

*somewhat
different*

GRI Report 2011

Company Portrait



Hannover Re, with a gross premium of around EUR 12 billion, is the third-largest reinsurer in the world. It transacts all lines of non-life and life and health reinsurance and is present on all continents with around 2,200 staff.

What does a reinsurer do?

Reinsurance is „insurance for insurance companies“, in other words „second-level insurance“. The risk of suffering alarming losses as a consequence of payments for major claims very quickly led to a need for „re-“insurance on the part of „primary“ insurers. The oldest known reinsurance treaties date back to the fourteenth century. Nowadays, reinsurers offer highly specialised and global financial services designed to minimise the potential losses from large individual risks and natural perils.

Further information in the Glossary on our website at www.hannover-re.com

Our sustainability

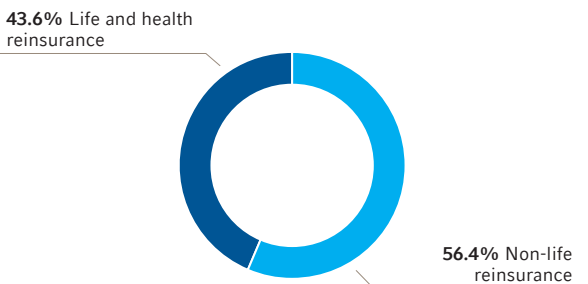
In 2011 we defined the following action fields for our Sustainability Strategy:

1. Governance and dialogue
2. Product responsibility
3. Successful employees
4. Procurement and environmental protection
5. Social commitment

In this GRI Report and on our website we report on our goals and our sustainability performance in accordance with our Sustainability Strategy.

Our business groups

Gross premium by business group
in %



For further information on Hannover Re's business groups please see disclosure 2.2 of this GRI Report, the Group Annual Report and our website > Business groups.

Our employees

Germany	1,110
Europe excl. Germany	362
USA	279
Americas excl. USA	70
Africa (South Africa)	177
Asia	149
Australia	70
Total (end 2011)	2,217



Our key environmental indicators¹ (per employee)

	2011	+/- 2007 ²	2010	2009	2008	2007
CO ₂ emissions (per employee)	7,318	-26.3%	7,057	8,726	10,216	9,932
Business travel (in km/employee)	15,909	+7.9%	14,709	14,709	15,334	14,751
Electricity consumption (in kWh/employee)	7,401	+11.1%	7,397	7,766	7,918	6,661
District heating (in kWh/employee)	1,675	-13.2%	2,189	2,242	2,130	1,929
Water use (in l/employee)	13,031	-28.7%	13,519	11,725	15,062	18,270
Paper consumption (in sheets/employee)	8,263	-16.1%	8,333	8,225	9,527	9,850
Waste from business operations (in kg/employee)	232	-26.8% ³	273	317	no data	no data
Number of employees	1,110	+22.4	1,089	1,032	963	907

¹ The figures refer to the Hannover location.

² The percentage refers to the difference between the respective indicator in the 2007 base year relative to the 2011 reporting year.

³ Base year: 2009

The absolute figures for our environmental data can be found in the Indicators for the Category „Environment“ in this GRI Report.

Our key financial indicators¹

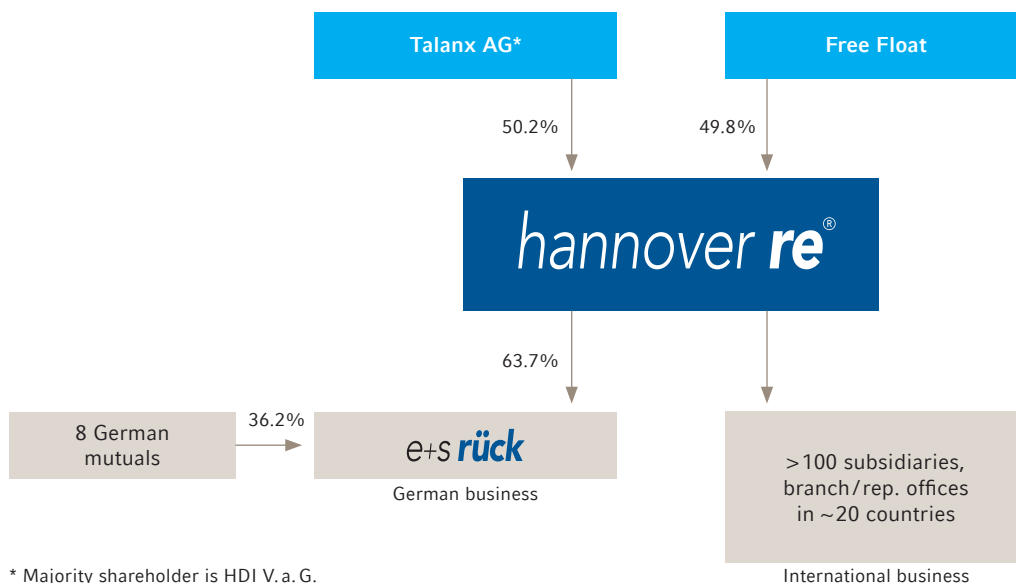
	2011	+/- 2007 ²	2010	2009	2008	2007
Gross written premium (in EUR m)	12,096.1	+46.5%	11,428.7	10,274.8	8,120.9	8,258.9
Policyholders' surplus (in EUR m)	7,338.2	+38.6%	6,987.0	5,621.6	4,708.4	5,295.1
Group net income (in EUR m)	606.0	-16.0%	748.9	733.7	-127.0	721.7
Book value per share (in EUR)	41.22	+48.4%	37.39	30.80	23.47	27.77
Return on equity	12.8%	-44.6%	18.2%	22.4%	-4.1%	23.1%

¹ The figures refer to the Group as a whole.

² The percentage refers to the difference between the 2007 base year and the 2011 reporting year.

Detailed financial indicators are published in our Annual Report.

Our Group structure



For precise designations of the worldwide companies and details of Hannover Re's shareholdings please see our Group Annual Report (inside front cover flap).

Ladies and gentlemen,

I am delighted to present to you Hannover Re's first Corporate Sustainability Report in the form of a GRI Report. In the following pages we report on our sustainability performance on the basis of the internationally recognised guidelines published by the „Global Reporting Initiative“ (GRI). In so doing, we also take into consideration supplementary indicators developed specially for the financial services sector.

Sustainability is a pivotal performance criterion in our business operations, which are geared towards stable value growth and responsible product design. As the third-largest reinsurer in the world, we are faced daily with the opportunities and risks associated with global challenges such as climate change, the use of resources and demographic trends.

In 2011, in consultation with internal and external stakeholders, we approved a Sustainability Strategy developed specifically for our company. Furthermore, we enshrined the issue of sustainability as one of ten action fields for our company in our Group strategy, which was similarly revised in 2011.

Concrete concentrations were defined for the execution of our Sustainability Strategy in day-to-day business. For example, we aligned our investment policy with environmental, social and governance (ESG) criteria. Not only that, we implemented an environmental management system at our Hannover location, which was successfully certified according to DIN EN ISO 14001 in September 2012.

We aspire to be completely climate-neutral, i. e. CO₂-neutral, by 2015. In the reporting period we offset 98% of our greenhouse gas emissions at our Hannover location. Since 1.1.2012 we have covered our electricity needs for our headquarters in Hannover entirely from renewables.

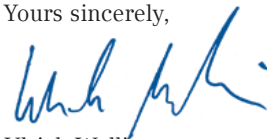
In addition to our internal Code of Conduct, we have drawn up a Code of Conduct for suppliers and vendors based on environmental and social standards; it has been in force since 2012.

As to our social commitment, we have reaffirmed our traditional focus on supporting research and the arts.

With this GRI Report Hannover Re is for the first time disclosing in detail its high level of responsibility in relation to sustainable development. Going forward, it is envisaged that a sustainability report – just like the annual report – will be published at yearly intervals.

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

Yours sincerely,



Ulrich Wallin
Chairman of the Executive Board



Ulrich Wallin
Chairman of the
Executive Board

Detailed information on sustainability at Hannover Re is also provided on our corporate website at

www.hannover-re.com/sustainability

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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).

GRI Report: Profile

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

<p>1.1 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. 2) to this GRI Report.</p>	<p>Website > Sustainability</p>
<p>1.2 Description of key impacts, risks and opportunities</p>	<p>Given that our business is to provide people and undertakings 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 includes underwriting risks, market risks, credit risks, operational risks and other risks such as emerging risks.</p> <p>In relation to sustainability, emerging risks and underwriting risks in non-life and life/health reinsurance play a particularly important role. They include inter alia risks associated with pandemics, 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 services, while on the other hand the potentially increased 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 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 the strategic objectives, governance mechanisms and approaches adopted in our management of opportunities and risks in the 21-page opportunity/risk report contained in the Group Annual Report.</p>	<p>Website > about Hannover Re > Corporate Governance > Opportunities and risks</p> <p>Group Annual Report p. 63–83</p> <p>Group strategy</p> <p>Sustainability Strategy</p>

2. Organisational Profile

2.1 Name of the organisation

Hannover Rückversicherung AG (Hannover Re)

2.2 Primary brands, products, and/or services

With a gross premium of around EUR 12 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.

Non-life reinsurance lines are the traditional lines of reinsurance with which Hannover Re commenced doing business in 1966.

The most important areas encompassed by non-life reinsurance are as follows:

1. the target markets of North America and Germany,
2. specialty lines, i. e. marine business including energy, aviation business, credit/surety and political risks, structured reinsurance and insurance-linked securities, UK and the London Market, direct business and
3. global reinsurance, i. e. treaty, catastrophe and facultative business.

Life and health reinsurance was developed in the 1990s as a strategic growth segment of Hannover Re. Life and health reinsurance operated on the basis of a five-pillar model in the year under review:

1. Financial solutions (financing transactions, block assumption transactions)
2. Cultivation of new markets, especially through product partnerships (seniors' market, ReTakaful market)
3. Bancassurance
4. Preferred partner for large international insurance groups
5. Conventional reinsurance in selected markets and client segments

In 2012 we revised our structure in life and health reinsurance to reflect volume growth and split it into risk types and regions. The new structure is shown under disclosure 2.3 of this GRI Report and will be included in the reporting for 2012.

Of the gross written premium totalling EUR 12.1 billion in 2011, 56.4% was attributable to non-life reinsurance and 43.6% to life and health reinsurance.

GRI Report p. 2–5

Website > Business groups

Group Annual Report

2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures

Hannover Re is organised according to its business groups, i. e. split into the areas of non-life and life/health reinsurance.

