



2022 Corporate Social  
Responsibility Report  
General Reinsurance AG

## Introduction

Gen Re takes social responsibility very seriously with respect to our associates, our clients, our community, and our environment. We have a Code of Business Conduct in place, which guides our employees in fair and ethical business conduct and explains our shared responsibilities to the public and our business partners, and amongst ourselves. This code is an essential means for achieving our corporate goals. Every employee is expected to be familiar with it, and every manager is expected to ensure the observance of these rules.

## Business Model

A subsidiary of Berkshire Hathaway Inc., General Re Corporation is a holding company that owns General Reinsurance Corporation, which in turn owns General Reinsurance AG (GRAG) (jointly referred to as "Gen Re"). One of the world's leading reinsurance groups, Gen Re transacts international reinsurance business and related operations. Within the Gen Re group, GRAG covers, along with its subsidiaries General Reinsurance Africa Ltd. and General Reinsurance Life Australia Ltd., all markets of Life/Health reinsurance and Property/Casualty reinsurance outside North America, with the exception of Property/ Casualty business in Australia and New Zealand.

GRAG is registered and located in Cologne, Germany, and it is represented by numerous branches, subsidiaries, and representative offices based in Europe, the Middle East, Asia, Latin America, South Africa, Australia, and New Zealand.

Our business strategy is to provide reinsurance products and services in a disciplined and differentiated way for clients that want more than a commodity. Our business goals are profit-oriented, and we aim to achieve an appropriate risk-adjusted return on the risks we assume. Our core business revolves around the assessment and acceptance of risk and as such we have defined the risks we actively seek and those that we want to minimise.

In regard to the market risk, we invest to generate competitive returns over time while managing liquidity needs and investment risk accordingly. The Board of Executive Directors is mindful of its social and environmental responsibilities when setting investment guidelines and making investments.

In the context of Corporate Social Responsibility (CSR), it is important to acknowledge that insurance and reinsurance as such have a stabilizing and advantageous impact on modern societies and economies, provided they are being carried out in a fair and ethical manner, which underlines the importance of corporate governance in the way we conduct business.

The European Systemic Risk Board views the beneficial effects of insurance to societies as follows: "Protection from risks through pooling or transfer is the most basic role of insurance (OECD, 2013). Individuals, companies, institutions, or the public sector seek protection against financial losses or adverse events...The risk transfer function could encourage innovation, entrepreneurial activity and risk taking.

Therefore, an effective transfer of risks could foster additional long-term investment and output ... Insurance that provides

compensation in the case of a large adverse shock, such as a natural catastrophe, helps stabilize demand, finance reconstruction, and reduce pressure on the budget."\*

In accordance with the EU directive 2014/95/EU, transposed to national law in Section 289b German Commercial Code (HGB), this report is designed to give insight into General Reinsurance AG's CSR-relevant policies and activities. Its general structure is guided by the UN Global Compact principles.

## Workforce/Labor/Employee Matters

During the business year 2022, GRAG (excluding subsidiaries and service companies) employed a total workforce of 654 (626), of whom 390 (386) were based in Germany and 264 (240) worked abroad. GRAG's business is supported by an additional 125 (128) people who are employed in the service companies in the UK and Mexico. Our subsidiaries in Australia, Brazil and South Africa employed 87 (86) people in 2022.

We believe that the success of our Company is founded on the expertise, experience, and engagement of our people. Gen Re values integrity, excellence, personal responsibility, and diversity. Our flat management structure and team-based environment promote collaboration and open communication.

It is the Company's policy to afford equal employment opportunity to all employees and applicants for employment, as stated in our Code of Business Conduct. In addition, the Company is committed to maintaining a work environment free from harassment. The Company does not tolerate harassment or discrimination against any employee by any other employee, manager or non-employee (such as an independent contractor).

We place a strong emphasis on fair and gender-neutral pay that is in line with the market, the job function and the employee's performance and experience. We also offer competitive local benefit programs and a wide range of learning opportunities to support personal and professional development.

We support a stable work-life balance that includes offering flexible working hours, part-time employment and a mixture of remote and in-office work arrangements.

With regard to childcare, we currently have 25 spaces in a crèche next to our Cologne office, which provides day care for children from the age of three months to six years.

