# 2024 Single Solvency and Financial Condition Report (SFCR) General Reinsurance AG Group

A Berkshire Hathaway Company

## Contents

# Summary

The Solvency and Financial Condition Report (SFCR) presents information on the business and performance, the governance system, the risk profile, the valuation according to Solvency II and capital management of General Reinsurance AG (GRAG) and GRAG Group, which includes GRAG as well as General Reinsurance Life Australia Ltd. (GRLA) and General Reinsurance South Africa Ltd. (GRSA). As the overall risk profile of GRAG Group does not differentiate substantially from the risk profile of the parent company GRAG, we are permitted by the German Federal Financial Supervisory Authority (BaFin) to prepare and publish a "Single" SFCR, hereinafter referred to as SFCR. However, we have provided separate information for GRAG Solo and GRAG Group with additional explanations, which, unless otherwise stated, generally apply to both Solo and Group.

The Solvency II balance sheets have been subject to an independent external audit by Forvis Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, which issued an unqualified auditor's opinion.

Solvency II key figures for the year 2024 including comparative data to 2023 of GRAG Solo and GRAG Group are summarized in the table below:

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| **Key figures** | **2024 €'000** | **2023 €'000** | **2024 €'000** | **2023 €'000** |
| **Solvency II balance sheet** | | | | |
| Assets | 17,291,313 | 15,341,797 | 18,614,160 | 16,484,845 |
| Technical provisions | 8,042,251 | 7,299,614 | 9,072,483 | 8,131,774 |
| Other liabilities | 2,030,800 | 1,409,961 | 2,323,416 | 1,720,849 |
| Excess of assets over liabilities | 7,218,262 | 6,632,222 | 7,218,261 | 6,632,222 |
| **Eligible own funds** | **7,218,262** | **6,632,222** | **7,218,262** | **6,632,222** |
| thereof Tier 1 | 7,218,262 | 6,632,222 | 7,218,262 | 6,632,222 |
| **Capital requirements** | | | | |
| Solvency capital requirement (SCR) | 3,452,671 | 2,979,753 | 3,700,054 | 3,211,456 |
| Minimum capital requirement (MCR) | 1,553,702 | 1,340,889 | 1,648,280 | 1,429,506 |
| **Coverage ratio** | | | | |
| Solvency capital requirement (SCR) | 209.1% | 222.6% | 195.1% | 206.5% |
| Minimum capital requirement (MCR) | 464.6% | 494.6% | 437.9% | 464.0% |

### Business and Performance

The table below provides details on the main business performance figures for GRAG Solo based on the German Commercial Code (HGB) and for GRAG Group based on the United States Accepted Accounting Principles (US GAAP).

| | GRAG Solo HGB | | GRAG Group US GAAP | |
|---|---|---|---|---|
| **Business Performance** | **2024 €'000** | **2023 €'000** | **2024 €'000** | **2023 €'000** |
| Underwriting result | 256,472 | 259,565 | 186,304 | 216,937 |
| Property/Casualty | 89,381 | 15,163 | 68,165 | 22,711 |
| Life/Health | 167,092 | 244,402 | 118,139 | 194,225 |
| Investment result | 404,062 | 918,514 | 393,267 | 362,155 |
| Net income after tax | 419,273 | 902,224 | 375,814 | 364,496 |
| Shareholder's equity | 4,297,717 | 3,878,444 | 5,399,317 | 4,885,006 |

The global macroeconomic environment in 2024 was characterized by uneven regional economic growth and generally easing inflation, which stabilized over the course of the year. While the United States recorded consistently positive economic growth, growth elsewhere was significantly less pronounced. Geopolitical uncertainties such as the ongoing war between Russia and Ukraine or the conflict between Hamas and Israel in the Middle East have caused the eurozone economies to react more sensitively than other economies. After a period of rate hikes, the European Central Bank began to lower its policy rate, followed by the Federal Reserve.

Terms of financing for companies and private households began to ease but remained elevated. This applied equally to the real estate markets and other sectors of the economy. Wages and prices rose as a result of a delayed adjustment to the rise in inflation in the past.

The general environment for primary insurers in life insurance and therefore also for life reinsurance has improved, while the continued high level of inflation made both premiums and claims more expensive in health reinsurance and Property/Casualty reinsurance.

Insured losses from natural catastrophe activity on the international markets were again above the historical average in 2024.

Our financial performance for 2024 reflects a positive underwriting result net of reinsurance and relatively strong investment income.

Both Life/Health and Property/Casualty reinsurance contributed to the pleasing underwriting result.

The higher investment income in the previous year resulted from realized gains on the disposal of investments.

Capital strength and solvency rank among the key competitive factors in the international reinsurance business. Shareholder's equity of GRAG and GRAG Group increased in comparison to the previous year.

For further details on our business performance, we refer to chapter A. We would like to point out that the information in chapter A is disclosed in the Annual Report 2024 of GRAG.

### System of Governance

Overall, the system of governance remains appropriate in view of our risk profile. We consider our organizational and operational structures to be appropriately set up to support GRAG Group's strategic objectives, whilst retaining the flexibility to rapidly adapt to potential changes in the strategy, operations or the business. We are committed to an integrated approach to risk management which forms the basis of a Group-wide understanding of all risks that impact the organization and ensures that conscious risk management is part of the daily decision-making processes of each member of our staff. Processes are implemented to ensure appropriate allocation and segregation of responsibilities. Clear reporting lines ensure the prompt transmission of information. We recognize the importance of a strong governance framework and have adopted the "Three Lines of Defense" model that aims to ensure that the risks within the entire Group are managed effectively and that appropriate processes are in place for decision making and the monitoring thereof.

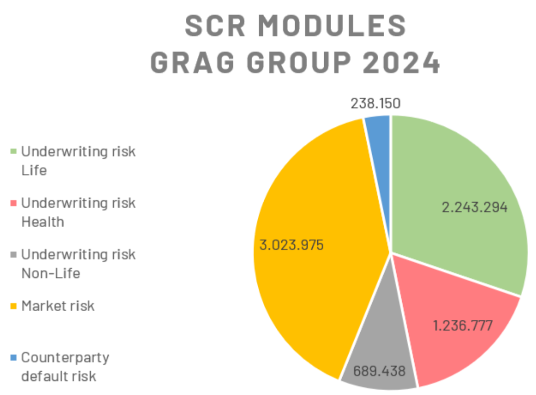
In 2024, we established a Sustainability Committee to support the GRAG Executive Board, the GRAG ESG (Environmental, Social, and Governance) Coordinator and the Risk Management Function in the oversight and the management of sustainability impacts, risks, and opportunities. The committee assists in the implementation of the company's strategy with regard to sustainability matters at the operating level ensuring it aligns with overall business objectives.

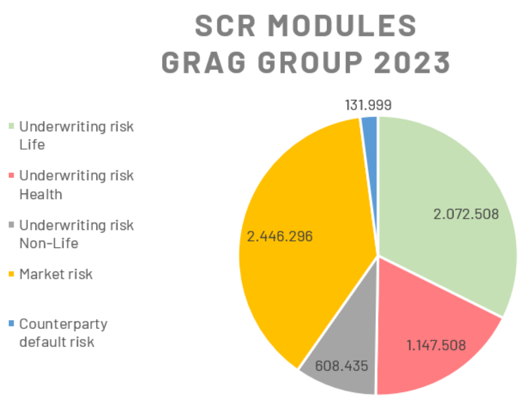
Our system of governance is further outlined in chapter B.

## Risk Profile

Our core business revolves around the assessment and acceptance of risk and as such we have defined the risks we actively seek and manage as well as those that we want to minimize. Key risks refer to underwriting risks in Life, Health and Non-Life (in the report also referred to as Property/Casualty), to market risks in respect of our investment portfolio.

The risk profile is similar to that of 2023 and remains focused on our core business of underwriting and the management of our investment portfolio. With reference to the table above, our solvency ratio remains strong and changed from 222.6% previously to 209.1% in the year under review for GRAG Solo and from 206.5% in 2023 to 195.1% in 2024 for GRAG Group. Own funds increased from Euro 6,632,222 thds to Euro 7,218,262 thds in 2024. We continue to consider ourselves sufficiently capitalized.




As shown in the charts above, the Life underwriting risk charge increased compared to the previous year. The increase was due to premium growth and the updating of modelling assumptions and was partially offset by an increase in the capacity of our retrocession agreement with an affiliated company. The Health underwriting risk charge increased due to premium growth in our disability and medical business. The Non-Life underwriting risk increased compared to the previous year due to separate reporting of reinsurance receivables/liabilities and outstanding claims provisions. Market risk increased, mainly due to the increase in currency risk, which was slightly offset by a decrease in interest rate risk. In 2024, we further increased our investments in U.S. Treasuries in order to benefit from the attractive yields. This change in our investment strategy led to an increase in our currency risk. The currency risk continues to represent the largest single risk charge. The interest rate risk declined by 35,004 thds, due to a reduction in the duration of our invested assets and lower retro BELs (Best Estimate Liabilities).

Both in terms of financial strength and the sophistication of our management systems, we remain adequately positioned to successfully pursue our business strategy. We also maintain an appropriate capital management plan to ensure that our capital resources are sufficient and appropriately structured to meet business needs over the short- and longer-term horizons. We have effective controls and risk management processes in place, including appropriately defined risk tolerances and risk limits. In particular, we will continue to closely monitor the potential impact of current geopolitical uncertainties on our operating and business models along with our financial position.

We neither make use of the matching and volatility adjustment nor of the transitional arrangements on risk-free interest rates and technical provisions. Overall, there is nothing to report on any non-compliance with the MCR or SCR over the reporting period.

Further information on the risk profile can be found in chapter C.

### Valuation for Solvency Purposes

We apply the Solvency II principles for asset recognition and valuation which are based on the “going concern” and “fair value” principles.

As mentioned, the statutory financial statement of GRAG is prepared in accordance with the German Commercial Code (HGB), which is not based on current market values but rather the lower of cost or market value for our investment portfolio. Our GRAG Group financial reporting is prepared in accordance with the United States Generally Accepted Accounting Principles (US GAAP), which is similar to Solvency II in that it is based on current market values for the majority of the invested assets, although there are differences in the valuation of the underwriting provisions. Any differences between HGB respectively and US GAAP and Solvency II are recorded in the reconciliation reserve within the own funds.

Both GRAG and GRAG Group’s fiscal years run from 1 January to 31 December. The SFCR has been prepared by using information as of the balance sheet date 31 December 2024 and including 1 January 2025 renewal data that was available as of 31 December 2024.

For details on the valuation for solvency purposes and the difference to statutory accounting, we refer to chapter D.

### Capital Management

We define capital management as the planning, management and monitoring of our capitalization levels in order to ensure that the regulatory requirements as well as the internal strategic capital objectives are met at any time. With reference to the table on the previous page, both SCRs are above the requirements of 100%, as stipulated by the supervisory authority. We established a target operating threshold of maintaining between 175% and 225%. In the event that the SCR falls below this threshold, we will consider initiating appropriate management measures. It is important for GRAG Group to maintain sufficient own funds to cover the SCR and MCR with an appropriate buffer.

