



# Sustainability Report 2020

**ERGO**

A Munich Re company

# Content

ERGO company profile	02
What we achieved in 2020	03
CEO statement	04
Our contribution to the Paris climate goals: net-zero emissions by 2050	05
<b>Governance</b>	<b>06</b>
Responsible corporate governance	07
Digital transformation	09
Data protection	10
Human rights	12
<b>Sustainability in business</b>	<b>14</b>
Customer focus and customer satisfaction	15
Sustainable products	16
Sustainable investment	18
<b>Environmental and climate protection</b>	<b>22</b>
Reducing emissions in operations	23
Raising environmental awareness	27
<b>Employees</b>	<b>29</b>
Staff promotion	30
Diversity and equal opportunities	31
Work-life balance	33
Health and occupational safety	34
<b>Commitment</b>	<b>37</b>
Global challenges	38
Foundations and local projects	41
Employee involvement	42
<b>Annex</b>	<b>44</b>
Our stakeholders	45
Sustainability programme	46
Key figures	52
GRI content index	57
About this report, Imprint	63

## ERGO company profile

> GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-9

The Düsseldorf-based ERGO Group is one of the leading insurance groups in Germany and Europe. The Group is represented in around 30 countries worldwide and primarily serves the markets of Europe and Asia. **ERGO** offers a comprehensive range of insurances, pensions, investments and services, and caters for both private and business customers.

About 38,000 salaried employees and sales agents around the world work for the Group. In 2020, ERGO received total premiums of 18.4 billion euros and paid its customers policy benefits of 16 billion euros.

The insurance group is a joint stock corporation under German law (Aktiengesellschaft, AG) and is wholly owned by Munich Re, one of the world's leading providers of reinsurance, primary insurance and insurance-related risk solutions. MEAG, Munich Re's asset manager and fund provider, also manages ERGO investments.

In Germany, the insurance group operates under the name ERGO, as well as under the brands of its specialist insurers, DKV health insurance and nexible, a purely online insurer offering motor insurance. ERGO is among the leading insurance providers in Germany across all lines of business. ERGO is also represented internationally with the legal expenses insurance brand DAS.

We want to design insurances for our customers that are as simple, quick and convenient as possible. We therefore combine our competent advice with modern mobile and online services.

Operating under the umbrella of the ERGO Group are four separate units: ERGO Deutschland AG, ERGO International AG, ERGO Digital Ventures AG and ERGO Technology & Services Management. ERGO Deutschland AG bundles the German business, ERGO International AG manages the international business. ERGO Digital Ventures AG is responsible for digital transformation, while ERGO Technology & Services Management AG is increasingly managing all of the Group's technology activities.

Since ERGO is primarily a service provider, its supply chain is straightforward. We mainly procure goods, works and services from the following sectors: information technology, external resources (for example consulting), marketing services, administration and management of property and investment, fleet management, travel management, office supplies, and courier and logistics services.

# What we achieved in 2020



€ **16** billion

was paid out by ERGO in insurance benefits for customers. ERGO covered hospital bills, for example, or paid out maturing life insurance policies.



Around  
**1.2** million customers

used the ERGO customer portal to manage their data online, report claims or take out new policies.



€ **1.6** billion

was invested by Munich Re and ERGO in renewable energies.



A  
**51.6**%

decrease has been achieved in carbon emissions per employee since 2009.



Almost  
**90**%

of employees were able to work remotely from home during the pandemic.



€ **2.5** million

was donated by ERGO and its companies to support social projects or to help cope with the pandemic.

## CEO statement

> GRI 102-11, 102-14, 102-16

### Dear readers,

Insurance is a long-term business. We insure people and companies for the future. For us, looking forward and acting sustainably is a matter of course. We are guided in this quest by the United Nations Sustainable Development Goals, which describe the key challenges of our time.

The biggest challenge of 2020 was undoubtedly the management of the COVID-19 pandemic. Fortunately, we were able to limit the impact on our business, among other things thanks to the considerable advancements made in digitalising our processes and products in recent years. Our sales agents and employees were able to work remotely and securely from home and remained on hand to support our customers. We also supported a number of COVID-19 emergency aid projects in our locations.

At the same time, the global challenge that is climate change continues to require a huge collective effort on the part of the business sector and society as a whole. In 2020, we as a Group set ourselves the objective of significantly reducing carbon emissions in our own business operations, our insurance business and our investments as part of our **“Ambition 2025”**. We aim to gradually move towards net-zero emissions across all sectors by 2050 at the latest. This will see us continue systematically with the endeavours we have been making in recent years. By way of example, we have managed to cut the emissions in our own operations by more than 50 percent since 2009.

The Group-wide implementation of our sustainability targets has been managed and coordinated centrally by a dedicated Sustainability department since early 2021. The team will also drive the stronger integration of sustainability aspects in the core business. With these efforts, we are also continuing to satisfy the voluntary commitments we have entered into together with our parent company Munich Re. These include the UN Global Compact, the Principles for Responsible Investment (PRI), and the Principles for Sustainable Insurance (PSI). In our own business operations and in our commitment to sustainability, we rely on the forward-looking management of risks.

In our social engagement, too, we aim to contribute to helping society adapt to climate change and mitigate its consequences. Together with Munich Re, we promote international afforestation projects and assist start-ups with innovative business ideas on climate protection. In our locations, we lend our support to social projects extending beyond COVID-19 emergency aid as a helpful neighbour – providing funding, through the volunteer work performed by our employees or also by contributing our digital expertise.

For our employees, we create a work environment that promotes performance and increases motivation – for example with flexible working hours, development opportunities and a culture that appreciates their individual



Dr Markus Rieß,  
Chief Executive Officer,  
Chairman of the Board  
of Management of  
ERGO Group AG

diversity. We aim to use automated processes and agile working methods to inspire them for the process of digital transformation. In this way, we can work together to lay the foundations for sustainable entrepreneurial success.

In this report, you can read about how we live up to our corporate and social responsibility with respect to our customers, employees, the environment and society at large. We would be pleased if you could find time to read it and welcome any feedback, critical comments or suggestions!

Best regards,

Markus Rieß

# Our contribution to the Paris climate goals: net-zero emissions by 2050

The Group has set itself ambitious goals with its “Ambition 2025”. We are gradually reducing CO<sub>2</sub> emissions in our business: through systematic environmental management in our own operations and targeted selection of the companies and projects we invest in and insure.

	<b>Business operations</b>	<b>Investments</b>	<b>Insurance</b>	
<b>2020</b>	<b>Reducing our direct impact</b>  Carbon neutral since 2015 Reduction in carbon emissions per employee by 51.6% since 2009	<b>No investment in companies with</b>  > 30% revenue thermal coal > 10% revenue oil sands	<b>Coal</b>  No insurance cover provided for new coal mining, power plants, related infrastructure <sup>1</sup>	<b>Oil and gas (exploration and production)</b>  No insurance for new and existing oil sand projects <sup>1</sup>
<b>2025</b>	-12% emissions per employee <sup>3</sup>	-25% to -29% emissions <sup>3</sup>	-35% emissions <sup>2, 3</sup>	-5% emissions <sup>3</sup>
<b>2030</b>	Net-zero emissions			
<b>2040</b>		Full exit from coal		
<b>2050</b>		Net-zero emissions		

Net-zero emissions means that emissions caused are removed from the atmosphere again through offsetting measures.

<sup>1</sup> Minor exceptions possible, for example in countries < 90 percent electrification rate.

<sup>2</sup> Produced tonnes of thermal coal/capacity insured (MW) used as proxy for emissions.

<sup>3</sup> Base year 2019.





## Governance

- Responsible corporate governance
- Digital transformation
- Data protection
- Human rights



# At the core of all we do: responsible corporate governance

Evolving customer needs, the digitalisation of every aspect of life and work and the emergence of new risks – these are all complex challenges that are rapidly changing our business. At the same time, technological advances are opening up new and interesting opportunities to reach customers and offer them customised insurance. Driving forward the digital transformation of our Group is therefore a key focus of our corporate strategy. We are aiming to be the industry leader in this area by 2025. In everything that we do, we act on the basis of common values, respecting the rights of others and handling the data entrusted to us with care and attention.

## Responsible corporate governance

> GRI 102-12, 102-16, 102-18, 103-1, 103-2, 103-3, 205-1, 205-2

ERGO believes that good governance is an essential prerequisite for sustainable value creation. Our key principles and convictions apply for all our employees and form the framework for our sustainable actions.

### Our five core principles

- Our core business is the management of insurable risks – we strive for excellence in risk management, underwriting and active risk diversification.
- We base our actions on the needs of our clients' and sales partners' needs, and offer them the best possible solutions – through our knowledge, our innovative power, and close cooperation.
- We manage our Group in a disciplined and value-oriented way – matching our investments to our liabilities and applying consistent capital management.
- We use the management potential and knowledge within the Group by promoting diversity, flexibility and a unifying leadership culture.
- Our responsible approach creates sustainable value – for our clients, staff members, shareholders and society.



Having clear rules of conduct for employees and sales partners strengthens the level of trust in ERGO and protects staff and customers against breaches and their consequences. For this reason, we have supplemented the applicable laws and external regulations with in-house codes of conduct for employees and sales staff. These set out binding rules for what we believe constitutes ethical business conduct. External service providers are required to sign an anti-corruption agreement and observe the principles of the UN Global Compact.

We also observe the voluntary commitments we have made with our parent company, Munich Re. These include the UN Global Compact, the Principles for Responsible Investment (PRI) and the Principles for Sustainable Insurance (PSI).



Signatory of:



These sets of rules supplement specific guidelines on various topics, such as dealing with corruption and other economic crimes. ERGO defines minimum standards for implementation of the guidelines in the international Group companies. The ERGO Anti-fraud Management Guideline, for example, includes principles and rules on preventing, uncovering and investigating economic crimes. The rules were revised in 2020 and rolled out across the Group.

### Central business unit monitors compliance with regulations

The Compliance Unit monitors compliance with guidelines and the various sets of rules, and is the point of contact for reporting breaches of the law and other serious breaches of regulations within the Group. As Chief Compliance Officer, the head of the unit reports directly to the responsible member of the ERGO Group's Board of Management. In the different international companies, local compliance officers work in accordance with local regulations and Group requirements. They report to local management, and inform the Compliance Unit once every quarter, or on an ad hoc basis when necessary.

The Reputation and Integrity Committee (RIC) is an assessment and escalation panel. It is responsible for coordinating the standardised investigation and sanctioning of material breaches of external and internal regulations within the ERGO Group, including its subsidiaries. The aim is the standardised assessment of (business) situations in the ERGO Group and its subsidiaries that could potentially involve or constitute reputational risks. The members of the RIC – who are the heads of different corporate units, such as Compliance, Risk and Communication – meet once a month, or more frequently as and when required.

Systematic and comprehensive risk analysis forms the basis for our Compliance Management System. The Compliance Unit assesses the relevant risks in the German divisions using a standardised method, and involves the experts and officers responsible within the Group. The results are forwarded to the committees responsible as part of the regular reporting process. Any measures are added to the

compliance plan and processed in a structured manner. The local compliance functions of the international subsidiaries adopt the same approach.

In order to prevent money laundering, a Group Money Laundering Officer and a deputy were appointed for ERGO Group AG at the beginning of 2020 in line with the statutory requirements. The Group-wide requirements are set out in a separate guideline.

### Various ways to report breaches

Compliance breaches are recorded in different ways. Firstly, in addition to the reports from the international Compliance Officers, the Compliance Unit conducts a regular survey of in-house and sales staff in Germany. Employees in Germany and abroad are further able to confidentially contact either colleagues in the Compliance Unit or in the (local) compliance function responsible, or to approach an independent external ombudsman. They can also report breaches to their direct superior or to other independent units within the Group.

Employees and external third parties – such as customers and suppliers as well as other business partners – can additionally report suspected breaches on the **ERGO whistle-blowing portal**. The whistle-blowing platform can be accessed on the intranet, or publicly through our website, and has also been used since 2019 by our international companies. Each report is investigated by the Group, and penalties are imposed in the event of breaches. In parallel with this process, the Compliance department looks at how guidelines and processes within the Group can be improved.



## Regular training

All employees and managers in the German sales and in-house staff undergo regular training with the aim of preventing compliance breaches. In mandatory online compliance training on the Code of Conduct, employees learn about the five key principles for our activities. Training seminars on the Code of Conduct are also held at the international subsidiaries. In addition, all executives and selected employees in relevant areas complete antitrust-law training.

## Digital transformation

We are counting on the opportunities presented by digitalisation to meet the expectations of our customers and ensure the Group remains successful over the long term. Our customers want to be insured according to their individual needs, and demand excellent support. We meet these wishes by providing customised, flexible products and services that are easily available on various channels, both offline and online. In order to optimise our processes and develop new and innovative offerings, we are focusing in particular on three key technologies: artificial intelligence, robotics and voice applications (voice bots). We support digital transformation through the introduction of new working methods and a range of communication formats in the Group, which steadily improve the speed of implementation and make a positive change to the corporate culture.

## Special business segment drives transformation

Digital transformation is managed by ERGO Digital Ventures, led by our Chief Digital Officer. Digital Ventures bundles together various units, whose scope of responsibilities extends from brainstorming ideas and implementation to the sale and marketing of digital solutions.

In the business area of advanced analytics, our experts develop special algorithms that we use to improve Group processes for our customers. The Robotics Competence Centre combines expertise and resources on the subject of intelligent automation at ERGO. The bots developed by the centre support ERGO employees as digital assistants.

A separate organisational unit, Voice & Conversation, develops voice assistants, which are being well received by customers. One example relates to health insurance: people with private health insurance pay their medical bills themselves and then submit them to the company for reimbursement. Many customers then call to ask about the current processing status – an ideal scenario for the phone bot, as these calls tend to be repetitive.

Customers only have to provide their name or customer number for the virtual voice to tell them the progress made in processing their bill.

More than  
**60** active bots  
process over 100,000  
transactions in Germany  
every month.

In cooperation with the Innovation Scouts, the ERGO Innovation Lab investigates trends in new technologies to determine how they could be used in the insurance business and what their relevance and business potential for ERGO might be. In the Digital Factory, project teams of experts from a range of disciplines use agile methods to work on new digital solutions for customers, such as digital claims settlement.

The pioneering products on the **nexsurance** platform and the digital motor insurer **nexible** are extending our product range with innovative digital insurance solutions. For example, nexible is becoming more firmly established as ERGO's entirely digital insurance provider. At nexsurance.de, we bring product innovations to market quickly and easily to test whether there is a demand for them.

ERGO Mobility Solutions is working hand-in-hand with renowned partners from the automotive and mobility industry to shape the mobility of the future. With IT infrastructure that is specifically tailored to meeting the requirements of mobility partners, the development of innovative digital services and insurance solutions, as well as targeted investments in mobility start-ups, the experts are helping to hedge against various risks associated with the "new mobility" ecosystem.



### Double success at the Digital Leader Award 2020

The ERGO Robotics team took first prize in the “Culture” category of the Digital Leader Award 2020. The application was submitted with the title “From Enemy to Friend”. It illustrates how initial scepticism regarding bots in ERGO’s specialist departments has given way to a high level of acceptance. Since 2019, an average of two new bots have gone live every month. At ERGO, the crucial question today is: “What do we want to achieve and how can robotics help in the process?”

Second place in the “Project” category went to the ERGO Voice team. The jury was impressed by ERGO’s ongoing development from an insurance company into a tech provider with its platform for intelligent voice assistants. The direct advantage for customers: prompt service instead of being kept on hold.

### Using opportunities responsibly

Artificial intelligence (AI) offers great potential to improve products and services. At the same time, we are conscious that the growing range of applications may also harbour risks. We are committed to using data responsibly. Accordingly, we have defined in-house guiding principles specifying how we use artificial intelligence and the data underlying it. In developing AI applications, we are guided by the principles in our Code of Conduct. At the same time, we are committed to exercising the utmost care and to applying strict data protection standards when handling data.

### Our aim: to generate enthusiasm for digital innovation

ERGO is convinced that digital transformation can only succeed in the long term if there are changes in our way of working and corporate culture. In 2019, we launched transformation@ergo, a process aimed at employee information and further development in the context of digital transformation. We want to generate enthusiasm for digital innovation among our employees with different offerings, such as with the training format digital.compact or through events like digital.morning. In the latter event, every month our Chief Digital Officer discusses a current digital and transformation topic at ERGO with internal and external experts, and the discussion is live-streamed.

The transformation@ergo programme also laid an important foundation for the successful shift to virtual collaboration during the COVID-19 pandemic. From March 2020 onwards, all of the sessions were digitalised and new elements such as training on virtual leadership were added to target specific needs.

In November, ERGO launched **//next by ERGO**, an online in-house magazine dedicated to the topics of digitalisation and innovation. next.ergo.com provides information on the latest technological developments in the insurance industry and other areas. Experts for innovation and technology, futurologists, innovation scouts and other networkers from the digital community get to have their say as authors and interview partners.