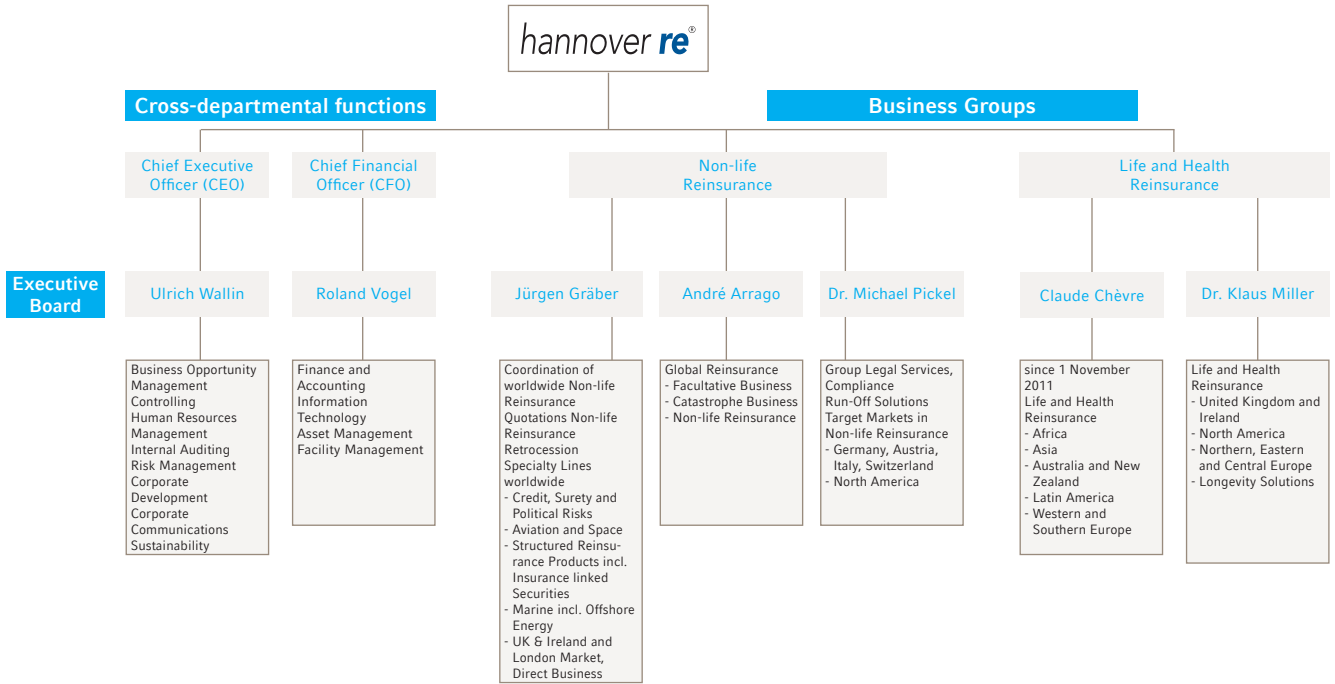
Key divisions that should be mentioned are Opportunity and Risk Management, Controlling, Finance and Accounting, Information Technology, Investments, Human Resources, Legal Affairs and Compliance, Internal Auditing, Corporate Development, Corporate Communications and Facility Management.

The parent company Hannover Re has more than 100 representative offices, branches and subsidiaries worldwide with a total workforce of 2,217 (valid: 31.12.2011).

GRI Report p. 2–5

Group Annual Report p. 8 et seq. and p. 84 et seq.

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 21 countries on all continents with representative offices and subsidiaries. In addition to the headquarters in Hannover (50.1% of the workforce), major operations are in the United States (12.6% of the workforce), South Africa (8.0% of the workforce) and the United Kingdom (7.3% 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

GRI Report p. 2–5

GRI asks ...	... Hannover Re reports	Further information
<p>2.6 Nature of ownership and legal form</p>	<p>Hannover Re is a joint-stock company (AG) under German law. 50.2% of the altogether 120,597,134 outstanding shares of Hannover Re are held by Talanx AG, the remaining shares are in the free float: 42.0% held by institutional investors and 7.8% by private investors (valid: 31.03.2012).</p> <p>Talanx AG, the principal shareholder of Hannover Re, is also a listed company; roughly 83% of its shares are 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>	<p>Group Annual Report p. 12 et seq.</p> <p>Website > Investor Relations > Share > Shareholder structure</p>
<p>2.7 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. 22 et seq.</p>
<p>2.8 Scale of the reporting organisation, including (as appropriate by region):</p> <ul style="list-style-type: none"> • Number of employees • Net sales • Total capitalisation • Quantity of products or services provided 	<p>Hannover Re employs a workforce of altogether 2,217 (valid: 31.12.2011), thereof 1,110 (50.1%) in Germany, 362 (16.3%) in the rest of Europe (incl. the United Kingdom with 162 employees) and 279 (12.6%) in the United States. Detailed information can be obtained from the Indicators for the Category „Labour Practices and Decent Work“ in this GRI Report.</p> <p>The gross premium written by Hannover Re in 2011 amounted to EUR 12.1 billion; net premium earned totalled EUR 10.8 billion.</p> <p>The balance sheet total (corresponding to the definition of „total capitalisation“ as per the GRI) of Hannover Re for the 2011 financial year amounted to EUR 49.9 billion, thereof EUR 44.3 billion as liabilities and EUR 5.6 billion as shareholders' equity. The market capitalisation as at year-end 2011 stood at EUR 4.6 billion, or around EUR 6.0 billion when this GRI Report went to press on 30.09.2012.</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>GRI Report p. 2–5</p> <p>Consolidated balance sheet in the Group Annual Report p. 115</p>
<p>2.9 Significant changes during the reporting period regarding size, structure, or ownership</p>	<p>There were no significant changes during the reporting period regarding the size, structure or ownership of Hannover Re.</p> <p>Compared to the previous year, both gross premium (+5.8%) and net premium (+7.0%) were increased.</p>	<p>Group Annual Report p. 12</p>

GRI asks ...	... Hannover Re reports	Further information
2.10 Awards received in the reporting period	<p>Hannover Re received two distinctions in the context of the „Reactions Global Awards 2011“:</p> <ol style="list-style-type: none"> 1. „Global Reinsurance Award“ as „Best Global Reinsurance Company for Specialty Lines“ 2. „London Markets Award“ as „Reinsurance Company of the Year“. <p>Hannover Re is considered to be the best non-life reinsurer by US clients. This is the finding of a survey conducted among US cedants by Flaspöhler Research Group and published in October 2011. Special mention was made, inter alia, of Hannover Re’s financial stability and service quality.</p> <p>In September 2012 Hannover Re was honoured as „Reinsurer of the Year“ by „Insurance Day“, the highly regarded UK daily for the global insurance industry, on account of its exceptionally good business development in the challenging 2011 year.</p>	Website of the Flaspöhler Research Group, www.frsurveys.com
3. Report Parameters		
3.1 Reporting period	<p>The reporting period for the first sustainability report („GRI Report“) published by Hannover Re is the 2011 financial year (1 January to 31 December 2011). In selected places data is also shown from years further back for the sake of improved comparability as time series.</p> <p>The editorial deadline for the first Hannover Re GRI Report was in the third quarter of 2012. Significant developments in 2012 have already been taken into account and disclosed accordingly.</p>	
3.2 Date of most recent previous report (if any)	<p>The present GRI Report is the first sustainability report published by Hannover Re.</p> <p>Further information on the topic of sustainability is published on our website and regularly in the Group Annual Report.</p>	Website > Sustainability Group Annual Report
3.3 Reporting cycle	Annual	
3.4 Contact point for questions regarding the report or its contents	Karl Steinle (karl.steinle@hannover-re.com) Julia Hartmann (julia.hartmann@hannover-re.com) Melanie Raudzis-Bokelmann (melanie.raudzis@hannover-re.com)	GRI Report, Contact Information
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>Compilation of this GRI Report was preceded by a stakeholder survey and a materiality analysis in 2010. Both the results of the materiality analysis and the five defined action fields from our Sustainability Strategy approved in 2011 were integrated into the definition of the report content.</p>	<p>Website of the Global Reporting Initiative (GRI) www.globalreporting.org</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>In the context of the materiality analysis the most important sustainability issues for Hannover Re were compared from an external and internal perspective. The external perspective was established by means of a stakeholder survey. Stakeholders from among our clients, employees, the public sector, non-governmental organisations (NGOs) and the capital market took part in the survey. The findings of the stakeholder survey were incorporated into the materiality analysis (these findings are also discussed under 4.17). The internal perspective was arrived from workshops attended by the responsible Hannover Re employees from relevant specialist units. In conclusion, the materiality analysis showed that the following sustainability issues have the greatest relevance to Hannover Re:</p> <p>Action field: Strategy and management</p> <ul style="list-style-type: none"> • Value-based management • Strategic positioning in relation to corporate responsibility <p>Action field: Product responsibility</p> <ul style="list-style-type: none"> • Sustainable products and services • Sustainability in asset management <p>Action field: Employees</p> <ul style="list-style-type: none"> • Further and advanced training, skills management <p>Action field: Corporate citizenship</p> <ul style="list-style-type: none"> • Projects in the area of corporate citizenship <p>We discuss these topics in the context of the present GRI Report. Other issues, such as waste and recycling or the recruitment of young talent, were determined to be of less relevance in the materiality analysis. We nevertheless report on the majority of these matters in order to provide the greatest possible transparency on our sustainability performance.</p> <p>Hannover Re was assisted in the compilation of this GRI Report by an external consulting firm.</p>	
<p>3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)</p>	<p>The present first GRI Report 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>Going forward, Hannover Re will strive to extend the boundary of the report.</p>	
<p>3.7 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 > Sustainability</p>

GRI asks ...	... Hannover Re reports	Further information
<p>3.8 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>Not applicable. This is the first GRI Report drawn up by Hannover Re. Mention of additional information on subsidiaries is, as described in disclosure 3.6, explained accordingly.</p>	
<p>3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report</p>	<p>In order to compile this GRI Report we used internally collected data from various departments such 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 CO₂ emissions from business travel, we adopt the calculation methods used by our carbon offset service providers „atmosfair“ and „Deutsche Bahn AG“.</p>	
<p>3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement</p>	<p>Not applicable. This is the first GRI Report compiled by Hannover Re.</p>	
<p>3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report</p>	<p>Not applicable. This is the first GRI Report compiled by Hannover Re.</p>	
<p>3.12 GRI Content Index</p>	<p>The present report is structured in accordance with the GRI Content Index. A GRI index at the end of this report provides an overview of the degree of fulfilment of individual Disclosures and Indicators.</p>	<p>GRI Report p. 59–62</p>
<p>3.13 External assurance for the report</p>	<p>Fulfilment of GRI transparency level B has been confirmed by the Global Reporting Initiative (GRI) (see certificate on p. 63 of this GRI Report).</p> <p>In 2012 we implemented an environmental management system that has been certified pursuant to DIN EN ISO 14001.</p>	

4. Governance, Commitments and Engagement

4.1 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight

As a joint-stock company based in Hannover, Hannover Re is subject to German laws regarding stock corporations, the capital market and co-determination. 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.