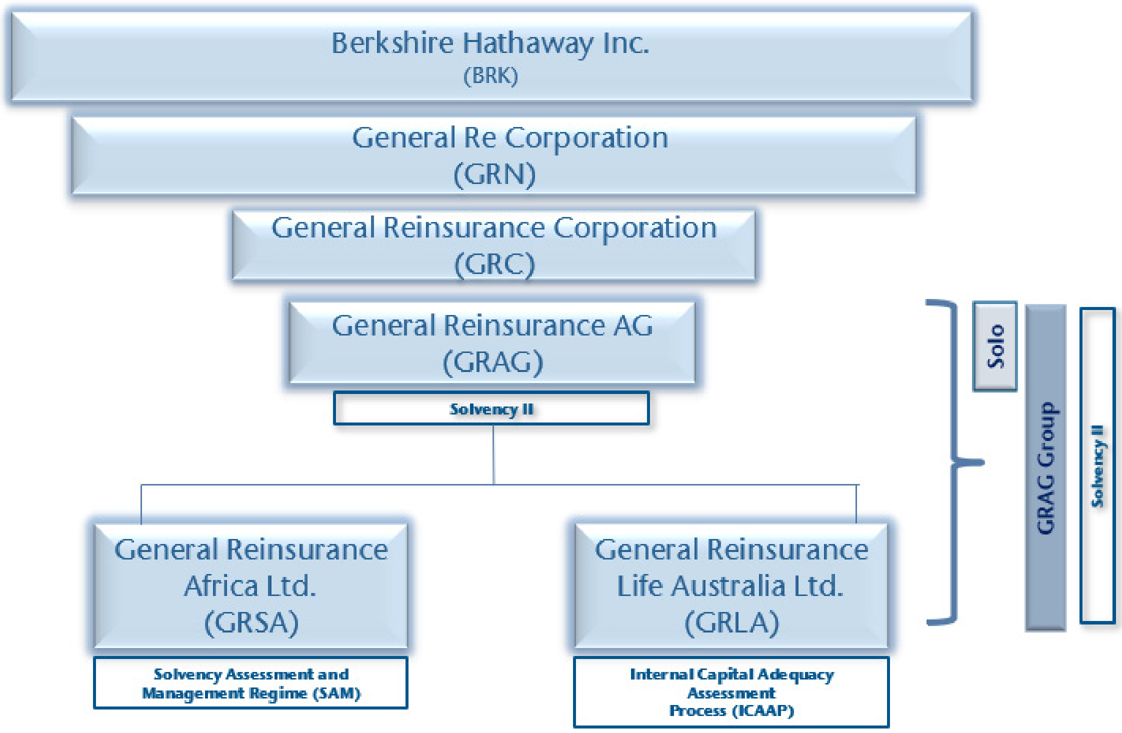
For further information on capital management, we refer to chapter E.

# A. Business and Performance

## A.1 Business

### A.1.1 General Information

GRAG Group belongs to one of the world's leading reinsurance groups and is owned by GRC which in turn is owned by General Re Corporation (GRN), a holding company wholly owned by Berkshire Hathaway Inc. (BRK).




GRAG is the parent company within the GRAG Group which includes the wholly owned (100%) subsidiaries General Reinsurance Africa Ltd. (GRSA) and General Reinsurance Life Australia Ltd. (GRLA).

GRAG Group transacts Life/Health (L/H) reinsurance business worldwide with the exception of the United States (US). In addition to traditional reinsurance products, we offer in our Life/Health business a comprehensive range of services, including actuarial advice, product development, underwriting and claims management as well as software offerings in individual life insurance. Property/Casualty (P/C) business is conducted in all major markets apart from the US, Canada, New Zealand, and Australia.

GRSA is a limited liability company incorporated in South Africa. The principal activities of GRSA involve the reinsurance of Life/Health and Non-life insurance risks, such as those associated with death, disability, health, property, and liability. The company's range of products is offered on the sub-Saharan Africa market; the company is regulated by the Prudential Authority (PA) of South Africa.

GRLA conducts life reinsurance business in Australia under its Australian Prudential Regulation Authority (APRA) license and in its New Zealand branch business in New Zealand and the Pacific region under licenses from APRA and the Reserve Bank of New Zealand (RBNZ).

Company information is disclosed below.

**Company Information**

| | |
|---|---|
| Company name and address | General Reinsurance AG<br>Theodor-Heuss-Ring 11<br>50668 Cologne<br>Germany |
| Responsible supervisor<br>(Solo and Group) | Address of the Bundesanstalt für Finanzdienstleistungsaufsicht<br>Graurheindorfer Str. 108<br>53117 Bonn<br>Germany<br><br>alternatively:<br>Postfach 1253<br>53002 Bonn<br><br>Contact details:<br>Phone: ++49 228 / 4108 - 0<br>Fax:++49 228 / 4108 – 1550<br><br>E-Mail: poststelle@bafin.de or De- Mail: poststelle@bafin.de-mail.de |
| External auditor | Forvis Mazars GmbH & Co. KG<br>Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft<br>Im Zollhafen 24<br>50678 Köln<br>Germany |
| Direct parent company | General Reinsurance Corporation, Stamford, Connecticut, USA, 100% holding of the voting share capital. |
| Responsible supervisor for (re)insurance (BRK) | The Nebraska Department of Insurance<br>PO Box 82089<br>Lincoln, Nebraska 68501 - 2089<br>USA |
| External auditor | Deloitte & Touche LLP<br>First National Tower<br>1601 Dodge Street, Ste. 3100<br>Omaha, NE 68102-1649<br>USA |
| Distributions to shareholders | For the business year 2024 no dividend was distributed to shareholders. |
| Number of employees | General Reinsurance Group: 941<br>General Reinsurance AG: 704 |

## A.1.2 Information on Branches, Representative Offices and Subsidiaries

As outlined below, GRAG Group is represented worldwide by branches, representative offices, and subsidiaries.

| Branches |
|---|
| General Reinsurance AG Vienna Branch; Vienna Austria |
| General Reinsurance AG Shanghai Branch – Shanghai, China |
| General Reinsurance AG Hong Kong Branch – Hong Kong, China |
| General Reinsurance Copenhagen Branch Filial af General Reinsurance AG Tyskland – Copenhagen, Denmark |
| General Reinsurance-Succursale Paris – Paris, France |
| General Reinsurance - Rappresentanza Generale Per l'Italia della General Reinsurance AG – Milan, Italy |
| General Reinsurance AG Tokyo Branch – Tokio, Japan |
| General Reinsurance AG Beirut Branch – Beirut, Lebanon |
| General Reinsurance Labuan Branch – Labuan, Malaysia |
| General Reinsurance Labuan Branch (Life/Health) – Labuan, Malaysia |
| General Reinsurance Seoul Branch – Seoul, South Korea |
| General Reinsurance AG Singapore Branch – Singapore, Singapore |
| General Reinsurance AG Sucursal en España – Madrid, Spain |
| General Reinsurance AG Taiwan Branch – Taipeh, Taiwan |
| General Reinsurance London Branch – London, United Kingdom |
| General Reinsurance AG India Branch – Mumbai, India |
| General Reinsurance AG (DIFC Branch) - Dubai, United Arab Emirates |

| Representative Offices |
|---|
| General Reinsurance AG Beijing Representative Office - Beijing, China |
| General Reinsurance AG Oficina de Representación en Mexico - Mexico City, Mexico |
| General Reinsurance AG Oficina de Representación en Argentina - Buenos Aires, Argentina |

**Subsidiaries***

General Reinsurance Life Australia Ltd. – Sydney, Australia
  Type of company: Life reinsurance company
  Source of income: Underwriting and investment

General Reinsurance Africa Ltd. – Cape Town, South Africa
  Type of company: Life and property casualty reinsurance company
  Source of income: Underwriting and investment

General Reinsurance AG Escritório de Representação no Brasil Ltda.- São Paulo, Brazil
  Type of company: Service company providing non-life marketing services
  Source of income: Service fee

Gen Re Beirut S.A.L. (Offshore) – Beirut, Lebanon
  Type of company: Service company providing underwriting and administrative services
  Source of income: Service fee

Gen Re Servicios México S.A. – Mexico City, Mexico
  Type of company: Service company providing underwriting and administrative services
  Source of income: Service fee

Gen Re Support Services Mumbai Private Limited – Mumbai, India (in liquidation)
  Type of company: Service company providing life and non-life marketing services
  Source of income: Service fee

*100% holding of the voting share capital

We consider GRLA and GRSA as our material subsidiaries. Business conducted out of our reinsurance subsidiaries adhere the same business philosophy and strategy as that of the parent company, which is to achieve an appropriate risk-adjusted return on the risks we assume. All Property/Casualty business written by General Reinsurance Africa Ltd. is retroceded in varying proportions to General Reinsurance AG and its parent company, General Reinsurance Corporation.

In 2024, the Group reported total net earned premiums in accordance with US GAAP totaling Euro 4,445,117 thds (2023: Euro 4,378,830 thds), which break down as follows:

- GRAG, Euro 4,055,549 thds (91.2%), 2023: Euro 3,988,676 thds (91.1%);
- GRLA, Euro 240,763 thds (5.4%), 2023: Euro 248,484 thds (5.7%);
- GRSA, Euro 148,805 thds (3.4%), 2023: Euro 141,670 thds (3.2%).

For further information on the underwriting performance refer to chapter A.2.

The remaining subsidiary companies of the Group provide marketing and accounting/administrative services to other affiliated companies and branches, to enable them to conduct reinsurance business in their respective locations. They are not considered material and have been excluded from Group supervision following BaFin approval.

There are no differences between the scope of the Group used for the consolidated financial statement and the scope of the Group that was used in preparation of the Solvency II balance sheet.

### A.1.3 Significant intra-group Transactions

There are several transactions within the group entities which include service fees for shared administrative expenses, personnel, and underwriting services, as well as retrocession agreements.

The prices and conditions agreed under existing reinsurance treaties and service agreements are based upon arm's length in accordance with the Group-wide Transfer Pricing Guideline. The guideline defines the basic principles for the billing of services and the distinction between chargeable expenses and stewardship activities. The guideline outlines the process and requirements for pricing, invoicing and documentation and contributes to improved transparency, Group-wide consistency, and compliance. It stipulates that agreements for the outsourcing of services and functions should be concluded at standard market conditions. The agreed remuneration is generally accounted for on a full cost basis plus a profit margin.

The following material retrocession agreements exist:

With effect from 1 January 2017, GRAG entered into a 20% quota share agreement with its parent company, General Reinsurance Corporation (GRC). This agreement covers the majority of the Property/Casualty business written by GRAG, its branches and subsidiaries. The primary reason for this retrocession is to reduce the risk associated with differences between trade sanctions of the US and the EU. This resulted in a slight improvement in our solvency ratio.