In an effort to support our employees and their families beyond their professional lives, we offer an employee assistance program (in cooperation with an external provider) to our Cologne-based employees. It is an employer-sponsored service, designed to offer confidential, independent counselling services in all situations of life.

We place great emphasis on maintaining a close and comprehensive dialogue with our employee representatives. We enjoy a long-standing, fruitful and constructive relationship with our German Works Council. Our Cologne employees are also represented on GRAG's Supervisory Board. We acknowledge and respect our employees' freedom of association and their right of collective bargaining.

For example, in Germany, we are subject to the collective agreement for the private insurance industry.

In 2015 the “Act on Equal Participation of Women and Men in Executive Positions in the Private and the Public Sector” came into force in Germany. At the time, the proportion of women on the two highest levels of management below our Board of Executive Directors was 5.9% on the first level and 40.2% on the second.

Since then, we have seen considerable improvement, especially on the first level. In line with the targets set by the Executive Board, as of 31 December 2022, these percentages are 30% and 40%, respectively.

The Board is in favor of measures focused on succession planning and career development for all associates. Hence, a number of Diversity, Equity and Inclusion (DEI) initiatives have been launched across the group, including the introduction of online courses to help employees understand their own inherent biases. In 2021, Gen Re hosted its first group-wide global DEI Town Hall Meeting virtually. Furthermore, we launched several Employee Resource Groups to promote DEI with a focus on the following groups: Multicultural Professionals and Allies, Professional Women and Allies, LGBTQ Professionals and Allies, Working Parents and Allies. In the summer of 2022, Gen Re’s first Global Diversity, Equity and Inclusion Officer was appointed. His focus is making DEI a core ingredient in the design and execution of Gen Re’s business strategy and embed it in the activities of the organization.

## Human Rights

Gen Re supports human and labor rights as stated by the United Nation’s Universal Declaration on Human Rights and International Labour Organization and preserves the freedom of association and the effective recognition of the right to collective bargaining. Gen Re does not accept any form of forced and compulsory labor or the use of child labor.

Gen Re complies with applicable legislation, regulations and agreements concerning human rights, employment, and equal opportunities, including all laws pertaining employee data privacy, immigration, workplace safety, working time, wages and hours and employment discrimination.

Reinsurance products are intangible. The production process is an intellectual one, combining the application of expert knowledge with capital; it does not include physical labor. The typical workforce is generally dominated by highly skilled and well-compensated professionals.

Gen Re is pledged to combatting all forms of modern slavery and carrying out our business in a fair, honest, ethical and open manner. We are committed to taking steps to ensure that human rights abuses, in any form, do not occur in either our business or supply chains. Neither we nor, to the best of our knowledge, our supply chain make use of any form of modern slavery.

All Gen Re employees are subject to and benefit from employment and compliance policies that seek to eliminate the risk of modern slavery in the workplace and encourage all staff to work ethically. Gen Re also operates a whistleblowing

policy to provide the ability for employees to raise any concerns they have regarding activities or behavior in the workplace anonymously and for those concerns to be investigated in a confidential manner.

## Social

As mentioned above in the context of the European Systemic Risk Board’s statement, we strongly believe that the very nature of (re)insurance has indeed a bigger social purpose, enabling human progress in many areas of life.

We generally aim at facilitating broader access to insurance. The research and development and ultimately the offering of certain (re)insurance products have a direct positive impact on some very important social matters.

In this regard, we can point to our Life and Health Research and Development unit that works continuously on furthering state-of-the-art knowledge around various risks highly relevant to today’s modern societies. We are, for example, supporting our clients in developing pioneering HIV and diabetes products as well as enhancing underwriting expertise and coverage concepts for critical illness, long-term care, disability and mental health issues.

Through our involvement with innovation hubs and ongoing collaborations with promising startups in the insurtech space, we focus on helping our clients, the insurance companies, remain relevant for the future.

The area broadly referred to as Emerging Risks is a field that influences the long-term well-being of our economies and societies. Cyber Risk is among the most important ones these days. The insurance industry is mindful of its responsibility in this area. The economic damage caused by cybercrime is increasing dramatically. GRAG is participating in a cyber working group of the German Insurance Association (GDV), which has created a broad basis for the insurance of cyber risks by developing appropriate coverage terms and conditions.