### Data protection

> GRI 103-1, 103-2, 103-3

When we insure them, many of our customers entrust us with their personal data. Protecting this data is a high priority at ERGO. We collect data in a transparent way, and only to the extent that it is required for the particular purpose. In-house guidelines and voluntary commitments by the industry supplement the implementation of legal requirements.



The Data Protection Guideline regulates the handling of all personal data processed by ERGO. A number of other guidelines and standard operating procedures on the subject of data protection supplement and expand on these

regulations. This helps us ensure a high and standardised level of data protection across the different organisational units. We set out measures in this context in our data protection and information security concept.

Questions or complaints from customers on the subject of data protection in Germany are processed by the organisational units responsible. The ERGO Data Protection Officer and the data protection team assist employees in this area and advise them on data protection issues. In addition, the specially trained data protection contacts appointed in the organisational units support the implementation of personal data processing in line with the relevant data protection requirements.

The relevant local data protection regulations in each case apply for the international Group companies, with the General Data Protection Regulation also applying within Europe. The respective company's management is always responsible for compliance with data protection regulations.

### **Ongoing training for all employees**

In order to ensure compliance with data protection requirements throughout, employees undergo regular training to raise their awareness of data protection issues. The measures include mandatory online training for all employees on personal data processing in line with the relevant data protection requirements, as well as on the secure handling of information and technology. We provide employees with additional information on responsible data handling via a comprehensive data protection website, as well as in posters, flyers and other publications.

ERGO also holds regular training courses on IT security. In 2020, IT security experts presented a wide variety of IT threats faced by companies like ERGO – and most importantly how employees can recognise and avoid them – in a cyber security online training session. The range of media and measures is being expanded continuously, for example to include tips, puzzles and videos that are made available to all employees on the intranet.

With the onset of the COVID-19 pandemic, working remotely from home, also using private hardware, posed an additional challenge for IT security. Within the space of only a few days, more than 11,000 employees in Germany switched to working from home and successfully maintained operations for our customers. External access to ERGO systems and data is always subject to high security standards to ensure that the systems are protected at all times – also in the event that privately used software falls victim to a virus.

In this particular situation, staff were provided with support in the form of additional information, videos and virtual presentations.

Almost  
**90** percent  
of employees were  
able to work remotely  
from home during  
the pandemic.

## Human rights

> GRI 103-1, 103-2, 103-3, 412-3, 414-1

Protecting human rights is a natural part of our value-based corporate governance. This commitment is expressed in the Munich Re Policy Statement on Human Rights, which also applies for ERGO. We are committed to the safeguarding of human rights, as set out in the UN Principles on Business and Human Rights, the International Human Rights Charter, the UN Global Compact, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

We have also committed ourselves to the Principles for Sustainable Insurance (PSI) and the Principles for Responsible Investment (PRI).

### Upholding human rights within the Group

ERGO pursues targeted measures to protect human rights and reduce the risk of injury. This applies for our insurance business and investments, and equally so for procurement and with respect to employees.

In keeping with our commitment to the Principles for Sustainable Insurance (PSI), we have enshrined the observance of environmental, social and governance (ESG) criteria as a standard element of our development process for new products. Similarly, the underwriting of risks and investment decisions incorporates a systematic assessment of ESG aspects, including human rights and labour rights.

The Principles for Responsible Investment (PRI) and the Group-wide Responsible Investment Guidelines form the framework for our sustainable investment approach in conformity with human rights standards.

#### ↳ Sustainability in business

ERGO expects external service providers to share these values. Accordingly, before any cooperation, each service provider must complete a self-disclosure form, undertake to comply with the Global Compact Principles, and sign our anti-corruption agreement.

Suspected or verified violations of human rights constitute violations of our Code of Conduct. They can be flagged up by those affected internally or externally using the different reporting channels, such as the **ERGO whistle-blowing portal** on the internet.

#### ↳ Responsible corporate governance



## “Digital transformation thrives on employees helping to shape the process.”



**Chief Digital Officer Mark Klein is driving the process of digital transformation at ERGO. In an interview, he talks about what customers expect and what the best way is to achieve transformation.**

### **What do customers expect from an insurer today in terms of digitalisation?**

Customers no longer look just at the insurance product, but also at the complete package and all of the services that come along with it. They compare us with digitalised suppliers from other industries. They are used to signing up easily and enjoying comprehensive online services, such as those offered by Amazon or Netflix. When it comes to their insurer, customers expect to be able to engage in personal contact as well as have access to a full range of online services. This also includes wanting to be able to communicate directly, for example using chat functions or video calls.

### **How has ERGO adapted to these changes in customer expectations?**

We have ensured that customers can obtain information about a product online but still take the policy out with their insurance intermediary – and vice versa. Furthermore, as well as offering in-person visits, our sales agents also allow customers to take policies

out directly, including online appointment booking and online consultation functions. Our sales agents rank among the easiest intermediaries to find on the internet. This hybrid approach gave us a clear competitive advantage during the COVID-19 pandemic: we were able to provide the full range of advice and support to our customers. When it comes to customer service, digital tools help us avoid waiting times: for instance, phone bots can answer frequently asked customer questions. This allows staff to concentrate on dealing with more complex customer concerns.

### **Digitalisation is also a worry for many, who fear that their jobs will be lost, for example. What is your take on that?**

Digitalisation makes work more human. By which I mean that digitalisation takes repetitive work or the evaluation of large volumes of data off our hands, allowing us to make better use of our human skills. No machine can be creative or show empathy, but machines play a very important role in finding good solutions for our customers.

Digital transformation thrives on employees helping to shape the process, but also needs to be supported and encouraged by the management. Involving our codetermination committees is an important factor here. At the same time, digitalisation also opens up the opportunity for us to develop new business models and grow in the process. This, in turn, has a positive impact on jobs.

### **What are your next objectives?**

We have achieved a lot in recent years and that really motivates us. As part of its new Group strategy, ERGO has set itself the goal of becoming the leading digital insurer at national and international level by 2025. In order to achieve this objective, we will continue to expand the range of services we provide via our digital insurer nexible, for example through optimised, highly automated processes.

Second, we will continue to develop our three key technologies: robotics, artificial intelligence and voice bots. We are focusing on the segments of travel, mobility, legal expenses and annex insurance – i.e. insurance that other companies pass on to their customers. Our aim is to equip the ERGO Group with leading technologies, simplify our processes, inspire our customers and, in doing so, contribute to profitable growth worldwide.



## Sustainability in business

- Customer focus and customer satisfaction
- Sustainable products
- Sustainable investment



# Long-term perspectives: sustainability in business

We support our customers in every phase of life. In doing so, our role is to estimate and assess present and potential future risks, and, most importantly, to protect against them. We maintain a consistent focus on the needs of our customers and incorporate environmental and social factors in our business operations.

## Customer focus and customer satisfaction

> GRI 102-12, 103-1, 103-2, 103-3, 417-1

The foundation for our business operations is a close customer relationship. This is because individuals who are satisfied with our insurance services remain with ERGO and recommend us to others. The better we know the needs of our customers – whether they be personal or business needs – the more tailored the products we can offer them for their personal security and to provide for the future. For this reason, we engage in constant exchange with them and place great importance on ensuring the high quality of advice provided by our sales agents.

To make it as easy as possible for our customers to access our products and services, we are expanding our digital offering on an ongoing basis. We work hard to create the most seamless customer experience possible, both online and offline. At the same time, we emphasise clear communication, high-quality advice, transparent and easily accessible products, and a range of feedback options.



In 2020, ERGO products and services in Germany received 82 good to very good assessments from independent journals and rating agencies.

It is not always easy for people who are not experts in the field to understand what sort of protection insurance offers. That is why we try to make our brochures, letters and policy documents as easy to understand as possible. We have worked with experts to develop our own comprehensibility criteria to facilitate this, incorporating the criteria into plain

language software. Our employees can use this software to check texts so as to ensure that they are easy to understand at any time. For many of our colleagues, this check has been an established part of their day-to-day work for years now.

## Feedback leads to improvement

Customers can help shape the Group with their suggestions or criticisms as participants in our online community, in the ERGO Customer Workshop, as well as through direct exchanges on our many social media platforms. ERGO also systematically surveys customers at numerous contact points. In the year under review, 650,000 customers across the Group gave us feedback on their satisfaction in individual interviews.

Customers gave us feedback on products and services around **9,500** times in the ERGO Customer Workshop.

We additionally make use of a user experience lab to obtain direct feedback on new products or on our online presence. Customer complaints are also recorded and evaluated. Taken together, this feedback forms the basis for improvements in the various areas of the company.

Likewise, we openly publish feedback from our customers on products, sales agents and services on our website. Customers are interviewed after signing their insurance contract, and an independent service provider then reviews and posts the assessments.

### High quality standard of advice

ERGO Beratung und Vertrieb AG manages our sales activities in Germany. More than 7,600 full-time self-employed sales agents offer insurance, retirement products and other services, advising customers according to their individual needs. We provide our sales agents with the technical tools they need to provide our customers with the best possible insurance solutions. In Germany, our agents advise customers using a standardised advisory approach (ERGO Kompass), which records individual needs and preferences, thereby ensuring a high quality of advice is provided across the board. We verify this by commissioning test customers on a regular basis.

ERGO's self-employed sales agents are bound by their own code of conduct. This code describes the values that form the basis of a customer relationship founded on trust and successful cooperation between the company and its agents. ERGO has also adopted the "Code of Conduct for selling insurance products" of the German Insurance Association (GDV) and participates in the association's initiative "Gut beraten – Die Weiterbildung der Versicherungsvermittler in Deutschland" (Well advised – Advanced training for

### ERGO's standardised advisory approach



insurance agents in Germany). The **GDV Code of Conduct** provides a framework for fair and needs-based brokerage of insurance products. The behavioural standards set out in the Code focus systematically on the needs of the customer. In 2020, independent auditors again provided ERGO with confirmation that the company's in-house measures serve to implement the Code appropriately and effectively.

Professional sales training is also of prime importance at ERGO. Our agents can take advantage of a wide range of training courses to improve their service expertise and advisory competence.

### There for our customers, even during the pandemic

We were there for our customers to contact both by telephone and via digital channels throughout the COVID-19 pandemic. They enjoyed access to our wide range of online products and had straightforward options available to them for taking policies out over the phone. New services were also launched to help our customers cope with the pandemic, such as the Teleclinic app: customers enter their symptoms into the app and are connected to a medical specialist for a digital consultation inside of just 30 minutes. With travellers in mind, we also developed supplementary cover for trip interruption, covering the additional accommodation costs in the event of customers being put in quarantine by the authorities, for example.

### Sustainable products

> GRI 102-18, 103-1, 103-2, 103-3, 203-1

Our range of insurance solutions addresses the needs of our customers and offers responses to changes and developments in society. We contribute our expertise to find solutions for social challenges. As an insurer, we are particularly affected by the challenges posed by climate change and the damage from climate-related natural disasters. At the same time, both the renewable energy sector and technological developments are offering new business opportunities that we are seizing.

We factor sustainability aspects into our product design and when underwriting risks, and we support consumers in the pursuit of a sustainable lifestyle.



### Systematic integration of sustainable aspects

We are committed to the Principles for Sustainable Insurance (PSI). Our Code of Conduct also requires all employees to observe the ESG criteria for sustainable business. They include environmental protection, the upholding of social standards, and responsible corporate governance. At locations with certified environmental management, the organisational unit responsible additionally assesses the impact of our products and services on the environment.

#### What are ESG criteria?

ESG stands for environmental, social and governance criteria. These describe sustainable targets and encompass, for example:



- Environment: lowering carbon emissions, reducing resource consumption and preventing environmental damage.



- Social sector: the upholding of human rights and labour rights, equality, health protection.



- Governance: responsible corporate governance, dialogue with interest groups, transparent reporting.

We have set ourselves new and ambitious goals in our **“Ambition 2025”**, which was adopted in December 2020. We are committed to reducing carbon emissions from our operations, investments and products to net-zero by 2050. This means **further reducing our carbon emissions** and making use of offsetting measures to compensate for the atmospheric emissions we are responsible for.

In April 2021, the new Sustainability department was set up under the auspices of the Chief Underwriting Officer as the individual in charge of the Group-wide insurance business. This department manages the implementation of sustainability and climate goals across the Group. One focal point is on the further development of the Group’s sustainable product strategy. The newly established international ESG Advisory Board, whose members include Board of Management representatives from various divisions, performs an advisory function for the ERGO Group Board of Management.

Taking ESG criteria into account is an integral part of the product development process in our tariff business. ERGO also incorporates ESG criteria into its risk assessment and risk evaluation when underwriting individual insurance cover. Our underwriters are guided by position papers and underwriting guidelines for particularly sensitive topics, such as fracking or mining. The position papers and guidelines are reviewed at regular intervals, and new issues are added when necessary.

We expressly do not insure certain sectors. For example, a Group-wide guideline ensures that ERGO will not insure any companies that manufacture, trade in, or transport banned weapons (cluster munition or land mines). In addition, we have decided as a Group that we will no longer insure the construction or operation of new coal power plants or coal mines. In 2019, a Group-wide exclusion was implemented for the extraction of oil sands and infrastructure related to this activity.



#### Eight insurers against climate change

Munich Re has become part of a new climate initiative involving eight leading global insurers. In April 2021, the companies announced the merger to form a Net-Zero Insurance Alliance (NZIA). The official foundation took place in July at the G20 meeting in Venice. This is part of a quest by the insurers involved to underline the key role that the insurance industry plays in the transition to a climate-friendly economy. The initiative is guided by the United Nations Principles for Sustainable Insurance (PSI).

## Environmental protection, green energy and more

With our products and services, we support customers who wish to live sustainably. For example, ERGO offers the Electro Plus module in motor insurance for the growing market of electric and hybrid vehicles. Customers in Austria benefit from special bicycle insurance that is valid throughout Europe. Customers in Estonia and Poland were able to opt for a bicycle instead of a replacement car when they made a claim under their motor insurance policy in the reporting year. The special incentive: we let our customers keep the bike, a gift to support them in their efforts to lead an environmentally friendly and healthy lifestyle.

Under our third-party liability insurance, we insure companies against environmental damage and also offer them advice on ways to prevent damage. Our insurance for residential buildings in Germany covers environmentally friendly renovations. Our Spanish company DKV links its householders' insurance with services to promote health and protect the environment, such as replacing old appliances with energy-efficient ones. Customers who want to make their house and home stormproof before bad weather arrives can make use of our text message storm warning service.



ERGO labels products that feature sustainable elements using a special icon. This way, customers can identify sustainable solutions at a glance.

ERGO supports the shift to renewable energies with its insurance covers for photovoltaic and solar installations. These also cover lower returns in periods with less sunlight.

We furthermore insure damage to wind energy, hydro-electric power and biogas systems.

For us, sustainable management also means developing expedient solutions for new risks. By way of example, ERGO has become a pioneer on the German market by offering the EyeOnID data protection service via nexsurance.de. Artificial intelligence is used to check the security of email addresses, credit cards and passwords.

## Facilitating access to insurance cover

In India, the German-Indian joint venture HDFC ERGO markets microinsurance policies in rural areas that include health, personal accident and fire insurance covers. The products are tailored to the financial situation and living conditions of local people. In 2010, at the request of the Indian government, HDFC ERGO became the first private insurance company to launch a weather insurance policy for crop failures, aimed primarily at small farmers. Since 2018, the company has also been offering an attractively



priced daily hospital benefit insurance for low earners. At our Spanish health insurance subsidiary, DKV Seguros, families can also obtain basic healthcare cover for up to eight members of a family via payment of an attractively priced monthly premium.

## Sustainable investment

> GRI 103-1, 103-2, 103-3

We are convinced that sustainable investment reduces risks in the long term. Our aim is to be in a position where we can meet our obligations to our customers at any time. We manage our investments systematically based on sustainable criteria and have made a voluntary commitment to reducing the carbon emissions from our investment portfolio to net-zero by 2050. All decisions are subject to high security requirements.

As part of Munich Re, we are committed to the Principles for Responsible Investment (PRI); Munich Re ranked among the very first signatories back in 2006. The initiative aims to contribute to a better understanding of the impact that investments have on environmental, social and governance issues and to support signatories in incorporating sustainable aspects into their investment decisions.

By joining the **Net-Zero Asset Owner Alliance** in January 2020, Munich Re has made a commitment to reducing the carbon emissions from its investment portfolio to net-zero by 2050. This investor initiative aims to contribute to limiting the global temperature increase to 1.5 degrees Celsius in accordance with the climate goals set out in the Paris Agreement. This goal is also firmly established in our long-term corporate strategy ↘ **“Ambition 2025”**.



