

Strategy and Management

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Our vision: Long-term success in a competitive business. Excellent solutions for our business partners are the basis to strengthen and further expand our position as a leading, globally operating reinsurance group. This will enable us to deliver a long-term sustainable profitability and being one of the most profitable reinsurers worldwide. We enlarge the scope of our business by creating new business opportunities from emerging risks.



Strategy and Management

Our vision: Long-term success in a competitive business

Excellent solutions for our business partners are the basis for strengthening and further expanding our position as a leading, globally operating reinsurance group. They enable us to deliver long-term sustainable profitability and assert our position as one of the most profitable reinsurers worldwide.

We are passionate about reinsurance and chart our own course. We are quick, flexible and undogmatic and we strive for excellence in our actions. We consistently enlarge the scope of our operations by creating innovative business opportunities from emerging risks. With our organisation geared to efficiency, we offer our business partners an attractive value proposition.

As a leading player in the reinsurance industry, the commercial success of Hannover Re is crucially dependent on the correct assessment of present and emerging risks. In the process of evaluating risks we are faced today with growing complexity as a consequence of the increasing importance attached to various aspects of sustainability. In some instances these also have direct strategic and operational relevance to our reinsurance products and the management of our investments.

Our goal, therefore, is to achieve economic success on the basis of a profit-oriented business model – while at the same time acting in accordance with the needs of our staff and the company and giving due consideration to protection of the environment and conservation of natural resources. Sustainable action is not something which is static; rather, it must take place dynamically and in accordance with changing environmental circumstances. In conformity with our Group Strategy, therefore, we also define sustainability goals and implement appropriate measures.

More information on the topic at



Website: Group Strategy



Website: Sustainability Strategy



AR 2015: Strategie

Corporate strategy

Our corporate strategy encompasses ten strategic principles for ensuring the realisation of our vision "Long-term success in a competitive business" across business units.

1. We have ambitious profit and growth targets

- Generate an IFRS return on equity of at least 900 basis points above the risk-free interest rate
 - Achieve profitability targets and generate a profit clearly in excess of the cost of capital
 - Grow the premium volume (by more than the market average)
 - Outperform the Global Reinsurance Index (GloRe) over a three-year period
 - Consistently pay an attractive dividend
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2. We are a preferred business partner

- Offer an attractive value proposition that makes us the preferred business partner for our clients
 - Foster customer relationships to both parties' mutual benefit irrespective of the size of the account
-

3. We aim for successful employees

- Offer attractive workplaces
 - Foster the qualifications, experience and commitment of our staff
-

4. We strive for an optimal balance between the stability and yield of our investments

- Achieve the target return – risk-free interest rate plus cost of capital
-

5. We manage risks actively

- Ensure protection of capital through quantitative risk management
 - Ensure protection of capital through qualitative risk management
-

6. We maintain an adequate level of capitalisation

- Ensure that requirements for equity resources (economic capital model, solvency regulations, etc.) are met
 - Optimise the overall cost of capital
-

7. We ensure low costs through an efficient organisational set-up

- Ensure a lower expense ratio than our competitors
-

8. We use information technology to achieve a competitive advantage

- Information and communication systems assure optimal support for business processes in light of cost/benefit considerations
-

9. We are committed to sustainability, integrity and compliance

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

10. We strive for Performance Excellence and continuous improvement

- Ensure the rigorous derivation of strategic objectives across all areas of the company
-

We implement the goals of our corporate strategy in accordance with our holistic management system Performance Excellence 2.0. For details please see "Value-based management".

More information on the topic at



Value-based management



Website: Group Strategy

Equity story

Going about things differently to others – that is exactly what sets us apart. And it has done from the very outset. With lean structures and an efficient organisation, it has taken the company just 50 years to grow into a well-diversified, globally operating reinsurer of above-average profitability.

Hannover Re, with gross premium of around EUR 17 billion, is the third-largest Reinsurer in the world. It transacts all lines of proPERTy & casualty and life & health reinsurance and is present on all continents with around 2,500 staff. Established in 1966, the Hannover Re Group today has a network of more than 100 subsidiaries, branches and representative offices worldwide. The Group's German business is written by the subsidiary E+S Rück.

Somewhat different

Right from its earliest days Hannover Re was a somewhat different reinsurer: it had to secure a footing in a market dominated by long-standing players; it operated with tight capital resources and recruited its staff on a thin labour market. Drawing on our quick, flexible and undogmatic business approach, we evolved into a professional reinsurer with extensive specialist expertise. To this day we still operate with the lowest administrative expense ratio in the industry – a competitive edge that enables us to persevere even in protracted soft market phases. Long embodied in our daily practice, the claim to be "somewhat different" has served as an expression of the entire Hannover Re Group's self-image since 2005.

