



THE SUBJECT OF NATCAT CLAIMS MANAGEMENT – WHY MUNICH RE?

Athens, 7th May 2014
Manfred Brandmaier

**1880**

Munich Re is founded on 19 April 1880 at the instigation of Carl von Thieme, Baron Theodor von Cramer-Klett and Wilhelm Finck.

**1906**

First major loss in the 20th century: the earthquake in San Francisco on 18 April 1906. Munich Re's liability: US\$ 2.5m.

Munich Re acts fast to settle losses on the spot.

The claims were equivalent to 13% of MR's annual premium income.

**1997**

The insurance groups VICTORIA/D.A.S. and Hamburg-Mannheimer/DKV announce that they will merge under the name of ERGO Versicherungsgruppe AG.

ERGO, which belongs to Munich Re, is now represented in more than 30 countries

**2009**

Munich Re pools its international health insurance and reinsurance expertise in a new business segment: Munich Health

With the introduction of the new brand, Munich Re redefines its position in the reinsurance markets.

**2011**

With overall losses amounting to some US\$ 380bn, 2011 becomes the costliest natural catastrophe year to date. After the terrible earthquake in Japan on 11 March 2011, Munich Re invites internationally recognised experts to assess the event.

Munich Re's first challenge – 18 April 1906



Munich Re in figures – added value within the group

Munich Re (Group)

Munich RE

- World leading reinsurer with over 130 years of experience
- 27.8 bn € premium income in 2013
- 11,200 employees around the globe
- Solid capital base and in-depth risk knowledge are key for success

MUNICH HEALTH

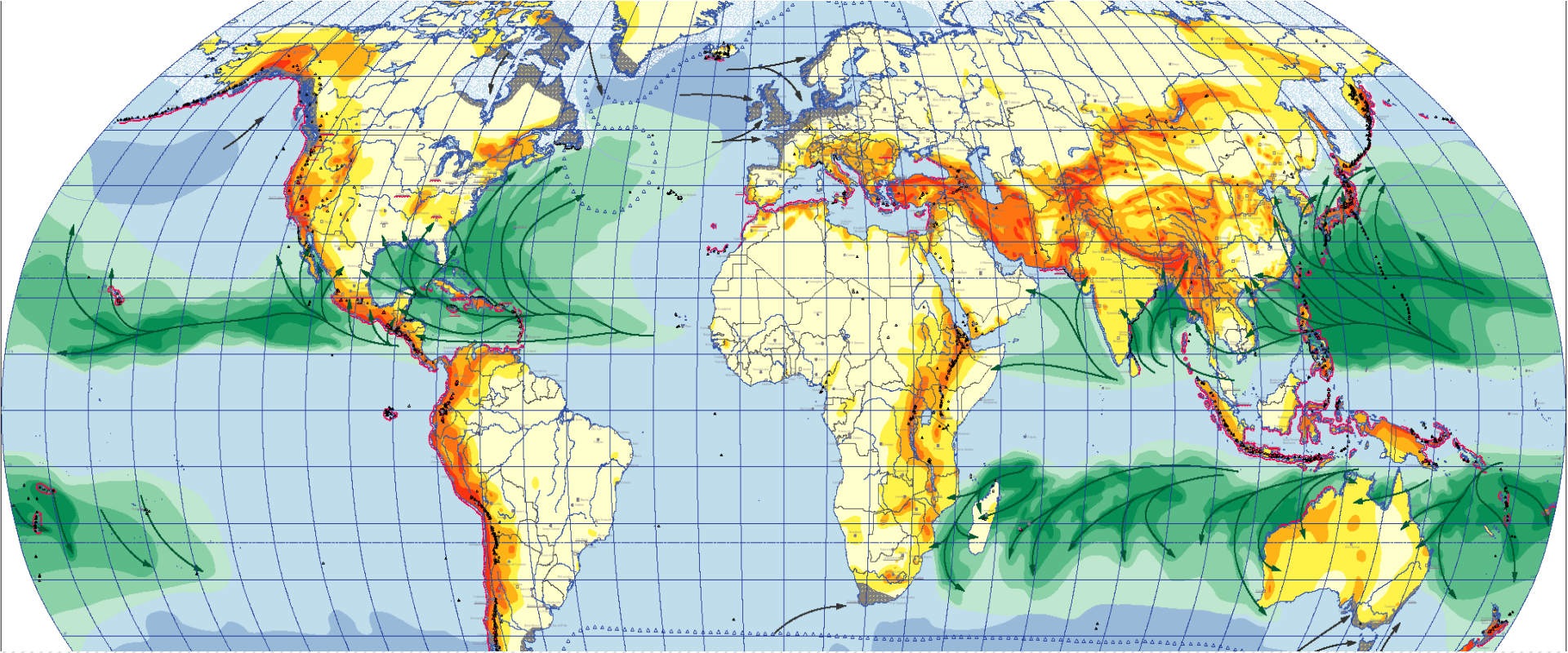
- Global health expertise in reinsurance, primary insurance and risk-management
- Established in 2009
- 6.5 bn € premium income in 2013
- 5,000 experts in over 26 locations

