



Sustainability Report 2023

Simple because it matters.

ERGO

A Munich Re company

About this report

GRI 2-3, 2-5

We publish this Sustainability Report to inform our customers, other stakeholders and the expert audience about how we meet our societal responsibilities and how we endeavour to protect the environment and climate. In keeping with our ERGO brand claim “Simple because it matters”, we report in a brief and comprehensive way with focus on our material sustainability topics as well as on the measures taken and successes achieved during 2023.

Since 2012, ERGO has reported annually on the Group’s sustainability activities. This report covers the period from 1 January 2023 to 31 December 2023. It is prepared with reference to the Global Reporting Initiative standards but has not been verified by an external third party.

ERGO Group is included in the non-financial statement in the Munich Re Group Annual Report and hence exempted from issuing its own non-financial statement. Additional information on the joint implementation of sustainability targets in the year under review can be found in [Munich Re’s Annual Report](#) and [Sustainability Report](#). Detailed information on ERGO’s social commitment can be found on our [website](#).



Governance

We manage our company responsibly and rely on forward-looking management of risks.

p. 4



Business

We offer customers future-oriented solutions and manage our insurance business and our investments according to sustainable criteria.

p. 11



Employees

We promote talent, pay attention to providing equal opportunities and support employees in balancing their professional and private lives.

p. 17



Environmental and climate protection

With our targets for reducing greenhouse gas emissions, we strive to contribute to environmental and climate protection.

p. 15

ERGO company profile

GRI 2-1, 2-6, 2-7

The Düsseldorf-based ERGO Group is one of the major insurance groups in Germany and Europe. ERGO offers a comprehensive range of insurances, pensions, investments and services, and caters to both private individuals and business customers. The Group is represented in over 20 countries worldwide, concentrating on its core and growth markets in Europe and Asia.

Around 38,700 people work worldwide as salaried employees or sales agents for the Group. In 2023, ERGO received total premiums of around 20.1 billion euros and paid its customers net policy benefits of 17.8 billion euros.

The insurance group is a public limited company (Aktien-gesellschaft [AG]) under German law 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.

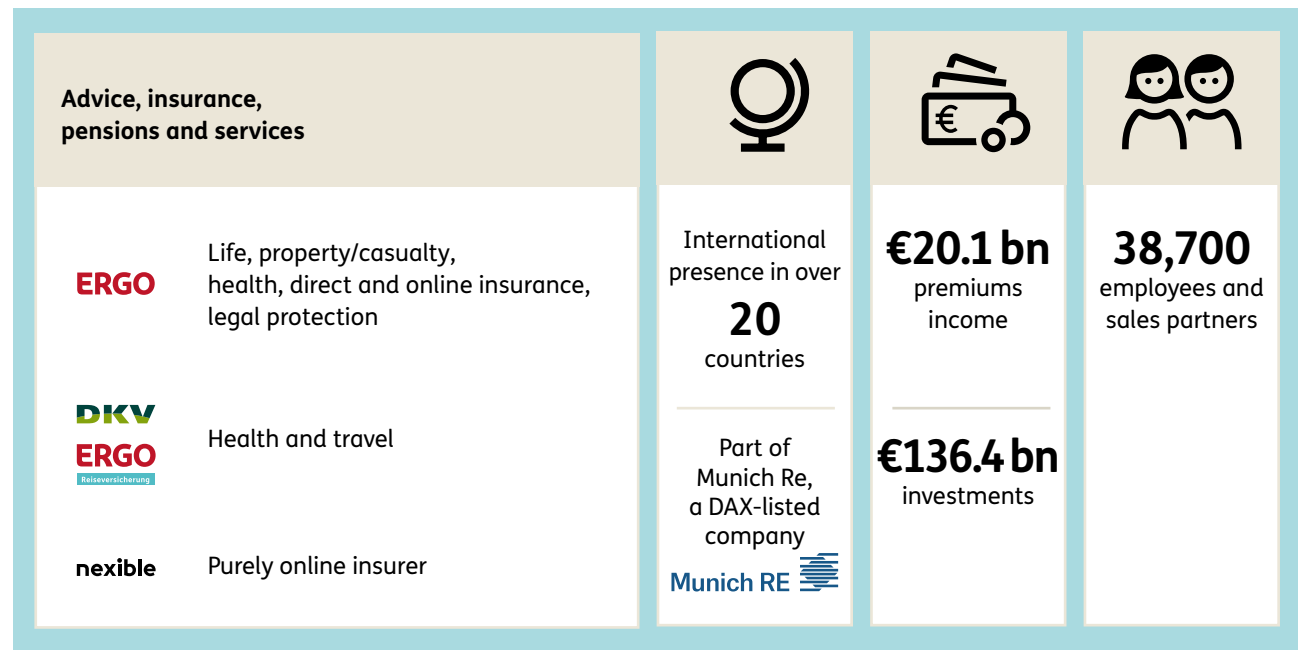
Three separate units operate under the ERGO Group umbrella. ERGO Deutschland AG bundles the German business. ERGO International AG manages international business. ERGO Technology & Services Management AG has a trans-national mandate as a global technology and service provider for the entire ERGO Group. A new ERGO Group AG

Board department was established in 2024 with responsibility for the Group's digital transformation. Until 31 December 2023, these tasks were bundled under ERGO Digital Ventures AG.

Since ERGO is mainly a service provider, the Group primarily procures goods and services from the following sectors: information technology, external resources (such as

consulting), marketing services, administration and management of property and facilities, fleet management, travel management, office supplies, and courier and logistics services. The management of ESG risks in supply chains is reported on in the **Human rights** chapter.

More detailed information on ERGO Group can be found on the [↘ corporate website](#).