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.

Leadership in matters relating to sustainability comes from the Executive Board. 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“.

Website > about Hannover Re > Corporate Governance

Group Annual Report p. 84 et seq.

Articles of Association

Corporate Governance Principles

4.2 Indicate whether the Chair of the highest governance body is also an executive officer

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.

4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members

Not applicable because Hannover Re has an independent Supervisory Board.

The Supervisory Board consists of nine members. In accordance with legal requirements, the employees are represented on the Supervisory Board by three members.

Legal standards and recommendations of the German Corporate Governance Code regarding the independence of the Supervisory Board are met. In order to make sure that the Executive Board receives independent advice and supervision from the Supervisory Board, it is therefore ensured that no more than two former members of the Executive Board ever belong to the Supervisory Board at one time. In addition, members of the Supervisory Board may not exercise a governance function or perform advisory tasks at significant competitors of the company.

As a general principle, Hannover Re – as a listed company – takes account of the interests of all shareholders in its decision-making processes.

4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body

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 and adopting the resolution on the appropriation of the disposable profit.

The right of employees to have their say within the company is safeguarded by the Employee Council and by the three employee representatives on the Supervisory Board elected by the workforce.

Articles of Association

Corporate Governance Principles

4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives

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.

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 2011.

Group Annual Report p. 87–103

GRI asks ...	... Hannover Re reports	Further information
<p>4.6 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>4.7 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. 60 et seq. and p. 206 (Report by the Supervisory Board)</p>
<p>4.8 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 reflected as one of ten strategic action fields in our Group strategy, which was revised in 2011. We defined our orientation towards sustainability more concretely through the elaboration of our Sustainability Strategy, which was also approved in 2011.</p> <p>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.</p> <p>With regard to procurement, we developed an external Code of Conduct in 2011 which all new suppliers have been required to sign since May 2012.</p> <p>Since June 2012 the environment action field has been governed by our environmental management system, which is certified according to DIN ISO 14001; our company's commitment to protecting the environment is manifested in this system.</p> <p>In connection with the action field of social commitment, in our national and international Donations Guideline we have set ourselves the goal of supporting primarily organisations that benefit the common good and not making donations to political parties, churches and faith-based communities or for the protection of historical monuments and animal welfare.</p>	<p>Group strategy p. 34–35</p> <p>Sustainability Strategy</p> <p>Code of Conduct</p>
<p>4.9 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 established sustainability procedures include regular reporting directly to the Executive Board both by the environmental management officer and by the corporate governance officer.</p> <p>Similarly, the sustainable value creation of Hannover Re is also ensured by the established processes of risk management, which is also led by the Chief Executive Officer.</p>	<p>Website > Sustainability</p>
<p>4.10 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 grounded on a multi-year calculation basis.</p> <p>The goals of Hannover Re's Sustainability Strategy are pursued jointly by all members of the governance bodies.</p>	<p>Articles of Association</p> <p>Group Annual Report p. 87–103</p>

GRI asks ...	... Hannover Re reports	Further information
<p>4.11 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, i. e. the avoidance of adverse consequences of possible risks, is accorded central importance at Hannover Re.</p> <p>Our forward-looking actions are also reflected in the regular analysis and evaluation of „emerging risks“. We take this to mean emerging or future risks, the potential losses from which are still unknown and the impacts of which are difficult to assess. Examples are climate change and its effects on global social trends or pandemics. These risks, too, are actively managed in the spirit of the precautionary principle. Responsibility for management rests with the Executive Board of Hannover Re.</p>	
<p>4.12 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 by 2020 to emit 40% less harmful greenhouse gases than in 1990. The specific contributions made by Hannover Re will be regularly checked every two years from 2011 onwards.</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>The design of our investment policy is guided 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 > Sustainability > Procurement and environmental protection</p>
<p>4.13 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 since July 2010 has been chaired by the Chief Executive Officer of Hannover Re. The following list shows a selection of key memberships:</p> <p>In Germany:</p> <ul style="list-style-type: none"> • German Insurance Association (www.gdv.de) <p>International:</p> <ul style="list-style-type: none"> • American Council of Life Insurers (www.acli.com) • Reinsurance Advisory Board of the Insurance Europe federation (www.insuranceeurope.eu) • Chief Risk Officer Forum (www.thecroforum.org) • European Insurance CFO-Forum (www.cfoforum.eu) • Geneva Association (www.genevaassociation.org) • Global Earthquake Model (www.globalquakemodel.org) • International Actuarial Association (www.actuaries.org) • International Association of Insurance Supervisors (www.iaisweb.org) 	
<p>4.14 List of stakeholder groups engaged by the organisation</p>	<p>Hannover Re engages the following stakeholder groups, in particular, in its business operations: our clients, our employees, the public sector, non-governmental organisations (NGOs) and the capital market.</p>	

GRI asks ...	... Hannover Re reports	Further information
<p>4.15 Basis for identification and selection of stakeholders with whom to engage</p>	<p>The stakeholder universe was defined as a first step in the context of the Sustainability Strategy elaborated in 2010 and 2011. The identification 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>4.16 Approaches to stakeholder engagement</p>	<p>In order to draw up the Sustainability Strategy we surveyed individuals from all our company's important stakeholder groups (i. e. clients, employees, public sector, NGOs and 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>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 at conferences and roadshows as well as in numerous one-to-one meetings. At our 14th Investors' Day, which in 2011 was held on a rotating basis in Hannover, 36 analysts and institutional investors availed themselves of the opportunity to engage in an intensive exchange with the Executive Board. Our Investor Relations website was once again chosen by the company NetFederation as the best in the MDAX and in the industry.</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. Consequently, it is not possible to report on a consistent approach to engaging clients.</p>	<p>Sustainability Strategy</p> <p>Website > Investor Relations</p> <p>Group Annual Report p. 11 et seq.</p>
<p>4.17 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 by Hannover Re was the desire for greater integration of the issue of sustainability into the corporate strategy and a clear commitment to it by the Executive Board. By including sustainability as one of the ten action fields in the Group strategy as revised in 2011 and by approving the Sustainability Strategy in the same year, as well as with the CEO statement that precedes this GRI Report, Hannover Re is responding to this desire.</p> <p>Furthermore, there was a call for asset management to be geared towards environmental, social and governance (ESG) criteria. With the active involvement of the Executive Board, Hannover Re now pursues an investment policy guided by the ESG criteria of the United Nations Global Compact.</p> <p>The passing on of knowledge to primary insurers and hence „influencing“ of policyholders in relation to sustainable business practices, which was similarly recommended by stakeholders, has also been included as a measure in our Sustainability Strategy adopted in 2011.</p> <p>We continuously offer insurance solutions oriented towards „new“ risks resulting from climate change, shortage of resources etc., as was also recommended by stakeholders, through our management of opportunities and emerging risks.</p>	

GRI Report: Management Approach and Performance Indicators

GRI asks Hannover Re reports	Further information
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Category „Financial Services Sector Indicators“ (FS)

DMA

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

In view of our business operations which provide people and undertakings 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. As we develop and continuously review our investment strategy, we work together with a service provider that specialises in sustainability.

Opportunities for „active ownership“ within the scope of our investments are limited overall owing to our asset allocation, which is geared principally to fixed-income securities.

For further information in this regard please see the indicators FS11 and FS12.

Website > Sustainability > Product responsibility

Website > Investor Relations

GRI Report p. 23–24

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

Group strategy

Sustainability Strategy

GRI asks ...	... Hannover Re reports	Further information
<p>FS2 Procedures for assessing and screening environmental and social risks in business lines.</p>	<p>When it comes to designing our product range in light of environmental and social considerations, we draw on insights from our research activities into topics such as climate change, shortage of resources and demographic change. With respect to selected risks we have formed long-term working groups which apply thematically tailored methods and thus optimally capture the distinctive features of the risks in question.</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>Group Annual Report p. 63–83</p> <p>Website > about Hannover Re > Corporate Governance > Opportunities and risks</p>
<p>FS3 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>FS4 Processes 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.</p>	
<p>FS5 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 requiring compliance with environmental and social standards. Since May 2012 all our new and – in the context of regular contract renewals – existing suppliers are required to sign the Code of Conduct.</p> <p>In developing sustainability-related insurance solutions we work in partnerships. For example, we cooperate with various organisations under the „Energy Savings Warranty“ programme, which creates incentives for homeowners to invest in energy-saving technologies and energy-efficient building methods during construction and refurbishment projects. Similarly, microinsurance solutions are created in cooperation with primary insurers and local partners.</p> <p>As to the observance of ESG criteria in the investment strategy, a dialogue is maintained with the Geneva Association, of which Hannover Re is a member.</p>	<p>Website > Sustainability > 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

Hannover Re 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“.

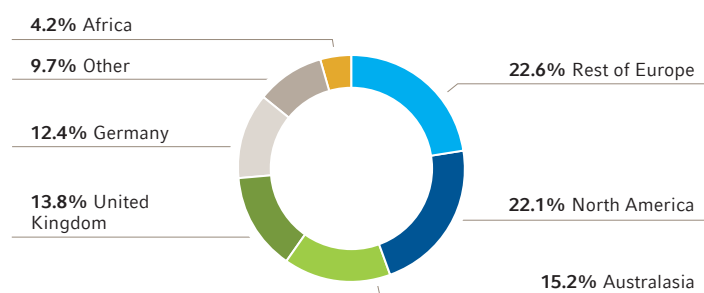
Group Annual Report p. 22–48

GRI Report p. 2–5, p. 9 et seq.