In order to grow Hannover Re had no choice but to break new ground. It took on a pioneering role in many areas. It was one of the first companies in Europe to receive an S&P rating and the first German reinsurer to adopt capital-market-oriented accounting principles in its financial reporting. In 1994 it was the first reinsurer to securitise natural catastrophe risks for the capital market.

In 2015 the Hannover Re Group received approval from the Federal Financial Supervisory Authority (BaFin) to calculate its solvency requirements on the basis of its internal capital model upon implementation

of Solvency II. In contrast to a standard model, our internal capital model enables us to optimally map the risk structure of our reinsurance business. We are thus in a position to identify attractive business while at the same time optimally allocating capital to business groups, regions and lines and leveraging potential avenues for diversification. In so doing, we remain able to efficiently fulfil our supervisory capital requirements under Solvency II.

Our ideas and know-how make it possible for our partners to open up new markets. Energy-saving warranties in building rehabilitation and bonus programmes for a healthy lifestyle may be cited as just two examples.

A highly profitable reinsurer

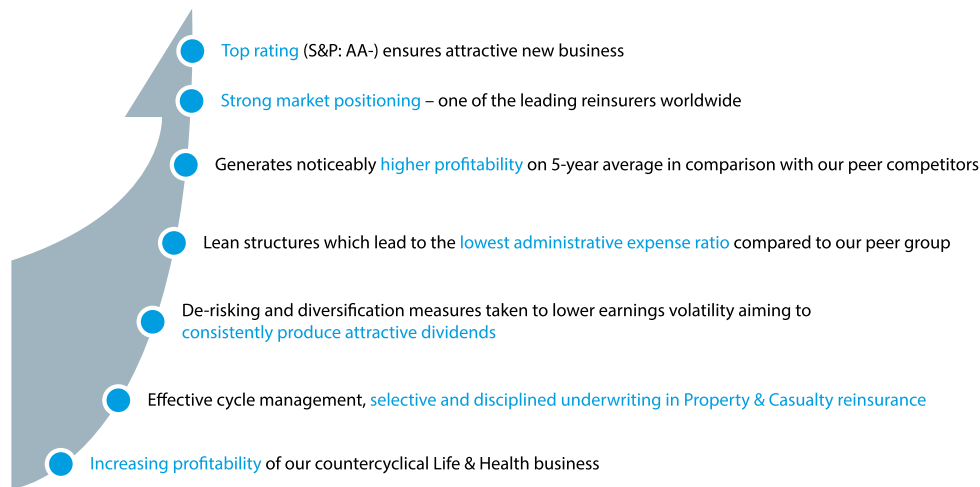
A special hallmark of our business philosophy is that we do not fall back on standardised reinsurance solutions. We offer our clients financing solutions and customised concepts designed to provide relief for capital and reserves that are individually tailored to their needs.

For the benefit of our clients and shareholders we achieve competitive advantages by transacting our insurance business with lower management expenses than our peers. This enables us to deliver a profit that is above the average for the sector, while at the same time providing our clients with reinsurance protection on competitive terms.

By assuming risks through the largely uncorrelated activities of our Property & Casualty and Life & Health business groups in all lines of business and based on our global presence, we enjoy optimal diversification. Besides our capital management, this is the key to our comparatively low cost of capital.

In order to ensure our long-term financial strength, we steer our business towards maintaining a capital base in line with our long-term business opportunities. We achieve this goal by managing the annual volatility of our earnings through the practice of vigorous risk management.

Hannover Re's business model



Long-term success in a competitive business

Hannover Re's vision is "Long-term success in a competitive business". In this context, we ensure a long-term economic orientation and successful realisation of our vision through our strategy. Ten principles

form the basis of our strategic actions. We are supported in operational implementation by our holistic management system Performance Excellence 2.0. We use key indicators in our target matrix to map the status of goal accomplishment. Details are published in the respective chapters of the Sustainability Report 2015 and in our Strategy Brochure.