Responsible corporate governance

Acting prudently and with foresight is an integral part of our core business. With our know-how and our practical solutions, we help protect people’s individual life plans and needs. Responsible action and the forward-looking management of risk characterise our Group, as does our commitment to sustainability.

We also consider the requirements arising from the voluntary commitments under international agreements and initiatives that we have entered into with our parent company, Munich Re (see at right). Our commitment to sustainability also contributes to the United Nations

Sustainable Development Goals (SDGs), which describe the key challenges of our time.

Ambition 2025

Our Group-wide strategy ↘ **Ambition 2025** guides our actions. By strengthening and expanding our core business, identifying new areas of business and developing needs-oriented products and services for customers, we aim to create long-term value for our shareholders, customers and staff – and for society as a whole.

Continually developing our commitment to sustainability is also part of our Ambition 2025. Central components include the decarbonisation of our investments and insurance business as well as reducing emissions from our own operations.



SDG 8
Decent work and economic growth



SDG 13
Climate action

GRI 2-23, 2-24, 3-3

Key voluntary commitments

- ↘ UN Global Compact (UNGC)
- ↘ Principles for Responsible Investment (PRI)
- ↘ Principles for Sustainable Insurance (PSI)
- ↘ Net-Zero Asset Owner Alliance (NZAOA)



The areas of activity of our sustainability strategy

Responsible corporate governance: We manage our Group responsibly and ensure that human and labour rights are respected at ERGO and at our business partners.

Business: Our offerings are focused on our customers’ needs; we support them through insurance solutions with sustainable features and invest capital responsibly.

Environmental and climate protection: Our climate strategy covers our investments and insurance business as well as our own operations.

Responsible employer: We promote the development of our employees, support them with their work-life balance, and attach special importance to equality and career advancement opportunities for women.

Social commitment: We support a variety of initiatives and projects that promote social cohesion or are close to our core business.



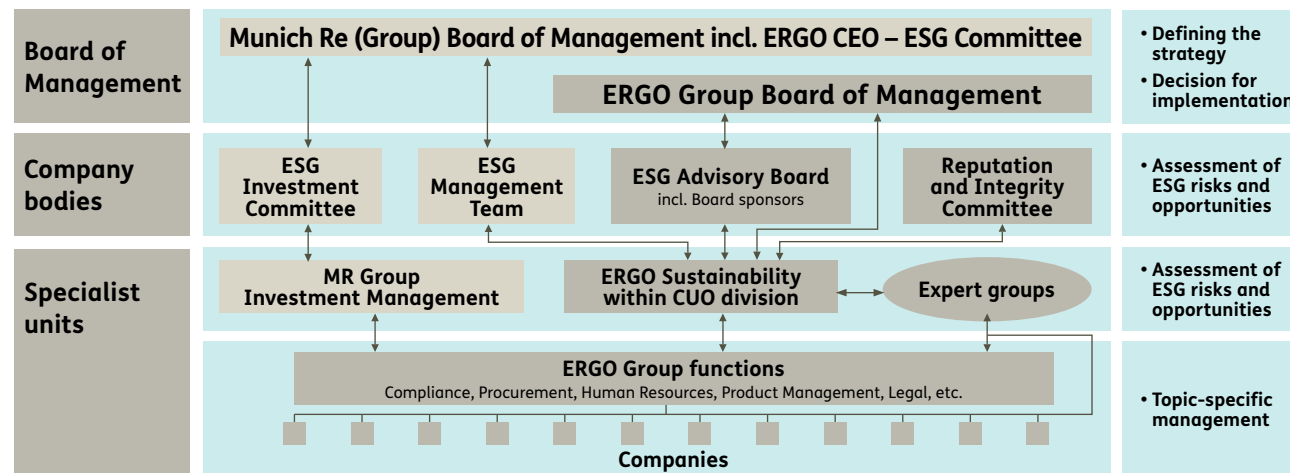
Our sustainability organisation

Sustainability has high strategic importance for ERGO. Targets and strategy are decided by the Board of Management of our parent company, Munich Re, respectively in the latter's ESG Board Committee, a sub-committee of the Strategy Committee. The CEO of the ERGO Group is a member of all three bodies. The ESG Management Team supports the ESG Board Committee in preparing strategic topics. Along with the Chief Underwriting Officers (CUOs) of Munich Re and ERGO, in other words the Board members with responsibility for (re-)insurance business, the heads of divisions entrusted with ESG topics are also represented. The Board of Management of ERGO Group AG decides on the implementation of ESG topics at ERGO. Decisions are prepared by the ESG Advisory Board, under the leadership of the Board member responsible. The Advisory Board includes Board of Management sponsors from various national and international units.

Implementation is managed Group-wide by centrally responsible units. A dedicated Sustainability Department reporting to the Chief Underwriting Officer coordinates sustainability management and, in collaboration with the units, identifies potential for further development or new business ideas. Group Investment Management manages investments for the entire Munich Re Group. The ERGO Reputation and Integrity Committee can be involved to assess ESG risks.

ERGO develops standards and guidelines that are used to implement our sustainability targets in the international companies. These are regularly reviewed and updated if required.

ERGO sustainability organisation/ESG governance



SDG 8
Decent work and economic growth



SDG 13
Climate action

GRI 2-9, 2-24, 3-3



Stakeholder dialogue and materiality

We value open dialogue with our stakeholders. This allows us to identify at an early stage which topics and challenges are significant for ERGO from our stakeholders' perspective, both today and in the future. Interaction with the Group's customers, employees, sales partners and investors as well as representatives of civil society is particularly relevant. We exchange information with these groups via the different business units, communication channels and platforms.

A materiality analysis determines the sustainability topics that are of special importance for the Group and its stakeholders and should accordingly be focused on in our sustainability management and reporting. As part of the Group's comprehensive sustainability strategy, Munich Re determines the material topics in a systematic process. The previous materiality analysis was validated in preparation for determining the topics for the 2023 reporting year.