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

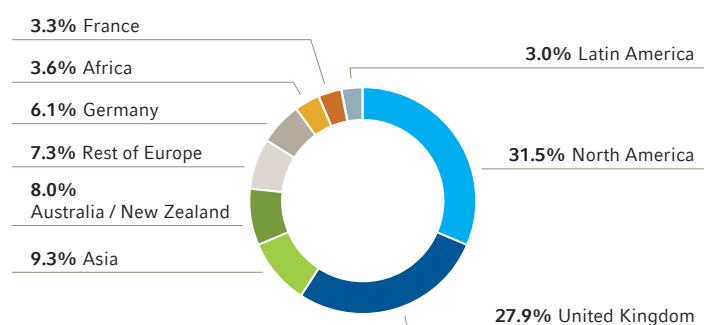
Regional breakdown of gross premium in non-life reinsurance

valid: 31.12.2011



Regional breakdown of gross premium in life and health reinsurance

valid: 31.12.2011



GRI asks ...	... Hannover Re reports	Further information
<p>FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.</p>	<p>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 to maintain a livelihood against a variety of perils, including flood, drought or hail. Hannover Re reinsures such projects in Pakistan, Peru, Mexico, Tajikistan, Mali, Madagascar, Argentina, Bosnia and Serbia. Projects are currently under development in Kenya, Mongolia and Vietnam. The premium income from microinsurance products was in the double-digit millions (EUR) in the reporting period.</p> <p>Safeguarding agricultural production is especially important for the development of poor regions. In 2011 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>FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.</p>	<p>In view of their considerable risk potential, environmental issues are an essential component of our business operations, especially in non-life reinsurance. The reduction of negative environmental effects therefore forms a fundamental part of the purpose of our business.</p> <p>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. This creates incentives for homeowners to invest in energy-saving technologies and energy-efficient building methods during construction and refurbishment projects. Residential and building-related greenhouse gas emissions, which account for a large share of the total emissions of industrial nations, can be reduced in this way. In this connection we insure the energy savings warranties given by energy service providers to homeowners for building refurbishment. The programme is currently being launched on the German market too. In 2012 the first contracts were taken out in Germany.</p>	
<p>Aspect: Auditing</p>		
<p>FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.</p>	<p>Our environmental management system, in which we adopted measures to translate sustainability criteria into practice both in our business groups and in our investments, was audited and certified according to DIN EN ISO 14001 in 2012.</p> <p>In the half-yearly negative screenings of our investments on the basis of ESG criteria (see indicator FS11) we work together with an independent external service provider.</p>	

Aspekt: 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.

GRI Report p. 23–24

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.

Opportunities for „active ownership“ within the scope of our investments are limited overall owing to our asset allocation, which is geared principally to fixed-income securities. For further information in this regard please see indicators FS11 and FS12.

FS11 Percentage of assets subject to positive and negative environmental or social screening

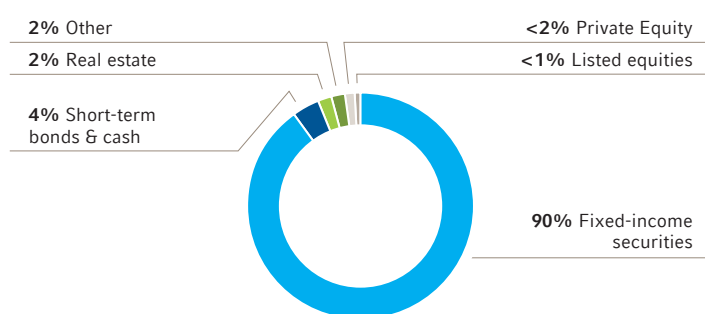
Our investment policy strives for stable and attractive returns and takes into account environmental, social and governance (ESG) criteria. In this connection we are guided by the ten principles of the United Nations Global Compact, i. e. we pay attention to aspects relating to human rights, working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

Website > Investor Relations > Financial information

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 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.

Asset allocation of Hannover Re

in % as at 30.09.2012



GRI asks ...	... Hannover Re reports	Further information
<p>FS12 Voting policies) applied to environmental or social issues for shares</p>	<p>Generally speaking, only in the case of listed equities can we efficiently exert an influence on companies' sustainability orientation via voting rights. Given that the proportion of listed equities in our asset portfolio is less than 1% of the total investment portfolio of Hannover Re, the effect of engagement in this area would be limited in relation to our overall investment universe. For this reason, we have not approved any voting policies on environmental or social issues as part of the 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 (especially 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 > Sustainability > Product responsibility</p>

Category „Product Responsibility“ (PR)

<p>DMA Disclosure on Management Approach to Product Responsibility Aspects</p>	<p>Given the nature of our product, the provision of reinsurance services, the indicators relating to the physical health and safety of the customer are not relevant to us.</p> <p>The reinsurance industry is not subject to statutory requirements to provide product or service information to its clients.</p> <p>We do not conduct advertising measures in the sense of product marketing. We engage primarily in business-to-business transactions and are in direct contact with our clients. We survey our interactions with clients, including with respect to sustainability issues, annually on a Group-wide basis. Our donations are governed by our national and international Donations Guideline.</p> <p>Protection of client data and compliance with the law are basic prerequisites for our business. Our Code of Conduct, which is compulsory for all employees, assures our exacting quality and compliance standards. In accordance with European legislation, the Executive Board of Hannover Re additionally adopted a Data Privacy Guideline in 2012 that is applicable to the subsidiaries and Home Office. Furthermore, an anonymous whistleblower system facilitates early detection of risks in relation to compliance with laws and internal guidelines.</p>	<p>Website > Sustainability > Product responsibility</p> <p>Code of Conduct</p> <p>Website > about Hannover Re > Compliance</p>
<p>FS15 Policies for the fair design and sale of financial products</p>	<p>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.</p>	<p>Code of Conduct</p>

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>PR5 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>On an individual basis our Underwriting Centers review worldwide the satisfaction of their business partners.</p> <p>In 2011 Hannover Re was honoured twice in the „Reactions Global Awards“:</p> <ol style="list-style-type: none"> 1. the „Global Reinsurance Award“ as „Best Global Reinsurance Company for Speciality Lines“ 2. the „London Markets Award“ as „Reinsurance Company of the Year“. <p>These distinctions are based on customer satisfaction data collected worldwide.</p> <p>US clients rate Hannover Re as the best non-life reinsurer overall in the market. This is the finding of a survey conducted among US cedants and published in October 2011 by the Flaspöhler Research Group, which is highly regarded in the insurance industry. Special emphasis was made inter alia of Hannover Re’s financial stability and service quality.</p>	<p>Website > Media Centre</p> <p>Website of the Flaspöhler Research Group www.frsurveys.com</p>
<p>FS16 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. We support initiatives to train our clients in topics with a special bearing on reinsurance as described under Disclosure 4.16.</p>	
<p>Aspect: Marketing Communications</p>		
<p>PR6 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. Our few marketing activities are carried out for the Hannover Rück/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 > Sustainability > Social commitment > Donations</p>
<p>PR7 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>	

Aspect: Customer Privacy

PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data

There were no data privacy complaints in the reporting period.

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.

Code of Conduct

Aspect: Compliance

PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

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.

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 certain serious breaches of the law or violations of internal guidelines, anonymously if they so wish. This enables Hannover Re to take action and avoid further loss or damage.

Website > about Hannover Re > Compliance

Category „Economic“ (EC)

DMA
Disclosures on Management Approach to Aspects of the Economic Category

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

Management of 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 – according to the law – our economic indicators on the basis of „International Financial Reporting Standards“ (IFRS). In addition, 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 corporate strategy and fall, in common with our investments in local communities, within the scope of responsibility of the Executive Board.

Group Annual Report

Factsheet

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)

The direct economic value generated by our company as a reinsurer is the premium and the investment income: gross written premium Group-wide in 2011 amounted to EUR 12,096.1 million, while an amount of EUR 1,046 million was generated from our investments under own management.

With respect to the economic value distributed, the following figures are to be reported: our administrative expenses in the year under review totalled EUR 76.1 million, expenditures for wages and salaries and for social security contributions amounted to EUR 212.6 million. An amount of altogether EUR 253.3 million was distributed as a dividend to our shareholders, while interest of EUR 37.2 million was payable for our outstanding hybrid capital. Our actual taxes on income for the year under review totalled EUR 191.9 million.

The economic value retained is calculated from the difference between our disposable profit of EUR 606.0 million and the dividend and interest payments of altogether EUR 290.5 million. An amount of altogether EUR 315.5 was therefore allocated to retained earnings.

We invest in various ways in the common good and in supporting local communities, especially the City of Hannover. In the year under review Hannover Re made donations to charitable projects in Germany in an amount of altogether some EUR 121,000. 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. We invest a total amount here in the mid-single-digit millions.

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

Website > Investor Relations

Group Annual Report, front inside cover flap; p. 114 et seq.; p. 189; p. 201

Factsheet

Website > Sustainability > Social commitment

GRI Report p. 58

EC2 Financial implications and other risks and opportunities for the organisation's activities due to climate change

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“.

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.

GRI asks ...	... Hannover Re reports	Further information
<p>EC3 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 41.6 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. 201</p>
<p>EC4 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>	
<p>Aspect: Market Presence</p>		
<p>EC5 Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation</p>	<p>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.</p> <p>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.</p>	
<p>EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation</p>	<p>Environmentally friendly procurement is one of the five action fields of our Sustainability Strategy. Our focus here is on environmental and social standards. In 2011 we drew up a corresponding „Code of Conduct for Suppliers“, which all our new – and in the context of regular contract renewals – existing suppliers have been required to sign since May 2012.</p> <p>However, given that as a general rule we require the delivery of little physical material to perform our reinsurance services, we consider the selection of primarily „local“ suppliers to be of minor relevance to our company. Consequently, we do not have any policy in this regard.</p>	<p>GRI Report p. 51 et seq.</p>
<p>EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation</p>	<p>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.</p> <p>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 31 countries are employed.</p>	

Aspect: Indirect Economic Impacts

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

Hannover Re is committed to the goal that a financial infrastructure should exist not only in the industrial nations, but can also develop in more socially deprived regions around the world. With this in mind, we participate in numerous projects for so-called microinsurances by reinsuring such contracts offered by primary insurers, for example in Mexico, Mali and Pakistan. The premium income from microinsurance products in the reporting period was in the double-digit millions (EUR). Furthermore, protection for agricultural production is especially important for the infrastructural development of poor regions. In 2011 we wrote premium in the low triple-digit millions (EUR) in the area of agricultural risks, with around two-thirds of this amount deriving from developing and emerging markets (South America, Asia, Africa). In Peru, for example, more than 70,000 peasant families are able to insure their crops against flood, drought, hail or frost thanks to our involvement and can thus rely on a secure minimum income.

Environmentally friendly building refurbishment is a very relevant lever for reducing greenhouse gas emissions in industrial nations. Since 2010 Hannover Re has offered with its partners in the United States an „Energy Savings Warranty“ programme. This creates incentives for homeowners to invest in energy-saving technologies and energy-efficient building methods during construction and refurbishment projects. In this connection we insure the energy savings warranties given by energy service providers to homeowners for building refurbishment. The programme is currently being launched on the German market too. In 2012 the first contracts were taken out in Germany.