More generally, it should be mentioned that the allocation of capacity for the coverage of difficult-to-insure risks, such as losses from terrorism or nuclear risks, has a stabilizing effect on economies and societies as it helps communities to recover from large adverse events.

Furthermore, we regularly publish commentaries and insights into most of the above-mentioned topics and offer training and education programs for our clients in order to share and further enhance the knowledge in the industry and society about latest developments in traditional product segments as well as in the emerging risks sector.

Our long-standing annual corporate donation scheme reflects another aspect of our socially beneficial activities. The program focuses on local social services and cultural activities as well as research and science related to the insurance sector. Examples include our sponsoring of a visiting professor at the Institute for Insurance Education at the University of Cologne and our “100% matching” program for the private donations of our Cologne-based staff members.

The year 2021 marked a special moment in our company's history as we celebrated the 100th anniversary of General Re's founding in 1921 in the U.S. and the 175th anniversary of General Reinsurance AG, the oldest reinsurer in the world, formerly known as Cologne Re.

To mark the occasion, we organized employee events to raise funds for charitable causes across the globe. In addition, several scholarships were awarded in conjunction with our local community outreaches that were kickstarted by our diversity, equity and inclusion activities.

## Environmental

Gen Re complies with applicable legal and regulatory requirements introduced to respond to environmental challenges and undertakes initiatives to promote environmental responsibility and environmentally friendly technologies.

(Re)insurance products are intangible. Therefore, there is no transport or storage-related environmental risk related to the production process.

By contrast, the importance of (re)insurance capacity to protect the economy in the area of natural catastrophes and other environmental risks highlights its particular positive contribution to global environmental matters.

The consumption of raw materials in our production process is mainly limited to energy consumption by buildings, IT and business-related travel.

While the nature of our direct reinsurance business model will always include business-related travel for client meetings and conferences, we are actively encouraging all employees to reduce business-related travel by prioritizing online meetings over physical travel, especially in the case of internal meetings.

While we saw reductions of 40% in our travel-related transportation spending over the five-year period from 2015 to 2019, the further decrease during the "Covid-19-Years" 2020 and 2021 has been extraordinary, at almost 88%. Obviously, this development was a stark reflection of the pandemic's impact on worldwide business travel. As expected, this indicator increased again after the pandemic, but is still well below pre-pandemic levels. Comparing 2019 to 2022, we see a nearly 40% reduction in our travel-related transportation spend. However, in 2022, we still saw some Covid-19-related factors that impacted business travel to some extent, so we see a further increase in travel-related spending in 2023, although we expect it to remain below 2019 levels.

We have a very small company car fleet in Cologne, including 27 vehicles for business and private use. Our company car policy sets out clear rules for maximum CO<sub>2</sub> emissions of our company cars. Since 2020 the policy also regulates and incentivizes the use of hybrid and electric vehicles as part of the fleet; on 31 December 2022 already 55% of the fleet fell into that category.

In 2019, several e-charging stations were installed in the company's underground car park in Cologne for use by our employees. In response to the growing demand, we installed 10 additional e-charging stations in 2022. We now have 22 e-charging stations in total.

Wherever applicable, we are generally encouraging our workforce to choose transport by trains and other means of public transport over travelling by individual cars and airplanes.

All Cologne-based staff members are eligible to a free-of-charge annual local public transport ticket ("Job ticket") that can be used for their daily commute.

Furthermore, starting April 1, 2021 in cooperation with the German provider JobRad, we began offering our Cologne-based employees the opportunity to lease up to two bicycles or pedelecs as part of a salary conversion program. We are pleased to see staff taking great interest in this offer, as we strive to both promote environmentally friendly mobility and to make a positive contribution to the health of our employees. We are planning to install a photovoltaic system on the roof of the bicycle racks to enable environmentally friendly charging of the e-bikes.

In 2020, in line with the European Directive 2012/27/EU, we had the second energy audit conducted of our office building in Cologne; the first one was conducted in 2016. The resulting reports suggested a number of measures to reduce energy consumption, which were taken into account in the comprehensive construction and engineering works. A Building Monitoring System (BMS) was installed in parallel with the construction work.

We met our target completion date (end of 2022) for the construction work and the start of operation of the BMS. The BMS is now in operation and continuously measures data such as temperatures, controls the corresponding heating curves (e.g. night setback) and regulates the room temperatures accordingly. In the winter of 2022/2023, the energy savings (15% to 20%) in electricity and district heating required by the German Federal Government were achieved through the smart use of the new Building Monitoring System.