Identifying topics that are of relevance for the units involves the following steps:

- Selection of topics based on external reporting requirements and on the material topics identified in previous years
- Field analysis, assessment of the business relevance and of the impact of our own business operations on the topics
- Validation by internal expert bodies and selected stakeholders, and approval by the ESG Committee

Customers, employees, investors and representatives of wider society were all involved in the process. ERGO Sustainability and other ERGO business units dealing with sustainability goals were also involved in the validation. The previously reported material topics were confirmed again for the 2023 business year.



SDG 8
Decent work and economic growth



SDG 13
Climate action

GRI 2-29, 3-1, 3-2, 3-3

Our material topics

For 2023, the following sustainability topics were deemed material for our parent company, Munich Re, and therefore for ERGO as well:

- Responsible corporate governance
- ESG integration
- Compliance
- Human rights
- Responsible digital transformation and cybersecurity
- Customer focus and customer satisfaction
- Services and products relating to sustainability
- Climate change
- Natural disasters
- Employer attractiveness
- Diversity, equity and inclusion
- Training and education

ESG integration

We observe the Principles for Sustainable Insurance (PSI) and Principles for Responsible Investment (PRI) and have firmly embedded sustainable aspects (so-called ESG aspects) in our Group. Our sustainability organisation is intended to exploit relevant opportunities for our business and to recognise at an early stage risks for the environment, local communities or other stakeholders in order to minimise these as far as possible.

Within our insurance business, investment activities and own operations, guidelines, position papers and standardised processes help to ensure the integration of ESG aspects. These requirements are regularly reviewed and supplemented where necessary. In addition, our Code of Conduct obliges all employees to familiarise themselves

with the relevant Group ESG standards and to comply with them. In the reporting year, the further development of our ESG governance focussed in particular on the topics of human rights, controversial weapons, avoiding greenwashing and protecting biodiversity. ESG goals form part of the Board of Management remuneration system at Munich Re. They are accordingly integrated into the objectives of the various Group units.

Dealing with reputational risks

Any failure to consider ESG aspects could also damage our reputation. Potential risks for society and the environment are therefore included within reputational risk management, and individual business transactions are assessed by the ERGO Reputation and Integrity Committee as and when required. No reportable sustainability risks were identified in 2023.



SDG 8
Decent work and economic growth



SDG 13
Climate action

GRI 2-23, 2-24, 3-3

Key voluntary commitments

- ↳ UN Global Compact (UNGC)
- ↳ Principles for Responsible Investment (PRI)
- ↳ Principles for Sustainable Insurance (PSI)
- ↳ Net-Zero Asset Owner Alliance (NZAOA)

What are ESG criteria?

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

- Environment: preventing GHG emissions, reducing resource consumption and preventing environmental damage
- Social: upholding human rights and labour rights, equality, promotion of basic and advanced training
- Governance: responsible corporate governance, compliance, transparency and dialogue with stakeholders



Development of an ESG network

We expanded our ESG network in 2023 to promote the transfer of knowledge on ESG topics within the Group. The inaugural ESG Community Days were held in March, and in the second half of the year, we launched the ESG Circle. We further promote exchange and the transfer of knowledge with topic-specific formats and projects.

ESG Network

ESG Community Days

- > Annual
- > Information event on ESG projects in the Group



ESG Circle

- > 6 to 8 times a year
- > Exchange between those responsible for ESG in the local companies



Projects for the implementation of ESG regulations and voluntary commitments

- > Varying composition and cycle



Environmental Dialogue

- > Quarterly
- > Network and exchange among environmental managers



Corporate Social Responsibility Dialogue

- > Semi-annual
- > Network and exchange among CSR managers



Compliance

ERGO believes that honest business conduct is a prerequisite for sustainable value creation. We understand compliance to mean acting in accordance with statutory and supervisory requirements as well as with internal company regulations and principles. In our Codes of Conduct for employees, self-employed sales agents and suppliers, we set out our requirements for ethically impeccable conduct and the principles of cooperation.

The Employee Code of Conduct, which applies for all Munich Re companies, was fully revised in 2023. As well as basic standards of behaviour for fair and reliable action, there is now a stronger focus on topics such as sustainability and human rights as well as responsible leadership, the creation of transparency and trust (speak-up culture), and protection for whistleblowers.

Regular employee awareness-raising

Besides defining and improving Group-wide rules and regulations, our compliance management system includes risk analysis, monitoring regulatory compliance, and also informing, training and advising employees, sales partners and business heads.

Mandatory online training sessions regularly raise employees' awareness of compliance topics such as compliance with the Code of Conduct or insurance antitrust law. Suppliers must commit, amongst other things, to a zero-tolerance policy with regard to corruption, bribery and embezzlement. In this way, we want to prevent possible unethical actions such as fraudulent agreements, acceptance of advantages or violations of money laundering regulations under all circumstances. In 2023, no criminally relevant cases of corruption were identified at ERGO.

The Compliance Unit is headed by the Chief Compliance Officer, who, in addition to being responsible for the systematic identification of relevant risks, is also responsible for monitoring the standards the unit has issued. The Group Anti-Money Laundering Officer function is also assigned to the Compliance Unit. ERGO has set up the Reputation and Integrity Committee (RIC) to assess situations with potential reputational risks. The RIC examines material facts and circumstances and makes recommendations for action to the Board of Management as well as to the operating units.