# Our goal: net-zero emissions from investments by 2050



## Systematic application of ESG standards

- Management via central division
- Implementation by own asset manager
- Group-wide policy and position papers
- Application of internationally recognised criteria
- Dialogue with companies in which ERGO invests
- Ongoing training for portfolio managers



## Targeted support for contributions to climate protection

- Renewable energies (solar, wind)
- “Green” mobility and infrastructure
- Sustainable real estate
- Other sustainable forms of business



## Clear exclusions and exit from fossil energy sources

- Exclusions for thermal coal, oil sands, banned weapons
- Exit plan for oil and gas (exploration and production)
- No trading in food commodities
- Restrictions on sensitive issues such as forestry and agriculture

## Central control

The Chief Investment Officer (CIO) is responsible for investment management at Munich Re – and therefore also at ERGO. Within their division, Group Investment Management oversees the Group’s sustainable investment strategy. A dedicated team ensures the systematic integration of ESG criteria. The bulk of the Group’s investments – in both primary and reinsurance – is managed by our joint asset manager, MEAG. Selected investments are managed by external asset managers in accordance with the Group’s requirements, the application of which we monitor on an ongoing basis.

A comprehensive control system ensures that we can meet our obligations towards our customers at any time and over the long term. The Group’s Responsible Investment Guideline provides the framework for our sustainable investment strategy. The requirements set out in this Guideline apply to the Group’s entire investment portfolio, irrespective of whether it is managed by the company itself, by Group Investment Management, by MEAG or by external asset managers.

## Systematic integration of ESG criteria

To ensure investments are selected systematically based on ESG criteria, we rely on data from MSCI, a leading provider of sustainability analyses and ratings. Our goal is to invest capital across all investment categories as sustainably as possible. In 2020, this was achieved for more than 80 percent of the entire Munich Re portfolio.

MEAG asset managers receive special training on ESG requirements. They work continually to improve the integration of ESG criteria across all forms of investment and increase the overall share of sustainable investments.

In addition, we support the shift to renewable energies through systematic investment and are increasingly investing capital in international infrastructure projects, such as solar power systems and wind parks.

By 2025, the plan is for investments in renewable energies to increase to up to three billion euros, helping to drive the energy revolution. ESG criteria are also incorporated into the acquisition, construction and renovation of our real estate portfolio.

Through sustainable investment products and MEAG’s professionally managed funds, we also facilitate investment by our customers in companies that pursue long-term and responsible management policies.



In 2020, ERGO launched the new “Eco-Rente Chance” annuity product on the German market. The managed capital is invested exclusively in sustainability-oriented funds, allowing customers to make provisions for their old age with a clear conscience.

**€ 1.6 billion**  
were invested in renewable energies in 2020.

## Defined exclusion criteria

The Group’s Responsible Investment Guideline also sets out what topic areas cannot be considered for investment. For example the Group has decided to no longer invest in companies that manufacture, sell or transport banned weapons. Exclusion criteria also apply to investments in raw materials that serve as food. Similarly, we do not invest in companies that achieve more than 30 percent of their revenue from the extraction of coal, or from its use for electricity generation, or in companies that generate more than ten percent of their revenue from the extraction of oil sands. Specific position papers and checklists apply for a range of other sensitive topic areas, such as fracking or the purchase of land used for agriculture.

## Long-term climate strategy

In order to achieve the high-aiming ↘ “Ambition 2025” target of net-zero emissions by 2050 and reach the defined milestones, the Group has set reduction targets for individual asset classes and for its continued phase-out of fossil fuels.

ERGO is a supporter of Climate Action 100+, an initiative that Munich Re and MEAG joined in the year under review. This investor initiative discusses the opportunities associated with a more eco-friendly corporate strategy together with the companies it intends to invest in, or has already invested in, in order to achieve a reduction in emissions. At the same time, ERGO and Munich Re want to use targeted investments to make a contribution to protecting the climate.



## “We will significantly reduce the carbon emissions associated with our investments.”



**Dr. Jens Fricke heads the Strategic Asset Allocation Group department at ERGO and is responsible for the company’s sustainable investment strategy. In the interview, he explains how capital can be invested in a way that results in fewer carbon emissions.**

### How can investments generate emissions in the first place?

When we invest in shares, we directly acquire interests in companies; we use bond investments to participate in companies’ debt capital. Depending on the size of our stake, the carbon emissions that the companies are responsible for are also attributed to us on a pro rata basis. This attribution is aggregated to produce a total value of carbon emissions for all of the companies in our portfolio. The less we invest in emission-intensive companies, such as those in the oil or coal industry, the lower the carbon emissions associated with our investment portfolio. Our stated aim is to reduce the carbon emissions associated with our investment portfolio to net-zero by 2050.

### How do you get companies to produce fewer emissions?

At the beginning of 2020, we joined the Net-Zero Asset Owner Alliance, an alliance of more than 40 major investors that want to significantly limit the increase in global warming. Together, we challenge companies in our investment portfolio to develop and

publicly communicate plans on how they plan to avoid carbon emissions in the future. This is a process that our asset manager MEAG will be following closely over a period of several years.

### Are there already sufficient opportunities for investing capital sustainably?

Yes, there are, for example via equity indices that place a strong emphasis on companies that stand out positively in terms of their sustainable activities. Increasingly, indices that focus on companies with low carbon emissions are also emerging on the market. In illiquid asset classes, for example infrastructure projects, we focus on investments in renewable energies.

### How can you be sure that these investments are genuinely sustainable and that you are not just falling victim to “green sheen”?

As far as equities and bonds are considered, we rely on the expertise of our information service providers MSCI and ISS, which specialise in evaluating investments for sustainability, among other things. When it comes to illiquid investments, we check the documentation provided with the help of MEAG. We validate these documents based on our own research and discuss the results in our decision-making committees. This means that we have processes in place to detect “green sheen” and avoid these investments accordingly.

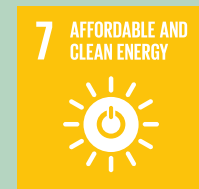
### ERGO is aiming to have a climate-neutral investment portfolio by 2050. That’s almost 30 years away. Why will the process take so long?

The goal of limiting the global temperature increase to 1.5 degrees Celsius will require a gargantuan effort from society, policymakers, the corporate sector and each and every individual. Innovative processes to remove greenhouse gases from the atmosphere on a large scale, for example, have yet to be identified and implemented. At the same time, the shift to more climate-friendly action can bring economic and social burdens along with it – just think of rising energy prices. These implications have to be taken into account. This is a complex process that is likely to require a lot of patience.



## Environmental and climate protection

- Reducing emissions in operations
- Raising environmental awareness



# Environmental and climate protection: our ecological footprint

For ERGO, sustainable protection of our environment and climate represents an investment in the future. In particular, the challenges posed by climate change and rising claims directly affect our business. For this reason, as a company we want to contribute to environmental and climate protection, the conservation of resources and the maintenance of ecosystems. We also implement these targets in our operations through Group-wide environmental management.

## Reducing emissions in operations

> GRI 103-1, 103-2, 103-3, 303-1

As a financial services provider, our direct impact on the environment is limited, since our business model is not energy- or resource-intensive. We become involved in areas where we can have a tangible and beneficial influence, and make every effort to keep energy and resource consumption, and carbon emissions, as low as possible. We are focusing on renewable energies and have been offsetting the carbon emissions that we cannot avoid

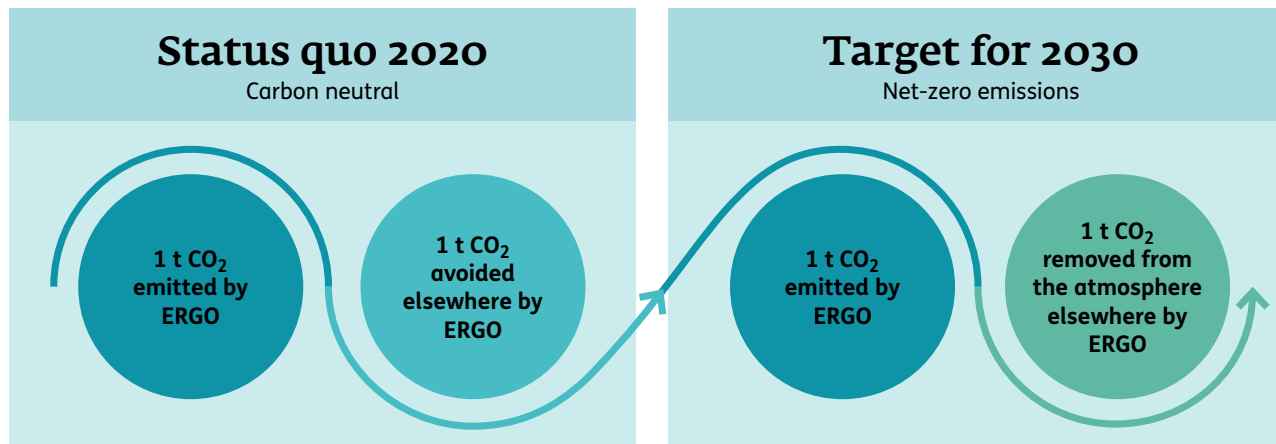
by purchasing climate certificates since 2015. This allows us to support climate protection projects that ↘ **avoid carbon emissions.**

We raise awareness of environmentally friendly behaviour among our employees and customers alike. In the year under review, we exceeded our Group-wide target of reducing our carbon footprint by 35 percent per employee by 2020 compared to 2009.

**We have been able to reduce carbon emissions per employee by 51.6 percent since 2009.**

The changes in the way we work due to the COVID-19 pandemic and the reduced mobility of our more than 26,000 employees around the globe also contributed to this achievement in the reporting year.

With Munich Re's new ↘ **climate protection strategy** adopted in the year under review, we are committed to moving our business operations across the Group to net-zero emissions by 2030. This means that we will focus going forward on making use of offsetting measures to compensate for the atmospheric emissions caused by our business operations. The implementation process will be a gradual one:



by 2025, we aim to have reduced our carbon emissions by a further 12 percent per employee compared to 2019. We will achieve this by focusing on the main factors driving our emissions – energy consumption and business travel. We currently obtain almost 70 percent of our electricity from renewable sources. By 2025, we are aiming to have 100 percent green electricity throughout the Group. By 2030 at the latest, we will remove the remaining carbon emissions from the atmosphere again by investing in compensation efforts, for example by financing reforestation or carbon storage projects.

**Group-wide environmental management**

Since 2010, we have had our own Environmental Guidelines in place, in which we acknowledge our responsibility for protecting the environment and climate and commit to actively promoting environmental awareness among our staff.

The implementation of our environmental and climate protection strategy has been monitored, documented and evaluated via a uniform Group-wide environmental management system since 2012. We also have our major locations in Germany, Poland and Spain certified by independent environmental auditors in accordance with international standards such as German industry norm



**Environmental certification for ERGO in Poland**

Our company ERGO Hestia was the first insurance company in Poland to receive an EMAS environmental certificate. Issued in the reporting year, it confirms that the insurer meets the very highest standards of environmental protection and operates in accordance with sustainable development goals.

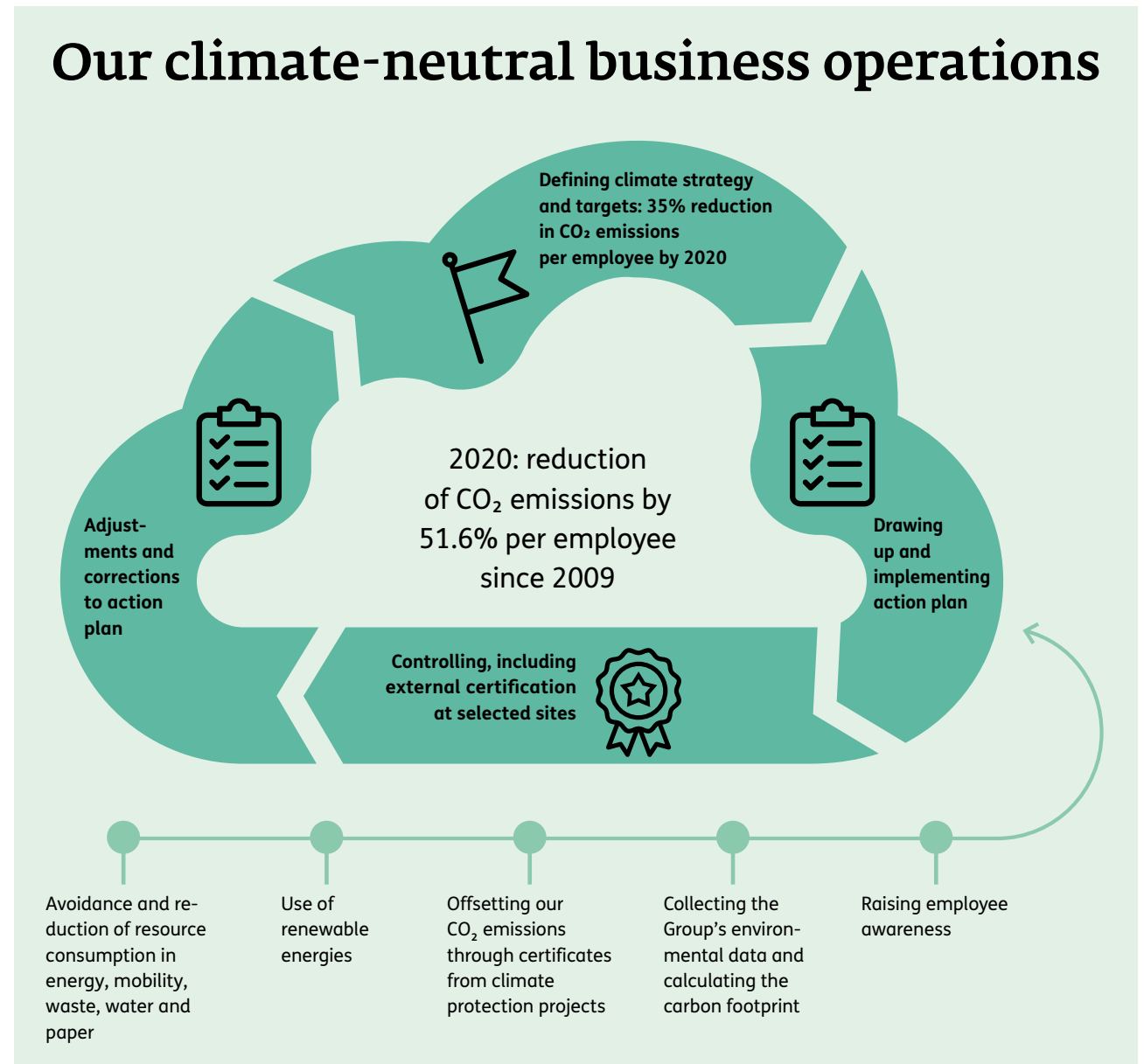
(DIN) ISO 14001 or EMAS. 55.9 percent of our employees work in locations that meet the high requirements of an environmental management system.

We calculate our carbon emissions from energy, paper and water consumption, business trips and waste generation on an annual basis. In this way, we determine our ecological footprint in accordance with internationally recognised methods and conversion factors, such as the GHG protocol. In 2020, our environmental reporting system covered 80.5 percent of our employees. We use the resources consumed by the locations incorporated in the reporting system to estimate projected consumption for the Group as a whole and calculate our Group-wide carbon emissions. We have our environmental indicators audited on a spot-check basis by an external auditor.



We are also developing measures to reduce the consumption of resources even further. At our locations with a certified environmental management programme, we draw up comprehensive environmental programmes in the form of “targets and measures” catalogues. These incorporate key environmental aspects of products and services as well as the environmental impact of business operations.

The General Services division was responsible for the Group-wide environmental strategy and the environmental management system in the reporting year. Since April 2021, this has been the responsibility of the newly established Sustainability department. Environmental managers prepare the environmental strategy, under which the units responsible independently develop and implement measures. The environmental managers provide them with advice and monitor the measures as part of environmental management. Depending on the size of the international companies, local environmental managers are responsible for achieving the environmental targets and implementing the associated measures.



## Offsetting our carbon emissions with certificates from climate protection projects

The operations of the ERGO Group have been climate neutral since the end of 2015. After deducting green electricity, we offset unavoidable CO<sub>2</sub> emissions by purchasing climate certificates. In 2020, certificates were purchased to offset 53,954 tonnes of CO<sub>2</sub>. When it comes to selecting projects, the question as to whether the project can achieve additional positive effects on the local infrastructure and population is a top priority for us. We have supported the following projects in this way:

### Promotion of energy-efficient cooking stoves in Uganda

Energy-efficient cooking stoves require up to 50 percent less fuel than conventional open fireplaces. The stoves also reduce indoor smoke pollution, helping to keep people healthier. Users save money, and both the rate of deforestation and the volume of harmful emissions are reduced.

Starting with the Kampala metropolitan region, the project will be gradually expanded to cover other areas in Uganda.

