,685,000	9,005,000	9,838,000

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

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

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

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

<sup>5</sup> Karl-Wiechert-Allee 50 and 57 (pro rata), Roderbruchstraße 21 und 26 as well as infant daycare centre, Hannover

<sup>6</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

	2012	+/- previous year	2011	2010	2009	2008
<b>Group</b>						
Number of employees	2,312	+4.3%	2,217	2,192	2,069	1,812
Female	1,192	+3.1%	1,156	1,139	1,090	943
Male	1,120	+5.6%	1,061	1,053	979	869
<b>German location</b>						
Number of employees	1,164	+4.9%	1,110	1,089	1,032	963
Age structure						
Up to age 29	141	+0.7%	140	157	165	133
Age 30 to 49	789	+4.6%	754	743	698	677
Aged 50 and over	234	+8.3%	216	189	169	153
Proportion of women in management positions	16.8%	+1.3%p	15.5%	12.3%	12.0%	11.8%
Average number of training days per employee	5.0	+/-0.0%	5.0	5.0	6.5	8.0
Staff turnover rate	2.8%	-1.5%p	4.3%	1.9%	2.3%	3.3%
Absenteeism	3.5%	+0.1%p	3.4%	3.0%	3.2%	2.7%

## Ladies and gentlemen,

I am delighted to present to you Hannover Re's Corporate Sustainability Report for 2012, the second time we have published such a report. As in the previous year, we would like to take this opportunity to report on our sustainability performance as well as developments and progress made since the last report. We shall again do this – as is already evident from the title – on the basis of the internationally recognised guidelines published by the “Global Reporting Initiative” (GRI).

Our commercial success is crucially dependent upon the correct assessment and evaluation of current and emerging risks. Sustainability considerations are increasingly reflected in these risks. By way of example, we may cite shifting demographics, resource shortages and climate change. Sustainability is therefore not only a major element in our general understanding of doing business, it also has a direct bearing on our operational activities. Consequently, the topic has now been incorporated as a matter of course into our Group Strategy, which was revised in 2011.

The Sustainability Strategy that has been adopted complementary to our Group Strategy sets out in concrete detail the issues for our company and specifies our medium-term sustainability objectives, the accomplishment of which must henceforth serve as a yardstick by which we measure ourselves. To cite just one example of how well we are on track in this regard, I would like to mention the reduction of 40% in our CO<sub>2</sub> emissions in 2012 relative to the previous year. Having switched over in 2012 to electricity from exclusively renewable sources, we have taken a major stride towards our target of CO<sub>2</sub>-neutrality by 2015.

We continued the active and frank dialogue that we initiated in 2010 with major stakeholders by conducting a second stakeholder survey this year, the outcome of which was most encour-

aging for our company. In so doing, we entered into a dialogue with some 30 representatives of diverse areas spanning the capital market, clients, employees, NGOs and the public sector; not only did we earn praise for our reporting, we also gained valuable input in relation to future topics.

When it comes to product responsibility we are increasingly making protection against risks associated with climate change part of the focus of our activities. In 2012 we launched our “Energy Savings Warranty” insurance solution, which creates incentives for homeowners in the United States to invest in energy-saving technologies and energy-efficient construction methods when building and retrofitting properties, on the German market as well. Since the first half of 2013 the programme has been further extended to industrial applications. Another key concentration is on microinsurance products, which serve as an important tool in safeguarding the livelihood of poorer sections of the population. We are stepping up our efforts in this area through the provision of health insurance solutions in India and are looking to expand these activities to other countries.

Our investment policy is another cornerstone of our product responsibility. Since 2012 we have been guided by the principles of the United Nations Global Compact, i. e. we pay attention to the key aspects relating to human rights, working conditions, the environment and anti-corruption as part of the investment decision-making process.

With an eye to our responsibility to our employees, the Executive Board decided in 2012 that special energy should be devoted to promoting measures for the advancement of women. In our sector, as in many industries, it is unfortunately the case that women are far less widely represented than men in the higher levels of corporate hierarchy. From an overall perspective, however, the gender breakdown of Hannover Re's workforce is very balanced. With this in mind, in March 2013 we launched a mentoring programme designed especially for women with the hope that the potential inherent in our female employees can be cultivated even more strongly and maximised to the benefit of the company.

I would like to thank you most sincerely for your interest in these matters.

Yours,



Ulrich Wallin  
Chairman of the Executive Board



Ulrich Wallin  
Chairman of the  
Executive Board

# Executive Board of Hannover Re

## Ulrich Wallin

### Chairman

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

## André Arrago

Non-Life Reinsurance

- Facultative Reinsurance
- Global Catastrophe Business
- Treaty Reinsurance worldwide

## Claude Chèvre

Life and Health Reinsurance

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

## Jürgen Gräber

Coordination of worldwide Non-Life Reinsurance

Quotations Non-Life 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 and 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 Non-Life Reinsurance

- Germany, Austria, Italy, Switzerland
- North America

## Roland Vogel

Asset Management

Facility Management

Finance and Accounting

Information Technology

Standing from left to right: Dr. Klaus Miller,  
Jürgen Gräber, André Arrago, Dr. Michael Pickel

Seated from left to right: Claude Chèvre,  
Ulrich Wallin, Roland Vogel



# 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 and Non-Life

## 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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Please find detailed information on our Strategy in our Annual Report and on our website:



[www.hannover-re.com/about/strategy/index.html](http://www.hannover-re.com/about/strategy/index.html)







# Our measures and goals in relation to sustainability

Our Sustainability Strategy adopted in 2011 puts into concrete terms Item 9 of the Group Strategy (“We are committed to sustained compliance”) and defines the five action fields that are material for Hannover Re. Our goals and measures as well as their degree of accomplishment are set out below for each action field.



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 on our performance as a responsible company in the form of a sustainability report, which is guided by the standards of the Global Reporting Initiative.	
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 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. Our investments are now reviewed half-yearly with an eye to compliance with these 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 microinsurance 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 in-house (further) training activities cover a diverse range of topics and are open to all employees. On average each member of staff within the Group received 3.8 days of training in 2012.	
	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 Hannover Re operates a crèche in cooperation with other companies.	
<b>4th action field – Procurement and environmental protection</b>		
100% of our suppliers have been evaluated and found to be in compliance with our environmental and social standards. <sup>1</sup>	Checks are carried out on an ongoing basis and will in future be supported by an application-based process for self-reporting by suppliers.	
Concretely defined goals and measures for climate conservation.	With the implementation in 2012 of our environmental management system certified in accordance with DIN EN ISO 14001 we put in place standard processes for dealing with environmental protection and defined concrete measures in the environmental programme.	
We have reduced our emissions and are on track to be carbon-neutral by 2015. <sup>1</sup>	By switching the electricity supply at the Hannover location to 100% renewables and using videoconferencing technology we were able to reduce our CO <sub>2</sub> emissions by around 39% in 2012.	
<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

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

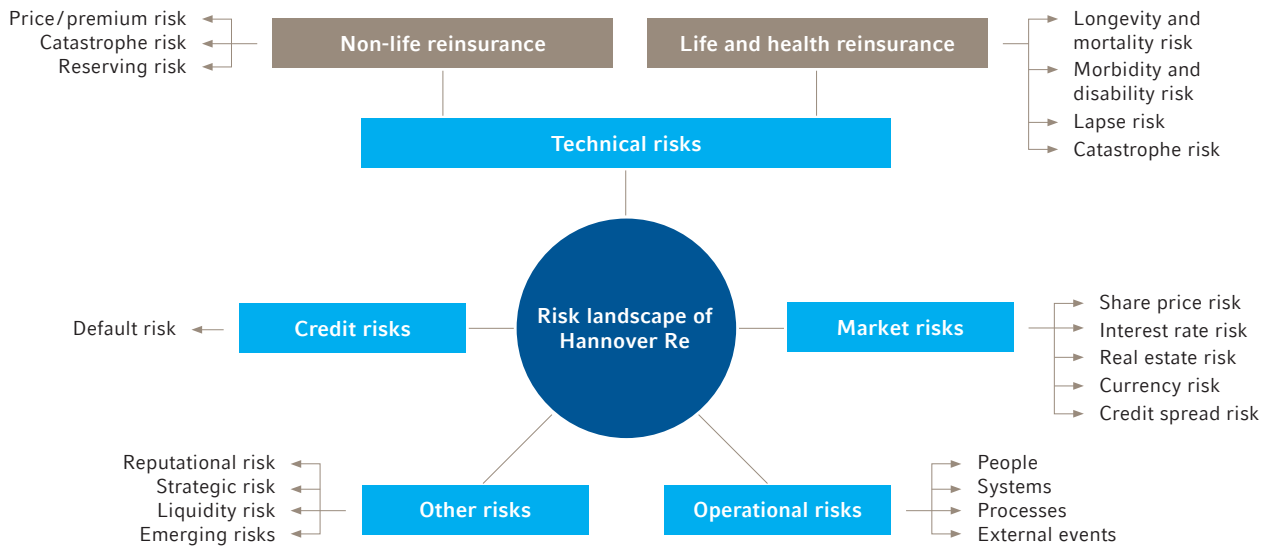
# GRI Report: Profile

GRI asks ...	... Hannover Re reports	Further information
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## 1. Strategy and Analysis

<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>Website &gt; Sustainability &gt; Strategy and Management</p>
<p><b>1.2</b> Description of key impacts, risks and opportunities</p>	<p>Given that our business is to provide people and enterprises with reliable and long-term protection against various risks, we assess our impacts on sustainable development as fundamentally positive.</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 non-life and life and health reinsurance, market risks, credit risks, operational risks and other risks such as emerging risks.</p>	<p>Website &gt; About Hannover Re &gt; Corporate Governance &gt; Opportunities and risks</p> <p>Opportunity and risk report in our Group Annual Report p. 60–79</p> <p>Group Strategy</p> <p>Sustainability Strategy</p>

### Risk landscape of Hannover Re



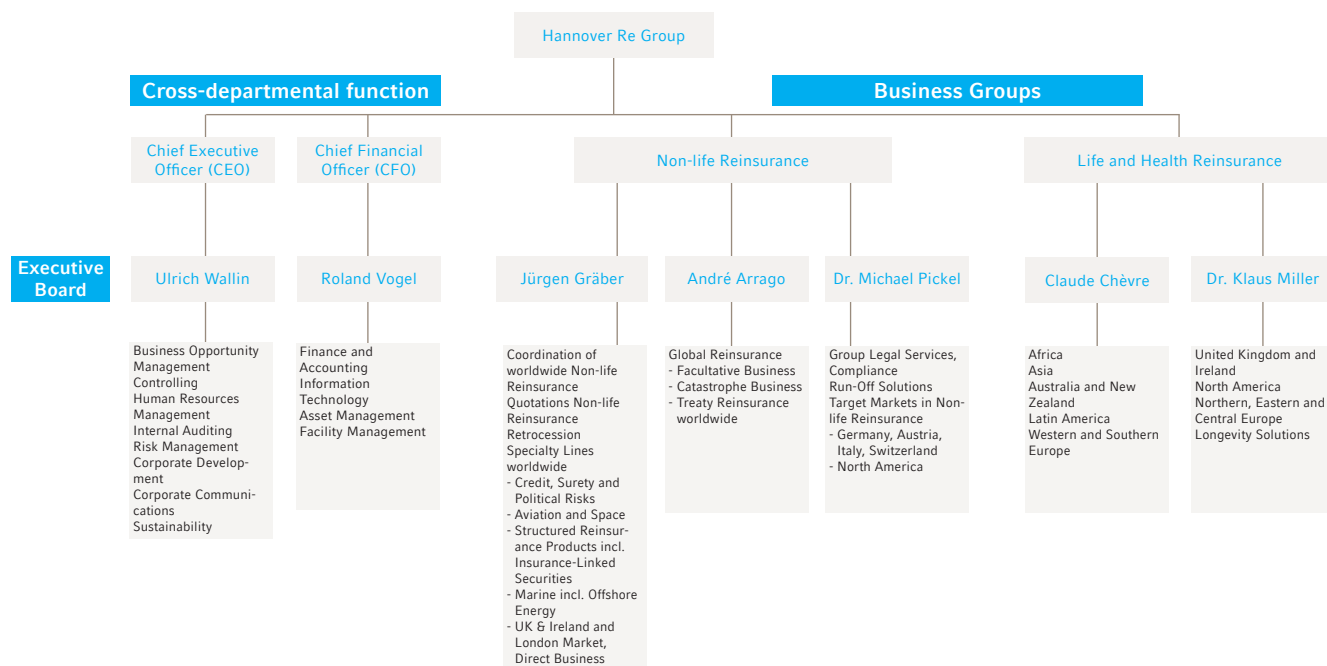
GRI asks ...	... Hannover Re reports	Further information
	<p>We make a fundamental distinction here between risks that result from business operations of past years (reserving risk) and those stemming from activities in the current or future years.</p> <p>As far as the risks associated with future years are concerned, emerging risks play a particularly important role. Their hallmark is that the content of such risks cannot as yet be reliably assessed with respect to our portfolio of underwriting business. They include inter alia risks arising out of the emergence of large cities and urban conurbations – so-called megacities – as well as risks associated with pandemics and the use of nanotechnology, natural catastrophe risks such as earthquakes, windstorms and floods, and risks resulting from asbestos and pollution claims. The anticipated consequences of megatrends such as climate change and growth in emerging markets have twofold implications for our business: on the one hand such trends can prompt greater demand for reinsurance solutions, while on the other hand the potentially assumed risk – above all the catastrophe risk – can lead to a greater financial burden for our company.</p> <p>A stable financial market is of vital importance both generally for global sustainable development and for us as a listed company. With Solvency II a risk-based solvency system is to be adopted over the coming years that offers an opportunity for convergence between international regulatory and internal enterprise approaches. 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 we are therefore well placed for the capital requirements that will exist under Solvency II.</p> <p>We publish detailed information on strategic objectives, governance mechanisms and approaches adopted in our management of opportunities and risks in the 20-page opportunity/risk report contained in the Group Annual Report.</p>	