Measures in 2023

- Further harmonisation of the methodological approach between the key functions of risk management and compliance
- Communication of the revised Code of Conduct
- Intensive support for activities relating to company mergers and takeovers from the perspective of compliance



SDG 16

Peace, justice and strong institutions

GRI 2-23, 2-24, 3-3, 205-3

Further information

- ↳ Employee Code of Conduct
- ↳ Sales Agent Code of Conduct

Reporting violations

Employees can report any compliance breaches to the Compliance Unit, an external ombudsperson, their direct superior, or to other independent units within the Group. The [↳ ERGO whistleblowing portal](#) and the contact address whistleblower@ergo.de are available to employees as well as external persons as a reporting channel. If preferred, reports can be made anonymously.

Human rights

Protecting human rights is a key part of our value-based corporate governance. This is underscored by ERGO Group's Board of Management's Statement on Human Rights. Our particular focus lies on the right to healthy, safe and dignified working conditions, the right to equality and non-discrimination, and also the right to adequate living conditions through protection of the environment.

We want to prevent or reduce as far as possible any adverse effects our business may have on the upholding of human rights. We have therefore established processes for identifying and managing possible human rights risks. Since the beginning of 2023, the Human Rights Officer in the Sustainability Department has been responsible for monitoring risk management across the Group.

We require our suppliers to comply with the Group Supplier Code of Conduct for the protection of human rights and the environment. In the case of product groups with an

increased risk of human rights violations, we carry out individual assessments on a case-by-case basis. Our Employee Code of Conduct also requires our employees to uphold human rights.

Moreover, we want to exclude any business relationships with or investments in companies that have demonstrably been involved in serious human rights violations. In this context, based on information from external data providers, we have compiled a list of excluded companies; it is reviewed and updated at regular intervals. In 2023, we implemented these rules for investments, purchasing and for underwriting individual risks in the insurance business.

In 2023, we also integrated a stricter risk analysis into our underwriting guidelines for the underwriting of individual risks for major commercial customers who – depending on geography and industrial sector – are exposed to an increased risk of human rights violations. If the analysis reveals significant human rights risks, the insurance business may not be concluded or renewed. Cases of doubt must be submitted to the ERGO Reputation and Integrity Committee.



Measures to protect human rights

In 2023, we established various processes and measures to meet our due diligence obligations in respect of human rights. These included:

- Adoption of a Group-wide guideline for implementation of supply chain due diligence for suppliers and employees, thereby embedding a risk and complaint management system for all ERGO companies
- Special training programmes for employees in procurement functions on the observance of supply chain due diligence obligations

ERGO will report on risks, possible human rights violations and measures taken in accordance with legal requirements.



SDG 8

Decent work and economic growth

GRI 2-23, 2-24, 3-3, 407-1, 408-1, 409-1

Group regulations

- ↳ ERGO Declaration on Human Rights
- ↳ Requirements for suppliers
- ↳ Codes of conduct

Reporting of violations

Secure, confidential and, if preferred, anonymous: the [whistleblowing system](#) at ergo.com can be used to report violations of the law or of the Code of Conduct as well as potential human rights violations at any time anywhere in the world.

In 2023, no operating sites or suppliers were identified where there was a significant risk of human rights violations.

Digital transformation, data protection and cybersecurity

Digitalisation is the key to making insurance simpler. New technologies like artificial intelligence (AI), robotics, language applications (voice) or virtual reality can improve products and services and help design more efficient processes. At the same time, we are conscious of the fact that the growing range of applications also harbours risks. For this reason, our internal Group guidelines specify how to make responsible use of AI. In 2023, we published a guide on AI applications and their underlying language models that provides an overview of the potential offered and the challenges associated with the use of the technology in insurance companies (white paper on ChatGPT).

Before such new technologies are introduced, the co-determination bodies are fully involved and are informed in particular about whether the applications can have any impact on work content, processes or qualification requirements. This ensures that employee interests are duly considered.

Careful handling of customer data

Data protection is a particularly high priority for us because our core business involves handling sensitive customer data. We collect data in a transparent way and only to the extent required for the particular purpose. The ERGO Data Protection Officer and their team advise staff and management on data protection issues, process corresponding complaints and monitor compliance with the relevant requirements.

Our data protection management system is used to systematically implement and check that personal data is handled in compliance with data protection requirements. In 2023, no material data protection breaches within the meaning of the Solvency II Group Compliance Policy were identified Group-wide, and no corresponding procedures were initiated either.

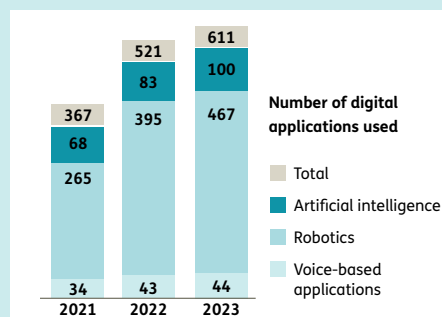
The Chief Information Security Officer is responsible for managing information security risks. All employees are required to undergo regular training on processing personal data in compliance with data protection regulations as well as on the secure handling of information and technology.



Our goal: to lead the way as a digital insurer

We have set ourselves the goal of becoming the leading digital insurer in Germany and in our international core markets by 2025. We rely on digital applications like robotics, AI and voice-based technology or the Metaverse to expand our offerings for the benefit of our customers.

As of late 2023, we were using over 600 digital applications Group-wide.



SDG 9

Industry, innovation and infrastructure

GRI 3-3, 418-1

Further information

- ↳ Guidelines for Dealing with Artificial Intelligence
- ↳ Next by ERGO (our online magazine covering digitalisation and innovations in the insurance sector)
- ↳ Tech Trend Radar
- ↳ White paper on ChatGPT and large language models

Accelerated processes through digitalisation

Every year ERGO receives several million documents, including customers' medical bills and correspondence from sales agents. The bulk of these reach us via digital channels, such as the customer portal and mobile apps. We rely on automation to handle this flood of information. With the help of character recognition and AI, we can automatically identify customer wishes and extract relevant information from the documents. This, in turn, allows a portion of the correspondence to be automatically processed. This digitalised processing of mail results in faster responses to our customers and more prompt claims payment.

