2023 Corporate Social Responsibility Report

General Reinsurance AG

A Berkshire Hathaway Company

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 Systematic 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 2023, GRAG (excluding subsidiaries and service companies) employed a total workforce of 682 (654), of whom 408 (390) were based in Germany and 274 (264) worked abroad. GRAG's business is supported by an additional 138 (125) people who are employed in the service companies in the UK and Mexico. Our subsidiaries in Australia, Brazil and South Africa employed 92 (87) people in 2023.

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 2023, these percentages are 25.5% and 38.5%, 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, and 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 embedding 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 combating 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 Systematic 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). In April 2017, the GDV published non-binding standard terms and conditions for cyber risk insurance ("AVB Cyber"). These were revised and published for the German market in February 2024. The reason for the update was the need to adapt to the constantly changing risk situation.

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.

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 a reduction 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 below pre-pandemic levels. Comparing 2019 to 2023, we see a 11% reduction in our travel-related transportation spend.

We have a very small company car fleet in Cologne, including 24 vehicles for business and private use. Our company car policy sets out clear rules for maximum CO2 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 2023 71% 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 for a free-of-charge annual local public transport ticket ("Deutschland-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. In 2023, we installed a photovoltaic system on the roof of the bicycle racks to enable environmentally friendly charging of e-bikes. The surplus electricity is used for consumption in the building, for example for air-conditioning.

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 temperature, controls the corresponding heating curves (e.g. night setback) and regulates room temperatures accordingly. In addition, water is saved through more efficient use of water in the sanitary facilities, and old light fittings are continuously replaced with energy-saving LED lighting. In 2023 the lighting in the underground parking garage in Cologne has been converted to LED technology, which will reduce energy consumption in that area by two-thirds.

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% 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 intended 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 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. We have also 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 it is 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 from 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 at 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 its 24/7 Ethics and Compliance Hotline.

Footnote

* *ESRB/European Systematic 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

Appendix – EU-Taxonomy

As is required for (re)insurers, under Article 8 of 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 six environmental goals of the EU (climate change mitigation, climate change adaptation, pollution, water and marine resources, biodiversity, and ecosystems as well as the circular economy).

Pursuant to Article 10 (5) of Commission Delegated Regulation 2021/2178/EU, GRAG reports on taxonomy-eligible and taxonomy-aligned activities with regard to all EU environmental goals. Taxonomy-eligible activities are those economic activities for which so-called technical screening criteria exist according to the EU taxonomy regulation. Taxonomy-aligned activities are those activities that comply with these screening criteria and at the same time fulfil minimum social safeguards according to the EU taxonomy regulation.

Investments

The EU taxonomy regulation specifies criteria to identify investment activities that contribute to the six EU environmental goals (so-called environmentally sustainable economic activities). We apply these criteria for our investments for the purpose of public disclosure and compliance with the regulation. The only assets in GRAG's portfolio that are included in the scope of the taxonomy regulation, the so-called "covered assets", are investments in equities and corporate debt.

Government bonds, however, are excluded from the scope of the taxonomy assessment. With the sale of most of our equity investments, Government bonds now make up the majority of our portfolio and thus taxonomy eligible and aligned activities only comprise a small part of our portfolio (less than 2 percentage points of total covered assets of 14.4%). Therefore, we have not defined any strategy for taxonomy aligned investments.

For the covered assets, we determine the taxonomy-aligned economic activities for GRAG in absolute EUR amounts and as a percentage of total covered assets. The taxonomy-aligned economic activities are determined based on the market value of each investment in the GRAG portfolio and the share of taxonomy-aligned economic activities provided by the respective underlying investees.

For the share of taxonomy-aligned economic activities, we use the latest information published by the investees and report the turnover-based as well as the capital expenditures (CapEx) based share to determine the key performance indicators (KPIs) for GRAG. The results as well as further details on the numerators and the denominators underlying the taxonomy KPIs are provided in the tables below. The numbers below are based on US GAAP data for the GRAG Group, which includes subsidiaries GRSA and GRLA, as of 31 December 2023.

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the **value of total assets covered by the KPI**, with following weights for investments in undertakings per below:		The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based in %	0.0%	Turnover-based: m EUR	-
Capital expenditures-based in %	0.0%	Capital expenditures-based: m EUR	-
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio in %	14.4%	Coverage: m EUR	1,423.2