GRI asks ...	... Hannover Re reports	Further information
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## 2. Organisational Profile

2.1 Name of the organisation	<p>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). The registered office of the company continues to be in Hannover.</p>	
2.2 Primary brands, products, and/or services	<p>With a gross premium of around EUR 13.8 billion Hannover Re is the third-largest reinsurer in the world. It transacts all lines of non-life and life/health reinsurance. The Group's German business is written exclusively by the subsidiary E+S Rückversicherung AG.</p> <p>Non-life reinsurance lines are the traditional lines of reinsurance with which Hannover Re commenced doing business in 1966.</p> <p>Reflecting the areas of Board responsibility, non-life reinsurance is split into the following three subareas:</p> <ol style="list-style-type: none"> <li>1. target markets, which we have defined as Germany and North America,</li> <li>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,</li> <li>3. global reinsurance, i. e. treaty reinsurance worldwide, facultative reinsurance and global catastrophe business.</li> </ol> <p>Life and health reinsurance was developed in the 1990s as a strategic growth segment of Hannover Re.</p> <p>In 2012 we revised our structure in life and health reinsurance to reflect volume growth and have since split the business into Financial Solutions and Risk Solutions, with Risk Solutions further differentiated according to Longevity, Mortality and Morbidity.</p> <p>Of the gross premium totalling EUR 13.8 billion written in 2012, 56% was attributable to non-life reinsurance and 44% to life and health reinsurance.</p>	<p>Website &gt; Business groups</p> <p>Group Annual Report, front inside cover flap and p. 29 et seq.</p>
2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures	<p>The Hannover Re Group is organised according to strategic business groups, i. e. split into the areas of non-life and life/health reinsurance.</p> <p>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.</p> <p>The parent company Hannover Re has more than 100 representative offices, branches and subsidiaries worldwide with a total workforce of 2,312 (valid: 31.12.2012).</p>	<p>Group Annual Report p. 8 and p. 80 et seq.</p>

**Our operational Group structure**



**2.4 Location of organisation's headquarters**

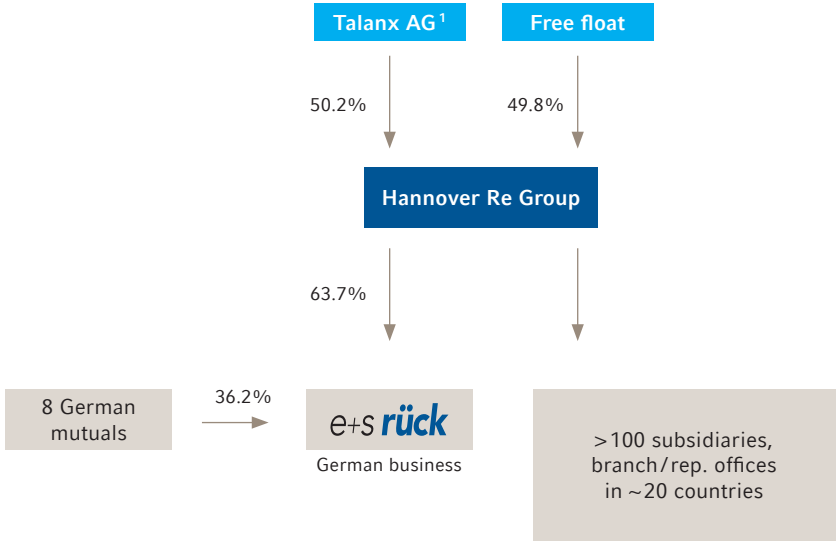
Hannover, Germany

**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 (50.3% of the workforce), major operations are in the United States (12.2% of the workforce), South Africa (7.1% of the workforce) and the United Kingdom (8.0% of the workforce).

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

See map on the inside cover flap of the Annual Report and p. 57

GRI asks ...	... Hannover Re reports	Further information
<p><b>2.6</b> Nature of ownership and legal form</p>	<p>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.</p> <p>The shareholding of private investors decreased slightly year-on-year by 0.9 percentage points to 6.9%. The proportionate holding of institutional investors, on the other hand, increased to 42.9% (valid: 31.12.2012). Talanx AG, the long-standing principal shareholder of Hannover Re, is also a listed company; 79.1% 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.</p>  <pre> graph TD     Talanx[Talanx AG<sup>1</sup>] -- 50.2% --&gt; HRG[Hannover Re Group]     FreeFloat[Free float] -- 49.8% --&gt; HRG     HRG -- 63.7% --&gt; GB[German business]     HRG -- 36.2% --&gt; IB[International business]     GB -- 36.2% --&gt; Mutuals[8 German mutuals]     GB -- 36.2% --&gt; eS[e+s rück]     </pre> <p><sup>1</sup> Majority owner HDI V.a.G.</p>	<p>Website &gt; Investor Relations &gt; Share &gt; Shareholder Structure</p> <p>Group Annual Report p. 14 et seq.</p>
<p><b>2.7</b> Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)</p>	<p>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.</p>	<p>Group Annual Report p. 29 et seq.</p>



GRI asks ...	... Hannover Re reports	Further information
<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 2,312 (valid: 31.12.2012), thereof 1,164 (50.3%) in Germany, 392 (17%) in the rest of Europe (incl. the United Kingdom with 186 employees) and 283 (12.2%) 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 2012 by 13.9% to EUR 13.8 billion (previous year: EUR 12.1 billion). Net premium earned climbed by 14.2% to EUR 12.3 billion (EUR 10.8 billion). The balance sheet total (corresponding to the definition of "total capitalisation" as per the GRI) of Hannover Re for the 2012 financial year amounted to EUR 54.8 billion, thereof EUR 48.1 billion as liabilities and EUR 6.7 billion as shareholders' equity. The market capitalisation as at year-end 2012 stood at EUR 7.1 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>Company Portrait on p. 2 of this GRI Report</p> <p>Group Annual Report p. 111</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> <ul style="list-style-type: none"> <li>• in the size of the company as a whole or in specific regions,</li> <li>• in the relevance of geographical regions,</li> <li>• in the corporate structure,</li> <li>• in ownership (see also 2.6 in this GRI Report).</li> </ul>	<p>Group Annual Report p. 14</p>
<p><b>2.10</b> Awards received in the reporting period</p>	<p>In 2012 Hannover Re was again honoured for its achievements:</p> <ul style="list-style-type: none"> <li>• on the occasion of the "Reactions London Market Awards 2012" the highly respected trade magazine "Reactions" recognised Hannover Re's outstanding work with the prize in the category "Reinsurance Company Team of the Year Casualty and Aviation"</li> <li>• on the occasion of the "Worldwide Reinsurance Awards 2012" in September 2012 Hannover Re was crowned "Reinsurer of the Year" by Insurance Day, the daily newspaper for the global insurance industry.</li> </ul> <p>In the Flaspöhler US Broker Survey 2012 Hannover Re again came out on top in the most important category of "best overall reinsurer". This is the fifth time in succession that Hannover Re has ranked first since the Broker Survey 2004 (2004, 2006, 2008, 2010 and 2012).</p> <p>In addition, a survey conducted by the Flaspöhler Research Group concluded that Hannover Re ranked among the leading reinsurers in 2012 from the perspective of European clients.</p>	<p>Website of the Flaspöhler Research Group <a href="http://www.frssurveys.com">www.frssurveys.com</a></p> <p>Website of the magazine "reactions" <a href="http://www.reactions.com">www.reactions.com</a></p> <p>Website of the newspaper "Insurance Day" <a href="http://www.insuranceday.com">www.insuranceday.com</a></p>

GRI asks ...	... Hannover Re reports	Further information
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### 3. Report Parameters

3.1 Reporting period	<p>The reporting period for this sustainability report ("GRI Report") published by Hannover Re is the 2012 financial year (1 January to 31 December 2012). 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 2013. Significant developments in 2013 have therefore already been taken into account and disclosed accordingly.</p>	
3.2 Date of most recent previous report (if any)	<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>Website &gt; Sustainability</p> <p>Group Annual Report p. 58 et seq.</p>
3.3 Reporting cycle	Annual	
3.4 Contact point for questions regarding the report or its contents	<p>Karl Steinle, General Manager Corporate Communications (karl.steinle@hannover-re.com)</p> <p>Julia Hartmann, Senior Investor Relations Manager (julia.hartmann@hannover-re.com)</p> <p>Melanie Raudzis-Bokelmann, Deputy Investor Relations Manager (melanie.raudzis@hannover-re.com)</p>	GRI Report, Imprint
3.5 Process for defining report content	<p>The framework for defining the report content is determined by the "Content Index" of the Global Reporting Initiative (GRI) for sustainability reporting (Version G3.1) and the specially developed Financial Services Sector Supplement.</p> <p>In the case of indicators for which there is no official German translation, Hannover Re has provided its own translation from English to German.</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. These remain valid for the present report.</p>	<p>Website of the Global Reporting Initiative (GRI) <a href="http://www.globalreporting.org">www.globalreporting.org</a></p> <p>Information on the stakeholder survey: cf. disclosures 4.14–4.17 of this GRI Report</p> <p>Sustainability Strategy</p>

GRI asks ...	... Hannover Re reports	Further information
	<p>Based on these findings, the following topics are of special relevance to Hannover Re:</p> <p>Action field: Strategy and Management</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: 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. The findings were 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 2012 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.</p> <p>With regard to certain thematic areas of the GRI Standard Disclosures, such as the physical impacts of products, there is little relevant to report since we are a pure service provider.</p>	<p>Website &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>	

GRI asks ...	... Hannover Re reports	Further information
<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>	
<p><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</p>	<p>The presentation of information in the GRI Report 2012 has not changed in comparison with the previous year.</p>	
<p><b>3.11</b> Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report</p>	<p>Any significant changes in the scope, boundary or measurement methods applied are noted at the appropriate point in the report.</p>	
<p><b>3.12</b> GRI Content Index</p>	<p>The present report is structured in accordance with the GRI Content Index. The GRI index at the end of this report provides an overview of the degree to which the reporting requirements are fulfilled with respect to the individual Indicators.</p>	<p>GRI Report p. 74 et seq.</p>
<p><b>3.13</b> External assurance for the report</p>	<p>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).</p>	
<p><b>4. Governance, Commitments and Engagement</b></p>		
<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 European joint-stock company (SE) based in Hannover, Hannover Re is subject to German laws governing SEs, stock corporations, the capital market and 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>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.</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 Approaches and Performance Indicators".</p>	<p>Website &gt; About Hannover Re &gt; Corporate Governance</p> <p>Group Annual Report p. 80 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 asks ...	... Hannover Re reports	Further information
<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>The Supervisory Board consists of nine members. In accordance with legal requirements and the participation agreement, the employees within the EU are represented by three members. When selecting the candidates 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>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>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>The remuneration of the Supervisory Board is comprised of fixed and variable components, which are geared to the company's performance. In determining the amount of remuneration paid to the Supervisory Board members, appropriate allowance is made for the function of chair and deputy chair as well as for membership of the committees. The remuneration paid by the company to the members of the Supervisory Board as well as any benefits granted for personally rendered services, particularly consulting services, is published on an individualised basis broken down into its constituent elements. Each Supervisory Board member discloses to the Supervisory Board any conflicts of interest, especially those that could arise on account of consulting activities or a governance function performed at clients, creditors or other business partners. Furthermore, in its report to the General Meeting the Supervisory Board reports on any conflicts of interest that may have occurred and how they were dealt with. In the event of significant and not merely temporary conflicts of interest affecting individual members of the Supervisory Board, the mandate is terminated.</p> <p>Legal requirements and recommendations of the German Corporate Governance Code regarding the independence of the Supervisory Board are implemented.</p> <p>As a general principle, Hannover Re – as a listed company – takes appropriate account of the interests of all shareholders in its decision-making processes.</p>	