Customer focus and customer satisfaction

Consumer expectations of products and services are increasingly shaped by digitalisation. We rely on digital innovation and dialogue with customers to provide them with tailored offers. To make access to products and services as easy as possible, we deliberately dovetail our online and offline offerings. We offer quick and easy digital services for standard matters like a change of address, while maintaining a focus on personal contact for more complex enquiries. We try to make our brochures, letters and policy documents as easy to understand as possible. Using our plain language software, our employees in Germany check that texts are easy to understand.

In Germany, over 7,500 full-time, self-employed sales agents provide advice using a standardised approach that records customers' individual needs and preferences, thereby ensuring high-quality advice. We also support our sales partners with a wide range of training courses.

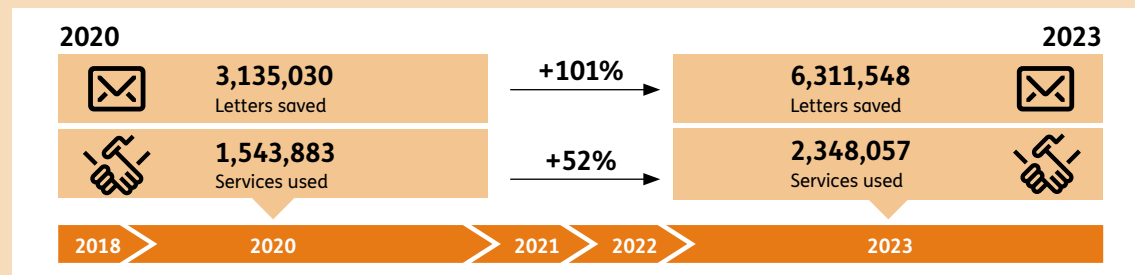
Feedback leads to improvement

Customers can help shape the Group as participants in our online community, the ERGO Customer Workshop, or by taking part in surveys. Among other measures, we continually survey the level of satisfaction among our existing customers in ten core markets. In 2023, 94 per cent of these customers were satisfied with ERGO; in other words, they rated ERGO either good or better. In addition, we systematically survey customers at numerous touchpoints and evaluate complaints. In 2023, 94 per cent of customers who had previously filed a claim were also satisfied with our claims handling. We make use of the feedback to further improve our performance.



Quickly sorted with just a few clicks

The ERGO customer portal offers customers in Germany a wide variety of services, including a digital mailbox, claim notification submission, and a personal offers folder with the option of online acceptance via a single click. In 2023, around two million customers were registered, and more than six million letters are sent digitally each year.



GRI 3-3, 417-1

Further information

↳ Our ERGO brand

Stress-free notification of accidents

Following a serious accident, it is important for us as an insurer to be there for the customer promptly and in person. In 2023, one of the measures we took in the German market was to simplify our online accident notification process. A streamlined digital process goes hand in hand with personal contact:

- Questions in the online form were reduced to a minimum
- Digital overview allows us to organise assistance promptly
- Expert team provides personal advice and coordination if required

Products and services with sustainable features

We see it as our responsibility to help pave the way to a low-carbon economy. We aim to reduce the greenhouse gas (GHG) emissions associated with our insurance business to net-zero by 2050. In 2022, we implemented the Low Carbon Solutions Framework. It encompasses our products for insuring technologies that can contribute to reducing carbon emissions, such as systems for generating renewable energy or low-emission mobility solutions.

In our [Ambition 2025](#) strategy programme, we have set ourselves the goal of phasing out existing insurances of thermal coal activities by 2040. To this end, ERGO has introduced underwriting guidelines to prevent covers being issued for thermal coal mines or coal-fired power plants. In addition, there are underwriting guidelines in line with Ambition 2025 for the insurance of oil and gas production.

Our employees also consider additional ESG aspects in product development and when underwriting business. In 2023, for example, we tightened our underwriting guidelines with regard to the observance of human rights, the protection of biodiversity, and the exclusion of covers for producers of controversial weapons.

Facilitating access to insurance cover

We also want to enable people who live under difficult economic conditions to protect themselves against risks. In India, our joint venture HDFC ERGO markets microinsurance policies, for instance offering protection against accidents and weather-related crop failures or daily hospital benefits to people in rural areas. In the year under review, the company insured 9.88 million farmers against weather-related crop failure. In Spain, for an affordable monthly premium, families can obtain basic healthcare cover for up to eight family members from our health insurer DKV Seguros.



We support the energy transition

We offer insurance solutions for new risks, insure climate-friendly technologies, and assist customers who would like to live more sustainably with:

- Insurance for photovoltaic and solar installations with reduced-yield coverage
- Coverage for damage to wind power, hydropower and biogas plants
- Coverage for electric and hybrid vehicles in motor insurance
- Third-party liability insurance for companies and advice on preventing environmental damage
- Promotion of environmentally friendly refurbishment in residential building insurance



SDG 3

Good health and well-being



SDG 9

Industry, innovation and infrastructure



SDG 7

Affordable and clean energy



SDG 13

Climate action

GRI 2-23, 3-3, 201-2, 203-1

Group-wide strategy and targets

Our parent company, Munich Re, reports in detail on the targets of the Group's decarbonisation strategy and the progress made.

[Annual Report 2023](#)

[Sustainability Report 2023](#)

Protection of ecologically sensitive areas

There is a close interaction between climate change and biodiversity. For that reason, when insuring risks in the agricultural or transport sectors, for example, we strive to avoid negative impacts on ecologically sensitive areas. In this context, we focus primarily on protecting the UNESCO list of World Natural Heritage Sites. Special review processes apply to the insurance of individual locations within these particularly sensitive areas which can also lead to exclusion.