### Expansion of wind power and photovoltaics in China

In China, ERGO is supporting the use of renewable energy sources in three projects. The country is heavily dependent on coal-fired power generation. In Yumen Town in Gansu Province, 134 wind turbines are being built that will feed 463 GWh of sustainably generated electricity into the transmission grid in the future. A second wind farm is being built with financial support from ERGO in Inner Mongolia: 33 turbines are being erected in the almost treeless grass steppe landscape and will meet the annual electricity needs of around 28,000 people in the future. Near the city of Lingwu in the Ningxia region, solar power is being used to generate clean electricity. 168,000 solar panels are being installed there to provide 56 GWh of electricity every year – enough to supply around 40,000 households.



## Energy-efficient technology and careful consumption of resources

In the year under review, we obtained 69.4 percent of the electricity we needed from renewable sources (2019: 70.7 percent). We are aiming to increase this share to 100 percent by 2025.

Over the last few years, we have specifically invested in energy-efficient building technologies, such as LED light-

ing, and more efficient rinsing technology to reduce the consumption of electricity and water. At our Düsseldorf and Cologne locations, electricity, heating and cooling are provided by energy-efficient block-type thermal power plants and fed into the office buildings over a short distance.

We keep IT energy consumption down by replacing devices at regular intervals. Paper consumption is being reduced by increasing digital communication. Likewise, with the

purchase of office supplies, we count on environmentally friendly products. These are specially highlighted in the office supplies catalogue. In the year under review, eco-friendly products made up 51.5 percent of orders from the catalogue.

Business trips are to be avoided where possible and replaced with telephone or video conferences. We have put the necessary infrastructure in place at our locations.

During the COVID-19 pandemic, we enabled the majority of our staff to work from home. We are gradually converting our vehicle fleet to fuel-efficient, hybrid or electric cars. To make it easier for employees to opt for electric cars, we have been setting up electric charging stations at almost all of our German locations since January 2020. ERGO provides the green electricity free of charge for both company cars and employees' own vehicles. All drivers of our company cars in Germany have to take an eco-driving course to learn ways to save fuel.

**47**  
**new e-charging stations were installed at five German ERGO locations in 2020.**

## Raising environmental awareness

> GRI 103-1, 103-2, 103-3, 303-1

Each individual employee is asked to help reduce the consumption of resources within the company – by saving energy, paper and water, and avoiding waste and business travel wherever possible. In printer rooms and pantries, at events and on the internet, we inform employees about environmentally friendly behaviour, and we organise action days on selected topics. In November 2020, for example, we once again staged a Group-wide competition to delete data that was no longer required (Group Data Delete Challenge), with the aim of sensitising employees to the fact that data storage uses electricity and creates carbon emissions. Colleagues from eleven companies took part, deleting 18,094 gigabytes of data. This corresponds to a savings of 3.4 tonnes of CO<sub>2</sub> (comparison 2019: 1.7 tonnes).

We promote climate-neutral travel to work by bicycle by providing the appropriate infrastructure, including covered and lockable bike parking spaces, repair kits, solar pumps, showers and changing rooms. We also offer employees in Germany attractive conditions for leasing bicycles. Our employees in Germany and Austria participate as Team ERGO in the annual Bicycle Campaign Weeks. They adopt a climate-friendly lifestyle by covering as many everyday journeys as possible by bicycle over a defined period of time. We invite those employees who come to work by car to carpool with colleagues.

In the company canteens in Germany, ERGO offers climate-friendly menus featuring regional products. External parties can order remaining meals using a food-sharing app,

thereby helping to reduce food waste. We do not use disposable plastic tableware and use packaging made from sustainable and compostable materials. In order to avoid packaging waste for takeaway food, which was in especially high demand during the COVID-19 pandemic, we have been offering sustainable reusable packaging at our German sites since April 2021.

We also sensitise our customers, and consumers in general, in various ways to environmentally friendly behaviour, for example in the advice columns on our website and on the ERGO social media channels. Since 2019, a special ERGO environmental expert has been giving consumers regular tips on environmentally friendly and climate-friendly behaviour.



In a Group-wide challenge in 2020, employees in eleven countries deleted digital files that were no longer needed in order to save energy and reduce CO<sub>2</sub> emissions.

## “Fewer business trips, more digital interaction – a model that will survive the pandemic.”



**Rainer Elmer, Head of General Services, is responsible for environmental and climate protection in building operations and the vehicle fleet at ERGO in Germany. In the interview, he talks about long-term effects of the COVID-19 pandemic and strategies for further reducing CO<sub>2</sub>, energy and waste in business operations.**

### **How has the change in the way we work during the pandemic affected ERGO's carbon footprint?**

If there is anything positive to be taken from the pandemic, it is the contribution it has made to reducing carbon emissions. The fact that building operation still causes emissions even when the buildings are virtually empty notwithstanding, in my view two developments will make a lasting contribution to sustainability even after the COVID-19 pandemic is over: we will be reducing business travel significantly in the long run. What is more, process digitalisation will be accelerated further, allowing a lot of work to also be done virtually or using hybrid models in the future. Even if the effects seen in 2020 cannot be replicated exactly, the savings in emissions from business travel and paper will continue to have an impact in the years to come.

### **ERGO significantly exceeded the climate protection targets it had set itself in 2020. How did we manage that?**

We have systematically enhanced our energy management system. Optimising our air conditioning technology and modernising our equipment alone has allowed us to significantly reduce our energy consumption, by 32.4 percent since 2009. We are also using our mobility concept to reduce carbon emissions. We are gradually converting our fleet of company cars and promoting electric mobility by expanding the electric charging infrastructure in our administrative locations. Our company car drivers complete eco-friendly driving and driving safety training to make them more environmentally friendly and efficient drivers. This is rounded off by sustainable travel management: we are optimising the mix of means of transport to reduce the number of flights and promote rail travel.

### **How much leeway do you have in building operations to further reduce the carbon footprint?**

It is becoming difficult to optimise things further on the building operations side. Nevertheless, we are constantly monitoring whether new technological developments, for example in sensor technology, could allow us to use energy more efficiently. We are investigating areas in which energy is consumed unnecessarily and looking into how we can change that. What is more, we have launched the #solar4buildings project in Germany as part of an in-house innovation competition to test the increased use of photovoltaics in our buildings. The energy consumption per employee in our administrative locations will also be reduced further by the permanent use of home office, as will paper and waste volumes.

### **What are you doing to reduce the amount of waste at ERGO's sites?**

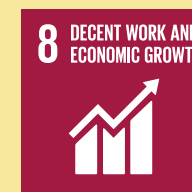
We are committed to the concept of a circular economy and think about how we can reuse recyclable materials on an ongoing basis. The better we are at separating our waste, the easier it is to reuse the recyclable materials that the waste contains. Less waste is produced overall. This is why we provide our employees with an appropriate waste separation system and information on how to sort waste properly. In 2020, we tested a new communications concept for systematic waste separation at our Hamburg office. Now that we have been able to reduce the amount of waste – and not just due to the reduced use of buildings during the COVID-19 pandemic – we plan to implement the concept in other locations as well.





## Employees

- Staff promotion
- Diversity and equal opportunities
- Work-life balance
- Health and occupational safety





# Our employees: driving our success

Highly qualified and motivated employees and managers are the foundation for our corporate success. In order to make the best possible use of their expertise, commitment and enthusiasm for innovation, ERGO invests in further training and talent development on an ongoing basis. At the same time, we promote diversity and equal opportunities, while also safeguarding health and occupational safety.

This allows us to offer attractive overall conditions to around 38,000 employees and self-employed sales agents worldwide, offer personal development opportunities, help employees to strike their ideal work-life balance and promote the ability to work independently. ERGO attaches particular importance to a culture in which employees treat each other with respect.

## Staff promotion

> GRI 103-1, 103-2, 103-3, 404-2

With demographic trends creating an ever shorter supply of skilled workers and the demands of the working world growing increasingly complex, it is becoming more and more important for companies to recruit and retain qualified employees. At the same time, ERGO is aiming to be one of

the pioneers in shaping the digital transformation of the industry and is constantly developing its employees' digital skills. In order to ensure that our company can remain innovative and competitive in the long run, we provide our employees with targeted support based on their individual needs and attach a great deal of importance to developing leadership potential.

## Safeguarding the future through training and education

We offer young people career prospects with quantified commercial training on a whole range of topics – from insurance and finance to e-commerce – as well as options for dual studies. In its quest to attract interested candidates, ERGO once again suc-

# 908

young people were  
trained at ERGO in  
Germany in 2020.

cessfully organised digital vocational training fairs in the year under review. The company also participates in the Fair Company initiative, which supports paid internships and good career entry conditions for university graduates.



A comprehensive further training programme covering various topics keeps our employees and sales agents in Germany up-to-date with the latest knowledge. Trainer-supported digital training sessions are combined with self-study sessions as part of a blended learning approach. The e-campus is a popular learning platform featuring a large number of e-learning modules. For our employees in Germany, we have been offering 95 percent of our training programme digitally since March 2020. In 2020, the number of platform views rose from around 220,000 to more than 300,000.

In Germany, ERGO continued and expanded the “transformation@ergo – fit für die neue Arbeitswelt” (transformation@ergo – fit for the new working world) programme, launched back in 2019 together with employee representatives. The programme is designed to equip employees with the skills they need for the company’s digital transformation and is based on their individual needs. The focus in 2020 was on skills that are helpful for virtual collaboration and leadership.



ERGO and Munich Re received the 2020 eLearning Award in the “Digitalisation” category for the web-based learning programme on data analytics. The award is presented by the jury of the eLearning Journal. The learning programme helps employees understand how data is changing the world of work, what this means for ERGO and how artificial intelligence works.

The Group-wide framework for initial and further training for in-house staff is defined by the Talent, Development & Engagement organisational unit before being developed in greater detail by the ERGO companies in the various countries. In Germany, the Training and Education department develops corresponding programmes for office staff and salaried field agents. Self-employed sales agents receive further training focusing on service and advisory skills, as well as entrepreneurial agency development, in the company’s own academy.

### Talents for tomorrow

Finding and developing top sales and office staff is an important investment in the future. In 2020, for example,

the digital trade fair format was applied successfully to the recruitment of sales agents.

Our talent management system involves identifying and selecting suitable up-and-coming talents in a development assessment centre and assigning them various training tasks to prepare them for leadership roles. The “Grow” talent management programme was launched for in-house staff and will also be expanded to extend beyond disciplinary management functions from 2021 onwards. Since 2019, highly qualified managers have been appointed by the ERGO Board of Management to the ERGO Leadership Programme for particularly challenging top management assignments, undergoing development measures in cooperation with the London Business School.

In order to specifically recruit international talent at career entry level, all business areas at Munich Re collaborate as part of the EXPLORE trainee programme, which offers a variety of interesting insights into the Group’s global operations. Via the ERGO Center of Excellence in Insurance in cooperation with the Technical University of Munich, ERGO supports hands-on training for actuaries. The ERGO mentoring programme was developed specifically to support the advancement of women in management positions.

### Diversity and equal opportunities

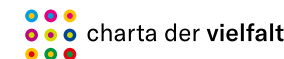
> GRI 102-12, 103-1, 103-2, 103-3

Our company benefits from the different experiences, ways of thinking and varied qualifications of our staff – diversity that we take care to cultivate. This is why we develop our employees’ individual strengths, are working to increase the proportion of women in management positions and integrate people with disabilities on equal terms.

We are guided by our employees’ different life phases and focus primarily on three objectives: “Giving employees the creative space they need”, “Promoting development” and “Maintaining health”. This allows us to shape a corporate culture of diversity that strengthens our reputation as an attractive and fair employer.

### Principles for respectful interaction

ERGO is committed to the ten principles of the **United Nations Global Compact** and to respecting international human and labour rights. As a signatory of the German “**Charta der Vielfalt**” (Diversity Charter), ERGO has made a commitment to creating a working environment that is free of prejudice and exclusion. Our employees are worthy of respect regardless of their gender, nationality, religion, disability, age, social origin, sexual orientation or identity.



Our Code of Conduct sets out the standards of behaviour that all employees at Munich Re, and as a result also at ERGO, are expected to adhere to. This means that, regardless of their position in the hierarchy, all employees are to be treated with mutual respect so that they can work without encountering discrimination, harassment or insults. Employees who feel discriminated against can contact an external independent ombudsman. We pursue a zero-tolerance approach to breaches of the Code, and breaches are investigated and sanctioned accordingly. What is more, a Diversity Policy sets out generally applicable principles for dealing with individual employee diversity.

## Promoting equal opportunities and diversity

ERGO is aiming to further increase the proportion of women in management positions. In the reporting year, 37.6 percent of management positions across the Group were held by women, with a figure of 28 percent in Germany. As part of the Group-wide “Ambition 2025” programme, the proportion of women in management is to increase to 40 percent. ERGO is aiming for a target of 25 percent women on its Boards of Management and Supervisory Boards. Group-wide, the figure currently stands at 18.9 percent for Board of Management members and 14.5 percent for Supervisory Board members. There are currently no women on the Board of Management of ERGO Group AG.

The proportion of women in management is to rise to **40 percent by 2025.**

Separate targets apply to the first and second levels of management. At the first management level, which reports directly to the Board of Management, the proportion of women at ERGO Group AG in Germany is to increase from 13.6 percent at the end of 2020 to at least 20 percent, and at the management level below that from 22.4 percent to at least 30 percent.

Female office staff members in Germany with leadership potential receive specific support as part of the ERGO Mentoring Programme, which entered its ninth round in 2019. This ninth mentoring round has been extended until February 2021 due to the pandemic. All previously face-to-face sessions and seminars were conducted online. The tenth edition of the mentoring programme started in April 2021.

As part of the programme, a dedicated project group allows women in sales to network to support their career advancement in the field sales organisation. Since 2021, the “Frauen im Vertrieb” (Women in Sales) project has been the responsibility of our German sales company ERGO Beratung und Vertrieb.

ERGO was once again awarded the “top4women” employer badge in the year under review. This award recognises that women in the Group are supported and assisted in terms of their professional development. An Equal Opportunities Officer raises awareness of equal opportunities among HR managers at all German locations.



ERGO is committed to integrating people with disabilities on equal terms into everyday working life in the Group. A separate Group Works Agreement in Germany sets out how these employees’ concerns are to be given adequate consideration. ERGO’s Representative Body for Disabled Persons implements systematic integration measures to ensure that the colleagues in this category receive the support they need.

Various employee networks allow employees who share a common interest to share ideas, socialise and initiate changes together. The new “Inklusion@ergo” employee network, for example, was established in 2020. It aims to create a platform for both people with disabilities and people who work or live with people who are either ill or disabled, as well as for family carers. The network provides



everyone with a framework in which they can talk, organise themselves and support each other. The aim is to develop joint strategies, work towards changes in the company and dismantle prejudice. The patron of the platform is Ursula Deschka, Member of the Board of Management of ERGO Germany.

Internationally, the two “Integralia” corporate foundations of DKV Seguros in Spain and ERGO Hestia in Poland make it easier for people with disabilities to participate in working life by offering jobs to meet their needs. Both companies also specifically hire employees with disabilities in order to foster their integration into the labour market in the long term.

In the reporting year, a network of employees who are lesbian, gay, bisexual or transgender was also founded as “Pride@ergo”. The employees have set themselves the goal of making ERGO a non-discriminatory, open and modern company and working to ensure that it is perceived as such both internally and externally. The network pursues its objectives by taking concrete measures such as the “Gesicht zeigen” (Show your face) campaign on Coming Out Day 2020 or by displaying the rainbow logo at the entrances



of all major administrative locations. All networks are organised independently by the employees and are supported and coordinated by the Diversity team.

In order to raise awareness of the value of diversity among people within the company, ERGO organised various awareness training sessions for top management and all executives in the reporting year. 54 executives have completed the online training to date, and further units are planned for 2021.

## Work-life balance

Ensuring that employees can strike a balance between personal and work-related commitments has traditionally been a natural part of ERGO’s corporate culture. We use numerous tools to support our employees with family management in the various phases of their lives. The aim is to give them the support they need to pursue their everyday working lives unhindered and encourage them to stay with the company in the long term. Satisfied and motivated employees form the foundation for our corporate success, which is why we are constantly enhancing our family-friendly HR policy.

The respective measures fall within the responsibility of the different Group companies and are locally managed and implemented as required. In Germany, for example, we have set out regulations on various working hours models and models for time off in the “Konzernbetriebsvereinbarung zur besseren Vereinbarkeit von Beruf und Familie” (Group Works Agreement for a Better Work-life Balance). These include, for example, temporary part-time working models, options for working from home and taking sabbaticals, but also the option of converting bonuses under

collective pay scale agreements and company bonuses into time off. Special reintegration measures are in place to support employees returning to work after time off due to illness.

ERGO offers numerous services to support employees in Germany who have children or relatives in need of care. By way of example, we offer childcare facilities in daycare centres close to the company and affiliated nursery facilities, provide parent-child offices in the company and organise school holiday care. We also work with service providers who arrange childminders, au pairs and carers, and provide professional advice to our staff. These consultation sessions were offered via Skype or by telephone in the reporting year.