GRI asks ...	... Hannover Re reports	Further information
<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 Employee Council and by the three employee representatives on the Supervisory Board elected by the workforce.</p>	<p>Articles of Association 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 17-page remuneration report contained in the Group Annual Report 2012.</p>	<p>Remuneration Report in our Group Annual Report p. 83–100</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>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>Group Annual Report p. 58 et seq. and p. 206 (Report by the Supervisory Board)</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, which is based on trust and reputation. 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. An Internet-based anonymous whistleblower system enables whistleblowers to report instances of misconduct and assist Hannover Re with their resolution, thereby enabling the company to take steps to prevent them occurring in the future.</p>	<p>Group Strategy p. 34 et seq. Sustainability Strategy Code of Conduct</p>

GRI asks ...	... Hannover Re reports	Further information
	<p>In 2011 Hannover Re developed a Code of Conduct for suppliers requiring compliance with environmental and social standards. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct. During the reporting period the Code of Conduct formed an integral contractual component for collaboration with suppliers with respect to the tendering and contracting of infrastructure services as well as various construction services. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.</p> <p>For the second half of 2013 we plan to develop an application-based process for self-reporting by suppliers that will also incorporate the criteria of the Code of Conduct.</p> <p>As far as the environmental action field is concerned, 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 manifested in this system.</p> <p>An internal national and international Donations Guideline ensures that we support primarily organisations that benefit the common good and do not make donations to political parties, churches or faith-based communities or for the protection of historical monuments and animal welfare.</p>	
<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>Website &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>Articles of Association</p> <p>Remuneration Report in our Group Annual Report p. 83–100</p>

GRI asks ...	... Hannover Re reports	Further information
	<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><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. The working group on "Emerging risks" is led by the Executive Board of Hannover Re.</p>	<p>Opportunity and risk report in our Group Annual Report p. 60–79</p>
<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 2020" Hannover Re has undertaken to emit 40% less harmful greenhouse gases by 2020 than in the base year of 1990. The specific contributions made by Hannover Re are regularly checked every two years from 2011 onwards. Under the "Climate Alliance Hannover 2020" 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>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>Website &gt; Sustainability &gt; Procurement and environmental protection</p>



GRI asks ...	... Hannover Re reports	Further information
<p><b>4.13</b> Memberships in associations and/or national/international advocacy organisations</p>	<p>Hannover Re is an active 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. Special mention should be made of the European "Reinsurance Advisory Board", which until June 2013 was chaired by the Chief Executive Officer of Hannover Re.</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 (<a href="http://www.gdv.de">www.gdv.de</a>)</li> <li>• Deutscher Investor Relations Kreis e.V. (<a href="http://dirk.org">http://dirk.org</a>)</li> </ul> <p>International:</p> <ul style="list-style-type: none"> <li>• American Council of Life Insurers (<a href="http://www.acli.com">www.acli.com</a>)</li> <li>• Reinsurance Advisory Board of the Insurance Europe federation (<a href="http://www.insuranceeurope.eu">www.insuranceeurope.eu</a>)</li> <li>• Chief Risk Officer Forum (<a href="http://www.thecroforum.org">www.thecroforum.org</a>)</li> <li>• European Insurance CFO-Forum (<a href="http://www.cfoforum.eu">www.cfoforum.eu</a>)</li> <li>• Geneva Association (<a href="http://www.genevaassociation.org">www.genevaassociation.org</a>)</li> <li>• Global Earthquake Model (<a href="http://www.globalquakemodel.org">www.globalquakemodel.org</a>)</li> <li>• International Actuarial Association (<a href="http://www.actuaries.org">www.actuaries.org</a>)</li> <li>• International Association of Insurance Supervisors (<a href="http://www.iaisweb.org">www.iaisweb.org</a>)</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>	
<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>Sustainability Strategy</p> <p>Website &gt; Investor Relations</p> <p>Group Annual Report p. 14</p>

GRI asks ...	... Hannover Re reports	Further information
	<p>As part of our Investor Relations activities we engage in a dialogue in various ways with representatives of the capital market, for example with interested investors and financial analysts at conferences and road-shows as well as in numerous one-to-one meetings. At our 15th Investors' Day, which in 2012 was held on a rotating basis in London, 46 analysts and institutional investors availed themselves of the opportunity to engage in an intensive exchange with the Executive Board. Our Investor Relations website was chosen in 2011 by the company NetFederation as the best in the MDAX and in the industry. An updated evaluation of our website for 2012 was still pending when this GRI Report went to press.</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. In 2012, for example, the non-life reinsurance business group thoroughly revised its customer relationship strategy. Going forward, we intend to respond more closely and systematically to the individual reinsurance needs of our clients.</p> <p>In addition, we regularly conduct employee surveys, the most recent of which took place in the autumn of 2012. Among other things, the aims were to measure employee satisfaction and assess in detail the appeal of Hannover Re as an employer. Altogether, some 800 employees took part in the online survey.</p>	
<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>One finding of 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 asset management, the survey respondents warn against investment in sectors that should be judged critically from a social perspective and call for the recognition of sustainability considerations in defining the investment universe. Hannover Re incorporates environmental, social and governance (ESG) criteria into its investment policy. These are guided in particular by the ten principles of the United Nations Global Compact, i.e. they reflect 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>	

# GRI Report: Management and Performance

GRI asks ...

... Hannover Re reports

Further information

## Category: Financial Services Sector Indicators

### DMA

Disclosure on Management Approach to Aspects of the Financial Services Sector Indicators

In view of our business operations which provide people and enterprises with reliable and long-term protection against environmental, social and economic risks, we assess the impacts of our product portfolio on sustainable development as fundamentally positive. What is more, in the context of the revision of our Group Strategy and with the adoption of the Sustainability Strategy in 2011, we set ourselves the goal of organising and refining our business operations in light of sustainability criteria. We translated this into operational practice inter alia with the development, audit and certification of our environmental management system according to DIN EN ISO 14001.

The strategic orientation and management of Hannover Re's product portfolio are the responsibility of the Executive Board and are regularly controlled by the Supervisory Board.

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 now 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.

Website > Sustainability > Product responsibility

Website > Sustainability > Procurement and environmental protection

GRI Report p. 33 et seq.

### Management Approach to the Product Portfolio Aspect

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

As described in the Management Approach to this Category, in 2011 in both our Group Strategy and our Sustainability Strategy we set ourselves the goal of elaborating our business groups according to sustainability criteria. Parts of this objective were translated into operational practice in the environmental programme of our environmental management system, which was certified in 2012.

In this connection we attach special importance to coverage against risks resulting from climate change as well as insurance protection for socially deprived groups. For this reason, we have undertaken in particular to expand in the area of agricultural risks, i. e. the insurance of agricultural risks in predominantly poor regions, and in the area of microinsurance solutions. Premium growth in business with agricultural risks and microinsurance agricultural covers was in excess of 20 percent in the 2012 financial year relative to the previous year.

In the life and health reinsurance business group we are especially active in the area of government-subsidised micro-health insurance products in India, and we are seeking to expand such concepts to other countries.

The strategy and the topic of sustainability are under the responsibility of the Executive Board and are controlled by the Supervisory Board.

Corporate Strategy

Sustainability Strategy

GRI asks ...	... Hannover Re reports	Further information
<p><b>FS2</b> Procedures for assessing and screening environmental and social risks in business lines</p>	<p>Social and environmental risks are considered as part of the analysis of emerging risks. A hallmark of emerging risks is that their implications cannot as yet be reliably assessed. Such risks evolve gradually from weak signals to unmistakable tendencies. It is therefore vital to detect and evaluate these risks at an early stage. Responsibility for these tasks rests with a working group on emerging risks that is organised across divisions and lines of business. It receives tips about potential new risks from the treaty departments and other areas of the company, regularly attends conferences on selected risks and engages in a dialogue with other globally operating insurers and reinsurers. The identified potential risks are qualitatively assessed by the working group in close coordination with Hannover Re's central risk monitoring function.</p> <p>All the findings of the working group on emerging risks (e.g. risk assessments) are utilised Group-wide and made available to the risk management and risk monitoring bodies. In this way, they are incorporated into decision-making processes. Furthermore, 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.</p> <p>As a general principle, all potential risks known to Hannover Re are evaluated. They are split into three different groups, each of which is examined with varying degrees of intensity. Risks are checked for changes at least twice a year.</p> <p>For more information on our handling of sustainability-related risks please see Disclosure 1.2 in the "Profile" section of this GRI Report.</p>	<p>Website &gt; About Hannover Re &gt; Corporate Governance &gt; Opportunities and risks</p> <p>Opportunity and risk report in our Group Annual Report p. 60–79</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. We have not set up mechanisms for monitoring compliance with environmental and social principles at our reinsurance clients.</p>	
<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; in this connection all employees are given training in the subject. Training in Hannover Re's environmental management system takes the form of a stand-alone face-to-face seminar. Online training is planned for the future. Along similar lines to the online training provided in issues such as occupational safety, fire prevention and first aid, we will thereby ensure that all employees are addressed on a regular basis at reasonable administrative expense. A concept for roll-out of online training in the environmental management system is currently being implemented.</p>	

GRI asks ...	... Hannover Re reports	Further information
<p><b>FS5</b> Interactions with clients/investees/business partners regarding environmental and social risks and opportunities</p>	<p>In 2011 Hannover Re developed a Code of Conduct for suppliers applicable to our German location that requires compliance with environmental and social standards. The Code of Conduct was drawn up as part of the CSR project by IT and Facilities Management with the assistance of the Legal Department.</p> <p>Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct. During the reporting period the Code of Conduct formed an integral contractual component for collaboration with suppliers with respect to the tendering and contracting of infrastructure services as well as various construction services. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.</p> <p>For the second half of 2013 we are seeking to develop an application-based process for self-reporting by suppliers that will also incorporate the criteria of the Code of Conduct.</p> <p>In developing sustainability-related insurance solutions we work in partnerships. For example, under the "Energy Savings Warranty" programme we cooperate with various partners such as "KlimaProtect". The programme, which has so far been launched in the US and German markets, creates incentives for private and commercial clients to invest in energy-saving technologies and solutions. Furthermore, a broad range of energy-efficient solutions relating to industrial applications are insured. Similarly, microinsurance solutions are designed in cooperation with primary insurers and local partners.</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>Website &gt; Sustainability &gt; Product responsibility</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 non-life and life/health reinsurance. Detailed information and indicators regarding the size and segmentation of our business groups are provided in the "Company Portrait" and the "Organisational Profile" in this GRI Report as well as in the section of our Group Annual Report entitled "Business groups".