Responsible investment

As a global investor, we are conscious of our responsibility to act sustainably and therefore integrate ESG criteria into our investment policy. Munich Re was one of the first signatories of the Principles for Responsible Investment (PRI) and in 2020 joined the Net-Zero Asset Owner Alliance (NZAOA). These two programmes provide the foundation for our requirements for the integration of sustainability aspects into our investment decisions. Our investment management is based on four pillars:

- Systematic integration of ESG criteria into the investment process
- Investment focus areas, such as renewable energies and bonds earmarked for investing in companies or projects that contribute to protecting the environment, nature or climate
- Defined exclusion criteria included in our binding guidelines
- Active awareness of our responsibility as an asset owner (stewardship)

The Responsible Investment Guideline provides the framework for our investment management. It also sets out which topic areas cannot be considered for direct investment. These include, amongst other things, investments in producers of controversial weapons (such as anti-personnel mines or cluster munition), as well as trading in or investments in food-related commodities (such as grain, oilseeds or dairy products). To combat human rights violations, we also exclude from our direct investments states and companies that are guilty of serious violations.

The Chief Investment Officer is responsible for Munich Re's investment management – and therefore also for ERGO's. Within the latter's division, Group Investment Management manages the Group's investment strategy. To ensure that investments are selected systematically based on ESG criteria, we rely, amongst other things, on data from leading providers of sustainability analyses and ratings. The bulk of the Group's investments are managed by the Group's asset manager **MEAG**.



SDG 7
Affordable and clean energy



SDG 13
Climate action



SDG 9
Industry, innovation and infrastructure



SDG 17
Partnerships for the goals

GRI 2-23, 3-3, 201-2, 203-1

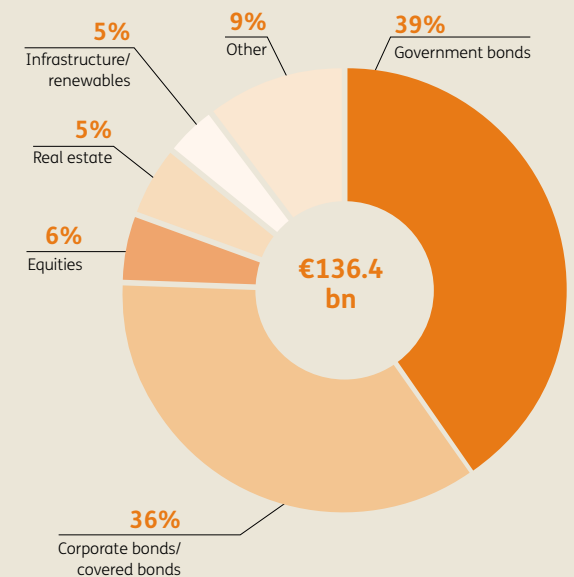
Key voluntary commitments

- ↳ Principles for Responsible Investments (PRI)
- ↳ Net-Zero Asset Owner Alliance (NZAOA)

Group regulations

- ↳ Responsible Investment Guideline

ERGO investments by asset class



Climate targets for investments

Munich Re has set itself the goal of moving its portfolio towards a net-zero climate target by the year 2050. In that context, we have committed to divesting from thermal coal by 2040. Already today, we no longer invest in companies that generate more than 30 per cent of their earnings from thermal coal mining or power generation from coal. Companies that generate 15 per cent to 30 per cent of their earnings from thermal coal are excluded or are encouraged through dialogue to reduce their greenhouse gas emissions. Companies that generate more than 10 per cent of their earnings from oil sands mining are also excluded.

Since April 2023, we no longer invest in projects that are specifically for new oil or gas fields, new oil-fired power plants, or midstream oil infrastructure, i.e. processing,

storage, transport or marketing. This applies to oil and gas fields that were not already producing and to power plants or infrastructure that were not under construction or already operating as of the end of 2022. In addition, as of April 2023, we no longer directly invest in equities or corporate bonds from listed oil and gas companies whose business model specialises in oil and gas.

We support the shift to renewable energies through targeted investments and are investing in infrastructure projects like solar power systems and wind farms. To avoid negative impacts on ecologically sensitive areas and biodiversity, we are guided by the UNESCO lists of World Heritage Sites, both in terms of natural sites or mixed natural and cultural heritage sites. Special screening processes apply for new investments in affected areas or critical industries.



SDG 7
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The Group-wide target of increasing the volume of investment in renewable energies to

three billion euros

by 2025 was already achieved in 2023.



Key figures of Munich Re's climate targets and the EU taxonomy

Munich Re informs with key indicators on the implementation of climate targets in investment in the [Group Annual Report](#). In accordance with the EU taxonomy, the annual report also shows the proportions of taxonomy-eligible and taxonomy-aligned economic activities in investments and the insurance business. In its Taxonomy Regulation, the European Union has set standards for environmentally sustainable business practices in order to achieve the Paris climate targets.

Climate change and natural disasters

Each year, natural disasters around the world destroy assets worth hundreds of billions of dollars. Adaptation to climate change and tailored insurance covers are crucial for the long-term protection of people, property and infrastructure. In our own operations, we contribute to environmental and climate protection, sensitise our employees to environmentally conscious behaviour, and support our customers with suitable insurance solutions.

Reducing emissions in our own operations

With our **↳ Ambition 2025** climate targets, we aim to convert our operating business processes to net-zero emissions across the Group by 2030. The implementation process will be a gradual one: by 2025, we aim to have reduced our greenhouse gas (GHG) emissions across the entire

Munich Re Group by 12 per cent per employee compared to 2019. We also aim to purchase 100 per cent green electricity at locations that report environmental data by 2025.¹

In 2023, we succeeded in reducing our GHG emissions per employee by one quarter (-24.5 per cent) compared to the previous year. At the same time, the proportion of electricity consumption from renewable sources rose Group-wide to 79.2 per cent (2022: 70.5 per cent).