As of 1 October 2018, GRAG retrocedes 50% of Indian Life/Health business to its sister company General Re Life Corporation (GRL) and GRAG retrocedes 50% of its Indian Property/Casualty reinsurance business incepting on or after 1 April 2019, to GRC.

Since 1 April 2020, we have been writing Japanese Non-life business in our Singapore branch, which was previously written by GRC. As this business generally includes natural catastrophe covers, we have executed an additional retrocession agreement with GRC to mitigate the risk thereof.

Effective 1 July 2020, we entered into a stop loss agreement with our U.S. sister company GRL to protect mortality exposure in our Life/Health business.

Effective 1 April 2021, a quota share retrocession agreement was executed between GRL and GRAG for the Canadian business of GRL. With effect from 1 October 2023, the quota share retrocession agreement was replaced by a new agreement and, in addition to the Canadian business, U.S. business was retroceded from GRL to GRAG.

In the third quarter 2021, GRAG entered into a Loss Portfolio Transfer (LPT) with GRC, our parent company, transferring approximately 90% of our Non-life reserves (except for those reserves related to our Asia branches) from prior underwriting years.

A Property/Casualty stop loss retrocession arrangement incepting on 1 January 2022, has been established with our parent company. This effectively manages the tail risk, particularly from catastrophe exposures, which has a beneficial effect on our solvency ratio by reducing the capital requirements for catastrophe exposure under Solvency II.

In the third quarter of 2017, our subsidiary GRLA wrote a very large block of business which involves substantial financing, of which 90% of the main financing transaction within this business is retroceded to GRL. In 2020 the retrocession agreement was amended to provide for the collateralization of reserves by GRL as agreed with the local regulatory authority in Australia.

Effective 1 January 2021, a quota share retrocession agreement was entered into between GRSA and GRL covering 100% of the mortality, critical illness, and lump sum disability business, in addition to the current proportional surplus retrocession agreement between GRSA and GRAG.

Effective 1 July 2021, the Property/Casualty business of GRSA was retroceded to both GRC (80%) and GRAG (20%) on a quota share basis. Effective 1 January 2022, the Property/Casualty retrocession share changed to GRC 75% and GRAG 25% on a quota share basis. This change in the retrocession structure has been agreed with the Prudential Authority. Whilst the GRC retro only covered treaty business in 2021, it also covers facultative business from 2022.

### A.1.4 Significant Business or other Events over the Reporting Period

For ***Property/Casualty*** business, 2024 saw a turning point in the reinsurance market. The reduced supply of catastrophe reinsurance capacity that characterized renewals in early 2023 reversed throughout the year as reinsurers' risk appetites increased. This became evident in each of the key renewal dates throughout the year for our treaty reinsurance business as rates came under pressure and many market participants sought to grow.

2024 was another year of significant natural catastrophe activity globally, with the floods in southern Germany and Storm Boris being particularly material events for Europe. In addition, we saw major losses occurring in the USA, Taiwan, Japan, China and elsewhere in Asia. Whilst annual insured losses from natural catastrophe activity remain higher than historical levels, we have carefully selected our portfolio so that our exposure to frequent, smaller events is reduced. Market discipline began to weaken in 2024 with rates retreating gradually throughout the year, particularly for loss-free accounts. However, attachment points remained largely stable for most of the year, although there was some evidence that client demand for "sub layers" or aggregate covers was returning in the second half of 2024.

We were able to strengthen our long-standing relationships throughout 2024 as the stability and quality of our offering remained in demand following the market disruption of 2023. Thanks to our global footprint, our expertise and our rating, we successfully navigated each of the key renewals of 2024. Our portfolio was able to absorb the major loss activity we experienced in many of our key territories, producing a positive underwriting result for 2024.

Gross written premium in Property/Casualty business increased. Excluding natural catastrophe losses, the result in most lines of business was within expectations. On the whole, we recorded relatively flat pricing strength in 2024 as market competition resulted in pressure on rates. We remain of the view that our portfolio benefits from an adequate pricing level and will seek to maintain an appropriate return on the risk assumed in the year ahead.

During 2024 we maintained our firm underwriting discipline and our focus on obtaining appropriate compensation for the risk that we take on. The price level remained significantly more positive in 2024 compared to 2023 and prior years and, in spite of the more challenging competitive environment, we were able to grow in many areas. We assess the property market as being better rated than other markets and our growth is concentrated in that line. The motor market globally was more challenged in 2023 and 2024, and we have reduced our exposure to this line, where we believe that the available rates are inconsistent with the level of risk we must assume.

For ***Life/Health*** business, the interest rate environment has changed fundamentally in recent years with the rise in inflation and the corresponding measures taken by central banks. In 2024, a significant decline in inflation was accompanied by a decrease in interest rates. Nevertheless, interest rates are still substantially higher than in the decade of low interest rates before the COVID-19 pandemic. These are essentially favorable business conditions for life insurance, facilitating a more attractive price level in the area of retirement provision as well as in the coverage of death and morbidity risks. Life insurers' business expectations can therefore be assessed as positive overall, particularly in emerging markets. Uncertainties affecting Europe, in particular, include weak economic growth, necessary investments in technology, regulatory requirements and the fragile geopolitical landscape. This can lead to short-term volatility, while the medium to long-term outlook for life insurers is favorable, not least due to the increasing need for insurance cover as a result of demographic change.

Our focus in life and health reinsurance is on the coverage of biometric risks. New business in term life insurance was roughly at the previous year's level, with costs of property loans remaining high and little momentum on real estate markets. In disability insurance, the need for cover remains high as wage increases combined with inflation provide further growth stimulus. Health and group covers generally follow inflation and thus contribute to premium growth. Health insurance, in particular, continues to be an area of growth in view of the strained social security systems in Europe and the expansion of health insurance for employees in emerging markets. In addition to traditional risk transfer through reinsurance, we support our primary insurance clients in the international life and health markets with high-quality services, partnering with them to contribute to their success in business with biometric risks. Our services focus on the application and claims processes as well as product development. We are systematically expanding digital services and tools in order to further increase efficiency in risk and claims assessment, for example. Along with our expertise and our service, Gen Re's financial strength is another decisive advantage in competition with other reinsurers.

Our premium volume in life and health business was affected by the termination of two large quota share treaties in Asia and the Middle East. Growth in other markets, such as the United Kingdom, did not fully compensate for this, and the premium consequently came in moderately lower compared to the previous year. The claims experience was pleasing, although additional provisions were made for business in China and Israel.

The majority of our ***Investments*** consist of fixed-income securities. We invest to generate competitive returns over time, while managing liquidity needs and investment risk accordingly. Our investment portfolio continues to consist predominantly of high-quality, highly liquid fixed-income securities.

The ***Global Landscape*** is shaped by several major conflicts and geopolitical uncertainties that can affect companies in various sectors and whose impact on operating and business models remains one of the biggest challenges for companies today. The war between Russia and Ukraine as well as tensions in the Middle East continue to cause regional instability and affect energy and food security. In addition, cyberattacks, including cyber activity of nation-state adversaries, pose a significant risk to critical infrastructure and business operations. Geopolitical threats affect economic growth, inflation, financial markets, and supply chains.

To the extent possible, we either exclude armed conflicts from coverage or reserve the right to terminate the contract immediately in the event of an armed conflict; nevertheless, the consequences of losses from these events are difficult to assess from an economic point of view. We therefore remain vigilant to the heightened geopolitical risks as well as the associated increased risk of cyberattacks around the world and continue to monitor the potential impacts on our underwriting business, reserving practices, investment strategy and employees.

Current ***Regulatory Developments*** require companies to continuously monitor the effectiveness of their governance and oversight. We are seeing a number of new or proposed regulations and associated increasing regulatory complexity in areas such as solvency regulations, accounting standards, data protection legislation and information security requirements, all of which challenging to deal with, particularly in consideration of our global footprint.

Please refer to the information on GRAG's sustainability reporting in Chapter B.8.

# A.2 Underwriting Performance

## A.2.1 Overall Underwriting Performance 2024

Our underwriting performance is shown in the table below. Considering that GRAG Solo represents the bulk of the business and that there is only a minimal difference between GRAG Group and GRAG Solo, our explanations refer to both GRAG and GRAG Group. However, we would like to point out that the figures for GRAG Solo are based on HGB whereas GRAG Group figures are prepared in accordance with US GAAP. Explanations below refer to GRAG Group. For further information on the overall performance of GRAG Solo we refer to the Annual Report 2024 of GRAG which is available on our website.

| | GRAG Solo HGB | | GRAG Group US GAAP | |
|---|---|---|---|---|
| **Underwriting performance** | **2024 €'000** | **2023 €'000** | **2024 €'000** | **2023 €'000** |
| **Property/Casualty** | | | | |
| Gross written premium | 2,141,152 | 1,963,963 | 2,151,824 | 1,994,292 |
| Net earned premium | 1,544,589 | 1,351,244 | 1,530,654 | 1,339,465 |
| Underwriting result* | 89,381 | 15,163 | 68,165 | 22,711 |
| **Life/Health** | | | | |
| Gross written premium | 2,692,572 | 2,759,624 | 3,242,790 | 3,360,134 |
| Net earned premium | 2,565,582 | 2,649,354 | 2,914,463 | 3,039,365 |
| Underwriting result* | 167,092 | 244,402 | 118,139 | 194,225 |
| **Total** | | | | |
| Gross written premium | 4,833,724 | 4,723,587 | 5,394,615 | 5,354,426 |
| Net earned premium | 4,110,171 | 4,000,598 | 4,445,117 | 4,378,830 |
| Underwriting result* | 256,472 | 259,565 | 186,304 | 216,937 |

*Underwriting result for US GAAP incl. other expenses

Our total earned premiums net of reinsurance increased by 1.5% from Euro 4,378,830 thds in the previous year to Euro 4,445,117 thds in the year under review. Earned premiums net of reinsurance in Life/Health business decreased by 4.1% due to the termination of two large quota share contracts (2024: 2,914,463 thds, previous year: Euro 3,039,365 thds). The earned premiums net of reinsurance in Property/Casualty business increased by 14.3% from Euro 1,339,465 thds in 2023 to Euro 1,530,654 thds in 2024, exceeding our expectations, since the stability and quality of our offering continued to be in high demand. We retrocede around 20% of the Property/Casualty portfolio to our parent company, General Reinsurance Corporation. In addition, a stop-loss agreement is in place with General Reinsurance Corporation for part of our Property/Casualty business. We also have a stop-loss agreement with General Re Life Corporation for part of our Life/Health business.

The underwriting result net of reinsurance in Life/Health business was below the previous year's figure (2024:Euro 118.139 thds, previous year: Euro 194,225 thds). The combined ratio was 95.9% compared to 93.6% in the previous year, as we have made additional provisions for some business in China and Israel.

