



Updated Guideline on Gifts and Hospitality

GComp1.2

Miriam Jungwirth, Dr. Gregor Samberger


Presenters today



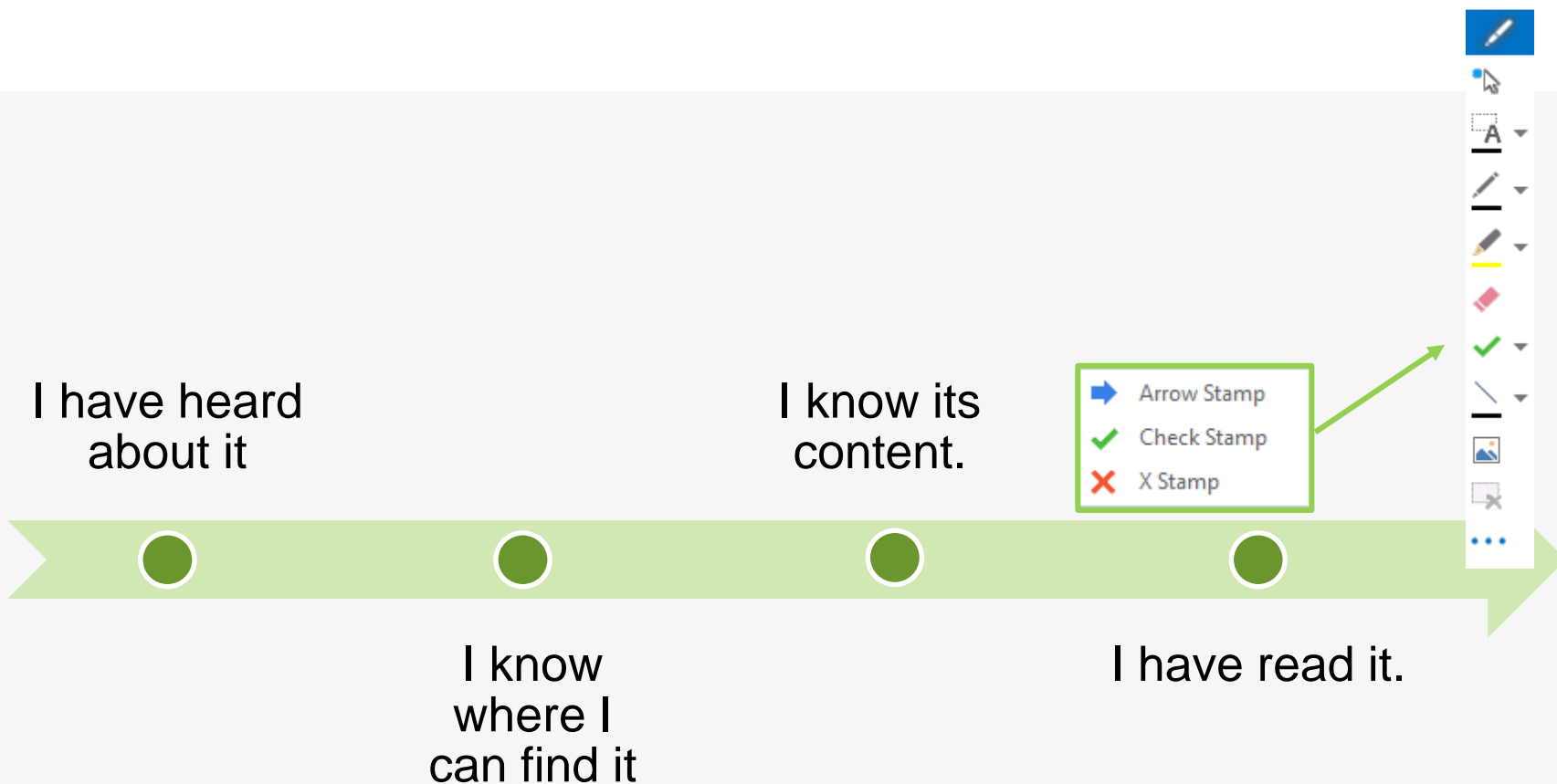
Miriam Jungwirth
Compliance Manager
Group Compliance



Dr. Gregor Samberger
Compliance Manager
Group Compliance

- 
- 1 Principles to be observed**
 - 2 Compliance norms in MR Web**
 - 3 Major amendments**
 - 4 Overview**
 - 5 Case studies**