More information on the topic at

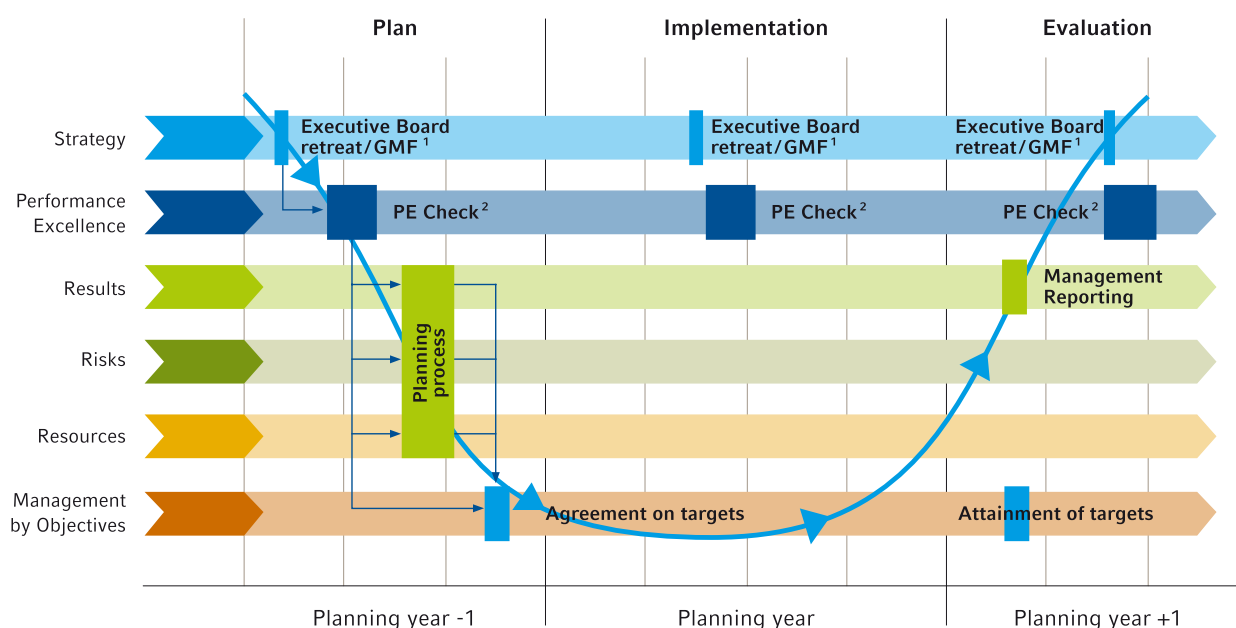
-  [Hannover Re at a glance](#)
-  [Organisational profile](#)
-  [Strategy and Management](#)
-  [Corporate strategy](#)
-  [Value-based management](#)
-  [Website: Group Strategy](#)
-  [Website: Company presentation](#)

Value-based management

Our holistic management system performance Excellence 2.0 ensures implementation of the corporate strategy across the various areas of business. Based on the Excellence Model of the EFQM (European Foundation for Quality Management), it has a clear strategic focus: each organisational unit of the Hannover Re Group defines and exam-

ines its own contribution to the Group strategy with the aid of the internal Strategy Guide and our Strategy Cockpit tool. In this way, we ensure that all initiatives and activities within Hannover Re are rigorously linked to the corporate strategy.

System of value-based management:
Performance Excellence (PE) combines the strategic and operational levels



¹ The Global Management Forum (GMF) brings together senior managers of the Hannover Re Group from around the world for the purpose of defining strategic orientations. The parameters developed here serve as the basis for the subsequent planning process.

² Verification and elaboration of contributions to the Group strategy

Target Matrix

Our integrated system of enterprise management constitutes the basis for accomplishment of our strategic objectives. Located at its core are, first and foremost, our profit and growth targets, which are summarised for the Group and its business groups in the so-called target

matrix. In addition to traditional performance indicators geared to the IFRS balance sheet, our system of strategic targets also includes economic targets derived from our certified internal capital model. The targets are analysed annually and adjusted in the context of the regular strategy review (every three years). Our focus here is on long-term target attainment.