ERGO

- One of the leading primary insurance providers across all segments in its home market Germany
- Represented in over 30 countries with regional emphasis on Europe and Asia
- 16.7 bn € premium income in 2013
- 50,000 employees and sales representatives

MEAG

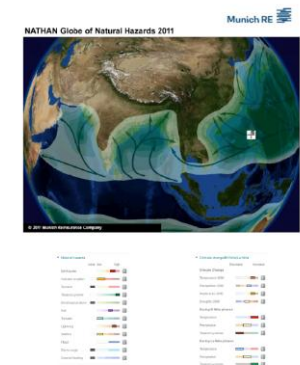
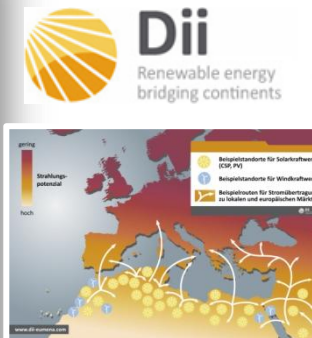
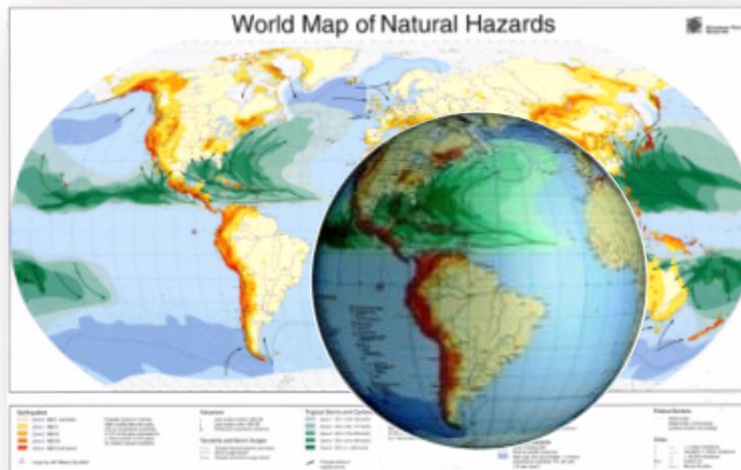
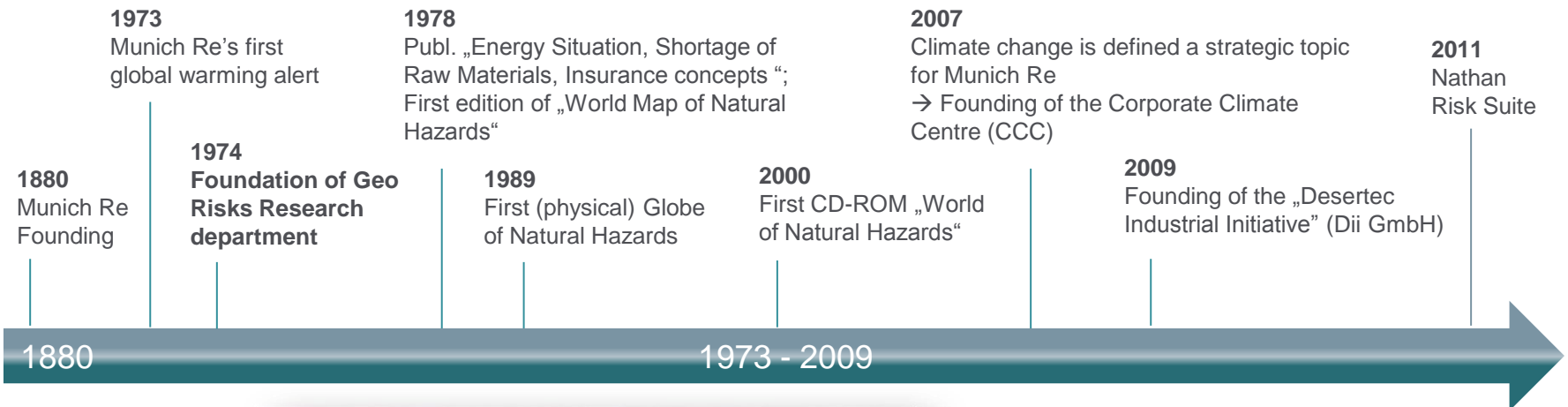
- 216 bn € managed assets – thereof 202 bn € from Munich Re and ERGO
- ~ 4.3 % Return on Investment result – high investment result given low-yield environment