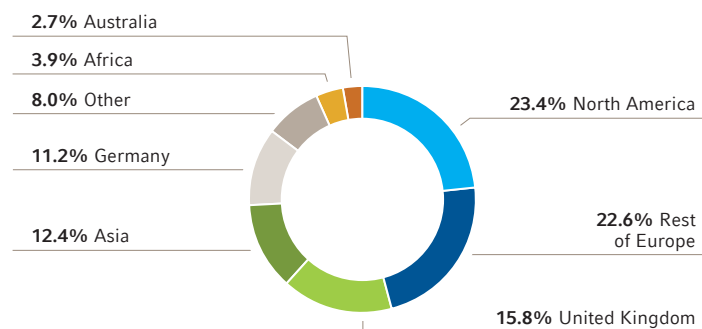
Company Portrait and Disclosures on "2. Organisational Profile" in this GRI Report

Group Annual Report p. 29–47

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

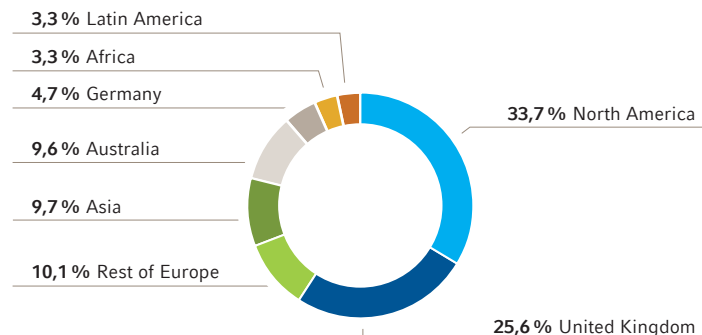
#### Non-life reinsurance: Regional breakdown of gross premium

(valid: 31.12.2012)



#### Life and health reinsurance: Geographical breakdown of gross premium

(valid: 31.12.2012)



GRI asks ...	... Hannover Re reports	Further information
<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 especially important for the development of poor regions. In 2012 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 (South America, Asia and Africa).</p> <p>In Peru, for example, our involvement enables more than 70,000 peasant families to insure their crops against damage from adverse weather conditions and hence rely on a secure minimum income.</p> <p>Especially in developing countries microinsurance programmes – which offer low-income population groups protection against fundamental risks associated with, inter alia, health, disability, the consequences of natural disasters or unexpected crop failures are taking on added importance. By providing coverage for microinsurance policies Hannover Re makes it possible for those living in poverty – who are unable to take out insurance under the range of other offerings – to avail themselves of insurance services. In this way it is possible to safeguard the means of production needed for subsistence against a variety of perils, including flood, drought or hail. Hannover Re currently reinsures such projects in Pakistan, Peru, China, India, Mexico, Tajikistan, Mali, Madagascar, Bosnia and Serbia. Further projects are under development for Kenya, Mongolia and Vietnam. The premium income from agricultural microinsurance products was in the double-digit millions (EUR) in the reporting period.</p> <p>On the life and health reinsurance 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 the Philippines, for example, microinsurance is enjoying particularly brisk demand. Over the past five years alone the number of policyholders there has more than doubled.</p> <p>At the same time, we are exploring how these concepts can be exported to other countries.</p>	

GRI asks ...	... Hannover Re reports	Further information
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**FS8** Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose

In view of their considerable risk potential, environmental issues are an essential component of our business operations, especially in non-life reinsurance. The reduction of adverse environmental effects therefore forms a fundamental part of the purpose of our business.

In addition, working together with our clients, we develop insurance solutions geared specifically to environmental benefits. For example, since 2010 Hannover Re has offered – in cooperation with partners in the United States – an “Energy Savings Warranty” programme. In 2012 the programme was also launched on the German market with the partner WetterProtect. It creates incentives for businesses to invest in energy-saving technologies. In this connection Hannover Re covers the energy saving warranties given by energy service providers. Premium income from the ESW programme in 2012 was limited; 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.

**Aspect: Auditing**

**FS9** Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures

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. The next audit, which will take the form of a re-certification audit, is scheduled for the end of September 2013.

Some 90% of our investments are subject to half-yearly negative screenings on the basis of ESG criteria (see Indicator FS11). The screening is carried out by an independent external service provider.

**Aspect: Active Ownership**

**FS10** Percentage and number of companies held in the institution’s portfolio with which the reporting organisation has interacted on environmental or social issues

We do not report on this indicator because we do not record the number of companies in our portfolio with which a dialogue takes place on environmental or social issues.

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.



GRI asks ...	... Hannover Re reports	Further information														
<p><b>FS11</b> Percentage of assets subject to positive and negative environmental or social screening</p>	<p>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.</p> <p>Since mid-2012 around 90% of Hannover Re's investments have undergone half-yearly negative screenings 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 avoided if this is found to be the case.</p> <p><b>Asset allocation of Hannover Re</b> as at 31.12.2012</p> <table border="1"> <thead> <tr> <th>Asset Class</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Fixed-income securities</td> <td>91%</td> </tr> <tr> <td>Short-term bonds &amp; cash</td> <td>3%</td> </tr> <tr> <td>Other</td> <td>2%</td> </tr> <tr> <td>Private equity</td> <td>2%</td> </tr> <tr> <td>Real estate</td> <td>2%</td> </tr> <tr> <td>Listed equities</td> <td>&lt;1%</td> </tr> </tbody> </table>	Asset Class	Percentage	Fixed-income securities	91%	Short-term bonds & cash	3%	Other	2%	Private equity	2%	Real estate	2%	Listed equities	<1%	<p>Website &gt; Investor Relations &gt; Financial information</p>
Asset Class	Percentage															
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<p><b>FS12</b> Voting polic(ies) 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 sustainable 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>Website &gt; Sustainability &gt; Product responsibility</p>														

## Category “Product Responsibility” (PR)

### DMA

Disclosure on Management Approach to Product Responsibility Aspects

We engage primarily in business-to-business transactions and are in close contact with our clients – directly through our employees or through our reinsurance brokers. We do not conduct advertising activities in the sense of product marketing.

Protection of client data and compliance with the law are basic prerequisites for our business. Our Code of Conduct and Data Privacy Guideline, 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. Overall, appropriate sensitivity and responsible actions in dealing with personal data are essential. An anonymous whistleblower system facilitates early detection of risks in relation to compliance with laws and internal guidelines. It goes without saying that our systems and measures meet the legal provisions governing data protection.

We survey our interactions with clients, including with respect to sustainability issues, at regular intervals using suitable tools. Our investment in the community is clearly regulated by our national and international Donations Guideline.

Website > Sustainability > Product responsibility

Website > About Hannover Re > Compliance

Code of Conduct

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. Furthermore, as a listed enterprise we report on our business operations in a transparent, comprehensive and timely manner.

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.

**FS15** Policies for the fair design and sale of financial products

The foundation of our commercial success lies in being a sought-after business partner for our clients. If we are to be perceived as the best option, we must offer prices that are 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 in our dealings with clients is prescribed as mandatory for all employees in our Code of Conduct.

Code of Conduct

Group Strategy

**Aspect: Customer Health and Safety**

**PR1** 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

We do not report on this indicator since we do not consider it relevant to our company. 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.

**PR2** 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

For the reasons stated under Indicator PR1, we do not consider this Indicator relevant to our company and therefore do not report on it.

**Aspect: Product and Service Labelling**

**PR3** Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements

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.

Compliance with legal provisions and the guarantee of the best possible contracts for our clients are of crucial importance to our business model. The quality standard that we set ourselves in this regard is correspondingly high.

As a listed company it goes without saying that we report transparently, comprehensively and promptly on our business operations. With this GRI Report we are supplementing our primarily financially oriented business reporting with information on our sustainable business practices in the areas of Governance, Product Responsibility, Employees, Environment and Society.

**PR4** Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes

In the reporting period there were no incidents of non-compliance with duties to provide information about Hannover Re's services. Nor were there any incidents of non-compliance with voluntary codes governing requirements to provide information.

GRI asks ...	... Hannover Re reports	Further information
<p><b>PR5</b> Practices related to customer satisfaction, including results of surveys measuring customer satisfaction</p>	<p>The satisfaction of our clients is always the focus of our business operations. Each year we survey Group-wide the various forms of interaction with our clients. We have developed an internal method for this survey that also examines sustainability aspects in client relationships.</p> <p>A survey conducted by the Flaspöhler Research Group concluded that Hannover Re ranked among the leading reinsurers in 2012 from the perspective of European clients.</p> <p>In addition, Hannover Re has designed a new training programme for clients. Featuring a modular structure and tailored to the individual needs of our clients, "Building Bridges" – as the programme is known – was launched in 2012 and has met with positive feedback.</p> <p>On an individual basis our Underwriting Centers review worldwide the satisfaction of their business partners.</p> <p>In cooperation with the Flaspöhler Research Group the life and health reinsurance business group conducts a survey every two years of reinsurance clients in the markets of Latin and Central America, North America, Europe and Asia (including Australia). 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.</p>	<p>Website &gt; Media centre</p> <p>Website of the Flaspöhler Research Group (www.frsurveys.com)</p>
	<p>Furthermore, since 2012 a consulting agency commissioned by the company has provided the life and 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. The findings of both studies are processed internally. 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.</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 new information with a special bearing on reinsurance.</p>	
<p><b>Aspect: Marketing Communications</b></p>		
<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 brand, for example through image advertisements and information brochures about Hannover Re's orientation. Our 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>In the context of our donations we adhere to our national and international Donations Guideline.</p>	<p>Website &gt; Sustainability &gt; Social commitment</p>

GRI asks ...	... Hannover Re reports	Further information
<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>We do not report on this Indicator because Hannover Re does not conduct any advertising measures that could result in non-compliance with regulations concerning marketing communications.</p>	
<p><b>Aspect: Customer Privacy</b></p>		
<p><b>PR8</b> Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data</p>	<p>No data privacy complaints were made in the reporting period. Furthermore, there was no requirement in the year under review to provide any “data breach notifications” pursuant to Section 42a of the German Data Protection Act (BDSG).</p> <p>As a general principle, safeguarding confidentiality, data privacy and data security plays a preeminent role for Hannover Re and is governed by mandatory rules for all employees in our Code of Conduct and Data Privacy Guideline.</p>	<p>Code of Conduct</p>
<p><b>Aspect: Compliance</b></p>		
<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>Compliance with laws is a fundamental prerequisite for our business, which is founded on trust and reputation. Our whistleblower system enables employees and business partners to report breaches of the law or violations of internal guidelines anonymously. This enables Hannover Re to take action and avoid further loss or damage.</p>	<p>Website &gt; About Hannover Re &gt; Compliance</p>

## Category “Economic” (EC)

### DMA

Disclosures on Management Approach to Aspects of the Economy Category

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

Management of our economic performance is the responsibility of the Executive Board. Each member of the Executive Board bears responsibility within their 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 and Legal Departments as well as by our unit responsible for managing participating interests and is verified by Internal Auditing.

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.

Website > Investor Relations > Financial information > Fact Sheet

Group Annual Report

DIRK website  
www.dirk.org

### 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 2012 financial year the Hannover Re Group booked a premium volume of EUR 13.8 billion, equivalent to growth of 13.9% relative to the previous year. The operating profit (EBIT) came in at EUR 1,406.5 million. Group net income climbed 41.6% to EUR 858.3 million. Earnings per share consequently amounted to EUR 7.12.

Altogether, the company distributed around 42% of Group net income to shareholders in the form of a regular dividend of EUR 2.60 plus a bonus of EUR 0.40 per share. The total amount distributed was thus roughly EUR 362 million.

The equity attributable to shareholders of Hannover Re continued to develop favourably, rising by 21.8% relative to the position as at 31 December 2011 to reach EUR 6.1 billion (EUR 5.0 billion). The total policyholders’ surplus (including non-controlling interests and hybrid capital) increased by 22.3% to EUR 9.0 billion (EUR 7.3 billion). The book value per share recorded a correspondingly pleasing improvement to EUR 50.22 (EUR 41.22). The return on equity amounted to 15.6%, after 12.8% in the previous year.

Website > Investor Relations > Financial information

Website > Sustainability > Social commitment

Group Annual Report, front inside cover flap; p. 110 et seq.; p. 197

GRI Report p. 73

GRI asks ...	... Hannover Re reports	Further information
	<p>We invest in various ways in the common good and in supporting local communities by assisting selected charitable projects each year. 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".</p> <p>We do not record any indicators on the financial value generated by our investments in local communities.</p> <p>With respect to detailed information on our economic data the reader is referred extensively to the Group Annual Report 2012.</p>	
<p><b>EC2</b> Financial implications and other risks and opportunities for the organisation's activities due to climate change</p>	<p>The financial implications of climate change cannot be exactly quantified since they are forward-looking. The challenges associated with climate change are taken into consideration by the Executive Board as part of our risk management, especially in the context of emerging risks.</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><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 42.5 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. 197</p>
<p><b>EC4</b> Significant financial assistance received from government (e.g. subsidies)</p>	<p>Hannover Re does not receive any subsidies or other forms of support from the government.</p>	

GRI asks ...

... Hannover Re reports

Further information

**Aspect: Market Presence**

**EC5** Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation

There is no legally defined minimum wage in Germany, and therefore the range of ratios of standard entry level wages compared to the minimum wage cannot be determined.

From a global perspective, the level of salaries at Hannover Re reflects the extremely high qualifications of our employees. There is no risk of undershooting the local minimum wage, and hence we do not collect any data on this Indicator.

**EC6** Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation

Environmentally friendly procurement is one of the five action fields of our Sustainability Strategy. Our focus here is on environmental and social standards. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct which we drew up in 2011. During the reporting period the Code of Conduct formed an integral contractual component for collaboration with suppliers with respect to the tendering and contracting of infrastructure services as well as various construction services. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.