Target attainment

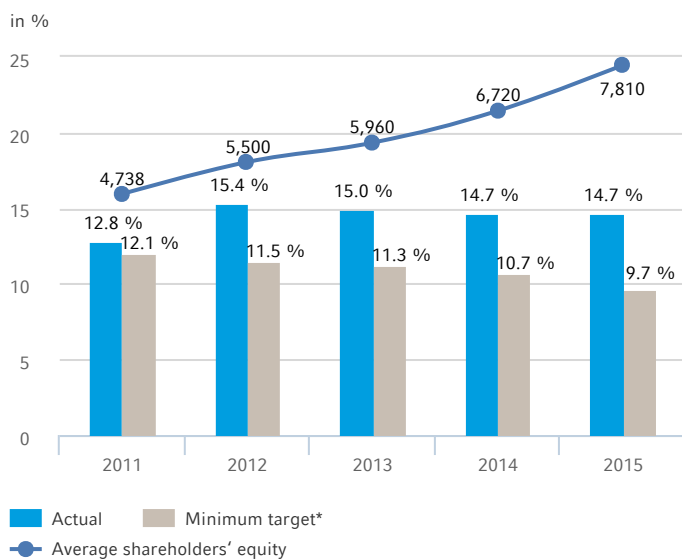
Business group	Key data	Targets for 2015	Target attainment			
			2015	2014	2013	Ø 2013-2015 ¹
Group	Investment return ²	≥ 3.0%	3.5%	3.3%	3.4%	3.4%
	Return on equity ³	≥ 10.2%	14.7%	14.7%	15.0%	14.8%
	Growth in earnings per share (year-on-year comparison)	≥ 6.5%	16.7%	10.1%	5.4%	10.6%
	Value creation per share ⁴	≥ 7.5%	13.6%	34.4%	3.6%	15.5%
Property & Casualty reinsurance	Gross premium growth	3–5% ⁵	8.1%	1.2%	3.5%	4.2%
	Combined ratio	≤ 96% ⁶	94.4%	94.7%	94.9%	94.7%
	EBIT margin ⁷	≥ 10%	16.6%	17.0%	15.5%	16.3%
	xRoCA ⁸	≥ 2%	7.4%	10.7%	4.7%	7.6%
Life & Health reinsurance	Gross premium growth	5–7% ⁹	9.5%	4.9%	5.1%	6.5%
	Value of New Business (VNB) ¹⁰	≥ EUR 180 million	EUR 543 million	EUR 448 million	EUR 309 million	EUR 433 million
	EBIT margin ⁷ Financial Solutions/Longevity	≥ 2%	11.0%	5.0%	5.2%	7.2%
	EBIT margin ⁷ Mortality/ Morbidity	≥ 6%	3.6%	4.8%	1.2%	3.3%
	xRoCA ⁸	≥ 3%	8.9%	7.5%	8.4%	8.3%

¹ Average annual growth, otherwise weighted averages² Excluding effects from ModCo derivatives and inflation swaps³ After tax; target value: 900 basis points above the 5-year average return on 10-year German government bonds⁴ Growth in book value per share including dividend paid⁵ Average over the reinsurance cycle; at constant exchange rates⁶ Including major loss budget of EUR 690 million⁷ EBIT/net premium earned⁸ Excess return on allocated economic capital⁹ Organic growth only; annual average growth (5 years); at constant exchange rates¹⁰ Based on a cost of capital of 6% (until 2014: 4.5%)

Especially in terms of its return on equity, Hannover Re has performed very favourably in recent years despite the intensely competitive environment. Our return on equity target of 900 basis points above risk-free – which is enshrined in the corporate strategy – thus already represents a substantial target value creation. Through our business operations on all continents and the diversification between our Property &

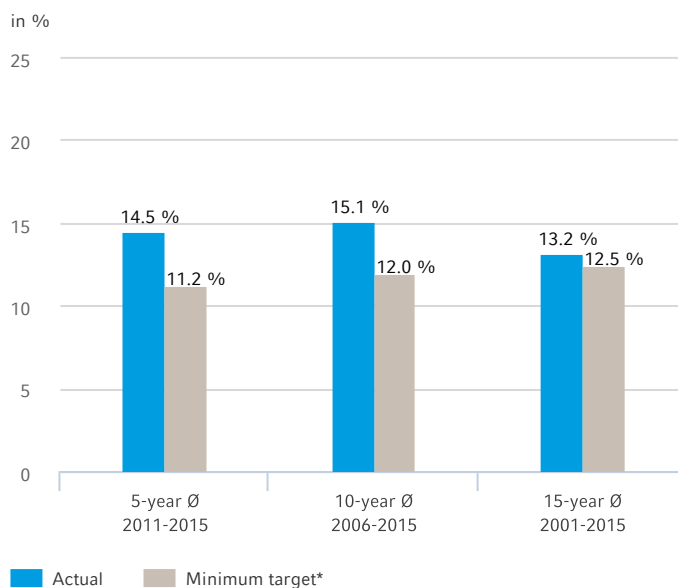
Casualty and Life & Health reinsurance business groups we are able to effectively allocate our capital in light of opportunity and risk considerations and generate a higher-than-average return on equity. The following chart shows that the annual return on equity generated by Hannover Re in recent years comfortably surpassed the set minimum targets.

Return on Equity: yearly



* After tax; target: 900 bps above 5-year rolling average of 10-year German government-bond rate ("risk free")

Return on Equity: average



More information on the topic at

- [Sustainability management](#)
- [Website: Group Strategy](#)
- [Website: Company presentation](#)
- [Website: Fact sheet](#)
- [Website: Hannover Re at a glance](#)
- [Website: Hannover Re 1966-2016](#)
- [Website: 50 years somewhat different](#)

Business performance

In the 2015 financial year Hannover Re generated gross premium income of EUR 17.1 billion, an increase of 18.8% compared to the previous year. The operating profit (EBIT) stood at EUR 1.8 billion (EUR 1.5 billion). Earnings per share amounted to EUR 9.54.

The company distributed altogether around 50% of its Group net income to shareholders. The amount paid out totalling EUR 572.8 mil-

lion was divided into a regular dividend of EUR 3.25 and a special dividend of EUR 1.50 per share.