Our employees in Germany can also take company parental leave, allowing them to extend the statutory parental leave by up to three years. Employees can furthermore take up to twelve months off at short notice to care for relatives. The family leave phase is followed by a work phase lasting the same amount of time; employees receive half their salary during both phases.

Moreover, to help employees deal with the extra strain caused by the pandemic, staff were able to reduce their individual working hours using existing tools, such as temporary part-time working models or the opportunity to convert Christmas bonuses and holiday pay into time off. This was designed to help staff respond to particular problems, such as temporary closures of nurseries or schools. Parents of children aged six to twelve were given the opportunity to have their children looked after virtually, booking hourly slots, by an external family service commissioned by ERGO. The employee networks “Väter@ergo” (fathers@ergo) and “Women@ergo” offered tips and tricks on their websites on how to juggle working from home with homeschooling commitments.



### Independent audit of measures

All of the measures implemented in Germany are coordinated by the diversity managers from the Organisational Development unit. An external independent audit ensures continuous further development: since 2002, ERGO has undergone the berufundfamilie® audit on a regular basis. Certification by the non-profit Hertie Foundation involves regular reviews of the work-life balance services that the company offers and the objectives of its family-friendly HR policy. The next re-audit, with the aim of obtaining the fifth certificate, will be conducted in 2021.



Düsseldorf location certified since 2002



#### Feedback required

ERGO uses surveys to measure employee satisfaction in 17 countries. The results of the evaluation process are incorporated into the strategic planning of HR policy.

### Health and occupational safety

ERGO goes far beyond the statutory requirements in promoting the health of its employees, such as by offering exercise, nutrition, stress management and addiction prevention

programmes. ERGO also offers counselling to employees facing difficulties at work or at home. Extensive sports and leisure activities provide a balance to everyday working life.

### Experts advise on health protection in the workplace

There are various Group Works Agreements in place in Germany on the topic of health and safety at work. Our employees in Germany can also consult ERGO’s company doctors, who provide support with reintegration measures and corporate integration management. This has allowed a large number of employees to make a permanent return to working life.

Our occupational safety specialists provide advice on a range of topics, such as ergonomics in the workplace, escape routes and lighting, physical strain and mental stress for employees, occupational accidents, safety in facilities, as well as advising on work equipment and giving tips on safe work processes. At international level, the ERGO companies are responsible for health and safety at work based on the legal requirements that apply in the country concerned.

The risk of infection associated with the COVID-19 pandemic required adjustments to be made to health and safety at work during the reporting year. This included the mandatory use of medical face masks in communal areas or whenever it was not possible to maintain physical distancing, keeping at least 1.50 metres apart and ensuring that office

occupancy levels did not exceed one person per 10 m<sup>2</sup>. Employees were provided with ongoing information on these measures on the ERGO intranet. From March onwards, almost 90 percent of staff were working from home.

Medical support is ensured every working day through a new monitoring website and direct support for COVID-19 cases. Staff in Germany can send questions and requests for assistance to a dedicated group mailbox. It was also important to avoid additional infections. The number of employees who took the company flu vaccination in 2020 doubled year-on-year to approximately 3,500.

### Varied occupational health management programme

ERGO launched a model project for occupational health management at two locations in Germany back in 2018, the motto being “Wir gemeinsam für Deine Gesundheit” (Working together for your health). A detailed analysis phase was used to identify employees’ needs and the current work situation. These findings were used to develop concrete measures that employees can use to hone their own health skills. Offerings included short lectures as well as the opportunity to measure muscle strength and explore stress levels.



During the pandemic, ERGO expanded its range of online occupational health promotion services. Employees can now obtain digital information on topics relating to nutrition and stress management, complete an online occupational burnout check and join fitness classes while working from home. The interactive online platform “Stress-Ex” also offers employees further knowledge and various exercises. Overall, the response to the company’s occupational health management program is very positive.

In 2020, ERGO also optimised and supplemented the development programmes on healthy leadership. One new component is the “health dialogue”. Managers offer these dialogue sessions, which are intended primarily as a form of prevention, to their employees. If, for example, a manager notices changes in an employee’s behaviour or appearance, they can schedule a dialogue session with the employee and point out the options available for support. The aim is to strengthen employees’ physical and mental health without the need for occupational integration management measures. Managers undergo training on the health dialogue.

Another component of healthy leadership: an online learning programme for managers was developed and published in 2020 with the aim of promoting the health of expectant and breastfeeding mothers in particular. Participants learn about the statutory requirements and how they can provide optimum support to (expectant) mothers in their teams. The programme includes a knowledge test, with participants who complete the session being awarded a certificate.

Due to the COVID-19 pandemic, the development programme on healthy leadership was continued largely online. An interim evaluation shows that the programme is bearing



The ERGO company doctors led by Carmen Jux advised the ERGO management on hygiene protection measures at the German sites during the coronavirus pandemic. From summer 2021, they offered employees and sales partners a vaccination against COVID-19.

fruit: collaboration, commitment and leadership have improved, and absence rates have fallen. Job satisfaction and work results have also improved.

As part of its training of sales agents, ERGO continues to offer the “Fit for Life” programme in cooperation with the company health insurance scheme “BIG direkt gesund”. The programme is specifically tailored to suit young people from Generation Z and the transition from school to working life. Our sales trainees can visit a virtual health platform for information on nutrition and exercise, as well as stress and addiction, and can participate in workshops and various challenges.

ERGO sports – one of the largest company sports associations in Germany with around 40 different types of sports – gives employees the opportunity to balance their work life with sport. No international events were held in 2020 due to the pandemic. A yoga weekend was organised in the late summer subject to stringent hygiene conditions. Despite the challenging overall conditions and thanks to creative ideas, a large number of employees were motivated to participate in outdoor or online courses. Yoga and relaxation classes, for example, were held on the roof terrace of ERGO Berlin. In Hamburg, training sessions were held on the lawn, while in Düsseldorf the trainer broadcast her Tai Chi class via livestream from the park to employees in their homes.

**“Diversity makes companies more vibrant, more efficient and more innovative.”**



**Dagmar Brück heads up the Organisational Development department and is also responsible for the topic of diversity. She talks about the benefits of diversity in the company and programmes to make ERGO more colourful.**

#### **Diversity is all about variety. Why is diversity important within a company?**

Diversity leads to a more vibrant corporate culture, better performance and more innovation. I like to compare it to a bouquet of flowers. The more colourful it is, the better! We also want to be a mirror of society: we want our workforce to be as diverse as our customers.

#### **How do you promote diversity at ERGO?**

To give one example, we offer seminars illustrating just how much of a role stereotypes play in decisions and communication processes and how to deal with them. These training sessions are now mandatory for our trainees. But a large number of managers also attend short workshops to take a critical look at the criteria that they apply when selecting staff – there are always a few light bulb moments. Another very successful programme is the mentoring scheme for women with leadership potential, which we have been pursuing

intensively for ten years now. In each round of the programme, 15 to 20 female employees get the chance to work with executives from top management. We have since recruited many women to leadership positions and increased the visibility of talent. But diversity is, of course, about more than just supporting women in their careers, as our Diversity Week showcased most impressively.

#### **Would you tell us a bit more about Diversity Week?**

Diversity Week was organised entirely by the employee networks themselves. While we provided budget support, the programme itself was developed by the network members. Because people really missed the opportunities for organised dialogue during the pandemic, no fewer than three new networks were set up by our employees last year: a Pride network, one for inclusion and one for people of colour. We have had a women’s network and a fathers’ network for some time already. Diversity Week was a digital event due to the COVID-19 pandemic. We welcomed almost 1,000 participants – a fantastic response! For International Diversity Day, which took place during the week, we promoted our Diversity Map, in which almost all national companies presented their diversity measures in short videos.

#### **Are there any national differences when it comes to dealing with diversity?**

We have colleagues in a large number of countries – from the UK to Poland to India and China. It goes without saying that there are cultural differences and that diversity is also addressed differently. Some countries, for example, still do not grant homosexual people equal rights. Other countries are ahead of us when it comes to gender issues: in the Baltic States, a large number of women have been working in top management for some time now, which is why gender equality is barely an issue there. The fundamental understanding that diversity is important for the corporate culture is shared by all of ERGO’s companies.

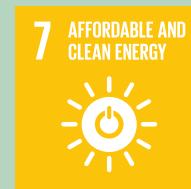
#### **What are you looking forward to in 2021?**

A really groundbreaking innovation for me is that we now offer every leadership position on a part-time basis. This is great news for women and men alike, especially for mothers and fathers. The model will appeal to a lot of people who would not even have considered such a career move otherwise.



## Commitment

- Global challenges
- Foundations and local projects
- Employee involvement





# Our social commitment: locally and globally

ERGO is committed to promoting community and social cohesion. Our corporate responsibility strategy forms the basis for our actions. With the help of partners, we want to change things for the better, to allow us to meet significant global challenges. Through our involvement, we support the United Nations Sustainable Development Goals (SDGs).

## Global challenges

> GRI 103-1, 103-2, 103-3

As part of its strategy, ERGO focuses on three global challenges that are closely associated with our core business: mitigating the effects of climate change, improving access to healthcare, and enhancing risk awareness. We promote various social and cultural projects at our different locations, for example through the work of our foundations. Our employees also assist local charities through corporate volunteering work, and we lend a hand in

emergencies, for example after natural disasters or during the ongoing coronavirus pandemic.

## Group-wide standards

We support global projects in the three fields of climate change, healthcare and risk awareness, and collaborate with recognised partners to develop solutions to social challenges. Our Corporate Responsibility unit, which reported to the Chairman of the Board of Management in the reporting year, has Group-wide responsibility for managing and coordinating our societal commitments. The unit became part of

the newly established Sustainability department, under the responsibility of the Chief Underwriting Officer, in April 2021.

Our local subsidiaries implement their social commitment projects independently. However, our Corporate Responsibility Guideline on Social Commitment applies for the entire Group and sets the framework for such activities. Group-wide reporting on activities and expenditure ensures transparency and lays the foundations for our social commitment reporting. In the year under review, our expenditure on social commitments was 2.55 million euros (2019: 2.19 million euros).

**203**  
social organisations  
supported worldwide.



## Focus on climate change

Through our joint initiative with Munich Re, **“Tackling Climate Change Together”**, we want to contribute to managing the challenges posed by climate change. In autumn 2020, we launched two new three-year projects that promote ecosystem-based adaptation. Through conservation and the sustainable use and restoration of ecosystems, we aim to limit the regional impacts of climate change and secure the livelihoods of people in the affected regions. In cooperation with the Bonn-based Tropical Forest Foundation OroVerde, ERGO supports the GreenWatersheds project, which stabilises ecosystems in the Dominican Republic, Mexico and Guatemala. This is done, among other things, through reforestation, training small farmers in adapted agriculture, and financing equipment for fire prevention and control. The cooperation with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in the Vietnamese Mekong delta is another of our reforestation projects. In close cooperation with local communities, 35 hectares of mangrove forest are being rehabilitated and protected from flooding and erosion through the construction of protective fences.

As part of the EIT Climate-KIC accelerator programme, as of the end of 2020 we have funded 20 start-ups with climate-positive solutions. In the year under review, for example, ERGO supported the Berlin-based start-up toolbot, which is setting up rental stations for high-quality tools. All founder teams were provided with special coaching and financial support to refine their solutions. The entre-



For OroVerde’s GreenWatersheds project, everyone lends a hand: work in a tree nursery in the community of Los Ramones San José de las Matas in the Dominican Republic.

preneurs also benefited from the expertise of experienced mentors from ERGO and Munich Re. This initiative is part of a collaboration with EIT Climate-KIC, the EU’s

climate innovation initiative, working to accelerate the transition to a zero-carbon economy by enabling systems transformation.

# Our social commitment

ERGO supports global and local social causes with donations of money, materials and time.



## Promoting health and preventing disease

In the health field, the major health insurers in the Group are particularly active, but other companies are also involved. For example, this reporting year the Spanish company DKV Seguros launched for the first time its DKV Impacta tender to promote social innovations in the health sector. Its target group is foundations, associations and social enterprises, and the focus is on two societal challenges: firstly, the negative effects of climate change on people’s health and the question of how we can counter them. Secondly, the prevention of diseases that primarily affect socially disadvantaged and vulnerable groups. The winning organisations were supported by DKV with funds totalling 75,000 euros, as well as through targeted mentoring.

In collaboration with parents, children, schools and other institutions, the Spanish health insurer also supports various projects aimed at preventing or reducing obesity among children and assists initiatives promoting general health.

In China, elderly adults are the fastest growing age group. For this reason, ERGO China launched the “ERGO Healthy Days” in 2015 and set up leisure rooms for older citizens in Shandong province. The recreation rooms provide exercising facilities, for example table tennis, as well as information on health education. In the reporting year, the company expanded its programme further and also offered health workshops for this age group. In five sessions, the participants received ideas and information on staying healthy as they grow older.



## Maintaining risk awareness

In Estonia, ERGO cooperates with the Estonian Rescue Association. In joint public relations work, they provide information on safe conduct and first aid. In December 2020, both partners opened a nature trail marked with reflectors to provide the population with an attractive and safe hiking option during the pandemic.



Over the reporting year, the IT Security Team of ERGO Technology & Services in Poland offered workshops to parents to raise their risk awareness of the many dangers children are exposed to on the internet. The company organised the workshops, created promotional posters and produced educational material for parents.

The Indian joint venture HDFC ERGO has been organising the Awareness Award Junior since 2016 to promote knowledge of insurance in schools. The programme includes

interactive workshops where students learn how insurance works and how important it is for their own protection. The workshops are supplemented by digital offerings, so that the programme was able to be maintained during the reporting year. Around 1,000 schools in 50 cities participated in the programme in 2020.

## Foundations and local projects

The ERGO foundations are independent organisations, whose objectives and activities are set out and pursued in accordance with the articles of association of each particular foundation. The ERGO foundation “Jugend & Zukunft” (Youth & Future) in Germany helps disadvantaged children and young people and advises young adults about entering working life. During the COVID-19 pandemic, the ERGO Foundation, which is based in Hamburg, supported a special coronavirus aid fund set up by a number of Hamburg-based foundations in the summer of 2020. The fund enables projects for children and youth to receive support quickly with a minimum of bureaucracy.

The “Integralia” foundation established by DKV Seguros promotes the social and professional integration of people with physical disabilities. In line with its vision, the foundation has refurbished call centres in Spain so that people with physical disabilities can work there as well. The foundation also runs various awareness-raising projects for the integration of people with physical disabilities. The “Integralia” foundation run by ERGO Hestia in Poland additionally facilitates entry into professional life for people with disabilities. The services the foundation provides include coaching, job placements and career advice.

Many ERGO companies become involved at their different locations in initiatives with a range of objectives. These examples are representative of many local projects:

Our Indian joint venture HDFC ERGO promotes the Gaon Mera development initiative. The programme aims to improve the quality of education and expand health and sanitation services in seven selected villages. In the communities, state schools were renovated or newly built and equipped with the necessary infrastructure. By spring 2021, twelve school buildings were successfully handed over to local communities. HDFC ERGO employees helped out through volunteer work. In the year under review, eleven free teleclinics were set up in the project communities. HDFC ERGO built the necessary IT infrastructure and developed an app that enables villagers to receive medical advice for two to three hours a week.

ERGO in Latvia supports orphans who have talent but little income, by providing them with scholarships to study at the country’s universities. The ERGO Scholarship Programme is a long-standing initiative that is highly regarded by the public and the Latvian business community.

## Direct disaster relief

ERGO also lends a hand to those in need after emergencies or natural disasters. In the process, our national subsidiaries decide where and how they can contribute in the most meaningful way. We also offer Group-wide relief activities. In the year under review, ERGO primarily provided help related to the **coronavirus pandemic**.



## Employee involvement

ERGO organises volunteer work by employees and supports the “ergo: wir helfen” (ergo: we help) employee association in Germany. This joint involvement increases the impact of our commitment and extends its range. Last but not least, the Group benefits from the experience and skills that our employees gain in the course of their social, cultural and environmental activities.

### Corporate volunteering and employee association

In Germany, ERGO offers employees the opportunity every year to spend an entire day working on various projects to support social causes and protect the environment. In 2020, our volunteers were again able to choose from a number of different projects. To reduce the risk of infection, most of the activities took place outdoors. For example, bicycles were repaired together with disadvantaged young people, grounds maintained at seniors’ or disabled residences, and nature reserves cleared of invasive plants. Despite the hygiene restrictions, many colleagues still participated in the projects in the year under review.

Every year, our social commitment competition gives our employees in Germany the opportunity to showcase their personal volunteer work for environmental and climate protection, or for people with disabilities, and at the same time raise money for a charitable cause close to their heart. Following an online employee vote, the projects submitted were awarded prizes of between 1,000 and 5,000 euros.