Following an underwriting profit net of reinsurance of Euro 22,711 thds in 2023, Property/Casualty business reported a profit of Euro 68.165 thds in the reporting year. Due to a reduced net claims expense, the combined ratio was 95.5% compared to 98.3% in the previous year.

In the following section we provide more details on the underwriting performance by line of business and regions.

## A.2.2 Underwriting Performance 2024 by Line of Business and Geographical Area

We usually split our business into two business segments, which is Life/Health and Property/Casualty reinsurance, encompassing liability, accident and motor, fire and property, marine, engineering, and sundry classes of reinsurance.

In the following tables, we provide you with information on the underwriting performance of GRAG Solo (HGB) and GRAG Group (US GAAP) classified in accordance with the Solvency II lines of business compared to the previous year. Our commentary below refers to GRAG Group figures.

| Underwriting Performance per Solvency II LoB GRAG Solo - HGB | Gross Written Premium 2024 €'000 | Gross Written Premium 2023 €'000 | Net Earned Premium 2024 €'000 | Net Earned Premium 2023 €'000 | Underwriting Result 2024 €'000 | Underwriting Result 2023 €'000 |
|---|---|---|---|---|---|---|
| **Non-Life** | | | | | | |
| Income protection | 14,823 | 14,905 | 10,991 | 10,675 | 1,648 | -319 |
| Motor vehicle liability | 126,980 | 141,318 | 99,089 | 102,309 | -6,502 | -25,320 |
| Other motor | 31,441 | 85,712 | 37,500 | 62,148 | -10,405 | -13,033 |
| Marine, aviation, and transport | 80,398 | 69,507 | 54,137 | 40,060 | -359 | -656 |
| Fire and other damage to property | 1,079,032 | 860,954 | 743,673 | 580,210 | 40,264 | 16,395 |
| General liability | 94,643 | 87,166 | 73,979 | 72,617 | -5,306 | 4,203 |
| Credit and suretyship | 5,099 | 2,970 | 3,207 | 2,211 | 1,159 | 1,572 |
| NP health/accident | 29,783 | 27,029 | 28,682 | 26,275 | 14,650 | 6,841 |
| NP casualty | 156,689 | 184,762 | 135,470 | 137,403 | -27,526 | -11,001 |
| NP marine, aviation, and transport | 28,514 | 21,766 | 20,679 | 15,412 | -2,405 | 4,859 |
| NP property | 493,749 | 467,875 | 337,183 | 301,925 | 84,162 | 31,625 |
| **Total Non-Life** | **2,141,152** | **1,963,963** | **1,544,589** | **1,351,244** | **89,381** | **15,163** |
| **Life/Health** | | | | | | |
| Life | 1,662,305 | 1,694,994 | 1,540,943 | 1,592,528 | 82,428 | 132,636 |
| Health | 1,030,267 | 1,064,630 | 1,024,639 | 1,056,827 | 84,664 | 111,766 |
| **Total Life/Health** | **2,692,572** | **2,759,624** | **2,565,582** | **2,649,354** | **167,092** | **244,402** |
| **Total** | **4,833,724** | **4,723,587** | **4,110,171** | **4,000,598** | **256,472** | **259,565** |

| Underwriting Performance per Solvency II LoB GRAG Group - US GAAP | Gross Written Premium 2024 €'000 | Gross Written Premium 2023 €'000 | Net Earned Premium 2024 €'000 | Net Earned Premium 2023 €'000 | Underwriting Result 2024 €'000 | Underwriting Result 2023 €'000 |
|---|---|---|---|---|---|---|
| **Non-Life** | | | | | | |
| Income protection | 14,699 | 14,939 | 10,898 | 10,485 | 1,631 | -372 |
| Motor vehicle liability | 127,228 | 139,491 | 100,748 | 100,607 | -6,826 | -26,037 |
| Other motor | 31,580 | 86,666 | 48,961 | 66,135 | -11,035 | -13,241 |
| Marine, aviation, and transport | 79,550 | 70,708 | 51,717 | 37,814 | -634 | -1,200 |
| Fire and other damage to property | 1,085,801 | 880,853 | 726,546 | 566,798 | 35,279 | 17,073 |
| General liability | 94,009 | 87,487 | 72,410 | 74,402 | -5,026 | 4,375 |
| Credit and suretyship | 5,078 | 2,981 | 2,958 | 2,342 | 1,176 | 1,608 |
| NP health/accident | 29,522 | 27,080 | 28,419 | 26,326 | 13,467 | 7,131 |
| NP casualty | 155,465 | 184,348 | 133,791 | 136,878 | -30,107 | -13,463 |
| NP marine, aviation, and transport | 28,094 | 22,104 | 20,248 | 15,540 | -2,354 | 4,877 |
| NP property | 500,798 | 477,637 | 333,957 | 302,137 | 80,182 | 32,915 |
| **Total Non-Life*** | **2,151,824** | **1,994,292** | **1,530,654** | **1,339,465** | **68,165** | **22,711** |
| **Life/Health** | | | | | | |
| Life | 1,902,039 | 1,960,480 | 1,641,051 | 1,714,995 | 17,956 | 57,141 |
| Health | 1,340,751 | 1,399,654 | 1,273,412 | 1,324,370 | 103,183 | 138,064 |
| **Total Life/Health*** | **3,242,790** | **3,360,134** | **2,914,463** | **3,039,365** | **118,139** | **194,225** |
| **Total*** | **5,394,615** | **5,354,426** | **4,445,117** | **4,378,830** | **186,304** | **216,937** |

*Total underwriting result incl. other expenses

## Non-Life

Gross written premium in Property/Casualty business increased by 7.9% to Euro 2,151,824 thds (2023: Euro 1,994,292 thds).

Excluding natural catastrophe losses, the result in most lines of business was within expectations. An underwriting profit of Euro 68,165 thds was recorded for 2024 (2023: profit of Euro 22,711 thds).

On the whole, we recorded relatively flat pricing strength in 2024 as market competition resulted in pressure on rates. We nevertheless take the view that our portfolio benefits from an adequate pricing level and will seek to maintain an appropriate return on the risk assumed in the year ahead.

During 2024 we maintained our firm underwriting discipline and our focus on obtaining appropriate compensation for the risk that we take on. The price level remained significantly more positive in 2024 compared to 2023 and prior years and, in spite of the more challenging competitive environment, we were able to grow in many areas. We assess the property market as being better rated than other markets and our growth is concentrated in that line. The motor market globally was more challenged in 2023 and 2024, and we have reduced our exposure to this line, where we believe that the available rates are inconsistent with the level of risk we must assume.

## Life/Health

Our premium volume in Life/Health business was affected by the termination of two large quota share treaties in Asia and the Middle East. Growth in other markets, such as the United Kingdom, did not fully compensate for this, and the premium consequently came in moderately lower compared to the previous year. The claims experience was pleasing, although additional provisions made for business in China and Israel caused the underwriting result of Euro 118,139 thds to fall short of the previous year (Euro 194,225 thds).

Gross written premiums decreased by 3.5% to Euro 3,242,790 thds (2023: Euro 3,360,134 thds). Net earned premium in Life/Health insurance also decreased by 4.1% in the year under review to Euro 2,914,463 thds (2023: Euro 3,039,365 thds).

## Underwriting Performance by Geographical Area

The tables below show the underwriting performance by geographical area in comparison to the previous year.

| Gross Underwriting Performance by Geo-graphical Area GRAG Solo HGB | Written Premium 2024 €'000 | Earned Premium 2024 €'000 | Under-writing Result 2024 €'000 |
|---|---|---|---|
| Germany | 804,512 | 809,044 | -5,425 |
| USA | 284,920 | 234,186 | 55,346 |
| Great Britain | 143,987 | 164,272 | 106,079 |
| France | 97,528 | 91,805 | 26,226 |
| Spain | 90,266 | 84,684 | 22,372 |
| Switzerland | 69,557 | 63,206 | 20,397 |
| Remainder | 650,382 | 666,431 | 90,232 |
| **Total Non-Life** | **2,141,152** | **2,113,630** | **315,229** |
| Great Britain | 507,787 | 507,286 | -13,952 |
| China | 487,190 | 490,466 | 36,076 |
| Germany | 247,494 | 248,310 | 64,488 |
| France | 216,971 | 218,515 | 4,820 |
| Hong Kong | 111,281 | 110,155 | 8,102 |
| Taiwan | 110,781 | 110,137 | 18,045 |
| Remainder | 1,011,068 | 983,021 | 108,992 |
| **Total Life/Health** | **2,692,572** | **2,667,889** | **226,572** |
| **Total** | **4,833,724** | **4,781,518** | **541,801** |

| Gross Underwriting Performance by Geo-graphical Area GRAG Solo HGB | Written Premium 2023 €'000 | Earned Premium 2023 €'000 | Under-writing Result 2023 €'000 |
|---|---|---|---|
| Germany | 728,387 | 725,202 | 130,101 |
| Great Britain | 166,493 | 153,792 | 24,562 |
| USA | 148,730 | 96,079 | 14,623 |
| France | 82,962 | 78,980 | 29,321 |
| Italy | 79,794 | 85,433 | -22,434 |
| Spain | 60,467 | 58,505 | 14,553 |
| Remainder | 697,130 | 677,845 | 73,269 |
| **Total Non-Life** | **1,963,963** | **1,875,836** | **263,995** |
| China | 519,654 | 513,018 | 70,681 |
| Great Britain | 430,926 | 427,950 | 9,261 |
| Germany | 244,477 | 244,942 | 62,968 |
| France | 231,217 | 230,772 | 13,170 |
| Malaysia | 209,826 | 210,013 | 10,448 |
| Taiwan | 104,103 | 102,191 | 19,966 |
| Remainder | 1,019,421 | 1,014,563 | 120,160 |
| **Total Life/Health** | **2,759,624** | **2,743,449** | **306,654** |
| **Total** | **4,723,587** | **4,619,284** | **570,649** |

| Underwriting Performance by Geo-graphical Area GRAG Group US GAAP | Gross Written Premium 2024 €'000 | Net Earned Premium 2024 €'000 | Under-writing Result 2024 €'000 |
|---|---|---|---|
| Germany | 803,890 | 603,348 | -60,470 |
| USA | 277,265 | 148,876 | 30,842 |
| Great Britain | 140,764 | 110,048 | 3,617 |
| France | 97,409 | 69,050 | 18,126 |
| Spain | 89,475 | 62,912 | 11,746 |
| Switzerland | 68,024 | 48,326 | 19,949 |
| Remainder | 674,999 | 488,093 | 44,355 |
| **Total Non-Life*** | **2,151,824** | **1,530,654** | **68,165** |
| Great Britain | 497,006 | 496,439 | 12,616 |
| China | 479,084 | 482,485 | 32,477 |
| Australia | 421,029 | 250,164 | -12,203 |
| Germany | 233,141 | 224,584 | 45,695 |
| France | 216,746 | 213,047 | 2,966 |
| South Africa | 202,230 | 149,128 | -4,649 |
| Remainder | 1,193,554 | 1,098,616 | 41,238 |
| **Total Life/Health*** | **3,242,790** | **2,914,463** | **118,139** |
| **Total*** | **5,394,615** | **4,445,117** | **186,304** |