Given that as a general rule we require the delivery of scarcely any physical material in order to perform our reinsurance services, we consider the selection of predominantly local suppliers to be of minor relevance to our company. Consequently, we do not have any policy in this regard.

GRI Report p. 65 et seq.

**EC7** Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation

Within the 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.

For this reason we have not established – outside of the respective legal requirements – any procedures in our personnel selection that would restrict the origin of staff to the local community at the locations of significant operation. At Hannover Home Office, for example, individuals from altogether 33 countries work alongside one another.



### 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 Pakistan, Peru, China, India, Mexico, Tajikistan, Mali, Madagascar, Bosnia and Serbia. Further projects are under development for Kenya, Mongolia and Vietnam. The premium income from agricultural microinsurance products was in the double-digit millions (EUR) in the reporting period.

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

In 2012 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 (South America, Asia and Africa). In Peru, for example, our involvement enables more than 70,000 peasant families to insure their crops against damage from adverse weather conditions and hence rely on a secure minimum income.

Since 2010 Hannover Re has offered with its partners in the United States an "Energy Savings Warranty" 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. In this connection Hannover Re insures the energy savings warranties given by energy service providers to homeowners for building refurbishment. In 2013 the programme was extended to industrial applications such as combined heat and power plants and lighting systems. Providers of energy-efficient solutions are thereby able to guarantee the potential savings promised by their activities.

Hannover Re invests inter alia in renewables through infrastructure funds.

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.

Website > Sustainability > Product responsibility  
Website > Sustainability > Social commitment

GRI Report p. 69 et seq.

**EC9** Understanding and describing significant indirect economic impacts, including the extent of impacts

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.

In addition, as an employer we have indirect economic impacts through our more than 2,300 employees at 27 worldwide locations on every continent.

## 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. CO<sub>2</sub>-neutral, by 2015.

With the implementation in 2012 of our environmental management system certified in accordance with DIN EN ISO 14001 we 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. In concert with the Environmental Management Officer, it coordinates and updates the targets and measures. The Environmental Management Officer is responsible for continuous refinement of the system. All managers and staff are required to comply with the stipulations in the Environmental Management Manual as well as supplementary directions. Training measures for dealing with environmental protection are integrated into Hannover Re’s basic training activities. Our environmental policy is evaluated at regular intervals in the context of our Environmental Management System audit.

The measures in our environmental programme were determined on the basis of the criteria of materiality and controllability and with an eye to our goal of climate neutrality by 2015. Hannover Re has identified as its most important measure the reduction of CO<sub>2</sub> emissions. 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. We identified the lowest materiality in relation to our water consumption and waste water and therefore have not adopted any measures for the time being.

For details of the concrete measures with respect to material consumption, energy and emissions please see the report contents on the corresponding Indicators in this GRI Category “Environmental”.

The issue of biodiversity has no relevance to the impacts of our business activities on the environment. On the contrary, damage to biodiversity offers opportunities and risks for our business operations.

For our core business, too, we have adopted environmentally relevant measures, for example by strengthening our research activities into issues such as climate change and shortage of resources. For our investments we developed an investment strategy in 2012 that reflects ESG criteria. Further information on the sustainability of our core business is provided in Section 4.4 and the “Financial Services Sector Indicators” Category of this GRI Report.

The necessary means to implement our environmental programme are made available by the Executive Board. Compliance with legal provisions of environmental relevance is overseen by our Environmental Management Officer.

Above and beyond the implementation of the Environmental Management System at the Hannover location, we again participated in 2012 – 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.

Website > Sustainability > Procurement and environmental protection

Group Annual Report p. 59 et seq.

Website of the Carbon Disclosure Project (CDP)  
www.cdproject.net

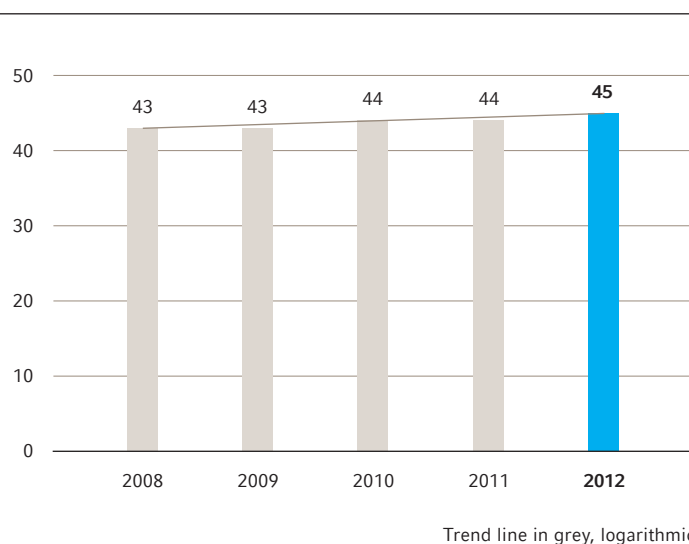
Terracycle website  
www. terracycle.com

**Aspect: Materials****EN1** Materials used by weight or volume

Compared to other industries, the physical use of materials is an environmental indicator of little relevance to reinsurance companies. Our use of paper is an exception in this regard: this amounted to 8,766,000 sheets for the scope of consolidation in the year under review, equivalent to around 45 tonnes. Our paper consumption in absolute terms was thus only marginally higher than the level of the previous year.

**Paper consumption**

in t

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

In our environmental programme we have committed to purchase exclusively paper bearing the "Euroblume" European environmental seal, a policy which has been in practice since 2012. This quality seal is awarded to consumer goods which are manufactured with reduced emissions and energy consumption and which stand out for their restrictive use of chemicals and auxiliary materials.

Terracycle website  
[www.terracycle.com](http://www.terracycle.com)

The range of paper used in the creation of printed products was extended in the 2011 financial year to include FSC-certified paper. Since June 2013 only recycled toilet paper has been in use. In order to further reduce our paper consumption, we changed the default setting on printers to duplex in 2012. We explored whether recycled paper could be used in our printers and photocopiers. Our finding was that recycled paper caused considerable wear and tear in our devices, which would result in a disproportionate rise in their susceptibility to malfunctions and hence necessitate increased maintenance. As an alternative, we are currently looking at changing over to lighter and more environmentally friendly paper.

Since 2012 we have played an active part in the Terracycle organisation, which initiates waste collection and recycling programmes. Terracycle boxes put out at our copy stations are used for the disposal of discarded pens. We were the most successful collection team in 2012. For the 2,053 pens that we sent in we received a projector, which we donated to the "Hannover ReKids" daycare facility.

**Aspect: Energy****EN3** Direct energy consumption by primary energy

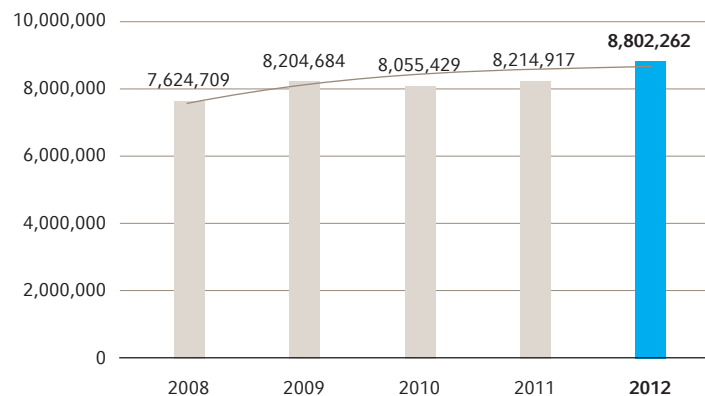
We do not produce our energy ourselves, but instead obtain it from external energy providers. Consequently, we do not use direct energy sources. For data on our energy consumption, broken down into electricity and district heating, please see the Indicator EN4.

**EN4** Indirect energy consumption by primary source

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

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 8,802,262 kWh (this equates to roughly 31,688 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 stepping up of cafeteria operations.

**Electricity consumption in kWh**  
in kWh

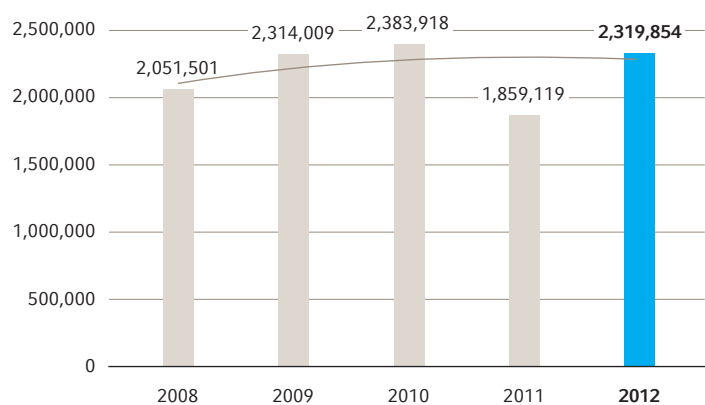


Trend line in grey, logarithmic

Our district heating consumption in 2012 amounted to 2,319,854 kWh (this equates to roughly 8,351 gigajoules), also an increase relative to the previous year. The variance in the consumption of district heating is due to the different winter temperatures. The increased number of employees also played a part in the higher demand for heating.

### District heating consumption

in kWh



Trend line in grey, logarithmic

#### EN5 Energy saved due to conservation and efficiency improvements

As part of our environmental management programme we are taking a number of steps to save energy. In recent years we have successively raised the temperature in our server rooms to 26 degrees. Conservative estimates indicate that in so doing we reduced the electricity consumption for cooling the server rooms by around 5% in 2012, or some 50,000 kWh. The cost saving is put at around EUR 7,800.

In addition, we intend to move forward with the progressive installation of an energy-saving, intelligent LED lighting control system. Implementation is planned for 2014.

#### EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives

Since 2010 Hannover Re has offered – in cooperation with partners in the United States – an “Energy Savings Warranty” programme to create incentives for energy savings. In 2012 the programme was also launched on the German market. It creates incentives to invest in energy-saving technologies and energy-efficient products. In this connection Hannover Re covers the energy saving 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.

Website > Sustainability > Product responsibility

GRI asks ...	... Hannover Re reports	Further information
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**EN7** Initiatives to reduce indirect energy consumption and reductions achieved

As part of our environmental management programme all our employees are trained in efficient energy consumption and environmental protection at the workplace.

Website > Sustainability > Procurement and environmental protection

This includes, among other things, sensitisation to the use of video conferences instead of air travel. In 2012, in the context of a company-wide IT project, steps were initiated to make standard workstations more environmentally friendly and energy-efficient. Notebooks, PCs and workstation printers with high energy consumption and CO<sub>2</sub> emissions are being replaced with state-of-the-art, more energy-efficient devices. It is also envisaged that 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. This project is to be completed by mid-2014.

Daily commuting by our employees also uses energy. We therefore promote teleworking and encourage our employees to use environmentally friendly means of transportation, such as public transport or cycling.

In the context of the "Climate Alliance Hannover 2020" more than a third of the workforce 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.

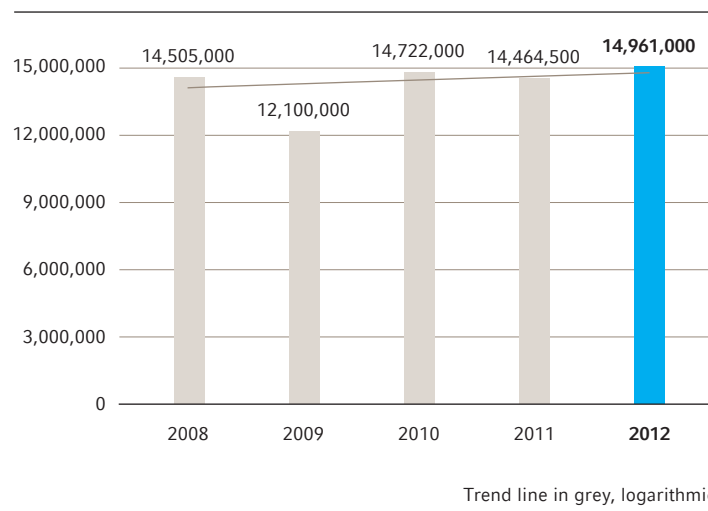
For many years our Annual General Meeting has been held at Hannover Congress Centrum, which received two international awards in 2012 and 2013 in recognition of its commitment to sustainability. Among other things, it was honoured for its energy management and conservation of resources with the "Meeting Experts Green Award".

**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 2012 amounted to 14,961,000 litres and was thus on a similar level to 2011 and 2010.