Munich Re's Code of Conduct



Aims of the Code of Conduct



CoC defines the basis for the Guideline on Gifts and Hospitality

Goal

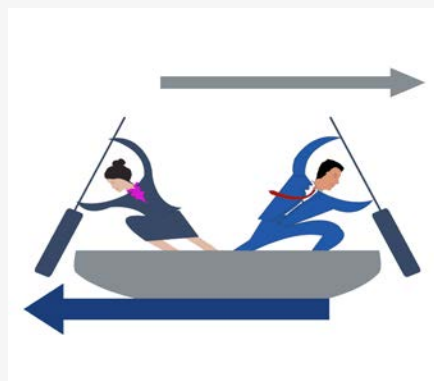
- Protect Munich Re's **reputation**
- Set high **ethical and legal standards**
- Definition of **main rules and principles** for legally correct and responsible behaviour
- Reflection of Munich Re's binding **values**

Relevant content

- **Conflict of interests**
 - Gifts and hospitality
 - Benefits to/from public officials
 - Bribery and corruption
 - Conflicts between private and professional interests

From CoC to Guideline on gifts and hospitality

Conflict of interests



GROUP

REINSURANCE

PIRI

RULES & STANDARDS

EMPLOYEE

NEWS & PUBLICATIONS

WORK SMARTER

» MR Web International » Group » Group Units » Group Compliance » Rules & Standards » Guideline on Gifts and Hospitality

Group Compliance

Rules & Standards

Code of Conduct

Compliance Policy

Guideline on Gifts and Hospitality

Financial Sanctions

Ethical Walls

Anti Money Laundering

Capital Market Compliance

Financial Crime

Ombudsman

Whistleblowing

Tax Data Exchange (FATCA & CRS)

Our Team

News

Guideline on Gifts and Hospitality

The existing guideline on gifts and hospitality has been updated significantly. It was approved by the Board of MR AG on January 25, 2017. The comply-or-explain principle applies for local regulations.

For further information on how to handle gifts and invitations to and from business partners, please see the » guideline.

Links

» ProC@t Catalogue

Downloads - invitations

» Documentation of invitations received (pdf)

» Notification of invitations accepted with a value > 40 € (pdf)

Downloads - gifts

» Notification of retained gifts with a value > 40 € (pdf)

Downloads - Overviews

» Giving benefits (pdf)

» Accepting benefits (pdf)

Downloads - FAQs

» FAQs Gifts and Hospitality (pdf)

Contacts

» Jungwirth, Miriam

What has changed? What is new?
What is unchanged?



What has changed: Scope of application – former version



Richtlinie für
Geschenke und Einladungen“



„Guideline on Gifts and Hospitality“
from the Blue Collection

What has changed: Scope of application – new/actual version

Guideline on gifts and hospitality applicable for
All staff at MR AG and its branches ...



....including members of the MR AG Board of Management

....“Comply or explain“ principle for affiliated companies

Approval Process: Monetary thresholds apply...



....per person



...per invitation



....per gift

No approvals required for...



Gifts

....accepting gifts with a value up to



- 100 € in the International Organisation
- 40 € at MR Munich (in Germany)

...presenting gifts with a value up to



- 150 € in the International Organisation
- 35 € at Munich Re Munich (in Germany)

No approvals required for...



...business meals

....**accepting** invitations to business meals with a value up to



250 €

...**invite** business partners to business meals with a value up to



250 €

Monetary thresholds to approve gifts and hospitality

Over 100 € up to 500 €

Approval by

- Head of a foreign **branch office**
- Local ML1 at MR's **affiliate companies**

Over 35 € up to 500 €







- ML2 in **Munich** according to MR Web Orgcharts

Amounts over 500 €

Approval by







- ML1 according to MR Web Orgcharts
- The Board in the case of **affiliated companies**
- Local compliance unit for ML1 and Board Members of affiliated companies

Gifts presented and hospitality provided

To	Type	Value (per giving/receiving person)					Euros
		0	35	150	250	500	
Business partners	 Gifts	✓ No approval required in Germany	✓ IO ¹ Local ML1 of affiliated company; to be documented	To be approved by ML2, ² head of foreign branch		✗ To be approved by ML1 ³ or by Compliance, ⁴ Board members of affiliated companies; to be documented	
	 Business meals	✓ No approval required if conforms to normal business practice and "socially accepted" principle			✗ To be approved by ML2, ² head of foreign branch, local ML1 of affiliated companies; to be documented	✗ To be approved by ML1 ³ or by Compliance, ⁴ Board members of affiliated companies; to be documented	
	 Invitations consisting primarily of entertainment	✗ Restrictive approach; to be approved by ML2, ² head of foreign branch, local ML1 of affiliated companies; strict requirements re business necessity; to be documented				✗ To be approved by ML1 ³ or by Compliance, ⁴ Board members of affiliated companies; to be documented; special situations to be taken into account	
	 Special Events e.g. Formula One, VIP boxes, soccer, Oktoberfest	✗ Restrictive approach; to be approved by ML2, ² head of foreign branch, local ML1 of affiliated companies; strict requirements re business necessity; to be documented			✗ In principle prohibited; exceptions with prior approval of ML1 ³ or of Compliance ⁴ or Board of affiliated companies; to be documented		
Other ⁵	 All gifts and benefits	✗ Prohibited unless prior approval of Compliance ⁴ obtained					
All	 Cash and cash-like benefits	✗ Prohibited in principle; exceptions with approval of Compliance ⁴					