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. 54 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 2,200 employees at 27 worldwide locations on all five continents.

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. CO₂-neutral, by 2015.

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

Responsibility for environmental management rests with the Executive Board. 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 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 CO₂ 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 2011 – 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

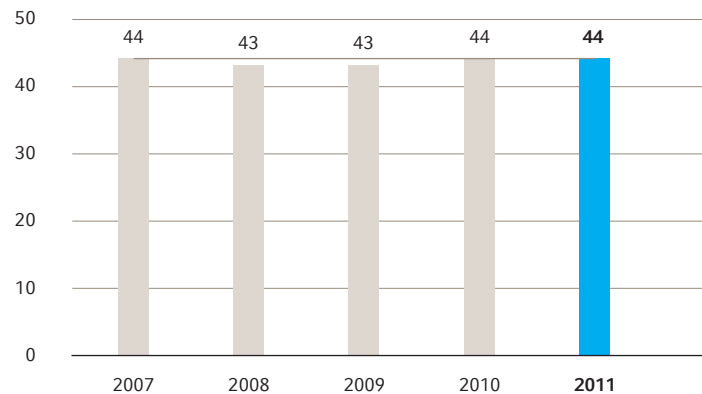
Group Annual Report p. 61 et seq.

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

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. The use of paper is an exception in this regard: this amounted to 9,172,180 sheets for the scope of consolidation in the year under review, equivalent to around 44 tonnes. Our paper consumption has remained constant relative to previous years despite economic growth, which we regard as an indicator of the increased efficiency of our use of paper.

Paper consumption
in t



Trend line in grey, logarithmic

EN2 Percentage of materials used that are recycled input materials

As part of our environmental programme we have decided to purchase exclusively paper bearing the „Euroblume“ European environmental seal, a policy which has been in practice since 2012. The principal criteria for this seal relate to the limitation of emissions and energy consumption in production as well as to environmental and health protection through the restrictive use of chemicals and auxiliary materials.

What is more, the use of 100% recycled paper is being explored and care is taken to select paper bearing the FSC seal in the creation of printed products.

With the already implemented changeover in the default setting on printers to duplex in 2012, we are striving to reduce the total volume of our paper consumption.

Aspect: Energy

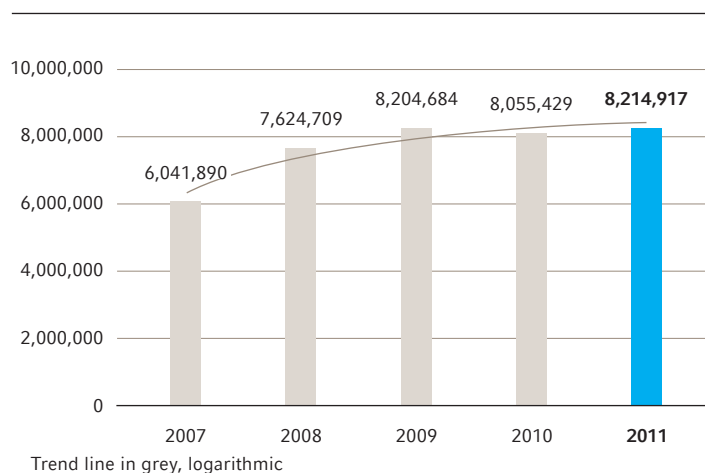
EN3 Direct energy consumption by primary energy source

We collect the data on our energy consumption broken down into electricity in kWh and district heating in kWh, not according to the GRI split into direct and indirect energy. We are therefore reporting on indicators EN3 and EN4 together.

We obtain our energy from external energy service providers. We do not ourselves produce either electricity or district heating. Our electricity consumption in the year under review stood at 8,214,917 kWh. In a five-year comparison our electricity consumption has trended higher, albeit with diminishing intensity. Within the last three years we have maintained our electricity consumption on a constant level. At the beginning of 2012 we switched our electricity supply to 100% renewables.

Electricity consumption

in kWh

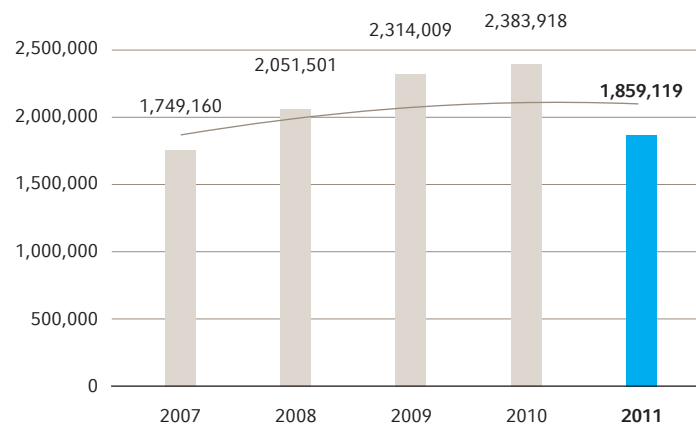


The increase in electricity consumption in the years 2007 to 2009 is correlated with a rise of 13.8% in the number of employees between 2007 and 2009.

Our district heating consumption in the year under review amounted to 1,859,119 kWh. The variance in the consumption of district heating from year to year is due to the different winter temperatures in specific years.

District heating consumption

in kWh



Trend line in grey, logarithmic

EN4 Indirect energy consumption by primary energy source

For information on this Indicator please see the contents reported on Indicator EN3.

EN5 Energy saved due to conservation and efficiency improvements

As part of our environmental management programme a number of measures are planned to cut electricity consumption, including a further increase in the temperature in our server rooms (i. e. a reduction in the electricity required for cooling) and the successive installation of an energy-saving, intelligent LED lighting control system. The server virtualisation has already been implemented.

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 with its partners in the United States an „Energy Savings Warranty“ programme. This creates incentives for homeowners to invest in energy-saving technologies and energy-efficient building methods during construction and refurbishment. In this connection we insure the energy savings warranties given by energy service providers to homeowners for building refurbishment projects. The „Energy Savings Warranty“ programme was launched as part of the „Better Building Challenge“, an initiative of the White House and US Department of Energy.

The programme is currently being launched on the German market too. In 2012 the first contracts were taken out in Germany.

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.

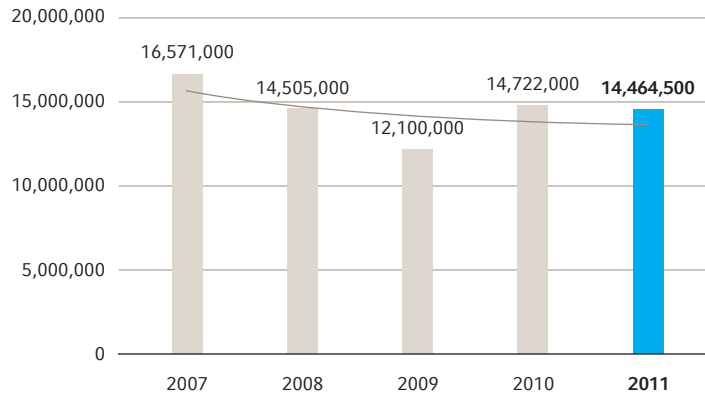
Daily commuting by our employees also uses energy. We therefore promote teleworking and encourage our employees to use environmentally friendly means of transportation, such as public transport or cycling. In the context of the Climate Alliance Hannover more than a third of the workforce took part in „multimobil-Tag“ on 20 September 2012, when awareness of environmentally friendly mobility methods was raised right across Hannover through a variety of activities.

Aspect: Water

EN8 Total water withdrawal by source

Hannover Re’s total water consumption in 2011 amounted to 14,464,500 litres. It has decreased in a five-year comparison.

Water consumption
in l



Trend line in grey, logarithmic

EN9 Water sources significantly affected by withdrawal of water

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

EN10 Percentage and total volume of water recycled and reused

In addition to the water that we obtain from the regional water utility company, we collect rainwater in a retention area along Roderbruchstrasse at our Home Office. We do not record the exact quantity of recycled water.

Aspect: Biodiversity

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

As a non-manufacturing service provider that utilises premises solely for office work and not, for example, for the production of chemically processed products, we consider the effects of our land on protected areas and areas of high biodiversity value to be irrelevant.

EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas

With our reinsurance services we play a part in protecting against biodiversity damage, i. e. harm to species and natural habitats.

www.es-rueck.de/pub/schriften

Detailed analyses of our approach to biodiversity damage can be found in the series „Schriftenreihe zu aktuellen Themen der Schadenversicherung“ No. 14 and No. 15 published by our subsidiary E+S Rück. Our studies have shown that even slight impairments of biodiversity can give rise to considerable environmental damage.

Our hope is that through our publications 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.

EN13 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.

EN14 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.

EN15 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.

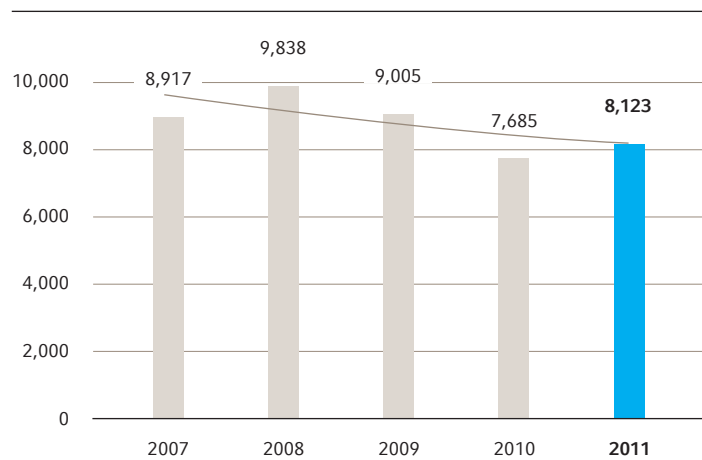
Aspect: Emissions, Effluents, and Waste

EN16 Total direct and indirect greenhouse gas emissions by weight

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

The total weight of our greenhouse gas emissions in 2011 was 8,123,000 tonnes of CO₂.