Another project scheduled for 2023 is the renewal of our Cologne underground car park lighting (conversion to LED technology); we expect energy savings of around 70% compared to the current situation.

As early as 2019, we switched to a fully "green" electricity supply for the Cologne building. We received a quality certificate from our local energy provider RheinEnergie, which guarantees that our electricity consumption is covered 100 percent by renewable energy sources.

With the decentralized approach typical of Gen Re, there are self-initiated, ecologically motivated activities and measures in many of our offices around the world, be it in the area of waste reduction, energy saving or local environmental protection through support of tree plantations.

## EU Taxonomy Key Performance Indicators

In 2021, the European Commission adopted the Delegated Act supplementing Article 8 of the Taxonomy Regulation ("the Disclosures Delegated Act"). The stated objective of the Disclosures Delegated Act is to increase transparency for investors with respect to the environmental impact of corporate economic activities.

For details of GRAG's disclosure under the Disclosures Delegated Act, please refer to the Appendix of this report.

## Anti-Corruption

Consistent with its commitment to ethical business conduct and maintaining best practice compliance standards, Gen Re has developed policies and procedures to prevent internal corruption and will further develop measures to assess its supply chains and avoid engagements with third parties that do not adhere to robust corruption prevention policies and practices.

It goes without saying that any form of corruption or bribery is incompatible with conducting business in an ethical and fair manner. Therefore, Gen Re's Code of Business Conduct strictly prohibits any activities to gain an unfair or illegal benefit – including, for example, any giving, offering, promising, inducing or receiving bribes, kickbacks, extraordinary or extra-contractual commissions and other unusual payments or any benefit in kind to or from any entity doing or seeking to do business with Gen Re. This also includes the prohibition to give, offer or promise anything of value to public officials, employees or agents of state-owned or controlled companies.

The Code of Business Conduct also covers such topics as: Anti-Money Laundering, Fraud Prevention, Antitrust, Anti-Competitive Agreements, Dealing with Competitors and Customers, Unfair Methods of Competition and Deceptive Practices, Monopolisation/Abuse of Market Power, Insider Trading, Trade Restrictions and Embargoes, Contributions, Prohibited Offers or Payments, Contact with Legislators and Regulators and Conflicts of Interest.

Maintaining awareness and promoting compliance with the Code of Conduct and applicable legal requirements is consequently a core element of our annual compliance training course program, which all employees are required to complete. Furthermore, each year we ask all employees worldwide to complete a Conflict of Interest Questionnaire; it is another important part of our internal compliance program. In addition, we have established appropriate processes and controls aimed at preventing and detecting violations and include strict anti-corruption clauses in relevant external service provider agreements.

## Berkshire Hathaway's Business Culture

While only indirectly related to GRAG's CSR-related activities and policies, we deem it appropriate to point out that Berkshire Hathaway Inc. has a long tradition of ethical conduct and an exemplary reputation for honesty and integrity.

At Berkshire, senior management strongly believes that a company's reputation is built on the actions of its people and their commitment to ethical behavior. The gist of this philosophy is best known among global Berkshire employees as "The Front Page Test", which refers to a famous quote of Warren Buffett, Berkshire Hathaway's renowned Chairman and CEO: "I want employees to ask themselves whether they are willing to have any contemplated act appear the next day on the front page of their local paper – to be read by their spouses, children

and friends – with the reporting done by an informed and critical reporter."

This unique philosophy is reflected in the Code of Business Conduct and Ethics, which is publicly available in the corporate governance section of Berkshire's website <http://www.berkshirehathaway.com/govern/govern.html>.

Each year every Berkshire group company employee receives Berkshire Hathaway's Ethics and Compliance Brochure, which includes an overview of focus areas and draws attention to their 24/7 Ethics and Compliance Hotline.

## Footnote

\* *ESRB/European Systemic Risk Board, Report on systemic risks in the EU insurance sector. Annex 1: The role of the insurance sector in the economy, Page 2, 4, 5.*  
[https://www.esrb.europa.eu/pub/pdf/reports/2015-12-16\\_esrb\\_report\\_annex\\_1.pdf?7d742ab3382edae963eb96d9cd84b903](https://www.esrb.europa.eu/pub/pdf/reports/2015-12-16_esrb_report_annex_1.pdf?7d742ab3382edae963eb96d9cd84b903).