Since 2015, we have endeavoured to offset the remaining GHG emissions by purchasing certificates from projects that contribute to a reduction in GHG emissions. When selecting certificates, we pay attention to internationally recognised standards. In 2023, we purchased certificates to offset 39,307 tonnes CO₂e. With these, we are supporting the use of energy-efficient cooking stoves in Uganda. By 2030 at the latest, we aim to remove unavoidable GHG emissions from the atmosphere, for example by financing reforestation or carbon storage projects.



Reduction in greenhouse gas emissions since 2019

Each year, we calculate the consumption of energy, paper and water as well as the amount of waste generated and the number of kilometres travelled on business trips. We measure the resulting GHG emissions in accordance with internationally recognised methods and report these as CO₂ equivalents (CO₂e).

	Unit	2023	2022	2021	2019 (base year)
Total GHG emissions	t CO ₂ e	39,307 ¹	51,077	54,014	57,562
GHG savings since 2019	%	31.71	11.27	6.16	-
GHG savings per employee since 2019 (kg CO ₂)	%	30.28	7.70	-0.42	-
Number of employees		26,178	25,693	24,974	26,726

¹ Decrease in GHG emissions mainly due to savings measures and the reduction of office space.



SDG 7
Affordable and clean energy



SDG 17
Partnerships for the goals



SDG 13
Climate action

GRI 3-3, 201-2, 305-1, 305-2, 305-3, 305-5

Environmental key figures

The key figures for energy, GHG emissions and resource consumption can be found on our website.

↳ Environmental key figures

Energy-efficiency and resource-conserving measures included:

- Relocations to more energy-efficient office buildings
- Reduction in office space
- Lowering room temperatures in office buildings
- Gradual changeover of company car fleets to fuel-saving hybrid and electric cars
- Switching short-haul flights to rail travel
- Electric charging stations at almost all German locations
- Mandatory eco-driving courses for drivers of company cars in Germany
- Favourable bike-leasing conditions for employees in Germany

¹ The target was specified in the reporting year to take account of respective market conditions (see **↳ Munich Re Annual Report 2023**, p. 44).

Group-wide environmental management

To enable us to manage our GHG emissions, we work with a uniform, Group-wide environmental management system. Large sites in Germany, the Baltic region, Poland and Spain are certified to international standards, such as ISO 14001 or EMAS. As of 2023, 87.4 per cent of our employees were directly covered by the environmental reporting system.

Increased extreme weather events

We are recording extreme weather events more and more frequently. 2023 joined the recent run of years with high losses. Losses and measures to adapt to climate change entail financial burdens for both individuals and society in general. Insurance covers such as residential building insurance can cushion the consequences of natural catastrophes. In 2023, around 60 per cent of our existing homeowners' insurance customers in Germany had taken out natural hazards cover.

The share of premium from products that can contribute to adaptation to climate change as per the EU Taxonomy Regulation is reported in Munich Re's [Annual Report](#).

Promoting climate protection worldwide

With extreme weather events like droughts, floods or cyclones, it is often people already living under difficult economic conditions who are worst affected. With the Tackling Climate Change Together (TCCT) initiative, Munich Re and ERGO support selected climate protection projects that reduce the effects of natural disasters or show people how they can adapt to climate change.



Protecting against natural hazards

In autumn 2023, we optimised our homeowners' insurance in Germany to offer higher and more comprehensive protection against weather disasters. It now provides every building with extensive protection against the most frequent natural hazards. In addition, the insurance supports environmentally friendly modernisation and offers insurance cover for climate-friendly building services equipment, such as photovoltaic installations, heat pumps and charging stations for electric vehicles.



SDG 7
Affordable and clean energy



SDG 17
Partnerships for the goals



SDG 13
Climate action

GRI 3-3, 201-1, 201-2, 203-1

Further information

- ↳ [Munich Re natural disasters of 2023 report](#)
- ↳ [Munich Re and ERGO's "Tackling Climate Change Together" initiative](#)

Innovative ideas for binding carbon

In 2023, a total of 18 start-ups from 11 countries entered the first funding phase in the Carbon Removal ClimAccelerator programme, which we are supporting as a partner. All of the founder teams work on solutions that can remove carbon from the atmosphere and store it over the long term. As of the end of 2023, eight teams had made it into the second funding phase, during which, among other things, the expected emissions reduction from the business ideas is evaluated. The participants receive coaching and mentoring from experts at Munich Re and ERGO, along with financial assistance.

Attractiveness as an employer

Highly qualified employees and managers who enjoy working for us form the foundation of our corporate success. Demographic trends are increasingly leading to a shortage of skilled workers. Against this background, it is important for us to recruit and retain qualified employees, promote their health and give them the freedom to achieve the right work-life balance.

Every year, we carry out a Group-wide employee survey to gauge their satisfaction and sustained commitment. In November 2023, some 17,790 employees from 21 companies in Germany and abroad participated in the survey. We use the open feedback received to further develop as a Group.

We promote our employees' health with a variety of offers. Besides exercise, nutrition and stress management programmes, these include prevention courses and psychological counselling. In 2023, as part of our Group health management, we offered practical tips on working

from home. Our extensive sports and leisure activities help provide a balance to everyday working life.

Supporting flexible working

Among other things, we offer our employees regular remote working, temporary part-time work as well as the option of converting salary components into time off. Group Works Agreements help create a framework in which our employees work on their personal initiative, enjoy their work, and can perform their duties effectively and well.