Helping others has a long tradition at ERGO. As early as 1990, ERGO employees in Germany were helping people in need through the “ergo: wir helfen” (ergo: we help) charity association.

Each month, its members donate the cent amounts in their salary and commission payments. ERGO supports the work of the charity and adds 50 percent to the total donation amount. The charity celebrated its 30th anniversary in the year under review. Almost 4,000 employees are involved there. Since inception, more than 3.62 million euros has been disbursed. In Austria, the employee initiative “D.A.S. hilft helfen” (D.A.S. helps to help) supports charity campaigns that focus on equal opportunities.

At our legal expenses insurer DAS UK, employees can use one working day each year to volunteer with a charity or get involved in a local community project. DAS UK also offers “Monthly Pot” and “Quarterly Charity” initiatives, in which employees can nominate charities to receive smaller company donations throughout the year. At ERGO Hestia in Poland, the employee-run Hestia Volunteer Centre coordinates activities proposed by employees. The activities involve employees, and their families, the local community or, in some cases, business partners.

Employee association has supported

# 438

projects at home and abroad so far.



## Group-wide emergency relief during the pandemic

**The COVID-19 pandemic and its consequences posed major challenges for businesses and society. Thus, it was important for us to support those who were in urgent need during the crisis.**



In spring 2020, Munich Re launched the joint COVID-19 fundraising campaign “Together we care” for all Group companies – its first relief campaign to involve all employees worldwide. Munich Re, ERGO and

MEAG staff donated to international and local aid organisations in the COVID-19 pandemic, and Munich Re matched the amount donated by employees. The money was used to support the work of the aid organisations Doctors Without Borders and Save the Children. Local projects and aid organisations also received donations at our local branches.

In **Germany**, in cooperation with our employee association ergo: wir helfen (“ergo: we help”), we also donated 7,500 euros to soup kitchens and overnight shelters in seven major cities. This helped allow socially disadvantaged and homeless people, who are among the groups most affected by the pandemic, to continue to receive the care they need. We provided our digital expertise to the city of Düsseldorf to enable a rapid response to the many calls on its coronavirus hotline. Among other things, ERGO em-



ployees optimised deployment planning, developed guidelines for the hotline staff and activated a telephone bot to sort incoming calls.

In **Poland**, ERGO Hestia and its employees, together with the Polish Association of Paramedics, launched a fundraising campaign for the benefit of medical helpers. One million zloty (about 200,000 euros) was raised for the medical protective equipment of around 3,000 rescue workers. ERGO Hestia also assisted with the distribution of the equipment. D.A.S. legal protection insurer in Poland launched a legal aid campaign for food industry businesses (#ServeTheLaw). The food industry is one of the sectors most affected by the pandemic. For ten weeks, the legal expenses insurer offered free telephone advice by the hour on issues related to business operations during the pandemic.

Among other projects, DKV Seguros in **Spain** provided the medical online advice service Digital Doctor to the entire population free of charge as a means of reducing the burden on the healthcare system and containing the spread of COVID-19. DKV also promoted the “#NingúnMayor-Solo” (#NoElderAlone) initiative, in which volunteers provided telephone support to older people in need of psychosocial support.

In **Austria**, ERGO supported Caritas’ COVID-19 emergency aid, which helps single parents, pensioners as well as homeless and poverty-stricken people. In addition, the company supported the “neunerhaus” health centre, which provides urgently needed free medical care to homeless people and those without health insurance. The proportion of patients there almost tripled during the coronavirus crisis.

HDFC ERGO in **India** supported various initiatives.

“Doctors for you” is an initiative to strengthen clinical care management in various COVID-19 hospitals. The provision of medical equipment and ambulances helped 20,000 patients. With the help of ERGO, the Narayana Hrudayalaya Charitable Trust financed nine ventilators for hospitals, benefiting around 250 patients by December 2020.



## Annex

- Our stakeholders
- Sustainability programme
- Key figures
- GRI content index
- About this report, Imprint

## Our stakeholders

> GRI 102-13, 102-40, 102-42, 102-43, 102-44

ERGO values an open and ongoing dialogue with its stakeholders. This allows us to identify at an early stage topics and emerging challenges that are of material relevance to ERGO, both now and in the future, from the perspective of our stakeholders. Our stakeholder groups are shown below.

Stakeholders	Stakeholder engagement	Communication channels/platforms
Customers	We demonstrate our customer focus through clear communication, high-quality advice, and transparent, easily accessible products, as well as through numerous feedback options. Customers can play an active role in influencing the Group with their suggestions and feedback.	Sales partners, customer service staff and customer advisers within the individual companies, ERGO Customer Workshop, online and social media channels
Sales partners	Our sales partners support our customers in every life phase and advise them according to their individual requirements. Standardised consulting standards ensure consistently high quality of advice and support. We engage in continuous dialogue with them.	Dialogue formats, sales agent surveys, online platforms, sales agent representatives
Employees	We want to promote the diversity and varied potential of our workforce. In the final analysis, their expertise and innovative strength make them the key drivers for the success of our business. For that reason, we engage in dialogue with them worldwide and on every level.	Dialogue formats, employee surveys, HR departments, employee representatives, ombudsman (external)
Investors/shareholders	ERGO belongs to Munich Re. Munich Re engages in intensive and ongoing dialogue with private and institutional investors, analysts and rating agencies. You can find out more on the <b>Munich Re</b> website.	Financial reporting, Annual General Meeting
The community at large	<p>Through the responsible departments, we are in constant contact with a large number of national and international industry and business associations, interest groups, societies, networks and scientific institutions. Here is a selection of our memberships of associations and interest groups:</p> <ul style="list-style-type: none"> <li>• Arbeitsgemeinschaft für betriebliche Altersversorgung e.V. (working community for company pension schemes)</li> <li>• Bundesverband Deutsche Startups e.V. (German Start-ups Association)</li> <li>• AfW – Bundesverband Finanzdienstleistungen e.V. (Federal Association of Independent Financial Service Providers)</li> <li>• Deutsche Aktuarvereinigung e.V. (German Association of Actuaries)</li> <li>• Deutscher Verein für Versicherungswissenschaft e.V. (German Association for Actuarial Science)</li> <li>• The Geneva Association</li> <li>• UN Global Compact</li> <li>• Institut der deutschen Wirtschaft Köln e.V. (German Economic Institute)</li> <li>• UPJ e.V. (CR network)</li> <li>• Deutsches Aktieninstitut e.V. (German Equities Institute)</li> <li>• Deutsches Institut für Compliance e.V. (German Institute for Compliance)</li> <li>• Gesamtverband der Deutschen Versicherungswirtschaft e.V. (German Insurance Association)</li> <li>• RKW Rationalisierungs- und Innovationszentrum der Deutschen Wirtschaft e.V. (RKW Rationalisation and Innovation Centre)</li> <li>• VOTUM Verband Unabhängiger Finanzdienstleistungs-Unternehmen in Europa e.V. (Association of Independent Financial Service Providers in Europe)</li> <li>• Verband der Privaten Krankenversicherung e.V. (Private Health Insurance Association)</li> </ul>	Dialogue formats, memberships, online and social media channels

## Sustainability programme

> GRI 205-2, 414-1

### Our targets and measures

We are convinced that we can only achieve long-term business success by harmonising economic, environmental and social factors. We have focused our sustainability management on specific targets in order to meet this aspiration, and are pursuing it by implementing concrete measures.

The programme encompasses our key sustainability issues, which we have identified as part of a systematic materiality analysis and which we describe in this report. Information is given on the status of target achievement for each issue in the year under review. We also specify the United Nations Sustainable Development Goals (SDGs) that the measures help to achieve.

The sustainability programme is primarily implemented at our German locations. Targets and measures that are valid for the entire Group are labelled accordingly.

### Responsible corporate governance

Our actions are governed by strict social and ethical standards, and we attach importance to maintaining fair and trusting relations with our stakeholders.



Targets	Status	Measures and progress in 2020
Further development of the Group-wide ESG <sup>1</sup> strategy	Extended target	<ul style="list-style-type: none"> <li>Adoption of the Munich Re Group strategy “Ambition 2025”: definition of Group-wide climate protection targets for the period leading up to 2025 and beyond</li> <li>Development of a comprehensive approach to decarbonising the core business by 2050 (in line with the Paris Agreement)</li> </ul>
Ensuring conduct in conformance to rules	Ongoing	<ul style="list-style-type: none"> <li>Application of the Munich Re Code of Conduct: Group-wide compliance training sessions</li> <li>Efficient and comprehensive implementation of compliance requirements:                             <ul style="list-style-type: none"> <li>2019: As a supplement to national legal requirements, a minimum standard to combat money laundering was published for the international subsidiaries.</li> <li>2020: The regulations on anti-fraud management to combat white-collar crime were revised and rolled out throughout the Group in the form of a guideline.</li> <li>2020: Based on an amendment to the applicable legislation, ERGO established Group-wide requirements for the prevention of money laundering. A central money laundering organisation was established for this purpose and a Group Money Laundering Officer and deputy were appointed. All of the necessary measures are being implemented as part of a centrally managed project and are scheduled to have been completed by mid-2021.</li> <li>To expand the existing antitrust law concept, an online training course on antitrust law was developed together with Munich Re and will be launched in the second half of 2021.</li> </ul> </li> </ul>
	Ongoing	<ul style="list-style-type: none"> <li>Code of Conduct for self-employed field agents (since 2011)</li> </ul>
Standards for our business partners	Ongoing	<ul style="list-style-type: none"> <li>In Germany: Observance of the principles of the UN Global Compact and signing of the ERGO anti-corruption agreement as a condition for consideration as a potential supplier/service partner</li> <li>Adoption of minimum standards to be included in the local purchasing guidelines of the foreign majority shareholdings of ERGO Group AG with requirements for the commissioning of external suppliers (including compliance with the principles set out in the UN Global Compact and acceptance of the anti-corruption agreement)</li> </ul>

<sup>1</sup> Ecological-, social- and governance-related criteria.



### Customer focus and customer satisfaction

At regular intervals, we ask our customers their opinions to allow us to align our products, benefits, services and advice to their needs in the best possible way. We place great emphasis on transparency and comprehensibility, so that customers know what they can expect from us in the event of claims or indemnification. We are also using the opportunities that are being opened up by digitalisation to ensure easy access to our products and services.

Targets	Status	Measures and progress in 2020
Ensuring comprehensible and transparent communication with customers	Ongoing	<ul style="list-style-type: none"> <li>Customer workshop: ERGO online community in Germany with around 6,000 registered members. Ongoing surveys and online discussions on general insurance topics, products, processes and services.</li> <li>Ongoing customer surveys at customer contact points, for example on service quality, in Germany/at various international companies; systematic feedback process</li> <li>Regular survey of sales agents in Germany</li> </ul>
Ensuring fair and needs-based brokerage of insurance products	Ongoing	<ul style="list-style-type: none"> <li>External, independent confirmation that ERGO is implementing the measures of the “Code of Conduct for selling insurance products” of the German Insurance Association (GDV) appropriately and effectively</li> </ul>

### Sustainable investment

The sustainability principles also apply to ERGO investments. We meet this responsibility by adopting a prudent and forward-looking approach to asset management, and through the use of a sophisticated control system. With our long-term climate protection strategy, we are committed to gradually reducing carbon emissions from our investments to net-zero by 2050.



Targets	Status	Measures and progress in 2020
Climate-neutral investment by 2050	Extended objective	<ul style="list-style-type: none"> <li>Self-commitment as part of the “Ambition 2025” sustainability strategy to reduce carbon emissions associated with our investment portfolio to net-zero by 2050</li> <li>Munich Re and MEAG join the Climate Action 100+ initiative</li> <li>Munich Re’s membership of the Net-Zero Asset Owner Alliance</li> <li>Adoption of a step-by-step plan to reduce the carbon emissions associated with our investments (↘ see information graphic “Ambition 2025”), the aim being to achieve net-zero emissions from investments by 2050</li> </ul>
Central management and systematic integration of ESG criteria in investment	Ongoing	<ul style="list-style-type: none"> <li>Responsible Investment Guidelines of Munich Re and the UN Principles for Responsible Investment (PRI) as an orientation framework (since 2006)</li> <li>Group-wide management of the sustainable investment strategy by the overarching Group Investment Management department, with a dedicated ESG team</li> <li>Advancement of the systematic integration of ESG criteria into asset management</li> <li>Advancement of the investment process for shares and bonds: consistent ESG integration, i.e. evaluation of the ESG performance in addition to the financial analysis</li> <li>Integration of MSCI ESG Research into the investment process for liquid assets</li> </ul>

## Sustainability in core business

For ERGO, sustainability is also reflected in its own insurance solutions. We make allowance for environmental protection and technological developments, as well as changes in customer needs, which are then incorporated into product development. In particular, we want to reduce carbon emissions from the exploration for and generation of electricity from coal, oil and gas in our insurance business to net-zero by 2050.



Targets	Status	Measures and progress in 2020
Systematic integration of ESG criteria into our core business	Extended target	<ul style="list-style-type: none"> <li>Establishment of the Sustainability department in April 2021 under the auspices of the Chief Underwriting Officer, as the individual in charge of the Group-wide insurance business, to implement and manage the Group-wide sustainability and climate goals with a focus on the further development of the Group's sustainable product strategy</li> <li>Establishment of the international ESG Advisory Board, whose members include Board of Management representatives from various divisions, with an advisory function for the ERGO Group Board of Management</li> </ul>
	Ongoing	<ul style="list-style-type: none"> <li>New products and product modifications are checked for ESG conformity. Assessment of the ESG criteria is based on a specific checklist and forms an integral part of the product development process.</li> <li>Internal position papers and guidelines govern the treatment of select, sensitive business topics. These are updated as and when required, and further position papers can be added on new topics.</li> </ul>
Decarbonising our insurance business by 2050	Extended objective	<ul style="list-style-type: none"> <li>Adoption of the Group strategy "Ambition 2025": definition of Group-wide climate protection targets for the period leading up to 2025 and beyond</li> </ul> <p>Thermal coal:</p> <ul style="list-style-type: none"> <li>No insurance cover provided for new mines, power plants, related infrastructure<sup>1</sup></li> <li>35 percent reduction in carbon emissions by 2025<sup>2,3</sup></li> <li>Complete exit from the insurance business in the coal/coal-related sectors by 2040</li> </ul> <p>Oil/gas (exploration/production):</p> <ul style="list-style-type: none"> <li>No insurance cover for new and existing oil sand projects<sup>1</sup></li> <li>5 percent reduction in carbon emissions by 2025<sup>2,3</sup></li> <li>Net-zero emissions by 2050</li> </ul>
Promotion of environmentally friendly technologies and adaptation to the consequences of climate change	Ongoing	<ul style="list-style-type: none"> <li>Continuous monitoring and analysis of insurance offers in the field of renewable energies, and of future-oriented technology and services in the mobility sector</li> <li>Promotion of cleantech start-ups in the accelerator programme of business partner EIT Climate-KIC as part of our social involvement</li> </ul>

<sup>1</sup> Minor exceptions possible, for example in countries < 90 percent electrification rate.

<sup>2</sup> Produced tonnes of thermal coal/capacity insured (MW) used as proxy for emissions.

<sup>3</sup> Base year 2019.

## Climate and environmental protection in business operations

We are actively helping to protect the climate through our carbon-neutral business operations.

To ensure the necessary level of transparency, the ERGO environmental management system is based on the international standard ISO 14001.



Targets	Status	Measures and progress in 2020
35 percent reduction in carbon emissions per employee (base year 2009)	Achieved	<ul style="list-style-type: none"> <li>Target clearly exceeded after achieving a 51.6 percent reduction in carbon emissions as against 2009 by further reducing resource consumption</li> </ul>
Group-wide carbon neutrality	Extended objective	<ul style="list-style-type: none"> <li>Offsetting the carbon footprint from business operations through the purchase of carbon emission credits: 53,954 tonnes in 2020</li> <li>Further development of targets as part of “Ambition 2025”: 12 percent reduction in carbon emissions per employee (base year 2019) and net-zero emissions by 2030</li> <li>ERGO obtained 69.4 percent of its electricity from renewable sources as of the end of 2020 (2019: 70.7 percent); to be increased to 100 percent by 2025</li> </ul>
Consistent implementation of our Group-wide environmental management	Ongoing	<ul style="list-style-type: none"> <li>55.9 percent of employees across the Group work at ISO 14001-certified locations.</li> <li>Staff covered by the survey of environmental indicators: 80.5 percent</li> <li>Continuation of environmental programmes, including further measures to boost energy efficiency at the various locations (for example LED lighting, replacement of technology) and process optimisation</li> <li>Identification of key measures to improve energy efficiency and reduce carbon emissions/annual preparation of a Group-wide carbon emissions-reduction plan</li> <li>Improvement in data transparency at the international locations</li> </ul>
Promotion of environmentally friendly mobility	Ongoing	<ul style="list-style-type: none"> <li>Determination of requirements and analysis of driving profiles for the needs-based use of company cars</li> <li>Eco/fuel-saving training for drivers of company cars (approx. 100 drivers)</li> <li>Electromobility: expansion of charging infrastructure for electric cars and e-bikes at our major locations in Germany</li> <li>Promoting cycling to work (by providing infrastructure, such as covered and lockable parking areas for bicycles, repair sets, solar pump, showers and changing rooms); bike leasing offer with employee-friendly conditions</li> <li>Encouraging employees to cooperate in car-sharing pools when commuting (Germany: online platform for car-sharing pools; Poland: reservation of a parking space quota for car-sharing pools)</li> </ul>
Promoting environmentally friendly purchasing	Ongoing	<ul style="list-style-type: none"> <li>In Germany: alternative sustainable products are proposed for all orders from the online office supplies catalogue before the order is shipped.</li> <li>Eco-friendly products made up 51.1 percent of orders from the catalogue.</li> </ul>

## Staff promotion

Active development of our employees, providing scope to balance work and family life, and health protection have all made a valuable contribution to our success.