Additional, complementary disclosures: breakdown of **denominator** of the KPI			
The percentage of derivatives relative to total assets covered by the KPI.		The value in monetary amounts of derivatives.	
Derivatives in %	0.0%	Derivatives in m EUR	-
The proportion of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings in %	43.7%	For non-financial undertakings: in m EUR	622.6
For financial undertakings in %	54.6%	For financial undertakings: in m EUR	776.6
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings in %	20.2%	For non-financial undertakings: in m EUR	287.8
For financial undertakings in %	54.6%	For financial undertakings: in m EUR	776.6
The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings in %	0.0%	For non-financial undertakings: in m EUR	-
For financial undertakings in %	1.7%	For financial undertakings: in m EUR	23.9
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:		Value of exposures to other counterparties and assets:	
Other exposures in %	0.0%	Other exposures in m EUR	-
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	
in % of covered assets	0.0%	in m EUR	-
The value of all the investments that are funding **economic activities that are not Taxonomy-eligible** relative to the value of total assets covered by the KPI:		Value of all the investments that are funding **economic activities that are not Taxonomy-eligible**:	
Non-Eligible in %	98.9%	Non-Eligible in m EUR	1,408.2
The value of all the investments that are funding Taxonomy-eligible economic activities, **but not Taxonomy-aligned** relative to the value of total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible economic activities, **but not Taxonomy-aligned**:	
Eligible but not aligned in %	1.1%	Eligible but not aligned in m EUR	15.0

Additional, complementary disclosures: breakdown of **numerator** of the KPI			
The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based in %	0.0%	Turnover-based: in m EUR	-
Capital expenditures-based in %	0.0%	Capital expenditures-based: in m EUR	-
For financial undertakings:		For financial undertakings:	
Turnover-based in %	0.0%	Turnover-based: in m EUR	-
Capital expenditures-based in %	0.0%	Capital expenditures-based: in m EUR	-
The proportion of the insurance or reinsurance undertaking's investments **other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, Taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based in %	0.0%	Turnover-based: in m EUR	-
Capital expenditures-based in %	0.0%	Capital expenditures-based: in m EUR	-
The proportion of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
Turnover-based in %	0.0%	Turnover-based: in m EUR	-
Capital expenditures-based in %	0.0%	Capital expenditures-based: in m EUR	-

Breakdown of the numerator of the KPI per environmental objective			
Taxonomy-aligned activities – provided 'do-not-significant-harm' (DNSH) and social safeguards positive assessment:			
(1) Climate change mitigation		Transitional activities	Enabling activities
Turnover-based in %	0.0%	0,0%	0.0%
Capital expenditures-based in %	0.0%	0.0%	0.0%
(2) Climate change adaptation		Transitional activities	Enabling activities
Turnover-based in %	0.0%	0.0%	0.0%
Capital expenditures-based in %	0.0%	0.0%	0.0%
(3) The sustainable use and protection of water and marine resources		Transitional activities	Enabling activities
Turnover-based in %	0.0%	0.0%	0.0%
Capital expenditures-based in %	0.0%	0.0%	0.0%
(4) The transition to a circular economy		Transitional activities	Enabling activities
Turnover-based in %	0.0%	0.0%	0.0%
Capital expenditures-based in %	0.0%	0.0%	0.0%
(5) Pollution prevention and control		Transitional activities	Enabling activities
Turnover-based in %	0.0%	0.0%	0.0%
Capital expenditures-based in %	0.0%	0.0%	0.0%
(6) The protection and restoration of biodiversity and ecosystems		Transitional activities	Enabling activities
Turnover-based in %	0.0%	0.0%	0.0%
Capital expenditures-based in %	0.0%	0.0%	0.0%

As shown in the tables above, none of our assets can be classified as taxonomy-aligned. This does not indicate that our investments are environmentally harmful, it rather reflects coverage limitations considered in the regulation.

As outlined above, Government bonds are not covered by the EU taxonomy regulation. As a consequence, Government bonds are excluded from the denominator of the KPI. As investments in Government bonds comprise the majority of our investment portfolio, the remaining assets covered by the EU taxonomy are comparably small (EUR 1,423.2 million, or 14.4% of total invested assets).

Non-EU companies as well as small and medium-sized EU companies are not required to publish a non-financial statement according to EU accounting regulations (Article 19a and 29a of Directive 2013/34/EU). Thus, for investments in these companies no information on taxonomy-alignment is publicly available (EUR 1,399.2 million, or 98.3% of total covered assets). In line with the regulation, we classified these investments as not eligible. As a result of the two effects above, the majority of our assets are either not covered or not eligible.

It should be noted that even for investments in companies that have to publish taxonomy-alignment information, there continue to be data limitations. Because financial undertakings have to disclose taxonomy-alignment data in 2024 for the first time, only eligibility data was available upon completion of this report. Due to the unavailability of data, we classified our investments in financial undertakings as not taxonomy-aligned in line with the taxonomy regulation (EUR 23.9 million, or 1.7% of total covered assets).

All our eligible investments relate to financial undertakings, so this results in an alignment ratio of 0%. Even if data for financial companies had been readily available, our alignment ratio based on the current portfolio would still be small as most of our assets are not eligible for the EU taxonomy assessment (EUR 1,408.2 million, or 98.9% of total covered assets) and only a small part is eligible but not aligned (EUR 15.0 million, or 1.1% of total covered assets).