The equity attributable to shareholders of Hannover Re rose by 6.9% relative to the previous year to reach EUR 8.1 billion (EUR 7.6 billion). The total policyholders' surplus (including non-controlling interests and hybrid capital) also grew by a modest 0.3% to EUR 10.3 billion

(EUR 10.2 billion). The book value per share increased accordingly to stand at EUR 66.90 (EUR 62.61). The return on equity remained unchanged year-on-year at 14.7%.

Personnel expenditure on wages and salaries amounted to EUR 246.4 million (EUR 224.7 million) in the last financial year, a modest increase relative to the previous year.

Hannover Re's indirect economic impacts are linked to the product-related goals and measures of our Sustainability Strategy and Group Strategy and fall, in common with our investments in local communities, within the scope of responsibility of the Executive Board.

More information on the topic at



Hannover Re at a glance



AR 2015: Key figures



AR 2015: Other information

Sustainability Strategy

For Hannover Re, sustainability means a commitment to responsible and transparent corporate governance geared to lasting success. With this in mind, in 2011 we drew up a sustainability strategy for Hannover Re that reflects in concrete terms the higher-order corporate strategy of the Group and in which we explicitly commit to our strategic objective of sustainable value creation.

In 2014 we reviewed our corporate and sustainability strategy in keeping with our three-year strategy cycle. In conformity with the Group Strategy, the sustainability goals that had been set for the strategy cycle just ended were therefore similarly revisited and modified in light of a materiality analysis and to reflect the current need for action. Sustainability goals that had still to be achieved were carried over to the new strategy cycle. Our current Sustainability Strategy for the years 2015 to 2017 defines the following four action fields and specifies 14 concrete goals and 42 measures:

Our Sustainability actions fields



Governance and Dialogue

We are committed to responsible and transparent corporate governance geared to lasting success. In this context, we seek an active and continuous dialogue with our stakeholders, whose trust is a vital prerequisite for our entrepreneurial success.

The considerable importance attached to the issue of sustainability is also reflected in the associated responsibility within the enterprise. The Executive Board of the company jointly bears responsibility for and tracks implementation of the sustainability strategy. The German Corporate Governance Code and our own company's Corporate Governance principles are the foundations of our responsible actions. From our employees – and especially from managers – we expect systematic compliance with our Code of Conduct, which is applicable worldwide. Through our high ethical and social standards we ensure integrity in dealings with our business partners, employees, shareholders and the public at large both as part of our company's strategic orientation and in day-to-day business.

Product Responsibility

Our reinsurance offerings are geared to the needs of the market and our clients. In view of changing social challenges, we shall increasingly offer products designed to protect against new economic, social and ecological risks. We attach special importance to protection against risks resulting from climate change as well as insurance coverage for socially vulnerable groups.

The responsible management of our investments is a high priority. In the interests of our clients and shareholders, our investment strategy strives to generate a commensurate market return. In accordance with our sustainability strategy this is done by incorporating environmental, social and governance (ESG) criteria into our investment policy.

Employees

Given that our employees are a crucial factor in the success of our company, we have defined strategic principles for human resources

management. In order to ensure that we are consistently perceived as an attractive employer by both existing staff and potential new recruits alike, we pay special attention to their skills enhancement and further development. With this in mind, we offer our employees the best possible framework conditions and foster both their professional and personal growth.

The health of our employees is an essential prerequisite for the sustainable development of our business and for safeguarding our high quality standard. Hannover Re's company physicians advise employees on matters of health protection and health promotion. The focus is on the prevention of diseases, e.g. through medical check-ups, workplace inspections, advice and treatment on matters of general medicine as well as vaccinations and vaccination advice.

Along with skills and dedication, a high level of diversity ranks among the cornerstones of our successful business operations. The diversity of our workforce assures our high global quality standard.

More information on the topic at



Materiality analysis



Website: Sustainability Strategy 2015-2017

Environment and Society

We take our responsibility to the environment and the social sphere in which we operate very seriously and we have made a worldwide commitment.

The focus of our environmental efforts is on reducing the CO₂ emissions associated with supplying energy and heat to our premises as well as those caused by our business travel. Above and beyond this, we strive towards the economical and environmentally friendly use of (raw) materials and resources such as paper and water in our offices. In the context of procurement we pay close attention to compliance with social and environmental standards when it comes to choosing products and selecting our suppliers. Our social involvement extends beyond our Home Office in Germany to include our subsidiaries, which conduct their own specific projects targeting social concerns in the individual countries. In terms of content, our efforts are concentrated on the areas of research, learning and art as well as on supporting the voluntary social engagement of our staff.