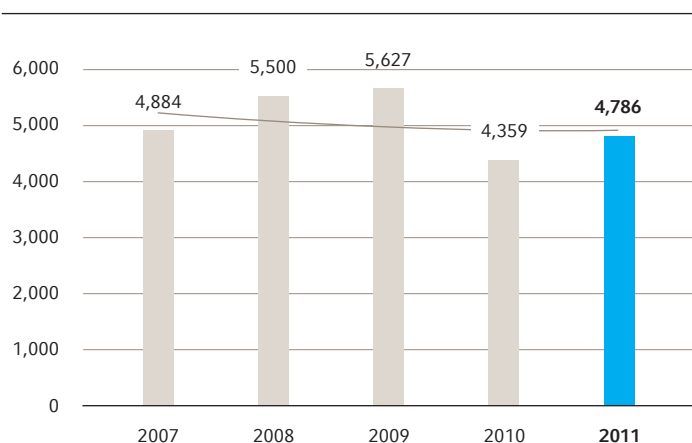
CO₂ emissions
in t



Trend line in grey, logarithmic

The CO₂ emissions caused by business travel undertaken by Hannover Re amounted to 4,786,000 tonnes in 2011.

CO₂ emissions from business travel
in t



Trend line in grey, logarithmic

The fluctuation in CO₂ 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 CO₂ emissions resulting from our business travel. The calculation of the CO₂ 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.

GRI asks ...

... Hannover Re reports

Further information

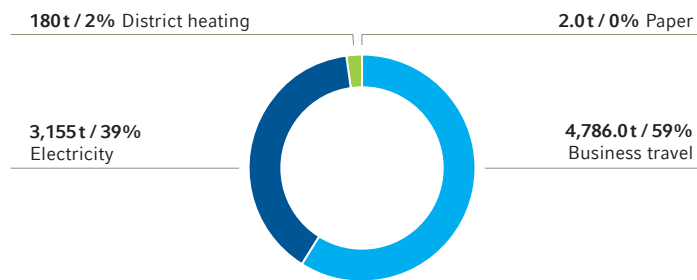
EN17 Other relevant indirect greenhouse gas emissions by weight

Most relevant – accounting for 59% of total emissions – are our greenhouse gas emissions resulting from business travel.

Website > Sustainability > Procurement and environmental protection

CO₂ emissions

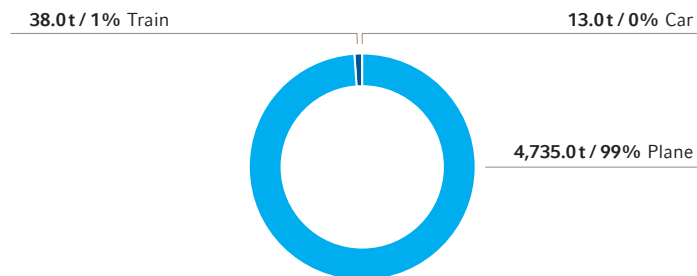
in t and in % of total CO₂ consumption



Of the greenhouse gas emissions resulting from business travel, 99% are caused by air travel.

CO₂ emissions from business travel by means of transport

in t and in % 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 CO₂ emissions.

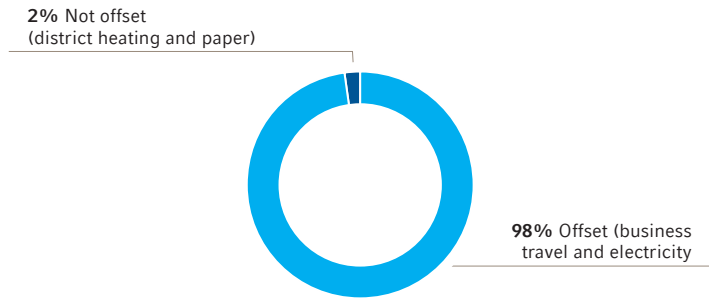
RECS website
www.recs-deutschland.de

Since 2008 we have offset the CO₂ pollution due to business flights by making voluntary compensatory payments to the organisation „atmosfair“. We make similar offsetting payments for the greenhouse gases caused by rail travel on Deutsche Bahn AG.

Overall, we thereby neutralise the CO₂ emissions from 99% of our business travel. That is 59% of our total CO₂ emissions due to business travel, electricity, district heating and paper consumption.

We entirely offset the CO₂ pollution from our electricity consumption in the year under review by purchasing RECS („Renewable Energy Certificate System“) certificates.

Proportion of CO₂ emissions offset in the year under review
in %



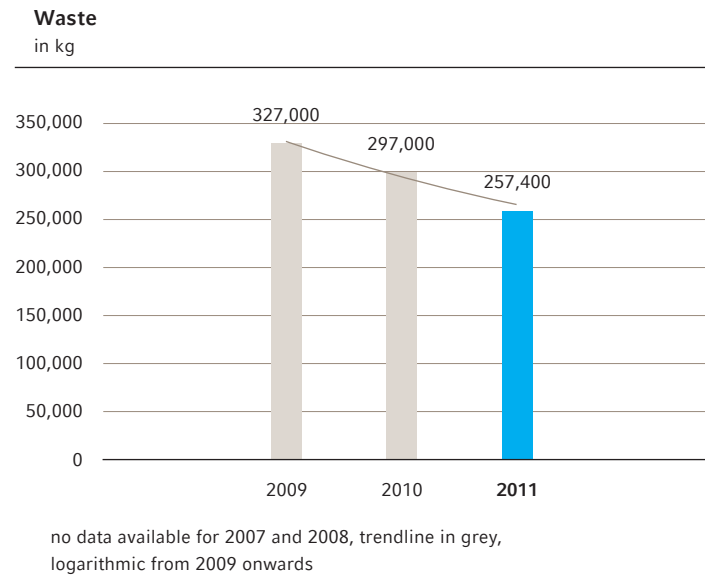
In order to reduce the total volume of our greenhouse gas emissions we have used exclusively electricity from renewable energy sources since 1.1.2012.

In addition, we reduce, where possible, our CO₂ emissions by replacing air travel with video conferences. In 2011 around 1,300 video conferences were held with two or more participating locations. The calculated savings in CO₂ 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. Assuming 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 1,300 videoconferences correspond to around 15 million kilometres flown. This produces a saving of approximately 5 million kilometres flown; using the calculation method of our external service provider, this is equivalent to a saving of some 1,300 tonnes of CO₂ through the use of videoconferences.

EN19 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.
EN20 NO _x , SO _x 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 _x , SO _x and other significant air emissions. In our environmental management we concentrate on the reduction of CO ₂ emissions owing to the proportionately high CO ₂ associated with our business travel.
EN21 Total water discharge by quality and destination	We do not report on this indicator because we do not consider it to be applicable to us. As a non-manufacturing provider of insurance services Hannover Re does not discharge any environmentally critical effluents.

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 2011 was 257,400 kg. Compared to the previous year (297,000 kg), the weight of waste was reduced by 13.3%.



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.

EN24 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

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.

EN25 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

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.

GRI asks Hannover Re reports	Further information
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Aspect: Products and Services

<p>EN26 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, by reinsuring risks we help make it possible to adequately insure against 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>Website > Sustainability > Product responsibility</p> <p>GRI Report p. 19 et seq.</p>
<p>EN27 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>	

Aspect: Compliance

<p>EN28 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>	
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Aspect: Transport

<p>EN29 Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce</p>	<p>Our reinsurance services do not cause any significant environmental impacts through transporting.</p> <p>„Transporting members of the workforce“, i. e. business trips and especially air travel, have impacts on climate change due to the CO₂ emissions caused. We offset all CO₂ 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.</p>	<p>Website > Sustainability > Procurement and environmental protection > CO₂ emissions</p>
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Aspect: Overall

<p>EN30 Total environmental protection expenditures and investments by type</p>	<p>The payments made to offset our CO₂ emissions amounted to around EUR 156,000 in the year under review. External costs of roughly EUR 15,000 gross were incurred for certification of our environmental management system in accordance with DIN EN ISO 14001.</p> <p>In addition, personnel costs were incurred in several cost centres for the roll-out and ongoing implementation of the environmental management system; these are not broken down separately as environmental protection expenditures.</p>	
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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. The corresponding key figures were recorded in the level of detail provided here for the first time for the 2011 financial year. For the coming years Hannover Re is targeting further specification of the data collection.

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 unit advises employees who are interested in the possibility of taking a sabbatical. 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. At its Home Office location Hannover Re operates a daycare centre in cooperation with other companies offering altogether 30 places for all-day care of infants (up to the age of three). Parents receive additional employee benefits in the area of health management.

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, 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. Our internal and external (further) training programmes cover a broad range of topics and are an established routine component of our human resources activities. Thanks to the „blended learning“ concept introduced in the reporting period – which combines face-to-face training with online study phases – we are more easily able to involve staff at our locations abroad.

[Website > Sustainability > Successful employees](#)

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.

The skills, dedication and greatest possible diversity of our workforce are cornerstones of our high-quality business operations. Hannover Re collects data Group-wide on the diversity of its workforce in relation to gender and age, and in Hannover additionally in relation to nationality. For reasons of ethnicity and in part due to statutory regulations, we do not collect any data on other categories such as religious belief or disability.

Employee salaries at Hannover Re are determined by skills and not by gender. 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.

Our employees value Hannover Re as an employer. In our employee survey conducted in 2010 90% of staff stated that they would choose to work for Hannover Re again. 91% of staff would recommend Hannover Re as an employer to a good friend. The employee survey is carried out by Hannover Re 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 fourth place in the „Deloitte Best Company to Work For“ survey in 2011. Both distinctions are awarded to companies with a workforce of up to 250.

Aspect: Employment

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

Group-wide Hannover Re employs 2,217 staff, thereof 1,061 men and 1,156 women; 1,110 work at Hannover Home Office, thereof 529 men and 581 women. Hannover Re employs exclusively employees and no „supervised workers“ as defined by the GRI.

The majority of the workforce (97.6%) are employed on a regular basis with 2,142 permanent contracts, thereof 1,041 men and 1,101 women. 75 employees have a temporary contract, thereof 20 men and 55 women.

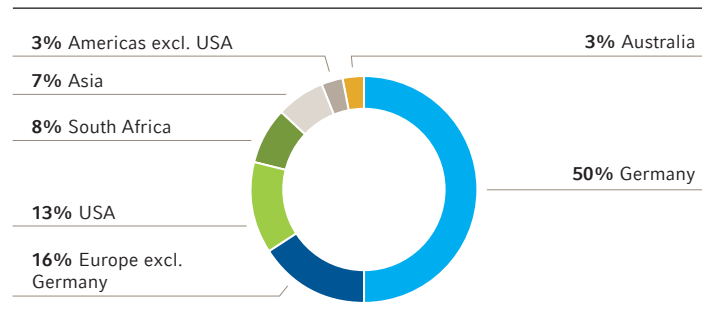
1,930 employees work full-time for our company, thereof 1,025 men and 905 women. 287 employees work part-time, thereof 38 men and 249 women. Altogether, there are 193 different part-time models; 257 employees have a teleworking position.