## Appendix – EU-Taxonomy

As is required for re/insurers, under Article 8 of the European Regulation 2020/852/EU, GRAG identifies those investment and underwriting activities that qualify as environmentally sustainable, i.e., they contribute to one of the environmental goals of the European Union. Pursuant to Article 10 (3) of Commission Delegated Regulation 2021/2178/EU, GRAG focuses on taxonomy-eligible activities for the purpose of climate change adaptation and climate change mitigation. Taxonomy eligible activities are those economic activities for which so called technical screening criteria exist according to the EU taxonomy regulation. The assessment of whether these activities are actually aligned with these screening criteria is currently not in scope of the disclosure according to the taxonomy requirements.

### Investments

The current EU taxonomy regulation specifies criteria to identify investment activities that contribute to the environmental goals of climate change adaptation and climate change mitigation (so called environmentally sustainable economic activities). In line with the regulation government bonds are excluded from scope for the eligibility assessment ("covered assets"). The following table outlines the covered assets. Furthermore, the share of our total covered assets that can be considered taxonomy-eligible investments with respect to at least one of these two environmental goals is provided.

#### Environmentally sustainable economic activities

Mandatory disclosure			
in % of turnover		in % of CapEx	
	in % of total investemnts <sup>1</sup>		in % of total investemnts <sup>1</sup>
Total invested assets	100%	Total invested assets	100%
derivatives	n/a	derivatives	n/a
government bonds	63.0%	government bonds	63.0%
Invested assets covered	37.0%	Invested assets covered	37.0%
thereof assets covered not subject to CSRD	13.9%	thereof assets covered not subject to CSRD	13.9%

<sup>1</sup>incl. government bonds

	in % of total investments <sup>2</sup>		in % of total investments <sup>2</sup>
Invested assets covered	100%	Invested assets covered	100%
eligible activities	18,1%	eligible activities	18.5%
non-eligible activities	81.9%	non-eligible activities	81.5%
thereof non-eligible not subject to CSRD	37.5%	thereof non-eligible not subject to CSRD	37.5%

<sup>2</sup>excl. government bonds

The numbers above are based on the US GAAP data for the GRAG Group, which includes subsidiaries GRSA and GRLA, as of 31 December 2022. The eligible activities were determined based on turnover and CapEx published by investees as of 31 December 2022. For selected investees updated information was not available at the time this report was prepared. In these cases, the latest available information was used to determine the taxonomy-eligible activities. In case of insufficient granularity of data, it was decided to classify investment activities as non-eligible to be on the conservative side.

As outlined in the table above, most of our assets are taxonomy non-eligible assets. There are several reasons for this effect. First, government bonds are non-eligible as there are no criteria to classify such investments in the EU taxonomy regulation (63.0% of total invested assets). As a consequence, government bonds are excluded from the denominator of the eligibility ratio as mentioned above. Second, investments in non-EU companies are not subject to EU Corporate Social Responsibility Reporting requirements according to the Corporate Social Responsibility Directive (2014/95/EU) and thus investments in these companies are excluded from the taxonomy-eligible activities according to the taxonomy regulation (13.9% of total invested assets).

## Underwriting

The current EU taxonomy regulation specifies criteria to identify underwriting activities that contribute to the environmental goal of climate change adaptation only. These criteria focus on non-life (re-)insurance contracts that cover a climate-related peril. In line with this regulation, we consider the Solvency II non-life lines of business “fire and other damage to property reinsurance”, “marine, aviation and transport insurance” and “other motor insurance” to be taxonomy-eligible as these lines of business generally cover climate-related perils. The following table provides an overview of the share of the gross written premium for eligible and non-eligible non-life business for GRAG Group as of 31 December 2022.

Climate Change Adaptation – Underwriting KPIs	in % of total gross written premium
Non-life insurance underwriting taxonomy-eligible activities	0.0%
thereof reinsured	0.0%
Non-life reinsurance underwriting taxonomy-eligible activities	71.4%
thereof reinsured (retrocession)	18.5%
Non-life reinsurance underwriting non taxonomy-eligible activities	28.6%
total Non-life activities	100%



*The people behind the promise.®*

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