- 1) The giving of gifts of up to €150 in value does not require approval for foreign branches and affiliated companies
- 2) MR AG Management Level as per organisational charts in MR Web; for ML2, ML1 and Board of Management self-approval
- 3) MR AG Management Level as per organisational charts in MR Web
- 4) Group Compliance (GComp) for MR Munich, local Compliance unit for branches and affiliated companies
- 5) Including suppliers, external service providers and public officials

Accepting gifts and hospitality

From	Type	Value (per giving/receiving person)					Euros
		0	40	100	250	500	
All	 Gifts	✓ Acceptance of "modest" gifts permitted; ¹ no tax implications as long as monthly value limit not exceeded	✓ IO ²	Not for private use; if appropriate, to be disposed of or kept at MR; approval of ML2 ³ required if to be used by staff member Head of foreign branch, local ML1 at affiliated companies; to be documented; benefit in kind to be declared for tax			✗ To be approved by ML1 ⁴ or by Compliance, ⁵ Board members of affiliated companies; to be documented
Business partners	 Business meals	✓ No approval required if conforms to normal business practice and "socially accepted" principle ¹			✗ To be approved by ML2, ³ head of foreign branch or local ML1 of affiliated company; pertinent reasons to be given, documentation required		✗ To be approved by ML1 ⁴ or by Compliance, ⁵ Board members of affiliated companies; pertinent reasons to be given, documentation required
	 Invitations consisting primarily of entertainment	✗	To be approved by ML2, ³ head of foreign branch or local ML1 of affiliated company; business purpose required for attendance, to be documented				✗ To be approved by ML1 ⁴ or by Compliance, ⁵ Board members of affiliated companies; business purpose; to be documented
	 Special Events e.g. Formula One, VIP boxes, soccer, Oktoberfest	✗	To be approved by ML2, ³ head of foreign branch or local ML1 of affiliated company; business purpose required for attendance, to be documented				✗ To be approved by ML1 ⁴ or by Compliance, ⁵ Board members of affiliated companies; business purpose; to be documented
	 All gifts and benefits	✗	Prohibited unless prior approval of Compliance ⁵ obtained				
All ⁷	 Cash and cash-like benefits	✗	In principle prohibited; exceptions only with prior written approval of Compliance ^{5,7}				

- 1) Staff in CP may not accept any gifts or hospitality; business meals only according to normal business practice and with prior approval of superior
- 2) The acceptance of gifts of up to €100 does not require approval for foreign branches and affiliated companies
- 3) MR AG Management Level as per organisational charts in MR Web: ML2, ML1 and Board of Management self-approval
- 4) MR AG Management Level as per organisational charts in MR Web
- 5) Group Compliance (GComp) for MR Munich, local Compliance unit for branches and affiliated companies
- 6) Including suppliers, external service providers and public officials
- 7) Special rules for employees of Schloss Hohenkammer GmbH in the "Schloss" business model.

Small gifts keep friendships alive, but...

...in conjunction with your professional activity gifts and invitations should not,

- lead to unjustified advantages
- be aimed at influencing business decisions



You may not accept gifts, invitations or other benefits that go beyond the bounds of what is appropriate in customary business practice.

So always ask yourself: How much would I pay for on my own?

Case No 1: Accepting a gift



Case No 1: Accepting a gift

A client who knows of your passion for Scotch whisky gives you a lavish coffee-table book on the Scottish Highlands with descriptions of the local distilleries. The book is worth about €80. You would really like to keep the gift.

What do you do?

- I keep the gift after getting my line manager's approval.
- I reject the gift because I would otherwise contravene the Guideline on Gifts and Hospitality.
- I keep the gift and notify HR so that the salary tax due on it can be deducted.
- I have the gift inventorised and contact the appropriate colleagues in Se1.2.2.

Case No 2: Invitation to an event consisting purely or primarily of entertainment



Case No 2: Invitation to an event consisting purely or primarily of entertainment

A client with whom you are currently negotiating a contract invites you and your partner to an opera performance on Saturday night, followed by dinner at a top-class restaurant. The invitation comes as a complete surprise. You would like to accept, partly because you have never been invited to the opera by a business partner before.

What do you do?

- I accept the invitation, but pay for my partner's opera ticket and her/his dinner myself.
- I reject the invitation because I would otherwise contravene Munich Re's Guideline on Gifts and Hospitality.
- I accept the invitation, but go without my partner.
- If appropriate, I get authorisation from GComp to be accompanied by my partner and accept the invitation.