Number of employees by region and gender in 2011

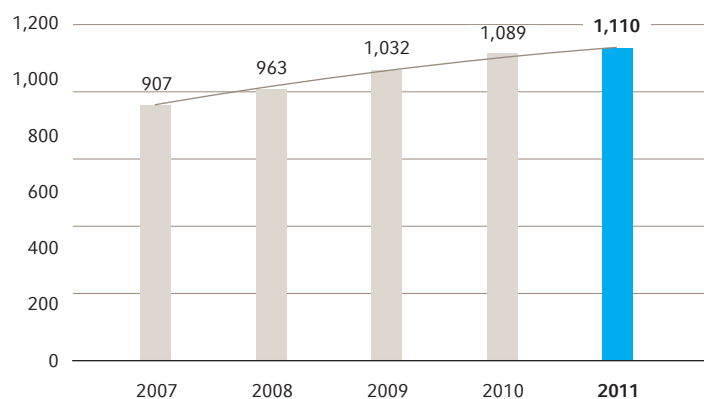
Region	Number of employees	Thereof men	Thereof women
Germany	1,110	529	581
Europe excl. Germany	362	164	198
USA	279	139	140
South Africa	177	76	101
Asia	149	84	65
Americas excl. USA	70	37	33
Australia	70	32	38

Percentage breakdown of the workforce by region

in %



Growth in the workforce at Hannover Home Office



Trend line in grey, logarithmic

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 5.1% Group-wide and 4.3% at Hannover Home Office.

Staff turnover by region in 2011

Region	Total number of employees	Number of persons leaving	In %
Germany	1,110	48	4.3%
Europe excl. Germany	362	28	7.7%
USA	279	9	3.2%
South Africa	177	12	6.8%
Asia	149	12	8.1%
Americas excl. USA	70	1	1.4%
Australia	70	2	2.9%

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

In the year under review 50 employees of Hannover Re returned to work after parental leave, thereof 15 men and 35 women – i.e. 30% men and 70% women.

Aspect: Labour/Management Relations

LA4 Percentage of employees covered by collective bargaining agreements

93% of employees within the scope of consolidation of this GRI Report are covered by collective bargaining agreements. The remaining 7% can be attributed to some non-collective agreements with managers.

Group Annual Report p. 87–103 (Remuneration Report)

Group-wide, the following disclosures can be reported based on the current status of data collection: 100% of employees in France, Italy, Sweden and Spain are covered by collective bargaining agreements, while in Brazil this is true of 75% of employees.

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

We only collect the figures needed to satisfy this indicator in some areas, because the risk of physical impairment to our employees, i. e. of occupational injuries or fatalities, is extremely slight owing to our business operations as a financial services provider.

The rate of injury in the reporting period for the scope of consolidation of this GRI Report was 1.36%. Altogether, there were 8,236 lost days. The rate of absenteeism due to illness was 3.4%.

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

Group Annual Report p. 58

GRI asks ...	... Hannover Re reports	Further information
<p>LA8 Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases</p>	<p>The risk of Hannover Re employees suffering „serious diseases“ as defined by the GRI is low in comparison with other industries.</p> <p>As a general principle, the health of our employees is an essential prerequisite for safeguarding our high quality standards. Company physicians are therefore available at various locations to advise employees on matters of health protection and health promotion. The focus is on the prevention of diseases, e. g. through medical check-ups by the company physician, workplace inspections, advice and treatment on matters of general medicine as well as vaccinations and vaccination advice (including travel vaccinations).</p> <p>Most employees of Hannover Re have office workplaces. These pose risks above all to general fitness, the back and the eyes.</p> <p>We therefore offer our employees a broad range of sporting opportunities, for example through on-site sports facilities, company sports groups in various types of sport as well as through cooperation arrangements with fitness studios. Courses in back training are offered on a regular basis. When it comes to individual workstations, Hannover Re is responsible for providing the most ergonomic possible room layout, desks and chairs. Not only that, Hannover Re can organise a mobile massage service upon request.</p> <p>With regard to potential vision problems, an examination by the company physician can establish the need for a special „optical aid“, so-called monitor glasses. In this case Hannover Re pays the cost of manufacturing the glasses at a local optician.</p> <p>A heavy workload can 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>	<p>Website > Sustainability > Successful employees</p>
<p>LA9 Health and safety topics covered in formal agreements with trade</p>	<p>Our business operations, i. e. the provision of reinsurance services, do not give rise to any health and safety risks that are covered in formal agreements with trade unions.</p>	

Aspect: Training and Education

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

In 2011 each employee received an average of 3.8 days of training or education. This includes internal and external training activities that take up at least half a day.

Average number of training days per region in 2011

Region	Total number of employees	Average number of training days per employee
Germany	1,110	5.0
Europe excl. Germany	362	2.0
USA	279	1.9
South Africa	177	1.6
Asia	149	6.2
Americas excl. USA	70	3.4
Australia	70	2.4
Total	2,217	3.8

We have not to date recorded training days by employee category or gender.

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

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

In the area of vocational qualifications Hannover Re offers six places annually to obtain a „Bachelor of Arts“ degree in business administration with an insurance concentration and one or two places to study for a „Bachelor of Science“ in information science as part of a parallel course of study.

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 receives on average 48 hours of further training. Hannover Re offers all managers individual coaching support.

All new employees of Hannover Re receive basic seminars that assist them with entry into their new field of work.

In addition, a „business game“ is held once a year; this enables employees and managers to refine their skills in a corporate strategic planning simulation.

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.

Website > Sustainability > Successful employees

Website > Career

GRI asks Hannover Re reports	Further information
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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 257 employees of Hannover Re had taken up the possibility of a teleworkplace. Hannover Re's Human Resources also advises employees who may be interested in the option of taking a sabbatical. Sabbaticals in the true sense of the term have not yet been taken by employees in Germany.

LA12 Percentage of employees receiving regular performance and career development reviews, by gender.

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.

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p. 58–59

Website > Sustainability >
Successful employees

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.

The implementation ratio for employee performance reviews and management feedback was 95% at the Hannover location in 2011.

Aspect: Diversity and Equal Opportunity

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

The gender balance of the 2,217-strong workforce of the Hannover Re Group is balanced at 47.9% male and 52.1% female.

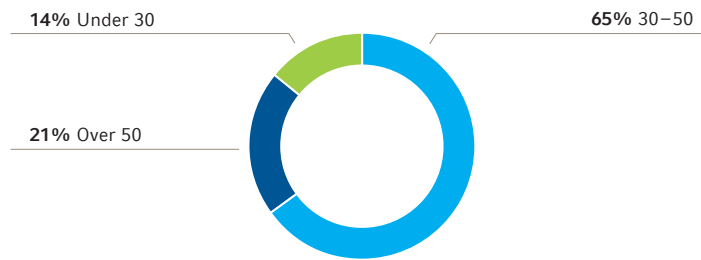
Breakdown into male and female employees in 2011
in %



The picture is also balanced in relation to the age structure of our workforce: 14% of our employees are under 30, 65% are aged between 30 and 50 and 21% are over 50.

Age structure of the workforce in 2011

in %



Group-wide data with the exception of the Hong Kong Branch

The diversity of nationalities and cultures in our workforce safeguards our high global quality standard. The 1,110 employees at the Hannover location come from 31 different nations. Three different nationalities are represented on the seven-person Executive Board of Hannover Re.

Of the 84 managers working in Germany, 13 are women, or 15.5%.

Aspect: Equal Remuneration for Women and Men

LA14 Ratio of basic salary and remuneration of women to men by employee category

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“.

Code of Conduct

Website > Sustainability > Successful employees

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.

Above and beyond this, Hannover Re has committed to have an eye to 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“; approved in 2011, this includes respect for human rights (e.g. ILO core labour standards) as an essential component. Since May 2012 all our new and – as part of regular contract renewals – existing suppliers are required to sign the Code of Conduct.

Code of Conduct

Website > about Hannover Re > Compliance

Sustainability Strategy

Website > Sustainability

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 forming our investment policy, i.e. the selection of our investments, we are guided inter alia 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 has been approved and applied accordingly. Along with other criteria, it therefore takes explicit account of human rights aspects.

GRI Report p. 19 et seq.

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

In 2011 Hannover Re drew up a Code of Conduct for Suppliers that was approved in September 2011 and has been translated into operational practice since 2012. Key requirements of the Code are the obligation to respect human rights. Since May 2012 all our new and – as part of regular contract renewals – existing suppliers are required to sign the Code of Conduct.

Verification of compliance with the Code had therefore not yet taken place in the reporting period.

GRI asks ...	... Hannover Re reports	Further information
<p>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</p>	<p>As described in the HR DMA section, human rights issues such as child labour or forced labour are not relevant to Hannover Re's own employees. Further human rights issues such as equal treatment and discrimination or the right to protection of personal data are governed by the Hannover Re Code of Conduct applicable to all employees. All new employees of Hannover Re receive training in this Code of Conduct from the Compliance and Legal Departments. The total hours of training and the percentage of employees trained are not currently recorded.</p>	
<p>Aspect: Non-Discrimination</p>		
<p>HR4 Total number of incidents of discrimination and corrective actions taken</p>	<p>Neither in the year under review nor in any previous years were there any incidents of discrimination, and hence no corrective actions were taken.</p>	
<p>Aspect: Freedom of Association and Collective Bargaining</p>		
<p>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</p>	<p>None of the business operations of Hannover Re pose a threat to freedom of association or collective bargaining.</p> <p>The employees in the scope of consolidation of this GRI Report are organised into an Employee Council. In addition, all employees in France, Italy, Sweden and Spain also fall under collective bargaining agreements.</p> <p>The Code of Conduct for Suppliers drawn up in 2011 requires – along with other conditions – safeguarding of the right of freedom of association, e. g. to join trade unions and an employee council. Since May 2012 all our new and – as part of regular contract renewals – existing suppliers are required to sign the Code of Conduct.</p>	
<p>Aspect: Child Labour</p>		
<p>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.</p>	<p>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.</p> <p>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 May 2012 all our new and – as part of regular contract renewals – existing suppliers are required to sign the Code of Conduct.</p>	

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 May 2012 all our new and – as part of regular contract renewals – existing suppliers are required to sign the Code of Conduct.

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. Since May 2012 all our new and – as part of regular contract renewals – existing suppliers are required to sign the Code of Conduct, in which they undertake to respect human rights.

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 assessments¹

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 mechanisms¹

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, do not to our knowledge entail any adverse impacts on local communities. The impacts of our business operations on the local communities at our locations can be seen rather in the creation of jobs and strengthening of prosperity in the regions where we operate.

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 major part in risk diversification.

Responsibility for Hannover Re's commitment to local communities 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“, which was set up in 2010 within Corporate Communications.