*Total underwriting result incl. other expenses

| xUnderwriting Performance by Geo-graphical Area GRAG Group US GAAP | Gross Written Premium 2023 €'000 | Net Earned Premium 2023 €'000 | Under-writing Result 2023 €'000 |
|---|---|---|---|
| Germany | 728,684 | 528,389 | 12,602 |
| Great Britain | 166,346 | 110,695 | 14,742 |
| USA | 150,697 | 42,096 | -4,514 |
| France | 82,968 | 58,481 | 10,489 |
| Italy | 79,793 | 62,005 | -31,381 |
| Spain | 60,493 | 43,232 | 707 |
| Remainder | 725,311 | 494,566 | 20,067 |
| **Total Non-Life*** | **1,994,292** | **1,339,465** | **22,711** |
| China | 528,390 | 521,935 | 53,173 |
| Great Britain | 428,421 | 425,367 | 9,147 |
| Australia | 415,345 | 258,912 | 5,706 |
| France | 231,035 | 224,664 | 9,066 |
| Germany | 226,726 | 218,088 | 43,806 |
| Malaysia | 215,562 | 215,744 | 10,932 |
| Remainder | 1,314,655 | 1,174,656 | 62,396 |
| **Total Life/Health*** | **3,360,134** | **3,039,365** | **194,225** |
| **Total*** | **5,354,426** | **4,378,830** | **216,937** |

*Total underwriting result incl. other expenses

## Non-Life by Geographical Area

Once again, strong client loyalty and our long-standing market presence resulted in our business in **Germany** continuing to develop positively in 2024. Whilst some segments of the market, particularly motor and some property lines, saw significant claims activity, we still found opportunities to strengthen our relationships and grow our business further.

Our premium from property business again grew materially, with our liability business also growing slightly compared to 2023. Our motor premium remained level across 2023 and 2024, reflecting the challenging motor market and our long-term commitment to our clients. As anticipated, the underlying rate increases in 2024 in the primary motor market were insufficient to counter the claims inflation in recent years. However, we anticipate that rate increases in 2025 may be sufficient to restore an overall level of rate adequacy to the market.

Overall, the underwriting result including run-off profits from claims in prior years, was satisfactory.

In the **United Kingdom**, we continued to grow our property business significantly during 2024 as we found opportunities to deepen and strengthen relationships with key London Market clients. The motor insurance market in the United Kingdom, which had been a source of sizeable growth in recent years, saw a further reduction in premium in 2024 as we considered rates inadequate for the level of risk assumed.

In 2024 we also found opportunities to broaden our marine portfolio with specialist London Market clients whilst our liability portfolio contracted slightly. Overall, we saw significant growth in our premium volume in the UK market.

We were able to grow our premium exposed to **US** risk, mainly in the business lines property and energy, by increasing our support for a number of London Market clients who underwrite this business. We write this business via our UK branch.

In **France, Italy, the Nordics and the Iberian Peninsula,** markets reacted differently depending on loss experience. We found opportunities to support clients further in Italy and Spain, whilst premium in France and the Nordics was largely stable. Results in the Nordic markets continued to be disappointing during 2024 with persistent loss activity from large property risks as well as small catastrophe events. Results in Italy were also impacted by increased loss estimates from the 2023 natural catastrophe events there.

In most other **European markets**, the increased reinsurance supply meant that we saw far fewer opportunities to grow our portfolio in 2024. We have chosen to carefully maintain our low exposure to business involving inadequate risk premiums and unfavorable structures such as aggregate deductibles or programmes with very low attachments rather than pursue a high growth strategy in the current market. Notwithstanding this, we have seen opportunities to grow, particularly in property and marine, in a number of areas.

## Life/Health by Geographical Area

Our premium in **Asia** declined significantly in 2024. This is mainly due to the fact that a large quota share treaty in the ASEAN region was not renewed because the cedant will retain the risk in future. At the same time, however, we were again able to acquire new business, particularly of a long-term nature, which offset part of the decline in premiums. Despite the termination of the profitable large quota share treaty, we achieved a pleasing result in Asia. We further strengthened our reserves for the critical illness portfolios in China after reviewing our reserving methodology and our assumptions on future loss experience. Looking ahead, we expect further increasing competition among reinsurers, which may impact rate levels. We anticipate continued growth in the Life/Health insurance markets in Asia, which will provide further opportunities for us to grow in this region.

The result of our subsidiary in **Australia** was in line with expectations. Despite consolidation on the insurance market, there are medium-term growth opportunities in both group and individual business.

In **Latin America**, run-off profits from previous underwriting years again contributed to a good result, albeit to a lesser extent than in the previous year. Our premium income declined slightly in an environment characterized by strong competition and thus pressure on margins. We consider the Central American region, in particular to be promising for the future.

In the **Middle East** and **North Africa**, we recorded a significant decline in premiums as a result of the termination of a large quota share treaty in the Gulf region. Unfavorable trends caused us to revise our assumptions on future claims experience for some long-term care and disability contracts in Israel that are in run off. Accordingly, we substantially strengthened our reserves, which impacted our results in the Israeli market negatively. Apart from Israel, the claims experience in the region was particularly pleasing in the reporting year, with run-off profits also making a significant contribution. We continue to see good growth opportunities in the region in the medium and long term.

Our reinsurance business in **Continental European** markets grew moderately overall in 2024, with very different developments in the individual markets. We achieved significant premium growth in Italy, while our premiums in France declined due to a contract amendment. Overall, we achieved a pleasing result in the year under review.

In the **United Kingdom**, we achieved a good underwriting result with our Life/Health business in the reporting year, even though a certain increase in mortality can still be observed. With strong growth in 2024, we see good opportunities for future business development despite ongoing market consolidation due to isolated acquisitions.

Overall, we expect good growth opportunities for Life/Health insurance business in **Europe** in the medium term, although the economic situation could dampen momentum in the near future.

In **Germany**, the business segment of biometric covers continued to be a growth driver in 2024. Although new business with protection in case of death stagnated due to the situation on the real estate market, significant growth was recorded in disability insurance. In addition to the persistently high gaps in cover among large parts of the population, the increased need for protection due to inflation and wage increases is also likely to have an impact here. New business in coverage for capacity to work is now also being driven by essential abilities insurance, in addition to traditional occupational disability insurance, particularly for those engaged in predominantly physical work. We take a positive view of the future business opportunities in biometric capacity to work coverage for life insurers. We also see considerable potential going forward for business with protection in case of death, as the gaps in coverage for surviving dependents have been increasing for years. We have shed light on this in a recent study and presented product concepts that can help our clients to better leverage this potential. In the area of income protection, the focus will be on the further development of essential abilities insurance and thus the improvement of cover across the population. In addition, we expect a decline in the overall price level for occupational disability insurance due to the new maximum actuarial interest rate of 1% from 1 January 2025, rising levels of cover and further innovations in processes and products. In addition to refined pricing approaches, new cover components and a wide range of support services for insureds, this also includes the advancing digitalization of risk and claims assessment. Artificial intelligence (AI) is proving to be particularly useful here. We have launched various projects with promising initial results in order to provide our clients with targeted support for risk and claims assessments using AI.

In addition, we have developed an application for more efficient utilization of resources in the claims review process for reactivations and made it available to our clients. We have also expanded our range of biometric data pools to include a new pool specifically for the essential abilities risk, which has met with great interest in the market. We work very successfully with our clients in the field of biometric cover and support them with our services in defining and implementing innovative approaches that are tailored to their needs.

Due to the broad base of existing client relations, as well as new ones, further long-term growth opportunities are opening up in Germany. With an increase in premium income, we achieved another pleasing result in 2024.

# A.3 Investment Performance

## A.3.1 Overall Investment Performance and by Relevant Asset Class

The table below shows the split of investment income by asset class for GRAG Solo and GRAG Group compared to the previous year. For further details on the investment volume, we refer to Chapter D.1.

| Investment Performance | GRAG Solo HGB 2024 €'000 | GRAG Solo HGB 2023 €'000 | GRAG Group US GAAP 2024 €'000 | GRAG Group US GAAP 2023 €'000 |
|---|---|---|---|---|
| Income from holdings in related undertakings, including participations | 1,250 | 1,250 | 0 | 0 |
| Income from equities - listed | 8,357 | 56,989 | 9,383 | 57,724 |
| Income from government bonds | 294,998 | 135,446 | 383,173 | 239,524 |
| Income from corporate bonds | 2,649 | 1,825 | 2,755 | 2,030 |
| Income from collective investments undertakings | 10,900 | 4,160 | 11,274 | 4,805 |
| Income from deposits other than cash equivalents | 1,003 | 579 | 297 | 518 |
| Income from other investments | 3,364 | 3,455 | 23,981 | 22,205 |
| Income from loans and mortgages | 16,740 | 16,740 | 16,740 | 16,740 |
| Investment expenses | -5,241 | -4,898 | -6,409 | -5,985 |
| Interest on reinsurance deposits | 49,652 | 49,568 | -9,476 | -7,146 |
| Less income from technical interest | -41,266 | -42,121 | 0 | 0 |
| **Current investment income** | **342,406** | **222,993** | **431,718** | **330,415** |
| Gains (losses) on investments | 69,349 | 699,837 | -38,450 | 31,740 |
| Write-ups (depreciation) on investments | -7,692 | -4,316 | 0 | 0 |
| **Total investment income** | **404,062** | **918,514** | **393,267** | **362,155** |

Under HGB accounting principles, our total investment result was lower than in the previous year. For GRAG Solo (HGB), the investment income decreased to Euro 404,062 thds. This was mainly due to decreased realized gains on investments as the majority of equities was disposed in 2023. The GRAG Group results are reported under US GAAP and were mainly driven by higher income from fixed-interest securities.

As a result of the equity disposals in 2023, the dividend income decreased to Euro 19,257 thds (Solo) and Euro 20,657 thds (Group) respectively in the year under review. At a group level, we achieved a return of 4.2% on our bond portfolio and a dividend yield of 5.2% on our equity portfolio.

### A.3.2 Information on Gains and Losses Recognized Directly in Equity

The table below provides information on GRAG Group's gains and losses recognized directly in equity.

| Reconciliation of Shareholder's Equity<br>GRAG Group - US GAAP | 2024<br>€'000 | 2023<br>€'000 |
|---|---|---|
| Ordinary share capital | 55,000 | 55,000 |
| Share premium account | 866,174 | 866,174 |
| Retained earnings | 4,184,887 | 3,810,446 |
| Gains / losses recognized directly in equity | 293,256 | 153,387 |
| - LDTI discount effect | 312,531 | 335,818 |
| - Currency translation | -26,146 | -180,313 |
| - Unrealized appreciation of investments | 6,667 | -16,625 |
| - Pension deficit | 205 | 14,506 |
| **Total** | **5,399,317** | **4,885,006** |

In accordance with the German Commercial Code (HGB) GRAG Solo does not record any gains or losses directly in shareholder's equity.