Materiality analysis

G4-18, G4-19

The major sustainability issues for Hannover Re can influence the company's commercial success in the short, medium and long term. With this in mind, we carried out an internal materiality analysis in 2014. In the context of several workshops held with the involvement of representatives from all relevant specialist units and led by an external consulting firm, we identified relevant topics for Hannover Re along the value creation chain, compulsory and voluntary standards as well as long-term trends. We then weighted the topics using an evaluation tool to determine their materiality.

Core issues associated with ESG ratings and UN initiatives have a special relevance for Hannover Re. In 2015 we therefore expanded our list of material issues to include additional topics relating to ESG ratings and UN initiatives. Hannover Re also includes environmental issues and social concerns, despite their minimal relevance to reinsurance business. This is a reflection of our comprehensive approach to sustainability and makes allowance for requirements in connection with (future) regulations.

Subsequent clustering then adds to the discriminatory power of the selected topics and helps to avoid duplications. In this way, Hannover Re has identified 15 material sustainability issues for the company:

Action field	Clustering of material issues
Governance and Dialogue	
	Responsible corporate governance
	Compliance
	Risk management
	Stakeholder dialogue
Product Responsibility	
	Risk expertise
	Sustainable insurance solutions
	ESG in asset management
	Customer orientation and satisfaction
Employees	
	Executive development / Employee advancement
	Employee retention
	Diversity
	Co-determination
Environment and Society	
	Operational environmental conservation
	Supplier management
	Social commitment

In the context of the materiality analysis Hannover Re also identified nine material issues in the area of financial performance. These are

covered by the corporate strategy. Hannover Re reports extensively on the progress of goal achievement in its Annual Report 2015.

More information on the topic at

 Value-based management

 AR 2015: Sustainability at Hannover Re

Sustainability strategy and goals

Table of goals for 2015-2017 (Sustainability goals and measures)

The goals defined under our Sustainability Strategy complement and / or specify in greater detail the ten objectives set out in our Group Strategy – especially the ninth objective: "We are committed to sustainability, integrity and compliance".

I. Governance and Dialogue

Goals and measures	Contribution to goal achievement 2015
Compliance	
Goal: Expansion of compliance concepts and guidelines in relation to specific topics	
• Extension of compliance requirements in IT	Ongoing measure
• Expansion of the international compliance network	Holding of an annual meeting in the context of the European Compliance Officer Meeting and three teleconferences at periodic intervals. Review of the compliance requirements under Solvency II
Responsible, value-based enterprise management	
Goal: Value creation for our shareholders	
• Our goals and performance indicators for value-based enterprise management are set out as part of our Group strategy.	See also > Value-based management
Goal: Attractive investment for sustainability-minded investor groups	
• Active dialogue with rating agencies for sustainability with a view to ongoing inclusion in at least one recognised sustainability index as well as maintaining the oekom "Prime" rating	Regular, active dialogue conducted with rating agencies. In 2015 we were again listed in the FTSE4Good Index and retained the "Prime" rating from oekom research.
• Enlarge on rating-specific sustainability topics	In the context of the online Sustainability Report 2015 we have been more responsive to the information requirements of rating agencies and included critical issues such as sanctions and taxes.

Transparency and Disclosure

Goal: Expansion of reporting on sustainability issues

• Changeover to GRI G4 reporting, "Core" level	Changeover completed in 2016 with the compilation of the Sustainability Report 2015
• Bringing forward of the publication date of the Sustainability Report	Ongoing measure
• Setting up of a sustainability competence team and appointment of a sustainability officer	The competence team has already been set up and meets at least annually to reconcile strategic goals and measures and at shorter intervals in sometimes smaller constellations depending on matters at hand
• Expansion of the sustainability information provided on the website	Ongoing measure
• Extension of ESG (environmental, social and governance) data collection to include the Group's international locations	Ongoing measure
• Group-wide recording of sustainability projects	Ongoing measure

Goal: Purposeful stakeholder dialogue

• Systematic expansion of the stakeholder dialogue, e.g. with investors practising socially responsible investment (SRI) through participation in SRI conferences / roadshows, with rating agencies and by means of regular stakeholder surveys	Participation in SRI conference planned for November 2016. Regular dialogue with SRI investors and rating agencies
• Compilation of a fact sheet on sustainability at Hannover Re	Ongoing measure