Case No 3: Invitation to a business lunch



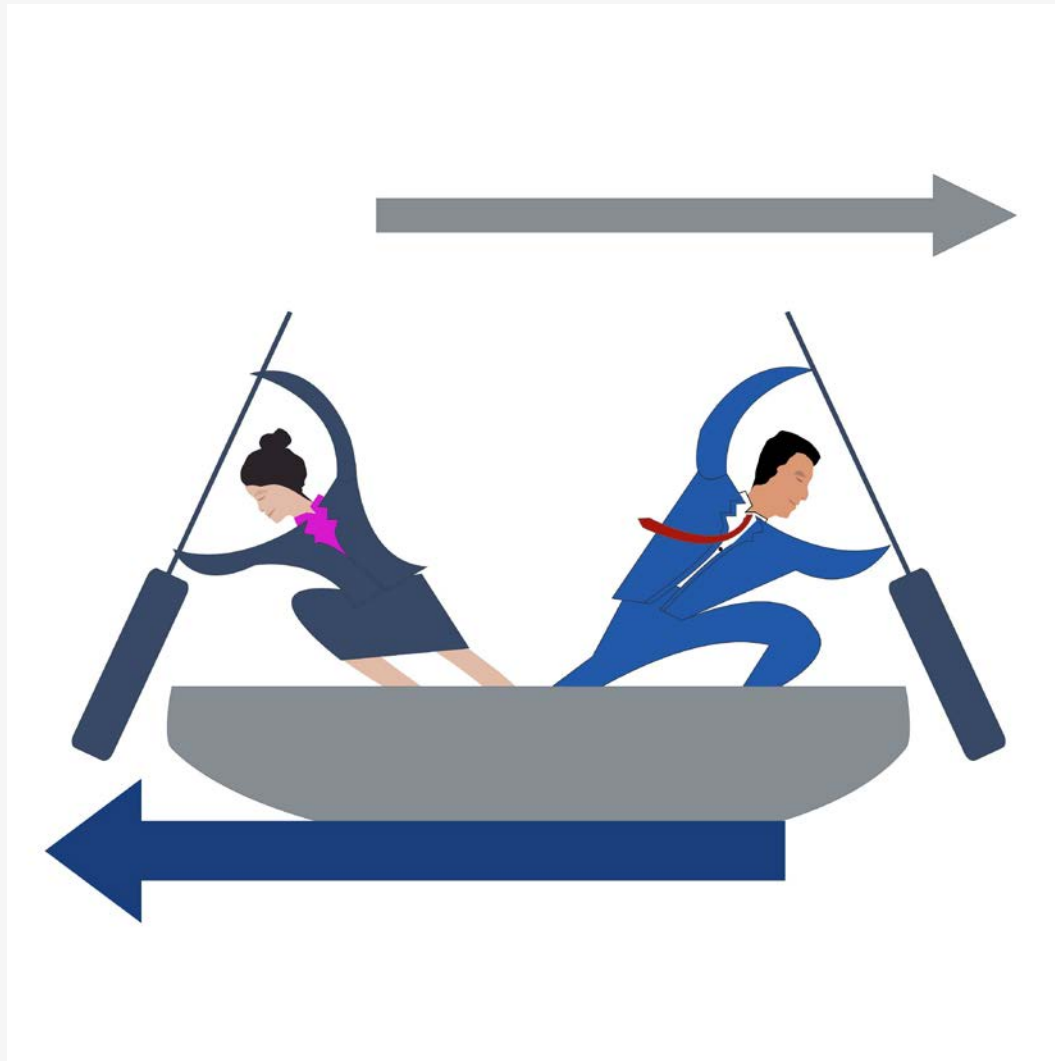
Case No 3: Invitation to a business lunch

In connection with the placement of an order, I still need to have a meeting with an established business partner. As this has to take place with some urgency, but the business partner has a very full diary, he invites me to lunch and proposes combining this with our meeting.

What do you do?

- I accept the invitation without reservation.
- I reject the invitation. He is the contractor and needs to make time for an official appointment.
- I accept the invitation, but pay myself.
- I propose meeting for lunch in our canteen.

Case No 4: Conflict of interests



Case No 4: Conflict of interests

A new project is being set up which is to involve support from an external consultancy. You are among the group tasked with selecting and commissioning the consultancy. Your brother works for one of the consultancies which has tendered for the contract.

What do I do?

- I consider the company my brother works for to be suitable and thus do everything I can to make sure that it gets the contract.
- I play it safe and endeavour to ensure that the consultancy my brother works for is excluded from the selection procedure.
- I inform my line manager that my brother works for one of the consultancies and take no further part in the selection procedure.