### A.3.3 Information on Investments in Securitization

GRAG Group does not hold or trade in any investments in tradable securities or other financial instruments based on repackaged loans.

## A.4 Performance of Other Activities

Our main business activity relates to reinsurance and therefore we do not have any other significant business activities. The tables below show an analysis of the other income/expenses of GRAG Solo and GRAG Group in comparison to the previous year:

| Other Income / Other Expenses<br>GRAG Solo - HGB | 2024<br>€'000 | 2023<br>€'000 |
|---|---:|---:|
| **Other Income** | | |
| Release of bad debt provision | 21,399 | 20,561 |
| Foreign exchange rate gains | 130,708 | 48,488 |
| Income from discounting other reserves | 25,347 | -4,737 |
| Income from charging services rendered | 2,454 | 2,539 |
| Income from interest on taxes | -1,625 | 1,451 |
| Sundry other income | 20,334 | 18,341 |
| **Total other income** | **198,616** | **86,642** |
| **Other Expenses** | | |
| Foreign exchange rate losses | 96,892 | 121,941 |
| Bad debt expense on accounts receivable | 15,527 | 20,647 |
| Expenses from interest on taxes | 14,373 | 1,182 |
| Interest expenses from discount accretion of other provisions | 16,884 | -4,736 |
| Interest on pension obligations | 3,491 | 4,713 |
| Audit fees and other year-end closure expenses | 3,790 | 2,650 |
| Expenses from charging services rendered | 2,331 | 2,412 |
| Sundry other expenses | 1,832 | 7,588 |
| **Total other expenses** | **155,120** | **156,397** |
| **Total other income/other expenses (-)** | **43,496** | **-69,755** |

| Other Income / Other Expenses<br>GRAG Group - US GAAP | 2024<br>€'000 | 2023<br>€'000 |
|---|---:|---:|
| **Other Income** | | |
| Foreign exchange gain | 96 | 15,345 |
| Rental income | 0 | 0 |
| Gain on sale of fixed assets | -27 | 0 |
| Income (Expenses) from deposit accounted business | 690 | -149 |
| Other interest | 646 | 291 |
| Sundry other income | 561 | 15,099 |
| **Total other income** | **1,967** | **30,586** |
| **Other Expenses** | | |
| Foreign exchange loss | 13,465 | 884 |
| External services | -42 | 4 |
| Bad debt - receivable | -5,396 | 385 |
| Loss on sale of fixed assets | 0 | 0 |
| Taxes | 662 | 1,391 |
| Other interest | 0 | 0 |
| Sundry other expenses | 3,422 | 19,769 |
| **Total other expenses** | **12,111** | **22,433** |
| **Total other income/other expenses (-)** | **-10,144** | **8,154** |

### Significant Leasing Agreements

GRAG Group does not have significant operational or financial leasing arrangements.

## A.5 Any Other Information

There are no further disclosures to be reported.

# B. System of Governance

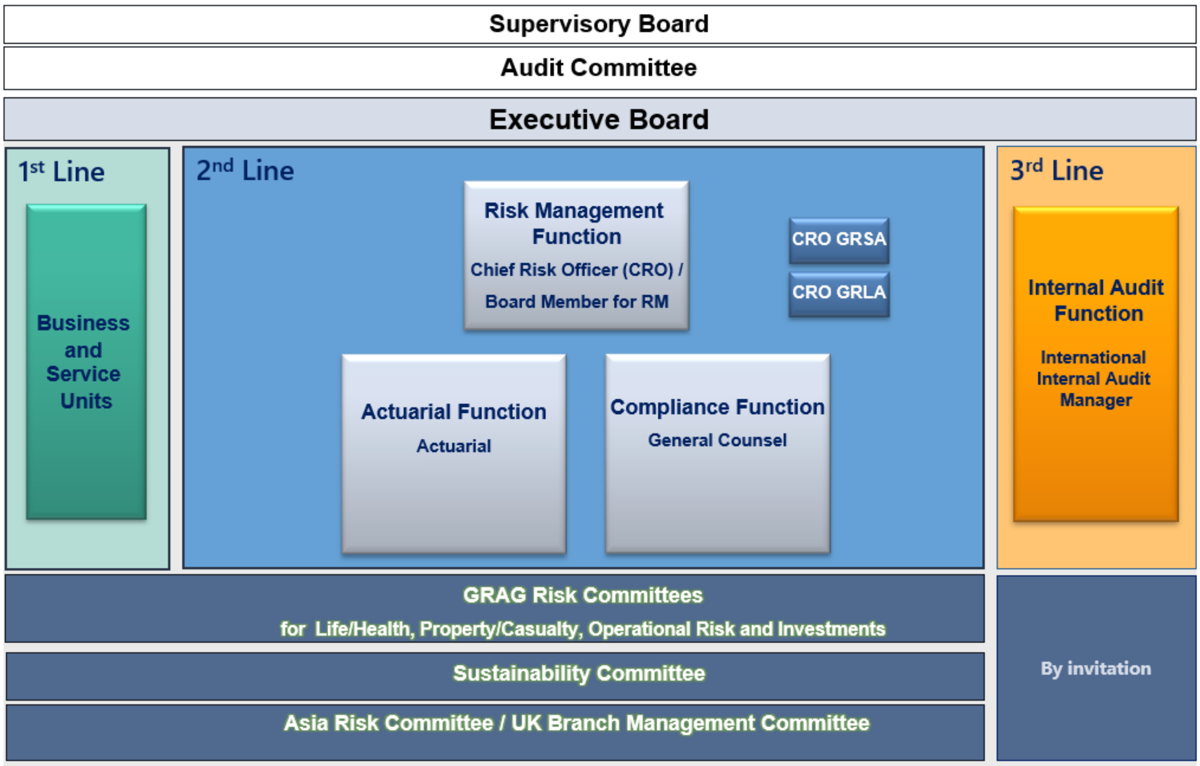
## B.1 General Information on the System of Governance

### B.1.1 Overview of the System of Governance and the Internal Organizational Structure

The system of governance and the organizational and operational structures are set up to support GRAG Group's strategic objectives, whilst retaining the flexibility to rapidly adapt to potential changes in the strategy, operations, or the business. GRAG as parent company is considered the entity responsible for fulfilling the governance requirements at group level and to report to the German Group supervisor BaFin. For details on the recognition and valuation of assets and liabilities, the consolidation steps and method applied we refer to chapter D.

It is ensured that GRAG's Board has appropriate interaction with the Boards of all entities within the Group. Adequate internal governance requirements are set across the Group appropriate to the structure, business and risks of the Group and the related entities. Clear areas of responsibilities and reporting lines have been defined among all entities to support the Group's governance and internal control system as well as an effective risk management process. The governance responsibilities, strategies and policies established at each individual entity are consistent with group strategies and policies.

We have adopted the "Three Lines of Defense" model for GRAG, and the entire Group as outlined below.




The adequacy and efficiency of the system of governance is regularly assessed and reviewed in due consideration of the nature, scale, and complexity of the risks inherent in the business. In addition, the Internal Audit Function reviews the effectiveness of the internal control system and other elements of the system of governance.

For the period under review there were no major changes in the system of governance to be reported, and the system of governance was considered appropriate by the Board.

## B.1.2 Information on Responsibilities, Reporting Lines and Allocation of Functions

### Administrative, Management and Supervisory Body

The **Administrative, Management and Supervisory Body (AMSB)** is committed to maintaining an appropriate system of governance, which includes an adequate and effective risk management system. The AMSB is represented by **the Board** and the **Supervisory Board** who are strictly separated from each other; a member of one Board cannot simultaneously be a member of the other Board.

The **Supervisory Board** appoints the members of the Board, monitors their activities, and has unrestricted right to information. The Supervisory Board is engaged in the financial statement review, accounting matters, in particular the adequacy of the reserves, risk management and the internal controls system as well as all other audit-related matters. The Supervisory Board has formed the following committees to perform its duties: the Remuneration Committee and the Audit Committee. The Supervisory Board meets at least two times a year.

**The Board** is responsible for the management of the Group and represents GRAG Group in business undertakings with third parties. In addition to an individual set of responsibilities all members of the Board are ultimately accountable for the system of governance, the business and risk strategy including the risk appetite and tolerance framework for material risks as well as the risk management framework and the internal control system. The Board assesses strategic decisions evaluating whether the strategy is appropriate given the current business and market conditions.

The Board has unrestricted access to information and proactively interacts and consults with the Supervisory Board, committees, senior management, key function holders and with the Boards of Group subsidiaries on all matters. Further the Board ensures that the appropriateness and effectiveness of the system of governance is regularly reviewed in due consideration of GRAG Group's risk profile and initiates changes where applicable.

Any significant decision that could have a material impact on GRAG and/or the Group involves at least two members of the Board. Board decisions are appropriately documented.

It is ensured that the Board members are "fit and proper" and possess appropriate qualifications, experience, and knowledge in due consideration of their particular duties.

### Key Functions

GRAG established the four key functions, Risk Management Function (RMF), Compliance Function (CF), Actuarial Function (AF), and Internal Audit Function (IAF); no additional key functions were identified. Individual policies have been set up in order to clearly set out the responsibilities, objectives, processes and reporting procedures as well as interfaces with other departments. All key functions are free from influences that may comprise the function's ability to undertake its duties in an objective and fair manner. They are working independently from each other and have unrestricted access to information as well as direct reporting lines to the Board.

For further details on the individual functions please refer to chapter B.3.2 (RMF), chapter B.4.2 (CF), chapter B.5 (IAF) and chapter B.6 (AF). The fit and proper requirements applying to key function holders are fully addressed and further outlined in chapter B.2.

## Risk Committees

### GRAG Risk Committees

The purpose of the Risk Committees (RCs) is to support the RMF in its responsibility to assist the Board of GRAG in the implementation and development of the Company's risk management system. The RCs assist the RMF in implementing the risk strategy and the corporate risk management framework at the operating levels. The RCs ensure that all relevant risks are addressed, and that information is shared between the RMF, the business and service units. As shown in the chart above we have established four RCs:

- Two **Underwriting Risk Committees, one for Internationa Life/Health l** and **Internationa Property/Casualty**. Members include but are not limited to business representatives, such as Regional Chief Underwriters, Regional Chief Actuaries and representatives from Claims, Pricing and Actuarial.
- An **Investment Risk Committee,** which is comprised of members from GRAG Investment Controlling, Finance, Risk Management and Board representatives as well as members from the Enterprise Risk Management Team of our asset manager New England Asset Management Inc. (NEAM).
- An **Operational Risk Committee** which is composed of various service unit heads and provides an open forum for discussion to promote risk awareness and to address any operational risk matters as well as the corresponding remedial measures.