II. Product Responsibility

Goals and measures	Contribution to goal achievement 2015
Customer orientation / satisfaction	
Goal: Step up our dialogue with customers	
<ul style="list-style-type: none"> Expand avenues for international dialogue 	Further expansion of the Building Bridges seminar series with the workshop "Customer expectations for a reinsurer" Conduct of multiple customer surveys (Italy, worldwide and Australia)
Sustainable insurance solutions	
Goal: Development and expansion of "sustainable" products	
<ul style="list-style-type: none"> Closer cooperation with primary insurers to develop and expand sustainable products 	Expansion of cooperation with primary insurers in Pakistan, the Philippines and Indonesia in the growing market for microinsurance products
<ul style="list-style-type: none"> Development of products that promote, for example, renewable energies 	Expansion of the coverage solution for energy-saving warranties to include additional European countries. Development of index-based disaster finance concepts for countries in South America and Asia
<ul style="list-style-type: none"> Further expansion of microinsurance products 	In India we have played an active part in the microinsurance sector from the outset with a growing business volume. We also work together with primary insurers in less mature markets such as Pakistan, the Philippines and Indonesia to provide suitable products for the expanding microinsurance market
<ul style="list-style-type: none"> Expansion of the dialogue on emerging risks 	Ongoing measure
ESG criteria in asset management	
Goal: Extension of ESG guidelines for asset management	
<ul style="list-style-type: none"> Signing of the UN Principles for Responsible Investment (PRI) to be reviewed 	Ongoing measure
<ul style="list-style-type: none"> Refinement of the ESG Investment Policy incl. development of positive screening 	The existing ESG Investment Policy was refined and supplemented with a best-in-class investment approach
<ul style="list-style-type: none"> Appointment of an ESG officer on the Investment Team 	In April 2015 we appointed an ESG officer on the Investment Team

III. Employees

Goals and measures	Contribution to goal achievement 2015
Health management	
Goal: Preserve and restore the performance capability of our staff	
• Continuation of existing health programmes / check-ups	Ongoing measure
• Development of a counselling service for professional and personal crises ("Employee Assistance Programme" at the Hannover location)	Elaboration in a dedicated working group
• Implementation of Occupational Integration Management for employees returning after illness	Elaboration in a dedicated working group
• Continuation of the offered family services	Ongoing measure
Employee development / Employee advancement	
Goal: Expansion of further training measures for specialist and executive staff	
• Continuation and internationalisation of the executive development programme	Ongoing measure
• Expansion of the training programme, e. g. through blended learning	Ongoing measure, 2015: Creation of new specialist seminars for experienced staff at the Hannover location and roll-out of the Hannover Re Academy as a seminar administration and booking tool.
• Internationalisation of the surveys on employee satisfaction	Worldwide employee survey conducted
Diversity	
Goal: Promoting diversity and a work / life balance	
• Continuation of the mentoring programme for female employees with the aim of increasing the proportion of women in management positions	Ongoing goal in 2015: another round successfully launched, programme is to be further expanded.
• Training / awareness-raising of executives	Executive seminar held on "Gender-specific communication"
• Expansion of the care services provided for employees' children at the company's infant daycare centre	30 places available, childcare support to be expanded as necessary, no additional requirement existed in 2015

IV. Environment and Society

Goals and measures	Contribution to goal achievement 2015
Environmental protection	
Goal: Ongoing reduction of CO₂ emissions as well as carbon neutrality at Hannover Home Office by 2015	
<ul style="list-style-type: none"> Recertification according to ISO 14001 at Hannover Home Office 	Recertification was completed in November 2015. Our environmental certificate is thus valid for a further 3 years. From 2016 onwards we shall additionally undertake validation as per the EMAS Directive and publish an annual environmental statement.
<ul style="list-style-type: none"> Progressive worldwide rollout of the transition to renewable energies 	Ongoing measure
<ul style="list-style-type: none"> Staff training in environmental protection 	Annually through online training for all staff at Hannover Home Office
<ul style="list-style-type: none"> Creation of an international network of Hannover Re environmental managers 	Ongoing measure
<ul style="list-style-type: none"> Extension of environmental data collection to include the Group's international locations 	Ongoing measure
Supplier management	
Goal: 100 % of relevant suppliers are measured by environmental and social standards	
<ul style="list-style-type: none"> Clustering of (groups of) suppliers into ESG risk categories 	Clustering is complete. Suppliers evaluated critically in an ESG risk category are blacklisted and no further orders are placed with them
<ul style="list-style-type: none"> Ongoing selection and evaluation of suppliers according to environmental and social standards 	Review of virtually all new suppliers at the Hannover location in accordance with the established procedure for self-reporting. Ongoing requirement for suppliers to comply with the Code of Conduct for Suppliers
<ul style="list-style-type: none"> Adoption of supplier evaluation in all areas of the company at Hannover Home Office 	Review of virtually all suppliers at the Hannover location in accordance with the established procedure for self-reporting. Suppliers evaluated critically in an ESG risk category are blacklisted and no further orders are placed with them
<ul style="list-style-type: none"> Green IT: Development of IT purchasing guidelines and minimum standards 	Ongoing measure
Social commitment	
Goal: Group-wide coordinated guidelines and recording of social activities	
<ul style="list-style-type: none"> Review and as necessary refine uniform Group-wide guidelines for donations and sponsorship ("Social Activity Guidelines") 	In the context of our engagement in society an internal national and international Donations Guideline ensures that our social activities primarily benefit the common good.
<ul style="list-style-type: none"> Group-wide recording of donations and sponsorship activities 	Ongoing measure