Targets	Status	Measures and progress in 2020
Promotion of professional and personal education for employees and managers	Ongoing	<ul style="list-style-type: none"> <li>Comprehensive further training programme, largely digital, both trainer-based and for self-study (blended learning approach) for employees and managers in Germany, updated annually</li> <li>Outside the training catalogue, customised offers are also designed for units with special requirements.</li> <li>The “transformation@ergo” programme, which was launched in 2019, was continued and expanded. In 2020, the focus was on honing skills for virtual collaboration and leadership, as well as the use of corresponding tools.</li> </ul>
Supporting junior management	Ongoing	<ul style="list-style-type: none"> <li>International Group trainee programme EXPLORE at Munich Re (Group) with placements at ERGO and the other business areas. In Germany: new “ERGO grow” process for talent management. The aim is to identify and develop in-house junior management talent more effectively. “ERGO grow” is based on a broad understanding of talent, one that goes beyond standard management and in future will also encompass project leaders and the younger generation.</li> </ul>
Promoting diversity	Ongoing	<ul style="list-style-type: none"> <li>Online Group-wide Diversity Day for employees to raise awareness of the benefits of having different types of people in the Group</li> <li>Awareness training for managers</li> <li>Moves to promote employee networks</li> </ul>
Equal participation of men and women in management positions <sup>1</sup>	Ongoing and extended objective	<ul style="list-style-type: none"> <li>Proportion of women in management positions in Germany (2020): 28 percent; Group-wide the proportion of women in management positions is 37.6 percent. As part of the Group-wide “Ambition 2025”, the proportion of women in management is to increase to 40 percent.</li> <li>Mentoring programme for up-and-coming female executives in Germany launched for the ninth time; the programme was extended until February 2021 due to the COVID-19 pandemic. The tenth edition of the programme started in April 2021.</li> <li>In 2020, ERGO was awarded the “top4women” badge. This award recognises that women in the Group are supported and assisted in terms of their professional development.</li> <li>Implementation of the Women in Leadership programme as an international women’s network and talent programme for managers with potential to make it into top management</li> </ul>
Better reconciliation of family and career	Ongoing	<ul style="list-style-type: none"> <li>The Group will be re-audited for the work and family certificate in 2021.</li> <li>Continuation of the offer “Managing while working part-time” (reduction in working hours for managers)</li> <li>Continuation of the advice and service offering in Germany to help employees with acute family childcare or nursing needs</li> <li>Gradual expansion of the services available to salaried and self-employed sales agents (including awareness training for all managers, counselling and services to support agents with acute childcare or nursing care needs in the family)</li> </ul>
Health protection	Ongoing	<ul style="list-style-type: none"> <li>During the COVID-19 pandemic: adjustments to occupational safety and expansion of online workplace health promotion services; number of people signing up for the flu vaccination in 2020 doubled to 3,500 vaccinations; plans for a COVID-19 vaccination programme for all employees in 2021</li> <li>Piloting and continuation of the health management system</li> <li>Development and publication of an online learning programme for employees on maternity leave</li> <li>Continuation of the workplace health promotion services and ERGO sports</li> </ul>

<sup>1</sup> ERGO defines management positions as all management levels.



### Social commitment

As a responsible company, we wish to make specific contributions to solving social problems. As a particular focus, we wish to address the challenges presented by climate change, which is already having a noticeable impact on our business today.



Targets	Status	Measures and progress in 2020
Group-wide social commitment on focus topics	Ongoing	<ul style="list-style-type: none"> <li>Implementation of the Munich Re Group's social commitment strategy with three central topics:                             <ul style="list-style-type: none"> <li>Mitigating the effects of climate change</li> <li>Improving access to healthcare</li> <li>Raising risk awareness</li> </ul> </li> <li>Continuation of the Group-wide Munich Re and ERGO initiative <b>"Tackling Climate Change Together"</b>: launch of two new three-year projects with cooperation partners OroVerde and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)</li> <li>Publication of the ERGO Risk Report on socially relevant topics in the area of risk awareness</li> <li>Group-wide reporting of activities and expenditure as a basis for the reporting and advancement of our social commitment</li> </ul>
Local involvement, foundation work and disaster relief	Ongoing	<ul style="list-style-type: none"> <li>Support for social projects at the different locations</li> <li>Pursuing foundation objectives (inclusion, children's aid and youth welfare)</li> <li>Ad hoc assistance in disaster situations</li> <li>Supporting charities with emergency assistance during the coronavirus pandemic</li> </ul>
Promoting employee involvement	Ongoing	<ul style="list-style-type: none"> <li>Corporate volunteering programmes held at our locations in Austria, Germany, Poland, Spain and the UK</li> <li>Employee engagement competition in Germany: employees receive awards for volunteering in the areas of environment and health/social issues in their spare time</li> </ul>

### Communication on sustainability topics

In our environmental guidelines, we acknowledge our responsibility for protecting the environment and climate and commit to actively promoting environmental awareness among our staff. We sensitise our customers to environmentally friendly behaviour using consumer advice and legal tips.



Targets	Status	Measures and progress in 2020
Sensitising employees to the topic of responsibility and sustainability	Ongoing	<ul style="list-style-type: none"> <li>Promoting social activities by employees in Germany and at international locations (↘ see also the section <b>"Social commitment"</b>)</li> <li>Group-wide competition to delete data that was no longer required (Group Data Delete Challenge), with the aim of sensitising employees to the fact that data storage uses electricity and creates carbon emissions</li> <li>Sensitisation to environmentally friendly mobility through employee campaigns on the subject of cycling at the company locations in Austria, Germany and Poland</li> <li>Participation in the worldwide Earth Hour event</li> <li>Articles and tips in employee media and topic-specific events</li> </ul>
Sensitising customers to the topic of responsibility and sustainability	Ongoing	<ul style="list-style-type: none"> <li>Consumer advice and legal tips on environmentally friendly and energy-conscious behaviour</li> <li>Use of ERGO sustainability icons to identify products with environmentally friendly elements</li> </ul>
Sensitising business partners to the topic of responsibility and sustainability	Ongoing	<ul style="list-style-type: none"> <li>Sensitising agency partners to the topic of natural hazards (for example by preparing specific information)</li> </ul>

## Environmental figures

> GRI 302-1, 302-2, 302-4, 303-3, 305-1, 305-2, 305-3, 305-5, 306-2

General information	Unit	2020	2019	2018	2009 (base year)
<b>Total number of staff</b>		<b>26,436</b>	<b>26,727</b>	<b>28,522</b>	<b>33,152</b>
Staff covered by the survey of environmental indicators	%	80.5	80.9	81.7	16.3
Staff working at a site with a certified environmental management system	%	55.9 <sup>1</sup>	45.7	42.4	16.3

<sup>1</sup> In 2020, our site in Poland was certified in accordance with ISO 14001.

Carbon emissions	Unit	2020	2019	2018	2009 (base year)
<b>Total carbon emissions</b>	<b>t</b>	<b>53,954</b>	<b>57,562</b>	<b>62,510</b>	<b>131,216</b>
Direct carbon emissions from primary energy consumption – Scope 1 <sup>1</sup>	t	37,539	36,288	37,946	55,648
Indirect carbon emissions from procured energy – Scope 2 <sup>2</sup>	t	13,053	13,812	16,803	62,869
Other indirect carbon emissions – Scope 3 <sup>3</sup>	t	3,362 <sup>4</sup>	7,462	7,761	12,699
<b>Carbon emissions per employee</b>	<b>t</b>	<b>2.041</b>	<b>2.154</b>	<b>2.196</b>	<b>4.213</b>
<b>Carbon savings per employee since 2009</b>	<b>%</b>	<b>51.55</b>	<b>48.87</b>	<b>47.88</b>	<b>–</b>

<sup>1</sup> Direct emissions from primary energy consumption (natural gas, heating oil, emergency diesel power, fuel for company cars).

<sup>2</sup> Indirect emissions from procured energy (purchase of electricity, district heating, and district cooling).

<sup>3</sup> Other indirect emissions (business trips, consumption of paper and water, waste).

<sup>4</sup> Pandemic-related decrease in 2020 due to high working from home rates.

Energy	Unit	2020	2019	2018	2009 (base year)
<b>Total direct energy consumption</b> (natural gas, natural gas for CHPs, fuel for emergency generators)	<b>MWh</b>	<b>161,974</b>	<b>152,369</b>	<b>159,853</b>	<b>188,935</b>
Natural gas	MWh	57,317	50,955	56,236	146,993
Natural gas for CHPs	MWh	104,009	100,940	103,095	41,471
Fuel for emergency generators	MWh	648	474	523	471
<b>Total consumption indirect energy</b> (purchased electricity, district heating, district cooling)	<b>MWh</b>	<b>104,021</b>	<b>113,472</b>	<b>123,228</b>	<b>204,325</b>
Purchased electricity	MWh	17,722	18,964	22,658	123,398
Procured green electricity	MWh	40,189	45,787	46,863	12,620
District cooling	MWh	3,847	4,343	4,958	5,136
District heating	MWh	42,263	44,379	48,749	63,171
<b>Percentage of total electricity consumption from green electricity</b>	<b>%</b>	<b>69.4</b>	<b>70.71</b>	<b>67.41</b>	<b>9.28</b>
<b>Total carbon emissions from energy</b>	<b>t</b>	<b>45,898</b>	<b>44,700</b>	<b>49,210</b>	<b>101,257</b>
<b>Carbon emissions from energy per employee</b>	<b>t</b>	<b>1.736</b>	<b>1.672</b>	<b>1.725</b>	<b>3.251</b>

Consumption of paper <sup>1</sup>	Unit	2020	2019	2018	2009 (base year)
<b>Total consumption of paper</b>	<b>t</b>	<b>422<sup>2</sup></b>	<b>590</b>	<b>728</b>	<b>1,165</b>
<b>Paper consumption per employee</b>	<b>t</b>	<b>0.016</b>	<b>0.022</b>	<b>0.026</b>	<b>0.037</b>
<b>Recycled paper</b>	<b>%</b>	<b>21.3</b>	<b>53.9</b>	<b>49.4</b>	<b>53.9</b>
<b>Total carbon emissions from paper</b>	<b>t</b>	<b>498</b>	<b>697</b>	<b>859</b>	<b>1,397</b>
<b>Carbon emissions from paper per employee</b>	<b>t</b>	<b>0.019</b>	<b>0.026</b>	<b>0.030</b>	<b>0.045</b>

<sup>1</sup> Printer and copy paper.

<sup>2</sup> Pandemic-related decline in 2020 due to shift to working from home and the increasing digitalisation of processes.

Water <sup>1</sup>	Unit	2020	2019	2018	2009 (base year)
<b>Total water consumption</b>	m <sup>3</sup>	344,122 <sup>2</sup>	437,457	415,652	470,273
<b>Water consumption per employee</b>	m <sup>3</sup>	13.017	16.368	14.573	15.098
<b>Total carbon emissions from water consumption</b>	t	242	308	292	348
<b>Carbon emissions from water consumption per employee</b>	t	0.009	0.012	0.010	0.011

<sup>1</sup> Our locations obtain water from the local (municipal) networks. Our waste water is discharged sanitary water.

<sup>2</sup> Pandemic-related decrease in 2020 due to high working from home rates.

Waste	Unit	2020	2019	2018	2009 (base year)
<b>Total waste</b>	t	4,735 <sup>1</sup>	5,314	6,320	10,558
<b>Waste by type and disposal method<sup>2</sup></b>					
Recycled materials	t	2,525	2,793	3,570	6,951
Incinerated waste	t	1,107	933	1,371	1,741
Landfill waste	t	207	274	278	572
Special disposal of waste for reuse/recovery	t	14	4	1	146
Organic waste	t	512	888	655	946
Other waste	t	370	422	445	202
<b>Waste per employee</b>	t	0.179	0.199	0.222	0.339
<b>Total carbon emissions from waste</b>	t	1,606	1,680	1,957	1,853
<b>Carbon emissions from waste per employee</b>	t	0.061	0.063	0.069	0.059

<sup>1</sup> Pandemic-related decrease in 2020 due to high working from home rates.

<sup>2</sup> The type of waste disposal greatly depends on the respective infrastructure for waste disposal and local regulations.

Wherever possible, waste and recyclable materials are separated, recycled and disposed of by regional service providers.

Business travel	Unit	2020	2019	2018	2009 (base year)
<b>Total business travel</b>	km	46,314,328 <sup>1</sup>	102,969,152	102,452,202	153,116,204
Air travel	km	7,588,751	40,094,092	39,209,702	45,577,642
Automotive travel (company cars, hire vehicles)	km	34,909,236	48,167,780	49,706,634	90,194,858
Rail travel <sup>2</sup>	km	3,816,341	14,707,280	13,535,866	17,343,704
<b>Business travel per employee</b>	km	1,752	3,853	3,592	4,916
<b>Total carbon emissions for business travel</b>	t	5,709	10,177	10,191	26,360
<b>Carbon emissions for business travel per employee</b>	t	0.216	0.377	0.357	0.846

<sup>1</sup> Pandemic-related decline in 2020.

<sup>2</sup> In Germany, long-distance rail travel with Deutsche Bahn has been climate-neutral since 1 July 2011 due to the use of green electricity.

## Notes on the environmental figures

An important component of our Group-wide environmental and climate protection strategy is the continuous reduction of our resource consumption and the related carbon emissions. In our reporting on consumption and carbon emissions, we focus on the significant direct impacts of our business operations on the environment and climate – namely our consumption of paper, energy and water; the amount of waste we produce; and the number of business trips undertaken. External quality-assurance specialists measure and spot-check the resulting carbon emissions for the entire Munich Re Group, including ERGO.

The consumption of resources per employee refers to in-house staff and salaried field staff. Self-employed sales agents are not included in the environmental indicators.

To calculate the Group-wide carbon savings targets from 2009 to 2015 (target: –10 percent kg of carbon per employee), we used in each case the 2011 conversion factors of the Greenhouse Gas Protocol (GHG) and of the Association for Environmental Management and Sustainability in Financial Institutions (VfU). Green electricity was not included in the accounting, thereby ensuring that the quantitative values remain comparable over the target period.

In 2015, a new environmental and climate protection strategy was adopted by the Board of Management. The carbon savings target was expanded. From 2009 to 2020, 35 percent were to be saved, as measured in kilograms of carbon per employee. ERGO has exceeded this target: in 2020, we reduced our Group-wide carbon emissions by 51.6 percent per employee. As of 2016, the Group's carbon emissions have been calculated on the basis of the latest conversion factors of the GHG Protocol and the VfU. The GHG Protocol is used for the conversion of Scope 1 emissions (direct energy), for electricity falling under Scope 2 emissions (indirect energy), and for the “short and long flights” components

of the “business trips” element of Scope 3 emissions. Electricity from renewable sources is deemed as having zero emissions. Country-specific conversion factors were used for the remaining electricity consumption. The VfU conversion factors are taken as the basis for calculating the Scope 2 emissions “district heating” and the Scope 3 emissions for paper, water and waste, as well as the “company vehicles, taxis, hire vehicles, train journeys” components of the “business trips” element. Business trips with company cars are calculated using individual factors, if available. If not available, the VfU conversion factor is applied.