The RCs are headed by the GRAG CRO. The RCs meet at least on a quarterly basis to support the quarterly risk reporting procedure of GRAG and on an ad-hoc basis if necessary. Cross discipline risk discussions and information sharing on risk management topics are held as appropriate.

The respective CRO's of both subsidiaries GRLA and GRSA have a regular reporting obligation to GRAG's CRO in the course of the quarterly risk reporting procedure which includes ad hoc reporting as well. Further, they are responsible for implementing the risk management framework and processing the annual risk assessment at the legal entity level. To the extent that any conflict ever arises between GRAG's RMF and local regulations, local regulations prevail.

### Asia Risk Committee (Asia RC) / UK Branch Management Committee

Both the Asia RC as well as the UK Branch Management Committee assist GRAG's RMF and ultimately the Board of GRAG in fulfilling its oversight for the risk management and compliance framework. The committees are intended to act as a forum for discussion of local risk management matters, including the monitoring of local solvency requirements and facilitating communication across the Group. The committees support the implementation of the corporate risk management framework at the operating levels and ensure the application of a consistent methodology when identifying, assessing, and analyzing risks.

### Sustainability Committee

GRAG has established a Sustainability Committee to support the Board, the GRAG ESG (Environmental, Social, and Governance) Coordinator and the RMF in the oversight and the management of sustainability impacts, risks, and opportunities. The committee is comprised of representatives from business and service units to ensure that upcoming, cross-functional sustainability topics are identified and both regulatory and market implications are considered. The members of the Sustainability Committee assist in the implementation of the company's strategy with regard to sustainability matters at the operating levels ensuring it aligns with overall business objectives. The committee supports both the risk management and sustainability reporting framework with its ESG aspects.

#### Principal Officers/Compliance Officers

We have assigned the role of Principal Officer (PO) and, where required by local regulations, Compliance Officers (CO) for each country where we have associates located. Their responsibilities include local compliance (regulation, tax, financial reporting), liaising with local regulators, compliance with the GRAG Group's policies and escalation to the parent company of any issue presenting regulatory, reputational and/or financial exposure.

They also complete a quarterly questionnaire focusing on local legal and regulatory compliance topics to facilitate communication and coordination with GRAG to contribute to GRAG Group's quarterly risk reporting which is further strengthened through regular PO calls with the RMF and CF.

#### Policy Framework

We have established a policy framework to define GRAG Group's approach to risk management, supported by operational policies applicable to all employees. Each policy clearly sets out the relevant responsibilities, objectives, processes and reporting procedures; they are subject to a regular review. The policies are available to all staff through our GRAG Risk Management Portal which is maintained in the Microsoft SharePoint application. In order to achieve a consistent approach, policies shall apply to all companies within the Group as far as not contradictory to local requirements and procedures.

### B.1.3 Remuneration Policy and Practices

GRAG Group adopted the Gen Re Compensation Policy and the "Principles Document for In-Scope Gen Re Remuneration", which have been developed in order to ensure that remuneration practices are aligned with our business strategy and consider long-term business performance and comply with local requirements.

In addition, they are designed to have appropriate measures in place aiming to

- Avoid conflict of interest
- Promote sound and effective risk management
- Prevent risk-taking that exceeds GRAG Group's risk tolerance limits.

We strive to pay competitive compensation, which aligns with our long-term interests of earning an underwriting profit. Our corporate compensation plan consists of **base salary, benefits,** and **incentive compensation.**

The **base salary** is based on a variety of internal and external factors. Primary internal factors include job responsibility, internal salary relativity and individual performance. External factors consider local labor market, industry surveys and statistics on employee loyalty. These factors assist us in assessing the external competitiveness and establishing annual salary increase budgets. Salaries are reviewed each year for all associates.

**Incentive compensation** is linked to our number one business objective, which is to increase underwriting profit while remaining competitive via prudent expense management. All associates, including the members of the Board participate in the same plan. It is designed to create the right influences to ensure adequate pricing and reserving over time, and the appropriate management of risk. Given that our business is a mix of short tail property business and longer-tail casualty and mortality business, having a single, global pool across all business lines helps to balance potential volatility in a given year and eliminates the ability for any single business unit or legal entity to self-determine the Combined Ratio outcome. It is a long-term and deferred incentive plan because it reflects the adequacy of pricing and reserving over a long period of time.

The bonus payment is determined in due consideration of the total underwriting result and that of the respective business unit as well as the individual performance. With reference to the individual performance, the bonus is contingent on the achievement of certain defined goals as well as how the employee fulfils his or her role and contributes to the success of his or her area of responsibility.

In addition, we offer competitive local **benefits** in the jurisdictions where we operate. External or market factors used in determining our local benefit plans include industry surveys and benchmarking as well as legislative or regulatory requirements. In Germany for example, we offered all employees who joined the company until 31 December 2015 a company pension scheme in the form of a defined benefit plan. For employees who joined the company after this date, we have a defined contribution scheme.

The members of the Board receive a fixed annual base salary and a bonus payment in line with the incentive compensation as set out above. In addition, they receive other compensation in the form of non-cash and fringe benefits, such as the use of a company car and insurance coverage. Further, we have a pension plan for Board members in the form of a defined benefit plan or a defined contribution scheme. The Board members do not receive compensation for serving on the supervisory and management committees of group companies.

For Board members and key function holders the "Principles Document for In-Scope Gen Re Remuneration" provides specific parameters with respect to incentive compensation, as required under German regulatory requirements.

Supervisory Board members are entitled to a fixed remuneration pursuant to our Articles of Association. They do neither receive a variable remuneration nor a company pension.

Details on the remuneration received by the AMSB of GRAG can be extracted from GRAG's Annual Report, page 57.

### B.1.4 Transactions with Shareholders and Persons with Significant Influence

There were no material transactions with shareholders or persons who exercise a significant influence to be disclosed.

## B.2 Fit and Proper Requirements

For all of those who direct our operations or hold a key function it is obligatory to be at any time personally reliable and to have the appropriate skills, knowledge, competences, and professional experience. Hence, there are certain fit and proper requirements which apply to all members of the Executive Board, the Supervisory Board, the four key function holders in accordance with Solvency II, POs or General Representatives of our offices located in the European Union. The requirements for professional qualification need to be fulfilled in accordance with the principle of proportionality. The processes and procedures necessary to meet these requirements are laid down in a Fit and Proper Policy.

The members of the Executive Board shall collectively possess appropriate qualification, experience, and knowledge about at least:

- Insurance and financial markets,
- Business strategy and business model,
- System of governance,
- Financial and actuarial analysis,
- Regulatory framework and requirements.

For members of the Supervisory Board, it is necessary to have sufficient diversified knowledge to adequately control and monitor the activities of the Board and to actively monitor the development of GRAG. The Supervisory Board should have a good understanding of GRAG's business activities and risks and must be sufficiently familiar with applicable laws and regulations. In addition, at least one member of the Supervisory Board should have expertise in accounting and the auditing of financial statements.

If the composition of the Supervisory Board changes, its chairman will ensure that the collective experience of the Board remains appropriate to properly discharge its responsibilities.

Prior to the appointment of Key Function Holders and POs or General Representatives of offices located in the European Union we consider whether they possess the appropriate experience and professional qualifications to execute their responsibilities. These include

- Appropriate academic qualification,
- Relevant professional experience,
- Knowledge of the insurance and reinsurance business,
- Leadership experience,
- Knowledge of regulatory requirements,
- English language skills,
- Whether they demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously, and their conduct in their current roles.

The fit and proper assessment of key function holders is mainly facilitated by the annual appraisal process. This includes arranging for further professional training as necessary in order to meet changing or increasing requirements of the particular position's responsibilities. In addition, situations shall be avoided in which personal or professional interest may conflict or appear to conflict with our best interest.

## B.3 Risk Management System including the Own Risk and Solvency Assessment (ORSA)

### B.3.1 Risk Governance

We are committed to an integrated approach to risk management which forms the basis of a company-wide understanding of all risks that impact the organization and ensures that conscious risk management is part of the daily decision-making processes of each individual employee. We have implemented a **decentralized Risk Management System** embedded in a company-wide control framework, overseen, and facilitated by a **central Risk Management Function**.

The Board is responsible for the effective functioning of the company's Risk Management System. It determines the risk strategy, which includes the specification of the risk appetite and overall tolerance limits and ensures the operational implementation of the risk management process.

### B.3.2 Risk Management Function

One of the key roles is the RMF which is composed of the CRO and the Risk Management Team (RMT) supported by the RCs. The CRO, who is also the Board Member responsible for Risk Management, assumes the role of the key function holder and has a direct reporting line to the full Board. The main responsibility is the maintenance and further development of GRAG Group's Risk Management System.

The RMF has unrestricted access to all information required for its work. In turn, all business and service units are obliged to inform the RMF of any facts relevant for the performance of its duties; this applies to other key functions as well. The RMF regularly communicates and closely collaborates with the AF, CF and IAF, while maintaining the appropriate level of independence.

The RMF reports directly to the Board on a regular, at least quarterly, and ad-hoc basis if deemed necessary and participates in Board meetings as appropriate.

The roles and responsibilities of the RMF include but are not limited to:

- Promote the operational execution and enhancement of the Risk Management System;
- Support in the design and implementation of the operational resilience framework embedded in the risk management framework as well as the IT and Information Security Management System (ISMS) framework in close cooperation with the IT, the legal department and other departments as appropriate;
- Initiate and coordinate the Own Risk and Solvency Assessment (ORSA) process and the documentation thereof;
- Review, challenge and approve the results of the Underwriting Specific Parameter (USP) calculation and the methodologies applied by actuarial before inclusion of the results in the SCR calculation;
- Assess and monitor the appropriateness of the Company's Risk Management System and its risk profile on an ongoing basis;
- Regularly report to the Board and the Supervisory Board on risk management matters as well as supervisors as appropriate;
- Consult the Board on the implications to the Company's risk profile associated with strategic decisions, new business, mergers and acquisitions, major projects and (de-)investments;
- Promoting risk awareness among employees involved in risk management matters and providing training as appropriate;
- Monitor compliance with regulatory standards.

Regular communication channels ensure that all members of the RMF are up to date on recent and future risk-related activities as well as internal (e.g., organizational changes) and external developments/ requirements (e.g., regulatory changes).

### B.3.3 Risk Strategy

The risk strategy defines the Group's general approach to risk management by specifying all relevant risks based on GRAG Group's business strategy. It sets out how risks are measured, managed, and controlled and specifies our risk appetite and risk tolerance framework.