More information on the topic at



Website: Sustainability Strategy

Sustainability management

At Hannover Re responsibility for the topic of sustainability rests with the entire Executive Board. The Environmental Management Officer, the Compliance Officer and a member of staff entrusted with the corporate governance function report on a regular basis to the Executive Board. In addition, the sustainable value creation of Hannover Re is further ensured by a comprehensive risk management system with appropriately established reporting structures.

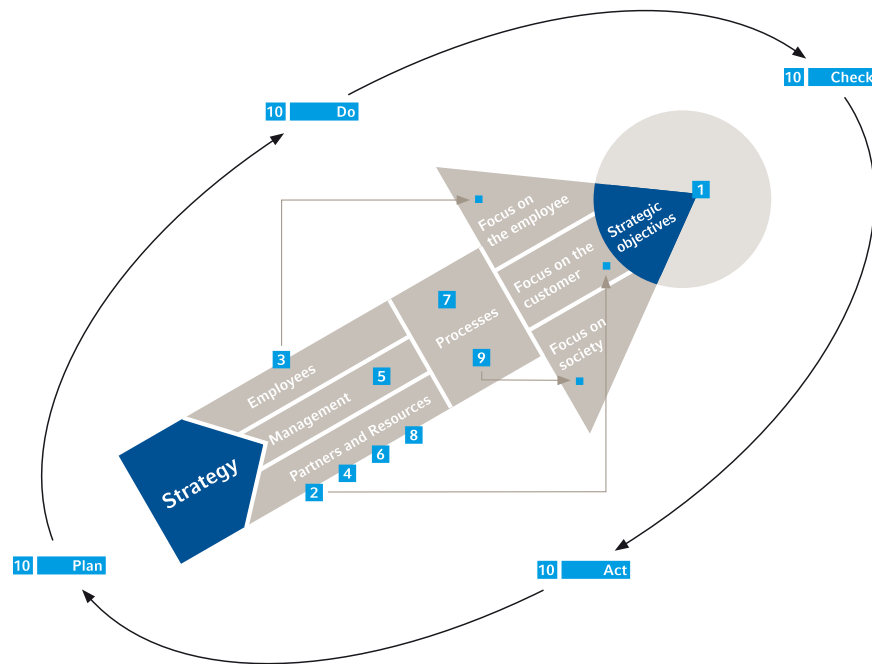
In its business operations Hannover Re is guided by voluntary and binding guidelines such as those contained in our Code of Conduct, which was revised in the year under review and is applicable Group-wide. We take our lead from the guidelines of the International Labour Organization (ILO) and the principles of the United Nations Global Compact, most importantly with respect to the observance of human rights and in the management of our investments. By requiring our suppliers to comply with our Code of Conduct for Suppliers, we are seeking to promote sustainability throughout our entire value creation process.

The CSR competence team takes responsibility for preparing Hannover Re's strategic orientation in matters of sustainability and for defining appropriate operational measures. Based at the Hannover location, it is composed of representatives of various specialist departments. The members come together as a whole for the annual strategy

review and they also meet in various constellations on a case-by-case basis depending on the tasks to be dealt with. Each member has committed to advancing the goals of the Sustainability Strategy within his or her specialist area.

In accordance with our holistic management system of Performance Excellence 2.0, each organisational unit of the Hannover Re Group defines its own contribution to the Group Strategy with the aid of the internal Strategy Guide and the Strategy Cockpit tool. The most important working document used by all organisational units for the compilation of strategy contributions is the Strategy Guide. The Strategy Guide sets out in detail the goals that are pursued by the Hannover Re Group and the contributions that organisational units are expected to make to individual goals and in which areas of topical emphasis. The sustainability goals and measures of the Hannover Re Group are also embedded in this document. In this way, we ensure that all initiatives and activities within Hannover Re are rigorously linked to the Group Strategy and Sustainability Strategy and that strategic innovations cascade further to reach all actors. Documentation of the strategy contributions and regular implementation controlling are carried out by the organisational units in the Strategy Cockpit. Corresponding reporting to the Executive Board is carried out on a regular basis by the responsible department.

Performance Excellence



Management approaches to specific topics in the areas of “product responsibility”, “employees” as well as “environment and society” are discussed in the relevant chapter.

More information on the topic at

- [Product responsibility](#)
- [Employees](#)
- [Environment and Society](#)
- [Value-based management](#)