Munich Re's Geo Risks Research Department

Geo Risks and Climate Change at Munich Re

Over 35 years of expertise



Geo Risks Expertise at Munich Re (since 1973)

Organisational structure

Torsten Jeworrek
Reinsurance CEO

GEO/CCC1
Geo Risks Research/Corporate Climate Centre
Peter Hoeppe

GEO/CCC1.1
Corporate Climate Centre
Ernst Rauch

CU1
Corporate Underwriting
Heike Trilovszky

CU1.5
Accumulation Risks
Holger Kramer

CU1.5.1
Geo Risks
Alex Allmann

CU1.5.2
Acc. Risks
Management
Elke Kling

CU1.5.3
Geospatial
Solutions
Andreas Siebert

35 geo scientists at Munich Re!

Geo Risks Expertise at Munich Re (since 1973)



1

Corporate Climate Centre

- Coordination and steering of all activities and projects in the „Strategic Topic“ climate change (e.g. Desertec, MCII, Renewables Platform)
- Central contact for all questions on climate change, both external and internal

2

GEO Science Scout

- Screening of science in respect to new findings and trends, research cooperations
- ENSO, hurricane, seasonal forecasts – own research on nat cat basics
- Trend analyses and assessment and forwarding of new findings to CU

3

NatCatSERVICE

- Maintenance, development and marketing of the world's largest NatCat-Database
- Data analyses (temporal trends, regional, peril specific)
- Maintenance of a download center in the internet

4

Communication

- Editing of Topics GEO and special publications (e.g. Severe Weather NA)
- GEO appearance in Intra- and Internet
- Presentations, Media contacts

5

Geo-Archives

- Maintenance of the archive on natural perils
- Paper archive: countries, topics (350 shelf meters)
- Electronic archive: new scientific publications , media reports ...

MR has invested in different risk management tools and sustainability initiatives



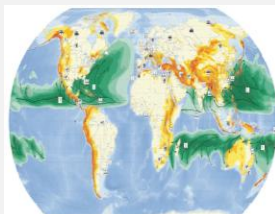
NATHAN Risk Suite

The product suite optimises our client's assessment of natural hazard risks, from entire portfolios down to individual risks at address level – worldwide



Climate Change

Munich Re has actively supported and advanced climate protection and adaptation to global warming through initiating major innovative projects, conducting research and providing insurance and financial solutions.



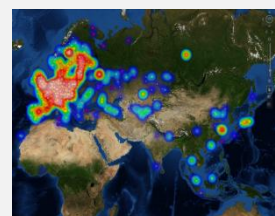
NatCatSERVICE

*The world's largest database of nat cat losses containing more than **33,000** entries built up over 35 years. Up to 1,000 new natural hazard events are recorded and analysed each year.*



Renewable Energies

*Munich Re has developed risk management expertise and risk solutions in various areas of renewable energies, including wind, solar, geothermal, **hydro**, etc.*



Risk Mapper

The tool is an interactive, flexible and visually appealing web application used in conducting global natural hazard risk assessment on our business portfolios.