**Water consumption**  
in l



GRI asks ...	... Hannover Re reports	Further information
<b>EN9</b> 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.	
<b>EN10</b> 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. We collect rainwater in a retention area at our Home Office in Hannover, but this water is not used by our company.	
<b>Aspect: Biodiversity</b>		
<b>EN11</b> 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, Hannover Re considers the effects of our land on protected areas and areas of high biodiversity value to be irrelevant.	
<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>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.</p> <p>Our hope is that through our studies we can fundamentally raise awareness of the risks arising out of damage to biodiversity. In the interest of avoiding damage for the sake of society as a whole, biodiversity risks should be recognised as such and eliminated as quickly as possible.</p>	E+S Rück website > Publikationen > Schriftenreihe
<b>EN13</b> Habitats protected or restored	We do not report on this Indicator because our business operations have not given rise to any need to restore natural habitats and we therefore do not collect data in this regard.	
<b>EN14</b> Strategies, current actions, and future plans for managing impacts on biodiversity	The topic of biodiversity is not a focus of our Sustainability Strategy because our services do not cause any damage to biodiversity; rather, they help to alleviate such damage.	
<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.	We do not report on this Indicator because we do not collect any data on it. As a general principle, it is our assumption that our services do not cause any damage to biodiversity. This includes the fact that no IUCN Red List species are impacted by our business operations.	

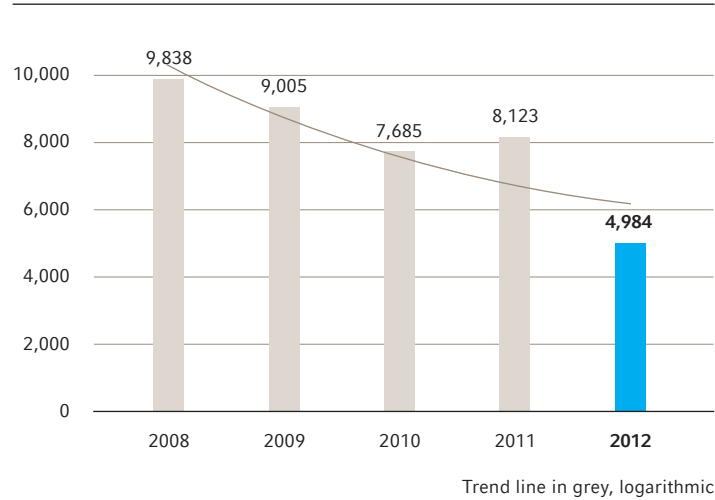
**Aspect: Emissions, Effluents, and Waste**

**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 2012 amounted to 4,984 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.

**CO<sub>2</sub> emissions**  
in t



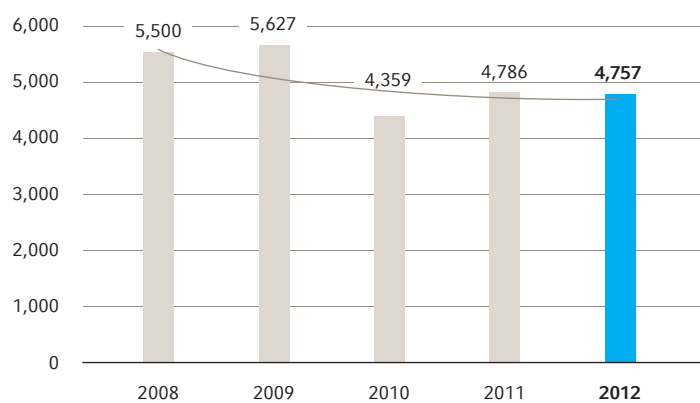
Compared to 2011, CO<sub>2</sub> emissions were reduced by 3,139 tonnes. This is equivalent to a saving of around 39%. The reduction was due largely to the changeover at the beginning of the year to electricity from purely renewable sources. In addition, the increased use of videoconferencing technology caused a decrease in the number of kilometres travelled on business.

The CO<sub>2</sub> emissions caused by business travel undertaken by Hannover Re amounted to 4,757 tonnes in 2012. This figure was thus lower than in the previous year despite the increased size of the workforce. The reduction is attributable inter alia to the increased use of videoconferencing.



**CO<sub>2</sub> emissions from business travel**

in t



Trend line in grey, logarithmic

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 our external service provider "atmosfair", which advises us of the CO<sub>2</sub> emissions resulting from our business travel by air. The calculation of the CO<sub>2</sub> emissions from existing aircraft types was revised in relation to parts of the world and differences in length of flight. In addition, since 2007 new aircraft types that have come onto the market have been added to the database.

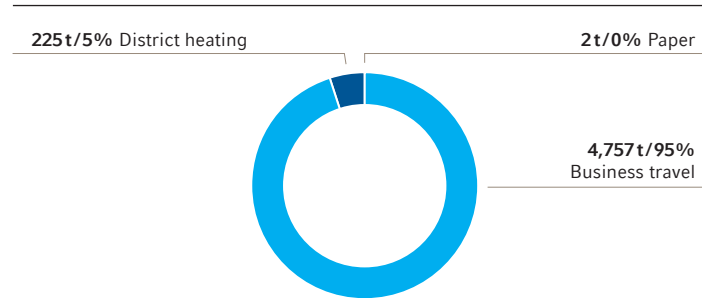
**EN17** Other relevant indirect greenhouse gas emissions by weight

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.

Website > Sustainability > Procurement and environmental protection

#### CO<sub>2</sub> emissions according to causation

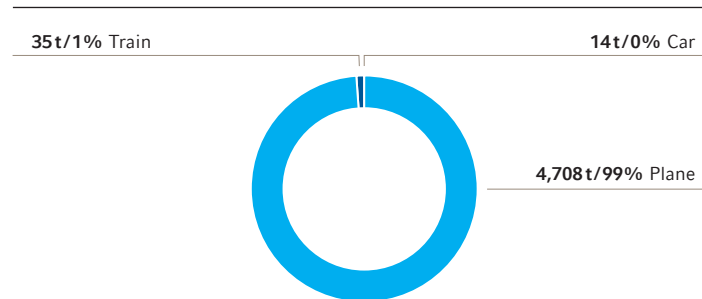
in t and % of total CO<sub>2</sub> consumption



The greenhouse gas emissions resulting from business travel are almost entirely caused by air travel.

#### CO<sub>2</sub> emissions from business travel by means of transport

in tonnes and as percentage of total business travel



**EN18** Initiatives to reduce greenhouse gas emissions and reductions achieved

Our goal is to operate on a completely climate-neutral basis from 2015 onwards. The measures that we have identified relate to both offsetting and reduction of CO<sub>2</sub> emissions.

Since 2008 we have offset the CO<sub>2</sub> pollution due to business flights by making voluntary compensatory payments to the organisation "atmos-fair". We make similar offsetting payments for the greenhouse gases caused by rail travel on Deutsche Bahn AG.

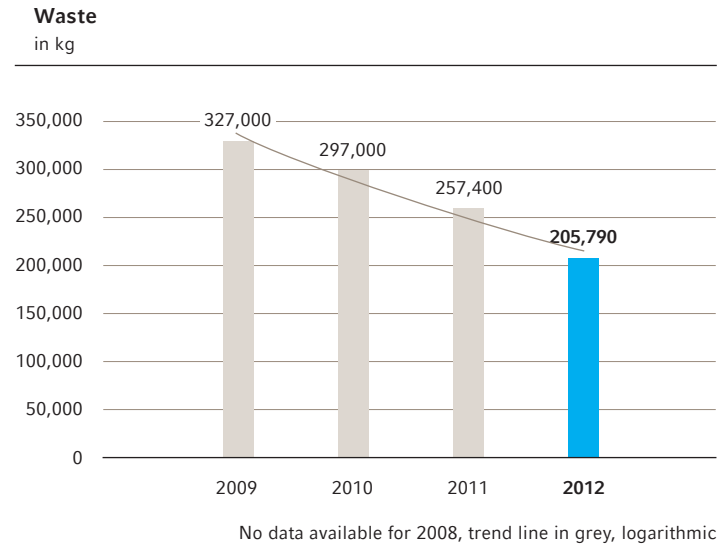
Overall, we thereby neutralise the CO<sub>2</sub> emissions from virtually 100% of our business travel. As explained under EN17, 95% of our total CO<sub>2</sub> emissions result from business travel.

GRI asks ...	... Hannover Re reports	Further information
	<p>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. Similarly, compensatory payments for rail travel will no longer be made in the future since – as a regular customer of Deutsche Bahn AG – our travel has been powered by energy from renewable sources since April 2013.</p> <p>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.</p> <p>In addition, we reduce, where possible, our CO<sub>2</sub> emissions by replacing air travel with video conferences. In 2012 around 1,000 video conferences were held with two or more participating locations. The calculated savings in CO<sub>2</sub> emissions through video conferences can only be considered estimates, since it is not certain to what extent the videoconference has actually replaced air travel and how many persons would have actually flown instead of using the video conference. 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 1,000 videoconferences correspond to around 12.4 million kilometres flown. This produces a saving of approximately 3.8 million kilometres flown; using the calculation method of our external service provider, this is equivalent to a saving of some 1,000 tonnes of CO<sub>2</sub> through the use of videoconferences.</p> <p>Going forward, too, we intend to reduce the number of kilometres flown and hence the associated CO<sub>2</sub> emissions by making greater use of videoconferences.</p>	
<b>EN19</b> Emissions of ozone-depleting substances by weight	We do not report on this Indicator because we do not collect any data on ozone-depleting substances. We do not consider this to be of relevance to reinsurance business.	
<b>EN20</b> NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions by type and weight	We do not report on this Indicator because we do not collect any data on NO <sub>x</sub> , SO <sub>x</sub> and other significant air emissions. 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.	
<b>EN21</b> Total water discharge by quality and destination	As a non-manufacturing provider of insurance services, the issue of water discharge is of minor significance 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 14,961,000 litres. Our water is discharged into the municipal sewage network. Environmentally critical effluents are not discharged in connection with Hannover Re's business operations.	

**EN22** Total weight of waste by type and disposal method

(FSSS: Commentary added to specify primary types of waste streams being paper and waste IT for financial institutions)

The total weight of waste in 2012 was 205,790 kg. Compared to the previous year (257,400 kg), the weight of waste was thus reduced by 20.1%.



Roughly half of our total waste in 2012 was recycled. All catering waste produced at Home Office in Hannover is used to generate energy (sent to a biogas plant). No hazardous waste was produced in the reporting period.

**Waste by method of disposal (in kg)**

	Quantity	
	in kg	in %
Recycling	104,980	51.0
Composting	3,120	1.5
Energy recovery	44,570	21.7
Combination of material recycling, above-ground landfill and energy recovery <sup>1</sup>	51,180	24.9
Electronic waste	1,940	0.9
<b>Total</b>	<b>205,790</b>	<b>100</b>

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

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

We do not report on this indicator because we do not consider it applicable to us. Reinsurance business does not give rise to any significant spills.

GRI asks ...	... Hannover Re reports	Further information
<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 do not report on this Indicator because we do not collect this data on account of its minimal relevance to our company. 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>We do not report on this Indicator because we do not consider it applicable to us. As a non-manufacturing provider of reinsurance services Hannover Re does not discharge any environmentally critical effluents. Nor are any critical effects on biodiversity values 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>As reported under the previous indicators, our insurance services do not have any relevant physical environmental impacts in comparison to other industries. Rather, through our business operations we help make it possible to adequately insure against risks associated with environmental damage in the first place.</p> <p>In the area of our investments we work to minimise possible negative environmental impacts. For further information please see the Category "Financial Services Sector Indicators" of 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. No packaging materials are used in our service business.</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>	

GRI asks ...

... Hannover Re reports

Further information

#### Aspect: Transport

**EN29** Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce

Our reinsurance services do not cause any significant environmental impacts through transporting.

"Transporting members of the workforce", i. e. business trips and especially air travel, has impacts on climate change due to the CO<sub>2</sub> emissions caused (cf. disclosures under EN16, EN17, EN18). We offset all CO<sub>2</sub> emissions caused by our air and train travel and replace, where possible, air travel with video conferences. In addition, we encourage our employees to use environmentally friendly means of transport when travelling to work.

Website > Sustainability  
> Procurement and environmental protection  
> CO<sub>2</sub> emissions

#### 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 and rail travel amounted to altogether EUR 156,955 in the year under review (air travel: EUR 155,530; rail travel EUR 1,425).

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 245,000 in 2012.

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

### DMA

Disclosure on 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)

In order to perform our complex reinsurance services we require professionals from various fields. Consequently, Hannover Re 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.

Employing successful staff is one of the ten cornerstones 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.