### CO<sub>2</sub> emission sources:

- Scope 1: direct emissions from primary energy consumption (natural gas, heating oil, emergency diesel generators, fuel for company cars)
- Scope 2: indirect emissions from procured energy (purchase of electricity, district heating, and district cooling)
- Scope 3: other indirect emissions (business trips, consumption of paper and water, waste)



## Employee figures

> GRI 102-8, 102-41, 401-1, 404-1, 405-1

ERGO Group employees <sup>1</sup>	Unit	2020	2019	2018
<b>Total staff</b>		<b>26,436</b>	<b>26,728<sup>2</sup></b>	<b>28,522</b>
<b>Employees by region</b>				
Germany	%	53.4	53.6	51.2
Total Germany		14,108	14,321	14,605
Rest of Europe	%	46.3	46.1	48.4
Other	%	0.3	0.3	0.4
Total foreign		12,328	12,407	13,917
<b>Staff by function</b>				
In-house staff		22,250	22,599	23,692
Salaried field staff		3,123	3,182	4,830
Self-employed field staff		11,497	11,442	11,620 <sup>4</sup>
Other (e.g. clinical staff) <sup>3</sup>		1,063	947	-
<b>Staff by contract type</b>				
Full-time staff	%	79.7	77.1	75.1
Female	%	49.7	49.4	49.4
Male	%	50.3	50.6	50.6
Part-time staff	%	17.7	20.3	21.4
Female	%	87.4	85.7	84.7
Male	%	12.6	14.3	15.3
Dormant employment contracts	%	2.6	2.7	3.4
Female	%	89.3	89.9	91.0
Male	%	10.7	10.1	9.0

ERGO Group employees <sup>1</sup>	Unit	2020	2019	2018
<b>Staff with temporary contracts</b>		<b>1,315</b>	<b>1,514</b>	<b>1,695</b>
<b>Staff under collective bargaining agreements<sup>4</sup></b>	%	<b>98.3</b>	<b>95</b>	<b>90</b>
<b>Sickness ratio</b>	%	<b>5.5</b>	<b>6.3</b>	<b>6.5</b>
<b>Fluctuation rate</b>	%	<b>9.8</b>	<b>12.4</b>	<b>12.1</b>
<b>Length of service in years (Ø)</b>	Years	<b>15.2</b>	<b>14.8</b>	<b>13.9</b>
<b>Women in management positions</b>	%	<b>37.6</b>	<b>38.3</b>	<b>38.8</b>
<b>Staff with disabilities</b>	%	<b>5.6</b>	<b>4.9</b>	-
<b>Staff with flexible working hours<sup>5</sup></b>	%	<b>82.6</b>	<b>77.7</b>	-
<b>Staff eligible for mobile working<sup>5</sup></b>	%	<b>87.4</b>	<b>67.7</b>	-
<b>Staff with access to medical care (e.g. company doctor, health insurance)<sup>5</sup></b>	%	<b>92.1</b>	<b>67.6</b>	-
<b>Staff with access to medical benefits (e.g. flu vaccination, check-ups and screening)<sup>5</sup></b>	%	<b>84.4</b>	<b>82.8</b>	-
<b>Staff in company pension plans<sup>5</sup></b>	%	<b>84.3</b>	-	-

<sup>1</sup> Unless otherwise stated, the values refer to in-house and salaried field staff of the entire ERGO Group.

<sup>2</sup> Certain foreign ERGO companies were sold in 2019. This reduced the total number of staff.

<sup>3</sup> Other staff (for example clinical staff) have been reported separately since 2019.

<sup>4</sup> The figure includes in-house and salaried field staff at the operational ERGO companies in Germany.

<sup>5</sup> Percentage of staff with corresponding contractual agreement (employees of the Dutch companies not included).

Employee structure of in-house staff (IHS) and salaried field staff (FS) at the ERGO Group in Germany and abroad	Unit	2020		2019		2018	
		IHS	FS	IHS	FS	IHS	FS
<b>Staff by gender</b>							
Women	%	58.5	48.6	58.6	48.7	58.6	55.4
Men	%	41.5	51.4	41.4	51.3	41.4	44.6
<b>Average age</b>	<b>Years</b>	<b>44.4</b>	<b>46.9</b>	<b>43.9</b>	<b>46.7</b>	<b>43.2</b>	<b>43.9</b>
<b>Age structure</b>							
Staff under 30	%	11.2	11.1	10.9	10.5	11.6	11.5
Staff between 30 and 50	%	56.0	44.9	58.8	46.3	61.3	56.7
Staff over 50	%	32.8	44.0	30.2	43.2	27.1	31.8

Basic and advanced training at the ERGO Group	Unit	2020	2019	2018
<b>Cost of advanced training per employee</b>	€	<b>445</b>	<b>658</b>	–
<b>Days of advanced training per employee</b>		<b>3.7<sup>1</sup></b>	<b>5.7</b>	<b>3.7</b>
<b>Total training days</b>		<b>90,795<sup>1</sup></b>	<b>142,287</b>	<b>100,080</b>

<sup>1</sup> Pandemic-related decrease, as classroom courses could not be completely replaced by online courses.

Basic and advanced training at the ERGO Group in Germany	Unit	2020	2019	2018
<b>Trainees (including agency trainees)</b>		<b>908</b>	<b>876</b>	<b>842</b>
<b>Ratio of trainees to working staff</b>	%	<b>5.2</b>	<b>4.9</b>	<b>4.7</b>
<b>Training days of sales partners<sup>1</sup></b>		<b>26,786<sup>2</sup></b>	<b>39,078<sup>3</sup></b>	<b>29,200</b>

<sup>1</sup> Advanced training days for salaried and self-employed field staff. The figures include central advanced training programmes organised by ERGO, as well as local training measures within the scope of the EU Insurance Distribution Directive and the "Good Advice" initiative of the German Insurance Association and its Code of Conduct for insurance sales.

<sup>2</sup> Pandemic-related decrease, as classroom courses could not be completely replaced by online courses.

<sup>3</sup> In 2019, the number of training days increased, in part due to new training courses on digitalisation in sales.

## Social commitment figures

> GRI 201-1

Social commitment expenditure	Unit	2020	2019	2018
<b>Total expenditure</b>	€	<b>2,550,693</b>	<b>2,195,241</b>	<b>2,168,919</b>
Donations	€	1,267,294	597,691	607,513
Social sponsorships	€	528,569	746,822	838,018
CR memberships	€	81,951	61,761	105,526
Donations in kind/in-kind sponsorships	€	49,564	5,638	15,801
Political donations <sup>1</sup>	€	93,000	95,500	95,500
ERGO foundations	€	530,315	687,829	506,562

### Expenditure on social commitment according to challenges addressed

Projects that contribute to addressing one of the three global challenges: <sup>2</sup>	€	1,610,633	1,008,613	1,130,918
1. Mitigating the effects of climate change				
2. Improving access to healthcare				
3. Need to heighten risk awareness				
Disaster relief	€	1,393	106,867	9,250
Local projects and organisations	€	265,789	290,795	410,888

<sup>1</sup> ERGO supports the political democratic process, and to this end it donates to the following parties: Bündnis90/Die Grünen, CDU, CSU, FDP and SPD.

They each receive the same donation amount, an annual total of 75,000 euros for each party. All donations are transferred to the parties' federal headquarters. In addition to the above donations, membership fees are paid to organisations closely affiliated with the parties. These may not exceed 25,000 euros per business year for ERGO.

<sup>2</sup> Expenditure on social commitment according to challenges addressed includes donations, social sponsorships and CR memberships (without donations in kind/sponsorships in kind).

## GRI content index

> GRI 102-55

In the GRI content index below, we list all the GRI Standards used, with references to the pages in the report where the relevant content can be found.

GRI Standard	Reference	Comments/omissions
<b>GRI 102   General disclosures 2016</b>		
102-1   Name of the organization	ERGO company profile, p. 2	
102-2   Activities, brands, products and services	ERGO company profile, p. 2	
102-3   Location of headquarters	ERGO company profile, p. 2	
102-4   Location of operations	ERGO company profile, p. 2	
102-5   Ownership and legal form	ERGO company profile, p. 2	
102-6   Markets served	ERGO company profile, p. 2	
102-7   Scale of the organization	ERGO company profile, p. 2	
102-8   Information on employees and other workers	Employee figures, pp. 55–56	
102-9   Supply chain	ERGO company profile, p. 2	
102-10   Significant changes to the organization and its supply chain		There were no significant changes in the organisation and its supply chain in the year under review.
102-11   Precautionary principle or approach	CEO statement, p. 4	
102-12   External initiatives	Responsible corporate governance, pp. 7–9; Customer focus and customer satisfaction, pp. 15 f.; Sustainable investment, pp. 18–20; Diversity and equal opportunities, pp. 31–33	
102-13   Membership of associations	Our stakeholders, p. 45	
102-14   Statement from senior decision-maker	CEO statement, p. 4	

GRI Standard	Reference	Comments/omissions
<b>GRI 102   General disclosures 2016</b>		
102-16   Values, principles, standards, and norms of behavior	CEO statement, p. 4; Responsible corporate governance, pp. 7-9	
102-18   Governance structure	Responsible corporate governance, pp. 7-9; Sustainable products, pp. 16-18	<b>ERGO Articles of Association Management ERGO Group</b>
102-40   List of stakeholder groups	Our stakeholders, p. 45	
102-41   Collective bargaining agreements	Employee figures, pp. 55-56	
102-42   Identifying and selecting stakeholders	Our stakeholders, p. 45	
102-43   Approach to stakeholder engagement	Our stakeholders, p. 45	
102-44   Key topics and concerns raised	Our stakeholders, p. 45; About this report, p. 63	
102-45   Entities included in the consolidated financial statements		See list of shareholdings in the <b>Munich Re Annual Report</b> .
102-46   Defining report content and topic boundaries	About this report, p. 63	
102-47   List of material topics	About this report, p. 63	
102-48   Restatements of information	About this report, p. 63	
102-49   Changes in reporting	About this report, p. 63	
102-50   Reporting period	About this report, p. 63	
102-51   Date of most recent report	About this report, p. 63	
102-52   Reporting cycle	About this report, p. 63	
102-53   Contact for questions regarding the report	Imprint, p. 63	
102-54   Claims of reporting in accordance with the GRI Standards	About this report, p. 63	
102-55   GRI content index	GRI content index, pp. 57-62	



GRI Standard	Reference	Comments/omissions
<b>GRI 102   General disclosures 2016</b>		
102-56   External assurance	About this report, p. 63	The report has not been verified by an external auditor. Compliance with the standards for selected environmental indicators by the whole of the Munich Re Group was confirmed by an external audit firm <b>(see Munich Re CR Report 2020, pages 104/105)</b> .
<b>GRI 201   Economic performance 2016</b>		
103-1/-2/-3   Management approach	Responsible corporate governance, pp. 7-9; Global challenges, pp. 38-41	
201-1   Direct economic value generated and distributed	Social commitment figures, p. 56	<b>Our key financial figures Munich Re Group Annual Report 2020</b>
<b>GRI 203   Indirect economic impact 2016</b>		
103-1/-2/-3   Management approach	Sustainable products, pp. 16-18	
203-1   Infrastructure investment and services supported	Sustainable products, pp. 16-18	
<b>GRI 205   Anti-corruption 2016</b>		
103-1/-2/-3   Management approach	Responsible corporate governance, pp. 7-9	
205-1   Operations assessed for risks related to corruption	Responsible corporate governance, pp. 7-9	
205-2   Communication and training about anti-corruption policies and procedures	Responsible corporate governance, pp. 7-9; Sustainability programme, pp. 46-51	
205-3   Confirmed incidents of corruption and action taken		We are not aware of any incidents of corruption at ERGO in the year under review.
<b>GRI 302   Energy 2016</b>		
103-1/-2/-3   Management approach	Reducing emissions in operations, pp. 23-27	
302-1   Energy consumption within the organization	Environmental figures, pp. 52-54	
302-2   Energy consumption outside of the organization	Environmental figures, pp. 52-54	
302-4   Reduction of energy consumption	Environmental figures, pp. 52-54	

GRI Standard	Reference	Comments/omissions
<b>GRI 303   Water and effluents 2018</b>		
303-1   Interactions with water as a shared resource	Reducing emissions in operations, pp. 23–27; Raising environmental awareness, p. 27	
303-2   Management of water discharge-related impacts		Our waste water is discharged sanitary water. The amount corresponds almost exactly to the volume of water withdrawn (↘ see environmental figures). We discharge it into the local sewage system.
303-3   Water withdrawal	Environmental figures, pp. 52–54	
<b>GRI 305   Emissions 2016</b>		
103-1/-2/-3   Management approach	Reducing emissions in operations, pp. 23–27; Raising environmental awareness, p. 27	
305-1   Direct (Scope 1) GHG emissions	Environmental figures, pp. 52–54	
305-2   Energy indirect (Scope 2) GHG emissions	Environmental figures, pp. 52–54	
305-3   Other indirect (Scope 3) GHG emissions	Environmental figures, pp. 52–54	
305-5   Reduction of GHG emissions	Environmental figures, pp. 52–54	
<b>GRI 306   Effluents and waste 2016</b>		
306-2   Waste by type and disposal method	Environmental figures, pp. 52–54	
<b>GRI 307   Environmental compliance 2016</b>		
103-1/-2/-3   Management approach	Responsible corporate governance, pp. 7–9; Reducing emissions in operations, pp. 23–27	
307-1   Non-compliance with environmental laws and regulations		We are not aware of any breaches of environmental laws or regulations at ERGO during the year under review.
<b>GRI 401   Employment 2016</b>		
103-1/-2/-3   Management approach	Staff promotion, pp. 30 f.	
401-1   New employee hires and employee turnover	Employee figures, pp. 55–56	In the year under review, a total of 2,163 employees were recruited Group-wide (386 in Germany and 1,777 abroad).

GRI Standard	Reference	Comments/omissions
<b>GRI 404   Training and education 2016</b>		
103-1/-2/-3   Management approach	Staff promotion, pp. 30 f.	
404-1   Average hours of training per year per employee	Employee figures, pp. 55–56	Our offers and investments in advanced training apply in principle to all employees. A breakdown by gender and employee category is not relevant for our management and is therefore not collected.
404-2   Programs for upgrading employee skills	Staff promotion, pp. 30 f.	
404-3   Percentage of employees receiving regular performance and career development reviews		Annual appraisal interviews on personal development form a key element of our human resources policy. Since participation is voluntary, we do not record participation rates.
<b>GRI 405   Diversity and equal opportunity 2016</b>		
103-1/-2/-3   Management approach	Diversity and equal opportunities, pp. 31–33	
405-1   Diversity of governance bodies and employees	Employee figures, pp. 55–56	
<b>GRI 406   Non-discrimination 2016</b>		
103-1/-2/-3   Management approach	Diversity and equal opportunities, pp. 31–33	
406-1   Incidents of discrimination and corrective actions taken		In the 2020 financial year, two alleged cases of discrimination were investigated at ERGO in Germany, but were not confirmed. The indicator is not recorded internationally.
<b>GRI 412   Human rights assessment 2016</b>		
103-1/-2/-3   Management approach	Human rights, p. 12; Sustainable investment, pp. 18–20	
412-3   Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human rights, p. 12	
<b>GRI 414   Supplier social assessment 2016</b>		
103-1/-2/-3   Management approach	Human rights, p. 12	
414-1   New suppliers that were screened using social criteria	Human rights, p. 12; Sustainability programme, pp. 46–51	

GRI Standard	Reference	Comments/omissions
<b>GRI 417   Marketing and labelling 2016</b>		
103-1/-2/-3   Management approach	Customer focus and satisfaction, pp. 15 f.	
417-1   Requirements for product and service information and labelling	Customer focus and satisfaction, pp. 15 f.	
<b>GRI 418   Protection of customer data 2016</b>		
103-1/-2/-3   Management approach	Data protection, pp. 10–12	
418-1   Substantiated complaints concerning breaches of customer privacy and losses of customer data		We are not aware of any systematic data protection breaches during the year under review. In addition, no fines were imposed on Group companies by data protection authorities. This indicator was not recorded for the international companies.
<b>GRI 419   Socio-economic compliance 2016</b>		
103-1/-2/-3   Management approach	Responsible corporate governance, pp. 7–9	
419-1   Non-compliance with laws and regulations in the social and economic area		We are not aware of any such cases during the year under review.



## About this report

> GRI 102-44, 102-46, 102-47, 102-48, 102-49, 102-50, 102-51, 102-52, 102-54, 102-56

This sustainability report was prepared in accordance with the GRI Standards ('Core' option). We wish to address other target groups as well as the expert audience. For that reason, the previous GRI balance sheet has been expanded into a comprehensive sustainability report.

The sustainability topics that were reviewed in 2019 and evaluated by our various stakeholder groups also form the basis for this Sustainability Report (see 2019 Sustainability Report). This resulted in the following material topics for this report: responsible corporate governance, customer focus and customer satisfaction, sustainability in insurance business, sustainable investment, climate and environmental protection in business operations, promotion of employees, and social commitment. The next materiality analysis will be carried out in 2021.

ERGO publishes an annual report on the Group's sustainability activities. The previous report appeared in December 2020. The current reporting period covers the period from 1 January 2020 to 31 December 2020. Key topics from the period leading up to May 2021 have already been included in part and have been marked accordingly. The report has not been verified by an external auditor.

## Imprint

> GRI 102-53

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