Help for parents and caring relatives

In Germany in particular, we use a range of tools to support our employees in the various phases of their lives and to retain them in our Group. These include providing childcare facilities and parent counselling, as well as short-term leave to care for relatives or to arrange for nursing care. We offer an extension of up to three years on the statutory parental leave.

Every three years, ERGO undergoes an independent audit from the service provider berufundfamilie® (“Career and Family”). ERGO last received this audit certificate at the start of 2022.



A comprehensive approach to health

A Group-wide Health, Safety and Wellbeing Statement was presented in 2023 at Munich Re and ERGO. It describes what we are committed to:

- Maintaining and improving our employees' mental wellbeing
- Promoting their physical well-being
- Supporting their social connectedness
- Designing the best possible working environment

Our Group health management (GHM) in Germany is already based on these four pillars.



SDG 3

Good health and well-being



SDG 8

Decent work and economic growth

GRI 3-3, 401-2

Work and family at ERGO

With flexible working time models, ERGO helps its employees to better balance their professional and private lives. More information on this can be found on our website:

- ↳ ERGO Career and Family
- ↳ ERGO Grow together
- ↳ Health, safety and wellbeing statement Munich Re Group

Award-winning working and development environment

In 2023, ERGO was certified as a “Top Employer Germany” as one of eight German insurance companies for the first time. The award was based on a comprehensive audit performed by the Top Employers Institute. The award recognises that ERGO meets high standards for an especially good working and development environment.

Diversity, equity and inclusion

Our Group benefits from the wide range of experience, different mindsets and varied qualifications of our staff. To encourage this diversity, we develop our employees' individual strengths, are working to increase the proportion of women in management positions and to integrate people with disabilities on equal terms. Our Diversity Policy sets out general principles for dealing with employee diversity. The aim is to eliminate discrimination, harassment and insults. In 2023, we expanded our range of e-learning programmes in Germany with four online awareness sessions on the subject of unconscious bias. ERGO again flew the flag on Diversity Day with a range of events. 2023 was the 11th year in which ERGO held a Diversity Day in Germany.

With our Gender Ambition programme, we have set ourselves clear goals for the equal participation of women. By the end of 2025, at least 40 per cent of management positions and at least 25 per cent of seats on the Board of

Management should be occupied by women. In 2023, the proportion of women in senior management positions at ERGO was 41.1 per cent (2022: 39.6 per cent). With our "Succeed – Women in Leadership" initiative, successful female managers were portrayed as role models. Participants in our mentoring programme exchange views and experiences and work together on projects. A group of 18 women took part in 2023.

Embracing diversity

Various staff networks enable employees to share ideas and initiate changes together. There are networks for women, fathers, people of colour, as well as an inclusion network and an LGBTQ+ network. In Germany, for example, some 1,200 employees are involved in these networks.

ERGO is committed to integrating people with disabilities on equal terms into everyday working life in the Group. A special Group Works Agreement stipulates how the concerns of these employees should be addressed in Germany. ERGO's Representative Body for Disabled Persons implements integration measures to ensure that these colleagues receive the support they need.



Measures in 2023

- **New initiative with Group-wide Advisory Committee:** since the autumn of 2023, 17 colleagues from Munich Re, ERGO and MEAG have been serving on the newly established Diversity, Equity and Inclusion (DEI) Council as topic ambassadors, passing on to management recommendations and suggestions on ways of promoting DEI.
- **Job-sharing pilot launched:** as part of our Gender Ambition programme, we are testing a job-sharing model for managers, whereby two people share one function. In 2023, two pilot tandems discussed their experiences with a coach, looking back on the expectations they had and the challenges involved. The aim is to develop an implementation concept for further tandems at ERGO.



SDG 5
Gender equality



SDG 8
Decent work and economic growth

GRI 2-7, 3-3, 405-1

Diversity and equality at ERGO

- ↳ Diversity at ERGO
- ↳ Key employee figures
- ↳ Diversity at Munich Re



Training and education

By providing our employees with targeted support we want to offer them the best possible personal development opportunities and, at the same time, ensure our Group’s long-term capacity for innovation. In this context, we focus on future-oriented skills, such as using digital technologies and applying agile methods.

We provide our employees in Germany with self-learning opportunities on the e-campus learning platform. We also have topic months to consolidate relevant areas of development such as resilience and change competence, and communicate the content in the form of podcasts, short webinars and articles. The “digital morning” – a virtual monthly employee event offered to all ERGO employees in Germany – has also become firmly established.

Recruiting and promoting talent

ERGO wishes to recruit new talent and promote potential candidates at various levels. We offer young people excellent career prospects through qualified commercial training or dual-study options. In 2023, we streamlined our job application process so that job seekers can now apply quickly and simply using a smartphone. A total of 770 young people were trained at ERGO in Germany in 2023.

In the Group-wide EXPLORE trainee programme, career entrants gain insights into all of Munich Re’s three business fields. Ten new trainees started the two-year programme in 2023. The ERGO Grow talent programme supports employees who aspire to management or project leader roles at ERGO. In 2023, up to 170 young talents were undergoing training in parallel. The ERGO Leadership Programme supported the development of 23 executive managers in Germany.



Learning at the Tech Academy

In the year under review, we developed a global digital learning platform for ERGO’s IT employees. Some 4,500 employees in seven countries have used the platform since March 2023. A total of 131 ERGO-specific training courses and 8,000 technology programmes are available. With the help of AI, we are offering learning pathways geared to the specific role and qualification requirements of the learner. The training courses are constantly updated to ensure they reflect developments in the IT market and match the needs of our Group.



SDG 8

Decent work and economic growth

GRI 3-3, 404-2

Career at ERGO

All information on qualified training or dual-study programmes can be found on our website.

↳ www.ergo.com/school-leavers

↳ www.ergo.com/career



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