Desert Power

*Munich Re cooperates with **36** companies to analyse and develop the technical, economic, political, social and ecological framework for carbon-free power generation in the deserts of North Africa.*



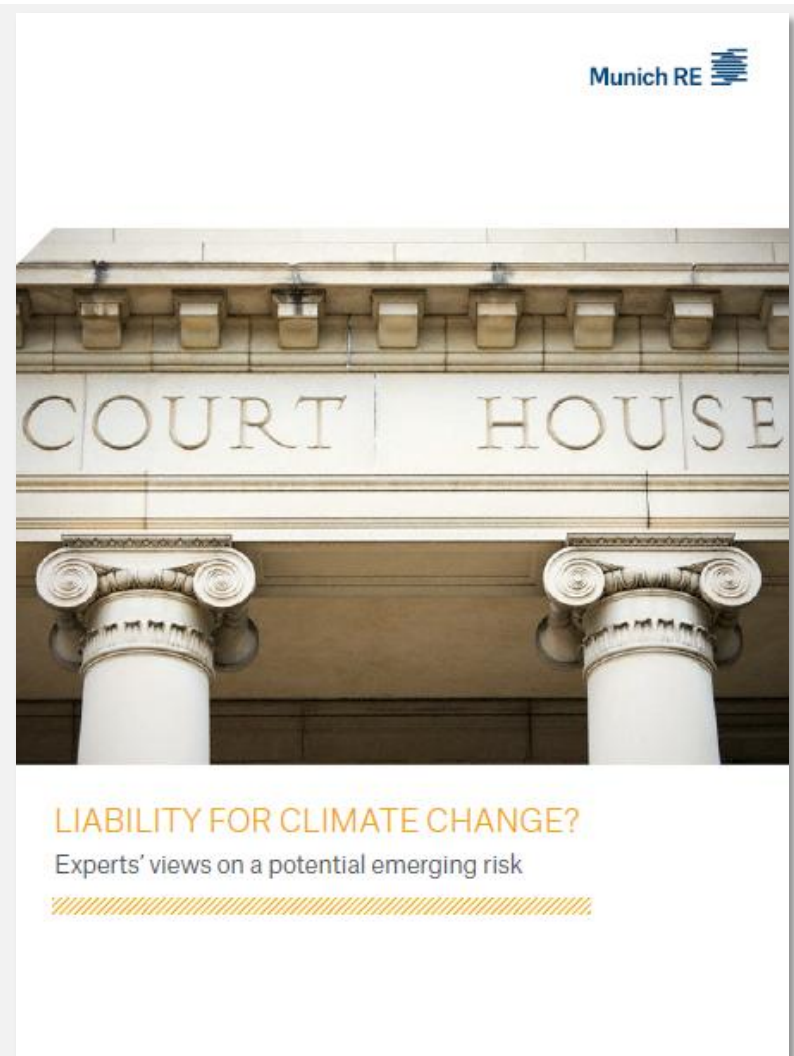
Enterprise Risk Management

Munich Re has created a sophisticated framework in which emerging risks are examined from different angles and sources, using innovative concepts and techniques, to support our clients and other external parties.



Sustainability

*Munich Re has also taken an active role in international **sustainability** partnerships and **e.g.** is member of the Global Climate Forum, and signatory of the Principles for Sustainable Insurance, to share our knowledge and promote **such** initiatives.*





- Own probabilistic models since 1988
- First model for Greece 1992
- Own earthquake models for 35 countries
- Closely linked to scientific world – Main sponsor of GEM (Global Earthquake Model)
- Worldwide reconnaissance missions after catastrophes (f.e. Athens 1999)



The strategic cornerstones of Munich Re in the Greek market

1

Dedicated multi-line involvement in the Greek market

2

Stability and predictability in UW approach and pricing

3

Market leading cat capacity

4

Know-how leadership and support in Capital Relief Transactions

5

Re-enhancement in proportional participations, i.e. for SII

6

Substantial facultative service and support

7

Tailor-made trainings, workshops and roundtables

8

Close personal contacts, responsiveness and flexibility