In the reinsurance market, where the number of competitors is limited, there is a tendency towards the risk of anti-competitive behaviour. This is managed by the Executive Board in cooperation with the Compliance and Legal Departments.

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.

Website > Sustainability > Society

Website > Sustainability > Product responsibility

GRI Report p. 19 et seq.

GRI asks Hannover Re reports	Further information
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Aspect: Local Communities

<p>S01 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 2020“, for example, we have undertaken by 2020 to emit 40% less harmful greenhouse gases than in 1990. The specific contributions made by Hannover Re will be regularly checked every two years from 2011 onwards. In the context of the Climate Alliance Hannover 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.</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 the arts 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 goal is to support contemporary art in Hannover by purchasing paintings and sculptures for exhibition at the Sprengel Museum. The foundation was equipped with capital of DEM 1 million. The foundation's capital currently amounts to EUR 520,000.</p> <p>With our Donations Guideline 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>Website > Sustainability > Procurement and environmental protection</p> <p>Website > Sustainability > Social commitment</p>
<p>S09 Operations with significant potential or actual negative impacts on local communities¹</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>	
<p>S010 Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities¹</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>	

GRI asks ...	... Hannover Re reports	Further information
<p>FS13 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 earthquakes, in exposed regions.</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 > Sustainability > Product responsibility</p> <p>GRI Report p. 19 et seq.</p>
<p>FS14 Initiatives to improve access to financial services for disadvantaged people</p>	<p>As explained in indicator FS13, our own business operations do not in principle create any access points to financial services. We are nevertheless aware that access to financial services and especially to insurance services can help to improve the living conditions of economically disadvantaged people.</p> <p>Hannover Re is therefore committed to helping also the poorest sections of the population obtain protection. To this end, we participate in numerous projects for microinsurance products by reinsuring corresponding contracts written by primary insurers, for example in Mali, Pakistan and Peru.</p> <p>For further information please see the Category „Financial Services Sector Indicators“ in this GRI Report.</p>	<p>Website > Sustainability > Product responsibility</p> <p>GRI Report p. 19 et seq.</p>
<p>Aspect: Corruption</p>		
<p>S02 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 are analysed regularly with an eye to corruption risks. The percentage or total number of business units analysed exclusively for the reporting period was not recorded.</p>	
<p>S03 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>S04 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>	

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. Hannover Re advocates, among other things, a differentiation in legislation for banks and insurance companies.

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“, which was set up within Corporate Communications in 2010.

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 temporary exhibitions. Works of art purchased by the foundation and handed over to the Sprengel Museum Hannover as permanent loans include pieces by, among others, Sigmar Polke, Georg Baselitz, Ronald B. Kitaj, Donald Judd and Gerhard Richter. The Hannover Re

Foundation is further tasked with financing publications and events to accompany the exhibitions.

We also support the *kestnergesellschaft*, one of the largest and most well-known German art associations whose roots are in Hannover. Since its founding in 1916 it has sought to profile internationally important artists and their latest works. In this context, the visual present, not only in fine arts but also in architecture, fashion and design is just as much a focus of interest as the latest music and literature or theoretical positions in philosophy and the humanities. In its role as a „kestner-partner“ Hannover Re is able to promote the society's work on a continuous and lasting basis.

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“ the rare 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

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
Financial Services Sector Indicators			
DMA	Management Approach to all Aspects	19	Fully
FS1	Policies with specific environmental components applied to business lines	19	Fully
FS2	Procedures for assessing and screening environmental and social risks in business lines	20	Partially
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	20	Fully
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	20	Partially
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	20	Partially
FS6	Percentage of the portfolio for business lines by specific region, size, (e.g. micro/SME/large) and by sector	21	Fully
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	22	Fully
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	22	Partially
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	22	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	23	Not reported (expl.)
FS11	Percentage of assets subject to positive and negative environmental or social screening	23	Fully
FS12	Voting polic(ies) applied to environmental or social issues for shares	24	Fully

Categories and Indicators (short version)		Page	Degree of Reporting
Product Responsibility			
DMA	Management Approach to all Aspects	24	Fully
FS15	Policies for the fair design and sale of financial products	24	Fully
PR1	Life cycle stages in which health and safety impacts of products and services are assessed	25	Not reported (expl.)
PR2	Non-compliance with regulations and voluntary codes concerning health and safety	25	Not reported (expl.)
PR3	Product and service information required by procedures	25	Fully
PR4	Non-compliance with regulations and voluntary codes concerning product and service information	25	Fully
PR5	Practices related to customer satisfaction	26	Fully
FS16	Initiatives to enhance financial literacy by type of beneficiary	26	Not reported (expl.)
PR6	Adherence to laws, standards, and voluntary codes related to marketing communications	26	Fully
PR7	Non-compliance with regulations and voluntary codes concerning marketing communications	26	Not reported (expl.)
PR8	Substantiated complaints regarding breaches of customer privacy	27	Fully
PR9	Significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	27	Fully
Economy			
DMA	Management Approach to all Aspects	27	Fully
EC 1	Direct economic value generated and distributed	28	Fully
EC 2	Financial implications of climate change	28	Fully
EC3	Organisation's defined benefit plan obligations	29	Fully
EC4	Financial assistance received from government	29	Fully
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage	29	Not reported (expl.)
EC6	Policy, practices, and proportion of spending on locally-based suppliers	29	Fully
EC7	Procedures for local hiring and proportion of senior management hired from the local community	29	Fully
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	30	Fully
EC9	Indirect economic impacts	30	Fully
Environment			
DMA	Management Approach to all Aspects	31	Fully
EN1	Materials used	32	Fully
EN2	Percentage of materials used that are recycled input materials.	32	Partially
EN3	Direct energy consumption	33–34	Partially
EN4	Indirect energy consumption	34	Partially
EN5	Energy saved	34	Partially
EN6	Energy-efficient products and services	34	Fully
EN7	Initiatives to reduce indirect energy consumption	35	Fully
EN8	Water withdrawal by source	35	Partially

Categories and Indicators (short version)		Page	Degree of Reporting
EN9	Water sources significantly affected	35	Not reported (expl.)
EN10	Water recycled and reused	35	Not reported (expl.)
EN11	Locations in or adjacent to protected areas	36	Not reported (expl.)
EN12	Impacts on biodiversity	36	Fully
EN13	Habitats protected or restored	36	Not reported (expl.)
EN14	Strategies for biodiversity	36	Fully
EN15	Animal and plant species affected	36	Not reported (expl.)
EN16	Direct and indirect greenhouse gas emissions	37	Fully
EN17	Other relevant greenhouse gas emissions	38	Fully
EN18	Reduction of greenhouse gas emissions	38–39	Fully
EN19	Emissions of ozone-depleting substances	39	Not reported (expl.)
EN20	NO _x , SO _x and other significant air emissions	39	Not reported (expl.)
EN21	Water discharge	39	Not reported (expl.)
EN22	Weight of waste	40	Partially
EN23	Significant spills	40	Not reported (expl.)
EN24	Hazardous waste and treated waste deemed hazardous	40	Not reported (expl.)
EN25	Water bodies significantly affected by discharges of water and runoff	40	Not reported (expl.)
EN26	Initiatives to mitigate environmental impacts of products and services	41	Fully
EN27	Percentage of products sold for which packaging materials were reclaimed	41	Not reported (expl.)
EN28	Fines for non-compliance with environmental laws and regulations	41	Fully
EN29	Environmental impacts of transporting products	41	Fully
EN30	Environmental protection expenditures and investments	41	Partially
Labour Practices and Decent Work			
DMA	Management Approach to all Aspects	42–43	Fully
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	44–45	Fully
LA2	Employee turnover	45	Partially
LA3	Benefits only provided to full-time employees	45	Fully
LA15	Return to work after parental leave	45	Partially
LA4	Percentage of employees covered by collective bargaining agreements	46	Fully
LA5	Minimum notice period(s) regarding significant operational changes	46	Fully
LA6	Percentage of workforce represented in health and safety committees	46	Fully
LA7	Injury, occupational diseases, absenteeism, and work-related fatalities	46	Partially
LA8	Education, training, counselling and prevention regarding serious diseases	47	Fully
LA9	Health and safety topics covered in formal agreements with trade unions	47	Fully
LA10	Hours of training	48	Partially
LA11	Skills management and life-long learning	48–49	Fully
LA12	Performance and career development reviews	49	Fully
LA13	Diversity in total workforce and governance bodies	49–50	Partially
LA14	Equal remuneration for men and women	50	Not reported (expl.)

Categories and Indicators (short version)		Page	Degree of Reporting
Human Rights			
DMA	Management Approach to all Aspects	51	Fully
HR1	Human rights concerns in investment agreements	51	Nicht berichtet (erkl.)
HR2	Screening of suppliers, contractors and other business partners for human rights	51	Nicht berichtet (erkl.)
HR3	Employee training in human rights	52	Partially
HR4	Number of incidents of discrimination and corrective actions taken	52	Fully
HR5	Threat to freedom of association and collective bargaining	52	Fully
HR6	Risk of child labour	52	Fully
HR7	Risk of forced and compulsory labour	53	Fully
HR8	Training of security personnel in human rights aspects	53	Partially
HR9	Incidents of violations involving rights of indigenous people	53	Nicht berichtet (erkl.)
HR 10	Assessment of operations for human rights impacts	53	Nicht berichtet (erkl.)
HR11	Grievances related to human rights violations	53	Nicht berichtet (erkl.)
Society			
DMA	Management Approach to all Aspects	54	Fully
SO1	Operations with implemented local community engagement, impact assessments, and development programs	55	Partially
SO9	Negative impacts on local communities	55	Not reported (expl.)
SO10	Avoidance of negative impacts on local communities	55	Not reported (expl.)
FS13	Access points in low-populated or economically disadvantaged areas by type	56	Fully
FS14	Initiatives to improve access to financial services for disadvantaged people	56	Fully
SO2	Business units analysed for risks related to corruption	56	Not reported (expl.)
SO3	Employee training in anti-corruption	56	Partially
SO4	Actions taken in response to incidents of corruption	56	Fully
SO5	Public policy positions and participation in public policy development and lobbying	57	Fully
SO6	Contributions to political parties and politicians	57	Fully
SO7	Legal actions for anti-competitive behaviour	57	Fully
SO8	Fines and total number of non-monetary sanctions for non-compliance with laws and regulations	57	Partially

Certification of Fulfilment of Transparency Level B by the GRI



Statement GRI Application Level Check

GRI hereby states that **Hannover Re** has presented its report "GRI Report 2011" 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.

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

Amsterdam, 5 December 2012

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

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

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 21 November 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

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