

Contact:
Thomas Loster
Chairman of the Munich Re Foundation
Tel.: +49 (0) 89/38 91-52 87
E-mail: tloster@munichre-foundation.org



Press release of 8 April 2005

"We can't move mountains, but we can utilise potentials."
Thomas Loster, Chairman of the Munich Re Foundation

Newly established Munich Re Foundation goes public: under the motto "From Knowledge to Action", the idea is to provide support for people in risk situations. The foundation will devote itself to addressing major challenges – climate change, urbanisation, disaster prevention and poverty.

Munich Re has been handling global risks for 125 years. Companies with so much knowledge have a certain responsibility: acting responsibly means sharing such knowledge. And with the establishment of the Munich Re Foundation in its anniversary year, the company is fulfilling this responsibility.

The range of topics to be dealt with by the foundation are as complex and varied as the causes of risks. Questions concerning population development are inseparably linked to the element of water: on the one hand a valuable resource and on the other a risk factor. The foundation's primary objective is to minimise people's risks, particularly in developing countries. The Munich Re Foundation will transcend the boundaries between disciplines: it will think and work in a networked fashion, clarifying issues, bringing experts together and providing direct help.

Projects – People at the centre

The first project to be financed by the foundation will be a Foundation Chair at the Institute for Environment and Human Security of the UN University in Bonn. The Munich Re Foundation Chair on Social Vulnerability will be occupied on a rotating basis by outstanding young international scientists, who will conduct research in the field of risk perception. Prof. Janos Bogardi, Director of the University: "We are deceiving ourselves if we think we have discovered the philosopher's stone. With the Foundation Chair, we can get to the bottom of the question of how disaster prevention can be best tailored to the needs of those concerned in the different cultures."

Raising awareness

One of the foundation's central goals is to raise awareness among both the public and experts. Together with the Hypo Foundation for Culture, the Munich Re Foundation is initiating a **series of dialogues** on the decade of **water**. Accompanying an exhibition in the Hypo Art Gallery in Munich from 3 June to 21 August 2005, experts will discuss the significance of water as a resource and risk factor.

Networking of expertise

Thanks to its prominent benefactor, the Munich Re Foundation will be able to bring relevant parties round one table. Thomas Loster, Chairman of the foundation, sees this as a great opportunity: "We can only master the challenges of our time if politics, the economy and the public work closely together; **networking** is the key. The much-cited idea of **public-private partnership** needs to have life breathed into it."

Risk prevention

The terrible tsunami in December 2004 and the severe earthquakes currently afflicting South Asia, make it abundantly clear how much still needs to be done in the field of disaster management. This year, the foundation will therefore be supporting the **development of an early-warning system** in a country badly affected by flooding. At the same time, the plan is to offer direct and unbureaucratic help in the case of a disaster.

Expert workshop on microinsurance

The United Nations has declared 2005 to be the "Year of Microfinance". In recent years, the granting of microloans has proved to be an effective way of combating poverty and contributing to a country's development. How insurance can help cover life's risks for poor people, too, will be the focus of an international **expert workshop** on the subject of **microinsurance** this autumn.

Thomas Loster, who conducted risk research at Munich Re from 1988 to 2004: "In the analysis of natural catastrophes, I was confronted time and again with the same problems: around the world people are at the mercy of natural forces, often without any protection. Improving the lives of these people – that is what the foundation and consequently I myself aspire to."