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 to be 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 constitutes a pilot phase intended to explore how the mentoring programme can be optimally organised. The feedback received from the participating employees and executives has been very positive so far.

Our internal and external (further) training programmes cover a broad range of topics and are an established routine component 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.

Website > Sustainability > Successful employees

Group Annual Report  
p. 56 et seq., 77, 98 et seq.

Group Strategy

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, the Executive Board and the Employee Council. 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.

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.

We attach special importance to a family-friendly approach in our human resources policy. Inter alia Hannover Re operates a daycare centre at its Home Office locations in cooperation with other companies offering altogether 30 places for all-day care of infants (up to the age of three).

The employee-employer relationship is governed by the Co-Determination Act, our Articles of Association and the Agreements with the Employee Council.

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 seek to avoid risks from health impairments even arising in the first place.

In the autumn of 2012 we conducted another employee survey. Compared with the 2010 employee survey, we found that satisfaction with Hannover Re as an employer has remained unchanged on a very high level. Our employee survey is carried out every two years.

In the international arena, too, we are known as a good employer. Our subsidiary Hannover Life Reassurance Company of America has for five years been ranked in the top five of the "Top 100 Companies for Working Families" according to the Orlando Sentinel. Our subsidiary Hannover Reinsurance Africa Limited took third place in the "Deloitte Best Company to Work For" survey in 2012.



## Aspect: Employment

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

As at 31 December 2012 Hannover Re employed 2,312 staff worldwide, thereof 1,120 men and 1,192 women. 1,164 persons work at Hannover Home Office, thereof 555 men and 609 women. Hannover Re employs exclusively employees and no "supervised workers" as defined by the GRI.

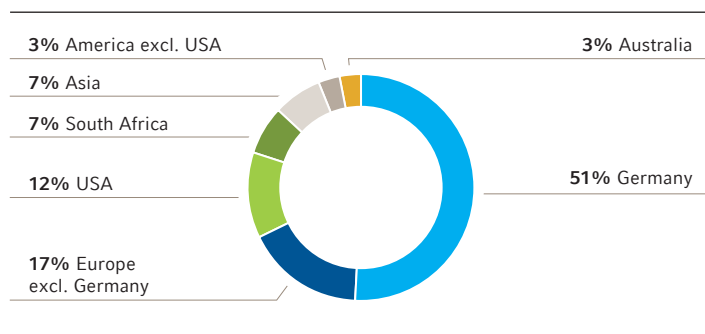
The majority of the workforce (95.7%) are employed on a regular basis with 2,213 permanent contracts, thereof 1,087 men and 1,126 women. 99 employees have a temporary contract, thereof 34 men and 65 women.

2,034 employees work full-time for our company, thereof 1,081 men and 953 women. 278 employees work part-time, thereof 39 men and 239 women. With regard to our German location, there are 229 different part-time models. In addition, 248 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.

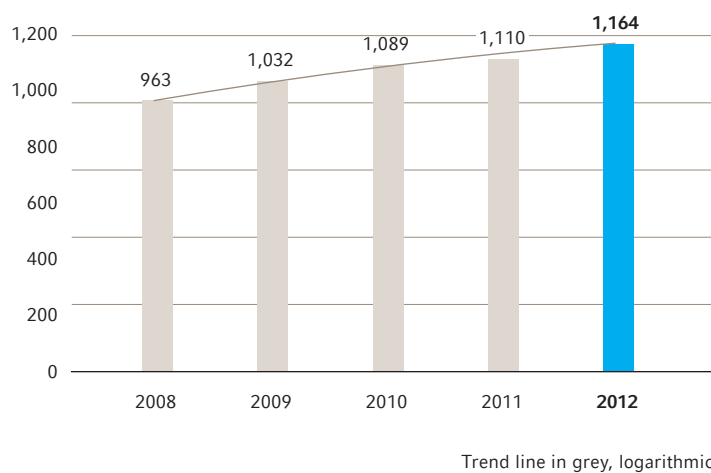
### Number of employees by region and gender in 2012

Region	Number of employees	Thereof men	Thereof women
Germany	1,164	555	609
Europe excl. Germany	392	182	210
USA	283	146	137
South Africa	164	73	91
Asia	162	90	72
Americas excl. USA	72	39	33
Australia	75	35	40
<b>Total</b>	<b>2,312</b>	<b>1,120</b>	<b>1,192</b>

### Percentage breakdown of the workforce by region in 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 staff turnover ratio at Hannover Re stands at 5.6% Group-wide and 2.8% at Hannover Home Office.

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.

#### Staff turnover by region in 2012

Region	Rate of persons joining		Rate of persons leaving	
	Number	in %	Number	in %
Germany	93	8.0	33	2.8
Europe excl. Germany	54	13.8	33	8.4
USA	18	6.4	15	5.3
South Africa	9	5.5	18	11.0
Asia	30	18.5	16	9.9
Americas excl. USA	12	16.7	9	12.5
Australia	10	13.3	6	8.0

#### Staff turnover by gender in 2012

Gender	Rate of persons joining		Rate of persons leaving	
	Number	in %	Number	in %
Men	123	11.0	64	5.7
Women	103	8.6	66	5.5

GRI asks ...	... Hannover Re reports	Further information
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**Staff turnover by age group in 2012**

Age group	Rate of persons joining		Rate of persons leaving	
	Number	in %	Number	in %
Up to age 29	93	29.7	29	9.3
Ages 30 to 49	121	8.1	75	5.0
Age 50 and over	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, 97 employees of Hannover Re were entitled to parental leave in the year under review, thereof 28 men and 69 women. In 2012 28 employees returned to work after parental leave, thereof 10 men and 18 women.

25 employees who returned to work in 2011 from their parental leave were still working for Hannover Re after twelve months (8 men, 17 women).

**Aspect: Labour/Management Relations**

**LA4** Percentage of employees covered by collective bargaining agreements

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.

Group Annual Report p. 83–100 (Remuneration Report)

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.

**LA5** Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements

Employees of Hannover Re are informed 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.

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.

**Aspect: Occupational Health and Safety**

**LA6** 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

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.

**LA7** Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

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.

Group Annual Report p. 56

Employees of Hannover Re in Germany reported altogether 18 accidents while at work or commuting in 2012. The total number of days lost was 9,836. The rate of absenteeism due to illness was 3.5% in Germany in 2012 (previous year: 3.4%). No fatalities were recorded at any Group company.

A Group-wide comparison of the data is not possible due to differing local legal provisions.

**LA8** Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases

The risk of Hannover Re employees suffering "serious diseases" as defined by the GRI is low in comparison with other industries.

Website > Sustainability > Successful employees

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).

Most employees of Hannover Re have office workplaces. These pose risks above all to general fitness, the back and the eyes.

We therefore offer our employees 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.

With regard to potential vision problems, an examination by the company physician can establish the need for a special "optical aid", so-called monitor glasses. In this case Hannover Re pays the cost of manufacturing the glasses at a local optician.

GRI asks ...	... Hannover Re reports	Further information
	<p>A heavy workload can lead to stress. 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 "Life Balance Management Seminars" are two-day training sessions offered in-house in cooperation with an external trainer.</p> <p>Acute risks can be alleviated by members of staff who have completed a first aid training course.</p>	
<b>LA9</b> Health and safety topics covered in formal agreements with trade unions	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.	

#### 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 3.8 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 in 2012 per employee by region

Region	Total number of employees	Average number of training days per employee
Germany	1,164	5.0
Europe excl. Germany	392	1.8
USA	283	1.9
South Africa	164	3.5
Asia	162	3.9
Americas excl. USA	72	2.3
Australia	75	2.9
<b>Total</b>	<b>2,213</b>	<b>3.8</b>

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

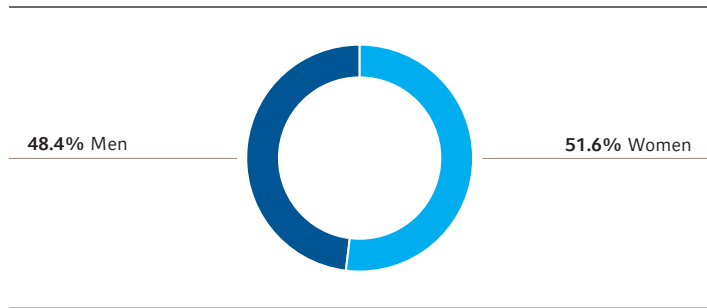
GRI asks ...	... Hannover Re reports	Further information
<p><b>LA11</b> Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings</p>	<p>Hannover Re offers its employees a diverse training programme, both internally and in cooperation with external training providers.</p> <p>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.</p> <p>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 3.8 days of further training.</p> <p>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.</p> <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 2012 to promote measures for the advancement of women and therefore launched a mentoring programme designed especially for women. 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 248 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>Website &gt; Sustainability &gt; Successful employees</p> <p>Website &gt; Career</p>

GRI asks ...	... Hannover Re reports	Further information
<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 German location was 95% in 2012. The implementation ratio for management feedback with respect to those managers eligible for participation was 100% at the German location in 2012.</p>	<p>Website &gt; Sustainability &gt; Successful employees</p> <p>Group Annual Report p. 56–57</p>

**Aspect: Diversity and Equal Opportunity**

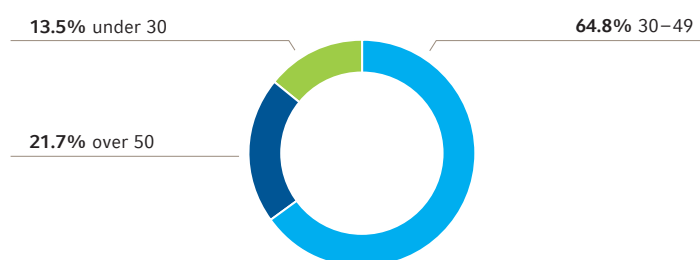
<p><b>LA13</b> Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity</p>	<p>The diversity of nationalities and cultures in our workforce safeguards our high global quality standard. Three different nationalities are represented on the seven-person Executive Board of Hannover Re. The 1,164 employees at the German location come from 33 different nations.</p> <p>Of the 89 managers working in Germany, 15 are women, or 16.8%.</p> <p>The gender balance of the 2,312-strong workforce Group-wide is balanced at 48.4% male and 51.6% female.</p>
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**Breakdown into male and female employees in 2012**



The picture is also balanced in relation to the age structure of our workforce: 13.5% of our employees are under 30, 64.8% are aged between 30 and 50 and 21.7% are over 50.

#### Age structure of the workforce in 2012



In Hannover Re's personnel statistics a distinction is made between three hierarchical levels: Group Executive, Senior Management and other employees. Of the altogether 2,312 employees Group-wide, 147 (6.3%) belong to the category of Group Executive, 545 (23.6%) to the category of Senior Management and 1,620 (70.1%) to the category of other employees.

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

#### Breakdown of workforce by gender 2012

Gender	Group Executive		Senior Management		Other employees	
	Number	in %	Number	in %	Number	in %
Male	128	5.5	356	15.4	636	27.5
Female	19	0.8	189	8.2	984	42.6

#### Breakdown of workforce by age group 2012

Age	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	1014	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

Respect for and observance of human rights is a prerequisite for Hannover Re's business.

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. 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.

Above and beyond this, Hannover Re has committed to monitor the 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. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process. The Code of Conduct is applicable to the Hannover Home Office location.

Website > About Hannover Re > Compliance

Website > Sustainability > Procurement and environmental protection

Code of Conduct

Sustainability Strategy

**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.

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.

Category "Financial Services Sector Indicators" in this GRI Report

**HR2** Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken

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.

Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct. During the reporting period the Code of Conduct formed an integral contractual component for collaboration with suppliers with respect to the tendering and contracting of infrastructure services as well as various construction services. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.

In the second half of 2013 we shall begin to develop an application-based process for self-reporting by suppliers that will also incorporate the criteria of the Code of Conduct.

**HR3** 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

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 and Legal Departments. The total hours of training and the percentage of employees trained are not currently recorded.

Code of Conduct

**Aspect: Non-Discrimination**

**HR4** Total number of incidents of discrimination and corrective actions taken

Neither in the year under review nor in any previous years were there any incidents of discrimination, and hence no corrective actions were taken.

### Aspect: Freedom of Association and Collective Bargaining

**HR5** 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

None of the business operations of Hannover Re pose a threat to freedom of association or collective bargaining.

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.

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 an employee council. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.

### 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 on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.

### 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 on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.

**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.

Respect for human rights is a key requirement of the Code of Conduct for Suppliers developed by Hannover Re in 2011. Since the middle of 2012 the procedure for selecting and evaluating new suppliers has included a check on whether they meet the requirements of the Code of Conduct. In addition, existing supplier relationships are also successively checked for compliance with the Code of Conduct as part of an ongoing process.

