

As one of the leading reinsurers and a globally operating listed company, Hannover Re is aware of its corporate and social responsibility. It considers the recognition and upholding of human rights to be a central element of its activity. With this policy statement, Hannover Re commits to respect human rights and to exercise due diligence in relation to these rights. As a company based in Germany, Hannover Re fulfils the requirements of the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, abbreviated to: LkSG) and has implemented corresponding processes.

The policy statement was adopted by the Executive Board of Hannover Rück SE and applies to all locations worldwide. The policy statement is communicated both internally and externally. It is subject to regular review.

Commitment based on internationally recognised standards

By signing the UN Global Compact, Hannover Re commits to respect international human rights. The first six principles of the initiative refer explicitly to respect for human rights and the implementation of labour standards.

Above and beyond this, Hannover Re abides by further international and customary industry standards:

- Universal Declaration of Human Rights (UDHR)
- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- UN Guiding Principles on Business and Human Rights (UNGPR)
- Sustainable Development Goals (SDGs)

Furthermore, the company's own actions and those of business partners are governed by internal documents:

- Code of Conduct
- Third Party Code of Conduct
- Third Party Risk Governance (incl. Outsourcing)
- Procurement Policy
- Sustainability and Reputation Risk Guideline
- Risk and Capital Management Guideline and the group-wide New Product Process
- Responsible Investment Policy
- ESG manual for the Facultative Division (incl. FPIC)
- Guidelines relating to our human resources management and data protection requirements

Impact assessment

Ensuring adequate due diligence in relation to human rights is an essential and continuous process for Hannover Re. For this reason, Hannover Re subjects both its own business activities and its business relationships to repeated analysis in order to identify potential risks. In this context, Hannover Re analyses where the greatest risks to human rights exist and prioritises them accordingly. In this way, appropriate steps can be initiated to eliminate or mitigate these risks.

Hannover Re gives systematic consideration to the new due diligence obligations applicable on entry into force of the LkSG regarding the detection and mitigation of human rights and environmental risks with a view to adequately living up to its statutory obligations. The risk analysis process is being evaluated and modified as the company addresses the LkSG.

On the group level, a risk analysis is performed at least once a year and as warranted in the event of a material change in the risk situation (for example, resulting from the launch of new products, projects, or business segments) to determine human rights and environmental risks within the company's own scope of business and at direct suppliers.

If the company finds actual indications that make a violation of one of the human rights or environmental prohibitions specified by the LkSG appear possible, a risk analysis is also conducted regarding the indirect supplier.

If a human rights or environmental risk or a violation of a human rights or environmental prohibition specified by the LkSG is established in the context of a risk analysis, appropriate preventive or remedial measures are initiated without delay. The effectiveness of the preventive and remedial measures is reviewed at least once a year and as warranted.

Insights gained from the handling of complaints connected with human rights and environmental risks are taken into account in this context, and the preventive and remedial measures are updated as necessary without delay.

Employees

Employees are a crucial factor in Hannover Re's success, and the fostering of fair working conditions and a healthy work environment free of discrimination forms part of the corporate culture.

Hannover Re has recognised the core labour standards of the International Labour Organization (ILO) for its entire workforce.

Hannover Re does not tolerate any form of discrimination or harassment whatsoever. This is also enshrined in the Code of Conduct, which is applicable company wide. It goes without saying that the right of employees to form employee representative bodies and engage in collective bargaining to regulate working conditions is also recognised; employees who belong to a trade union or employee representative body do not receive preferential treatment, nor are they disadvantaged.

Diversity and equal opportunities in the workplace are fostered as part of human resources management. Rigorous occupational safety measures for the workforce are observed, and more extensive measures have been implemented to foster the health and safety of the employees – including support for the compatibility of professional and private life and adherence to applicable working time rules. Employee data are protected through strict compliance with statutory data protection requirements.

Since employees of Hannover Re are highly skilled specialists, and the utmost priority is attached to applicable national, collectively agreed, and operational rules, Hannover Re does not perceive any risk of serious violations of human rights. Nevertheless, issues such as discrimination, equal opportunities, and oppression require constant attention and monitoring. These issues are managed as part of the human resources management structure.

Suppliers

As a service provider, Hannover Re does not have a traditional upstream or downstream supply chain of raw and ancillary materials or manufactured goods, as is the case with manufacturing companies. Nevertheless, Hannover Re procures a wide range of goods and services.

Hannover Re has adopted a Third Party Code of Conduct. This requires, among other things, compliance with legal and ethical provisions, respect for human rights incl. the core labour standards of the International Labour Organization (ILO) as well as adherence to all statutory requirements relating to health, safety, and environmental protection.

Bribery, corruption, and/or embezzlement is not tolerated in any form at Hannover Re. Hannover Re requires the same of its suppliers, as reflected in its Third Party Code of Conduct. The Code requires suppliers to set up a management system that ensures compliance with the specified items.

Investments

Hannover Re is active on the capital market as an investor. The consideration given to ESG criteria is regulated in the "Responsible Investment Policy".

Within the portfolio of investments under own management, all fixed-income securities (government and semi-government bonds, corporate bonds, and covered bonds) as well as listed equities are continuously screened against negative criteria. In addition to addressing other ESG concerns, the goal is to identify violations of human rights.

The ten principles of the UN Global Compact are a key criterion for such screening. Hannover Re excludes issuers that fail to respect human rights or are complicit in human rights violations – including the use of forced/compulsory labour or child labour – or in discrimination or that disregard fundamental labour standards and environmental protection considerations. Issuers connected with defined controversial weapons are identified and excluded using an ESG screening tool.

Reinsurance business

Hannover Re's customers are mostly primary insurance companies whose employees are subject to comparatively minimal risks. Data and information transferred are protected at Hannover Re through strict adherence to data protection requirements and by an information security management system.

When it comes to underwriting activities, we take a differentiated view of facultative and obligatory reinsurance business.

In facultative reinsurance business, reinsurance contracts are written for individual risks, i.e. the contracts can be allocated to specific projects or policyholders. Based on a risk analysis, the greatest risk of potential impacts on human rights was identified in the following particularly exposed areas: large construction projects (including dams, mines, and pipelines), mining operations as well as companies associated with internationally controversial weapons. An ESG manual valid group-wide was introduced for the Facultative Division to counter these risks. In this connection, Hannover Re's underwriters are required to be alert to business entailing the risk of serious violations of fundamental human rights and to systematically decline such business. Hannover Re considers serious violations to include forced and child labour, fundamental violations of occupational safety rules that can result in serious or irreparable harm to the health of those impacted, serious cases of land grabbing, serious violations of the rights of indigenous peoples, or serious exacerbation of factors that are conducive to water stress. Furthermore, Hannover Re does not cover any new projects if it is known that the impacted indigenous peoples have not given their free, prior, and informed consent (abbreviated to: FPIC) to such project. Companies connected with defined controversial weapons are identified and excluded with the aid of a screening tool.

In obligatory reinsurance business (P&C), Hannover Re provides reinsurance for large-volume portfolios with sometimes heterogenous content. Allocation to specific impacts on rights holders is not possible in this regard.

Reporting

Hannover Re reports on relevant measures in its publications.

Monitoring and responsibilities

Responsibility for implementing risk-mitigating measures rests with the respective identified specialist units. Group-wide compliance units conduct monitoring procedures with respect to the risks identified in the context of a compliance risk analysis.

Complaints about human rights violations can be reported through Hannover Re's publicly accessible whistleblower system ([Speak up](#)).

Training

Employees receive regular training in compliance topics.