Because we have no taxonomy-aligned investment as of year-end 2023 (due to the unavailability of data), we also have no aligned investments in fossil gas or nuclear energy. For our investments in taxonomy-eligible and non-eligible activities, this information is currently not readily available.

Underwriting

The 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. The following table provides an overview of the share of the gross written premium for eligible and aligned non-life business for GRAG Group as of 31 December 2023.

	Climate Change Adaptation			DNSH (Do No Significant Harm)					
Economic activities	Absolute premiums, year t	Proportion of premiums, year t	Proportion of premiums, year t-1	Climate Change mitigation	Water and marine resources	Circular Economy	Pollution	Bio-diversity	Minimum Safeguards
	m EUR	in %	in %	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N
A.1. Non-life insurance and reinsurance underwriting taxonomy-aligned activities (environmetally sustainable)	**181.7**	**8.6%**	**n/a**	**Y**	**-**	**-**	**-**	**-**	**Y**
A.1.1. Of which reinsured	36.3	1.7%	n/a	Y	-	-	-	-	Y
A.1.2. Of which stemming from reinsurance activity	181.7	8.6%	n/a	Y	-	-	-	-	Y
A1.2.1. Of which reinsured (retrocession)	36.3	1.7%	n/a	Y	-	-	-	-	Y
A.2. Non-life insurance and reinsurance underwriting taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	**277.2**	**13.2%**	**n/a**						
B. Non-life insurance and reinsurance underwriting Taxonomy-non-eligible activities	**1,645.0**	**78.2%**	**n/a**						
Total (A.1.+ A.2.)	**2,103.9**	**100.0%**	**n/a**						

As of year-end 2023, 8.6% of our non-life premiums are taxonomy-aligned and 13.2% are considered eligible but not-aligned. This does not indicate that all of this business is particularly harmful, because this is mainly due to limited data. The alignment ratios for business that we were able to obtain data for were generally around 90% or higher.

We have no indication that the ratios would be significantly different for the part of the portfolio for which no alignment data was available. Nevertheless, we have classified all of this business as not aligned in line with the regulation and as we expect data availability to improve over time. More details on our approach to determine the taxonomy aligned premium is laid out below.

As a starting point, we consider the Solvency II non-life premium in our taxonomy reporting. We consider the Solvency II 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. In contrast to last year, when we considered the full premium in these lines of business to be eligible, we now classify only the premium related to exposures which are impacted by climate change to be eligible (21.8% of the total non-life premium). We consider this consistent with the technical screening criteria specified in the regulation for the alignment assessment and the Q&A provided by the EU Commission in December 2023.

To determine the taxonomy-aligned premium, all business activities that relate to the insurance of extraction, storage, manufacturing, or transport of fossil fuels are excluded from the eligible premium in line with the Do No Significant Harm (DNSH) criterion. Our personal lines business is considered to generally cover economic activities that comply with the DNSH criterion, as this standard is intended to address activities in the upstream value chain of fossil fuel-based energy generation.

For our commercial business, however, we have eliminated the share of business related to these upstream activities as far as this information could be obtained from our clients. Where this information was not available, we have classified the business as not aligned. This is particularly the case for a large part of our European and international treaty business. For our non-EU clients there is no requirement to publish this data, therefore some data gaps were expected.

As most of our European clients will report their alignment ratios for the first time in 2024, the data availability on the DNSH was limited upon the completion of this report. Due to this data limitation, it was not possible to separate underwriting activities related to nuclear energy and fossil gas. Therefore, we have classified all fossil fuel activities as not aligned in line with the DNSH criterion for reinsurance activities.

We have a small amount of business that explicitly covers nuclear energy (less than 0.1% of total premium), but this business is not taxonomy-eligible according to the criterion mentioned above and also not included in our alignment ratio.

In addition to the DNSH criterion, we have tested the alignment with the remaining technical screening criteria as well as the minimum social safeguards but did not identify any areas of non-compliance. In line with these screening criteria, we publish the following information on climate-related perils and the sharing of loss data for the purpose of climate change adaptation.

Consideration of climate-related perils

For further details on the pricing of climate-related perils in line with the technical screening criterion 2, we refer to the Nat Cat section on the Property page of our website as well as our regulatory public disclosure on our website.

Publication of loss data for the purpose of climate change adaptation

We comply with all data requests of public authorities. So far, however, GRAG has not been approached by any public authority to share loss data for the purpose of enhancing climate change adaptation. In line with screening criterion 4, we confirm that we are open to sharing aggregated loss data that can help to improve climate change adaptation, free of charge, with interested public authorities provided that the data is treated confidentially and that our intellectual property is protected.

The people behind the promise®

General Reinsurance AG
Theodor-Heuss-Ring 11
50668 Cologne

genre.com

© General Reinsurance AG 2024