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.

**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

Our business operations, i.e. the provision of reinsurance services, does not to our knowledge entail any adverse impacts on local communities. Rather, the local communities in which our offices are located can benefit from our business operations through the strengthening of regional prosperity and the creation of jobs.

Furthermore, we assess our business operations – which provide people and undertakings with reliable protection against a broad range of risks – as fundamentally positive for society. As a leading reinsurance company, Hannover Re plays a vital part in risk diversification.

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, for example on a regional basis in Hannover for supporting young musicians or in developing and emerging countries for helping to shape microinsurance activities. Rules governing anti-corruption are set out in our Code of Conduct, which is mandatory for all employees Group-wide; training in the subject is provided by the Compliance Department within our Legal Department. Internal Auditing regularly audits all business units with an eye to compliance with the Code of Conduct, including anti-corruption regulations.

Our national and international Donations Guideline, which is applicable Group-wide, rules out donations to political parties and other organisations and projects in the political domain. Compliance with this guideline is verified by Internal Auditing.

The focus of our political activities rests with the organisational unit "International Regulatory Affairs".

As a reinsurer whose core business is founded on trust, compliance with the law is a matter of course for our company; it is managed by the Executive Board in cooperation with the Compliance and Legal Departments. In the reinsurance market, where the number of competitors is limited, there is a tendency towards the risk of anti-competitive behaviour. This issue is also monitored by the Executive Board in cooperation with the Compliance and Legal Departments.

Website > Sustainability  
> Social commitment

Website > Sustainability  
> Product responsibility

Category "Financial Services Sector Indicators" in this GRI Report

GRI asks ...	... Hannover Re reports	Further information
<b>Aspect: Local Communities</b>		
<p><b>S01</b> Percentage of operations with implemented local community engagement, impact assessments, and development programs</p>	<p>We are particularly dedicated to the sustainable development of the City of Hannover, where our company's Home Office is located.</p> <p>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 are regularly checked every two years from 2011 onwards. In the context of the "Climate Alliance Hannover 2020" 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 2020" 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 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.</p> <p>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.</p> <p>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.</p> <p>Our branch in South Africa supports education initiatives for disadvantaged persons in the fields of mathematics and the natural sciences. This involvement is intended to play a part in reducing poverty, promoting diversity and boosting economic growth.</p>	<p>Website &gt; Sustainability &gt; Procurement and environmental protection</p> <p>Website &gt; Sustainability &gt; Social commitment</p> <p>Website of the Greater Hannover region www.hannover.de/Leben-in-der-Region-Hannover/Umwelt/Klimaschutz-Energie/Akteure-und-Netzwerke/Klima-Allianz-Hannover</p> <p>Website of the "Ecological Project for Integrated Environmental Technology" (Ecoprofit) www.oekoprofit-hannover.de</p> <p>Website of the Sprengel Museum www.sprengel-museum.de</p>
<p><b>S09</b> Operations with significant potential or actual negative impacts on local communities</p>	<p>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 on local communities are extremely unlikely on account of the nature of our services.</p>	

GRI asks ...	... Hannover Re reports	Further information
<p><b>S010</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 people 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 earthquakes.</p> <p>As a reinsurer, i. e. as a business-to-business service provider, we do not, however, have any direct contact with initial customers – with the exception of one of our niche markets in the United Kingdom. Our business activities consequently do not, in principle, create access points to financial services.</p>	<p>Website &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 contracts 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 Pakistan, Peru, China, India, Mexico, Tajikistan, Mali, Madagascar, Bosnia and Serbia. Further projects are under development for Kenya, Mongolia and Vietnam.</p> <p>For further information please see the Category “Financial Services Sector Indicators” in this GRI Report.</p>	<p>Website &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 Internal Auditing function’s multi-year roadmap, all business units Group-wide 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, irrespective of whether or not they belong to the management level, 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>Neither in the year under review nor in previous years did any incidents of corruption occur, and hence no actions were taken.</p>	

GRI asks ...

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Further information

#### Aspect: Public Policy

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

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 the further regulation of the financial market in Germany, the EU and on an international level.

In this regard Hannover Re engages in a dialogue with various stakeholders, especially political decision-makers, supervisory authorities and insurance industry associations. In so doing, Hannover Re contributes professional expertise from corporate practice to the public debate. The focus of these activities rests with the organisational unit "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 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 around three 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.

### 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. In addition, we support university research efforts by sponsoring an endowed professorship in actuarial science at the University of Hannover.

### Further Information

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

# Degree of Fulfilment of Individual GRI Disclosures and Indicators

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

1. all Standard Disclosures (42 Profile Disclosures, 6 Management Approaches to altogether 34 Aspects and 84 Performance Indicators) and
2. all Financial Services Sector Disclosures (one Management Approach, 16 Indicators and 6 Additional Indicators)

either **fully** or **partially** or we **explain** the reason why we are not reporting corresponding Indicators (degree of reporting abbreviation: „Not reported (expl.)“).

## Profile

All 42 Profile Disclosures are reported in full.

## Management and Performance

Categories and Indicators (short version)		Page	Degree of Reporting
<b>Financial Services Sector Indicators</b>			
DMA	Management Approach to all Aspects	27	Fully
FS1	Policies with specific environmental and social components applied to business lines	27	Fully
FS2	Procedures for assessing and screening environmental and social risks in business lines	28	Partially
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	28	Fully
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	28	Partially
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	29	Partially
FS6	Percentage of the portfolio for business lines by specific region, size, (e.g. micro/SME/large) and by sector	30	Fully
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	31	Fully
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	32	Partially
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	32	Fully
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	32	Not reported (expl.)
FS11	Percentage of assets subject to positive and negative environmental or social screening	33	Fully
FS12	Voting polic(ies) applied to environmental or social issues for shares	33	Fully

Categories and Indicators (short version)		Page	Degree of Reporting
<b>Product Responsibility</b>			
DMA	Management Approach to all Aspects	34	Fully
FS15	Policies for the fair design and sale of financial products	34	Fully
PR1	Life cycle stages in which health and safety impacts of products and services are assessed	35	Not reported (expl.)
PR2	Non-compliance with regulations and voluntary codes concerning health and safety	35	Not reported (expl.)
PR3	Type of product and service information required by procedures	35	Fully
PR4	Non-compliance with regulations and voluntary codes concerning product and service information	35	Fully
PR5	Practices related to customer satisfaction	36	Fully
FS16	Initiatives to enhance financial literacy by type of beneficiary	36	Not reported (expl.)
PR6	Adherence to laws, standards, and voluntary codes related to marketing communications	36	Fully
PR7	Non-compliance with regulations and voluntary codes concerning marketing communications	37	Not reported (expl.)
PR8	Substantiated complaints regarding breaches of customer privacy	37	Fully
PR9	Significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	37	Fully
<b>Economy</b>			
DMA	Management Approach to all Aspects	38	Fully
EC1	Direct economic value generated and distributed	38	Fully
EC2	Financial implications of climate change	39	Fully
EC3	Coverage of the organisation's defined benefit plan obligations	39	Fully
EC4	Financial assistance received from government	39	Fully
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage	40	Not reported (expl.)
EC6	Policy, practices, and proportion of spending on locally-based suppliers	40	Fully
EC7	Procedures for local hiring and proportion of senior management hired from the local community	40	Fully
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	41	Fully
EC9	Indirect economic impacts	41	Fully
<b>Environment</b>			
DMA	Management Approach to all Aspects	42	Fully
EN1	Materials used	43	Fully
EN2	Percentage of materials used that are recycled input materials.	43	Partially
EN3	Direct energy consumption	44	Fully
EN4	Indirect energy consumption	44	Fully
EN5	Energy saved	45	Fully
EN6	Energy-efficient products and services	45	Fully
EN7	Initiatives to reduce indirect energy consumption	46	Partially
EN8	Water withdrawal by source	46	Fully
EN9	Water sources significantly affected	47	Not reported (expl.)
EN10	Water recycled and reused	47	Fully

Categories and Indicators (short version)		Page	Degree of Reporting
EN11	Locations in or adjacent to protected areas	47	Not reported (expl.)
EN12	Impacts on biodiversity	47	Fully
EN13	Habitats protected or restored	47	Not reported (expl.)
EN14	Strategies for biodiversity	47	Fully
EN15	Animal and plant species affected	47	Not reported (expl.)
EN16	Direct and indirect greenhouse gas emissions	48	Fully
EN17	Other relevant greenhouse gas emissions	50	Fully
EN18	Reduction of greenhouse gas emissions	50	Fully
EN19	Emissions of ozone-depleting substances	51	Not reported (expl.)
EN20	NO <sub>x</sub> , SO <sub>x</sub> and other significant air emissions	51	Not reported (expl.)
EN21	Water discharge	51	Fully
EN22	Weight of waste	52	Fully
EN23	Significant spills	52	Not reported (expl.)
EN24	Hazardous waste and treated waste deemed hazardous	53	Not reported (expl.)
EN25	Water bodies significantly affected by discharges of water and runoff	53	Not reported (expl.)
EN26	Initiatives to mitigate environmental impacts of products and services	53	Fully
EN27	Percentage of products sold for which packaging materials were reclaimed	53	Not reported (expl.)
EN28	Fines for non-compliance with environmental laws and regulations	53	Fully
EN29	Environmental impacts of transporting products	54	Fully
EN30	Environmental protection expenditures and investments	54	Fully
<b>Labour Practices and Decent Work</b>			
DMA	Management Approach to all Aspects	55	Fully
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	57	Fully
LA2	Employee turnover	58	Fully
LA3	Benefits only provided to full-time employees	59	Fully
LA15	Return to work after parental leave	59	Fully
LA4	Percentage of employees covered by collective bargaining agreements	59	Fully
LA5	Minimum notice period(s) regarding significant operational changes	59	Fully
LA6	Percentage of workforce represented in health and safety committees	60	Fully
LA7	Injury, occupational diseases, absenteeism, and work-related fatalities	60	Partially
LA8	Education, training, counselling and prevention regarding serious diseases	60	Fully
LA9	Health and safety topics covered in formal agreements with trade unions	61	Fully
LA10	Hours of training	61	Partially
LA11	Skills management and life-long learning	62	Fully
LA12	Performance and career development reviews	63	Fully
LA13	Diversity in total workforce and governance bodies	63	Partially
LA14	Equal remuneration for men and women	65	Not reported (expl.)

Categories and Indicators (short version)		Page	Degree of Reporting
<b>Human Rights</b>			
DMA	Management Approach to all Aspects	65	Fully
HR1	Human rights concerns in investment agreements	66	Partially
HR2	Screening of suppliers, contractors and other business partners for human rights	66	Partially
HR3	Employee training in human rights	66	Partially
HR4	Number of incidents of discrimination and corrective actions taken	66	Fully
HR5	Threat to freedom of association and collective bargaining	67	Fully
HR6	Risk of child labour	67	Fully
HR7	Risk of forced and compulsory labour	67	Fully
HR8	Training of security personnel in human rights aspects	68	Partially
HR9	Incidents of violations involving rights of indigenous people	68	Not reported (expl.)
HR 10	Assessment of operations for human rights impacts	68	Not reported (expl.)
HR11	Grievances related to human rights violations	68	Not reported (expl.)
<b>Society</b>			
DMA	Management Approach to all Aspects	69	Fully
S01	Operations with implemented local community engagement, impact assessments, and development programs	70	Partially
S09	Negative impacts on local communities	70	Not reported (expl.)
S010	Avoidance of negative impacts on local communities	71	Not reported (expl.)
FS13	Access points in low-populated or economically disadvantaged areas by type	71	Fully
FS14	Initiatives to improve access to financial services for disadvantaged people	71	Fully
S02	Business units analysed for risks related to corruption	71	Not reported (expl.)
S03	Employee training in anti-corruption	71	Partially
S04	Actions taken in response to incidents of corruption	71	Fully
S05	Public policy positions and participation in public policy development and lobbying	72	Fully
S06	Contributions to political parties and politicians	72	Fully
S07	Legal actions for anti-competitive behaviour	72	Fully
S08	Fines and total number of non-monetary sanctions for non-compliance with laws and regulations	72	Partially

# Certification of Fulfilment of Application Level B by GRI



## Statement GRI Application Level Check

GRI hereby states that **Hannover Re** has presented its report "GRI Report 2012" 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, 21 November 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI logo in the background.

Nelmara Arbex  
Deputy Chief Executive  
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 4 November 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

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