### B.3.4 Risk Management Process

For the purposes of risk management, we broadly define risk as the threat of potential development or events negatively impacting GRAG Group's ability to achieve its business goals. Risk may affect our ability to successfully conduct our business, preserve our financial strength and reputation, and maintain the overall quality of our products, services, and people. Our Risk Management System aims to support GRAG Group's business strategy by limiting risks to acceptable levels. Our corporate-wide risk management process comprises the following elements:

- Risk identification;
- Risk measurement;
- Risk monitoring;
- Risk response; and
- Risk reporting.

The risk management process is applied globally and includes all legal entities and branches. A key element of this process is our risk universe, which has been developed to promote a consistent approach to the definition and identification of risks and to enable effective aggregation of risks across the entire Group.

We divide risks into insurance, market and credit, operational and strategic risks, thereby covering all risks to which we are or might be exposed to (see chart below). Where relevant, we consider sustainability risks with their environmental, social and governance factors (ESG) within our existing risk categories.

Regular risk reporting routines as well as ad-hoc risk reporting ensure continuous monitoring of our risk profile and to provide the Board with information, namely

- on GRAG Group's risk profile and how this has changed over time.
- to determine whether the risk exposure is managed in accordance with the risk appetite and tolerance framework set by the Board.
- on any deterioration of the financial situation.

The Supervisory Board is also regularly informed on important risk management matters by the CRO. We consider open risk communication to be of the highest priority and hence all employees are encouraged to address any risk-related matters directly to the RMF.

### B.3.5 Description of the Own Risk and Solvency Assessment

The Own Risk and Solvency Assessment (ORSA) is a key process of GRAG's risk management framework and an integral part of the ongoing risk management process in order to identify, assess, monitor, manage and report the risks GRAG Group faces or may face over the business planning period. The results of the ORSA process facilitate strategic decisions with consideration of the GRAG Group's risk appetite and the amount of capital needed. As such, the ORSA is an important tool for ensuring that the entire Group has a solvency level that is commensurate with our business strategy.

GRAG Group is subject to the group supervision and in accordance with the BaFin's approval, we prepare a "Single ORSA" which includes GRAG Solo and GRAG Group in due consideration that the Group's risk profile does not substantially differentiate from the risk profile of GRAG Solo. Information on the GRAG Group's risk profile can be obtained from Chapter C.

The ORSA process and the ORSA Report is conducted once a year which is considered adequate taking into account the Group's risk profile which is defined by the actively assumed insurance risk and actively managed market risk as part of our business and risk strategy. Sustainability risks with their environmental, social and governance factors are considered in scope of the risks assessment where relevant. At the discretion of the Board, an ad-hoc ORSA may be run.

The ORSA process and report are coordinated and prepared by the RMF with input from the Risk Committee members and subsidiaries. The Board is actively involved in the individual sub-processes which are outlined in the ORSA Cycle depicted below. Regular and non-regular (ad-hoc) risk reporting procedures facilitate the continuous monitoring of our risk profile.


Following is a brief overview of the ORSA sub-processes.

The **Business Strategy** is owned by the Board and defines our strategic goals and objectives. The business strategy is reviewed prior to the January 1st renewal and considers results from the ORSA process of the previous year.

Based on the business strategy, the **Risk Strategy** is annually reviewed and updated summarizing the overall risk profile, how risks are measured, managed, and controlled and providing details on GRAG Group's risk appetite and tolerance framework in due consideration of the outputs of the previous ORSA process.

The **Risk Assessment** is a Gen Re group-wide annual process and forms the basis for determining the Group's risk profile. It includes the identification and evaluation of all risks the Group is exposed to and covers quantifiable and non-quantifiable risks. Risks are assessed for the potential residual impact on our balance sheet and their likelihood; the design and operating effectiveness of controls are also considered. Chapter C provides information on the Group's risk profile, in particular on material risks.

The **Regulatory Capital Requirements** are determined by applying the standard formula (SF) approach as set out in the Solvency II Directive. Based on the calculations we conclude whether sufficient capital, in both quantity and quality, is available to meet the demands of our regulators and clients with respect to the level of solvency required.

As part of our assessment of the appropriateness of the SF, we also analyze if any material risks are not fully included in the SF. As a consequence of the analysis, we include spread/default risk for European Government Bonds, negative interest rates and currency stresses on the risk margin in our own evaluation of market risks.

For our own assessment of non-life catastrophe risk, we allow for dependencies between proportional and non-proportional business and include pandemic risk. Any other risk not included in the SF is either not material to GRAG Group, implicitly covered by the SF in other risk categories or its correlation to other risks is not quantifiable in a reliable manner.

For these reasons, we consider it more adequate to address these risks by an appropriate governance framework, i.e., by appropriate processes and controls instead of providing additional capital for these risks.

With regard to the extrapolation of risk-free-rates, we have no indication that the methods used to determine the risk-free rates provided by EIOPA are inappropriate.

**Stress testing** with its sensitivity, stress, scenario, and reverse stress testing has the main objective to verify the robustness of our capital. They focus on material risks in order to provide appropriate information on GRAG Group's ability:

- to continue its business under adverse conditions;
- to comply with regulatory requirements on a continuous basis; and
- to establish appropriate management actions if required.

Stress tests and scenarios are also used as basis for determining the Overall Solvency Needs (see next paragraph but one) and when setting the risk appetite and tolerances in the course of the risk strategy update for the next ORSA cycle.

In the scope of the **Forward-Looking Assessment,** we assess the Group's ability to meet capital targets over the business planning period by projecting the economic balance sheet, own funds, and the solvency ratio along with a number of relevant scenarios.

We have established an **Own Capital Assessment Process** to determine our own view on capital adequacy resulting in the **Overall Solvency Needs (OSN).** The OSN considers all material risks which are associated with our core business underwriting and investments. For these we apply a scenario-based approach and look at losses from a combination of individual stresses for our material risks and add up the results thereof without any diversification to establish our OSN. Our main objective is to have sufficient capital in order to support the loss scenarios and to be able to maintain regulatory compliance with the capital requirements according to the standard formula.

The results from the ORSA process allow the Board to obtain an appropriate understanding of GRAG Group's risk profile, to compare the risk profile to agreed risk appetites and to integrate the results into decision-making. The ORSA process and its results are documented in the **ORSA Report** serving as audit trail and evidence of the outcomes of the ORSA process as well as documentation regarding the assumptions and input parameters used.

# B.4 Internal Control System

## B.4.1 Elements of the Internal Control System

The internal control system (ICS) is a key component of our system of governance. It is designed to protect assets, ensure accurate and reliable financial reporting, promote operational efficiency, and ensure compliance with laws and regulations; it is consistently implemented across the group. The ICS supports the effective and efficient performance of our business operations appropriate to the risk profile and in line with company objectives.

We promote the importance of internal controls by ensuring that all staff, in executing their duties, clearly understands their responsibilities; this is to ensure compliance and adherence to our internal control framework. Control activities have been implemented throughout the organization, across all levels, functions, and main processes. Controls are proportionate to the implications of each individual process and designed to ensure that appropriate measures are taken in order to manage and mitigate risks that could affect our ability to achieve objectives.

Control activities include, but are not limited to, approvals, authorizations, verifications, reviews of operating performance and segregation of duties. Related processes and controls are documented in detail and are subject to regular testing and review.

The Gen Re Group has adopted the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework as the Company's Internal Control Framework, including policies, processes, and information systems. Compliance with Sarbanes-Oxley section 404 is assessed annually through Internal Control Testing (ICT). The adequacy and effectiveness of the internal control system is regularly and independently evaluated by IA. Identified issues are to be reported to the Board.

## B.4.2 Compliance Function

The Compliance Function (CF) forms part of the legal department and the responsibility for this key function is assumed by GRAG's General Counsel. The CF is responsible for maintaining a framework whereby the entire Group demonstrates compliance with applicable legal and regulatory requirements facilitated by the regular compliance risk assessment as well as the quarterly risk reporting procedure.

The CF provides the Board, Senior Managers and the operational units with analysis, recommendations, and information on legal, regulatory and compliance-related matters. Main tasks of the CF involve:

- Monitoring of changes in the legal environment and evaluating its impact on GRAG Group and its business.
- Communication of regulatory updates to relevant staff.
- Training of staff on relevant compliance matters.
- Counselling of the applicable Boards on compliance matters.
- Close collaboration with other departments and key functions such as IAF, RMF and the legal department to achieve resource efficiency.
- Inform management on current compliance issues in a timely manner and advise on effective remediation measures.
- Preparation of a compliance report for the AMSB at least annually.
- An independent review and evaluation if compliance issues/concerns within the organization are being appropriately evaluated, investigated and resolved.

- Counsel management and staff on adequate regulatory controls within their business/ service Units and monitor the execution and documentation thereof.
- Compliance Risk Assessment at least every other year.
- Set up and ensure execution of the compliance plan.
- Maintenance of a central inventory of material outsourcing agreements.

Overall, we consider the following topics of particular importance and hence key areas of the CF:

- Supervisory regulation,
    - Solvency II compliance and its related policies and procedures,
    - Insurance supervisory regulations applicable,
- Anti-money laundering,
- Antitrust / competition law,
- Anti-bribery and corruption,
- Anti-fraud,
- Trade restrictions and embargoes,
- Insider trading,
- Conflict of interest,
- Data privacy,
- Corporate law and governance.

As deemed necessary we select additional topics on a risk-based approach.

The framework of the CF is outlined in the Compliance Function Policy which is available to all staff in the GRAG Risk Management Portal and LegalNet, a centrally accessible platform for legal and compliance information. The policy provides guidance on the objectives, roles and responsibilities, processes, and procedures as well as applicable reporting lines. The policy applies to GRAG, including its branch locations, representative offices, and all subsidiaries, as long as it is not contradictory to local laws and regulations. The policy is reviewed by the policy owner on a regular basis in line with the standards set out in the GRAG Documentation Policy.

The CF has unrestricted access to all relevant information required to perform its duties. The CF regularly reports to the Board and, when necessary, meets with individual Board Members to address and discuss compliances matters.

POs and, where required by local regulations COs have been appointed for each branch and representative office to assist the CF in discharging its responsibilities. All local Compliance Officers have a reporting line to the GRAG CF. The CF communicates regularly with the RMF and IAF and works closely with these functions while maintaining an appropriate level of independence. The Compliance Operations function supports and oversees day-to-day operational tasks associated with international legal and regulatory compliance requirements for the Gen Re Group and assists the CF in the development, communication, promotion, implementation, and training related to GRAG's international compliance program.

The CF prepares an annual Compliance Function Report providing the Board with an overview of the activities performed, their status as well as compliance issues that become apparent during the year. In addition, the CF prepares a risk-based compliance plan for the coming year.

## B.5 Internal Audit Function

The role of the Internal Audit Function (IAF) is assumed by the International Internal Audit Manager, supported by the Internal Audit Department. The IAF is an independent function established to examine and evaluate the functioning, effectiveness and efficiency of the internal control system and all other elements of the system of governance; ultimately, they assist the Board and senior management in the effective discharge of their control and compliance responsibilities and provide them with analysis, appraisals, recommendations, and information.

The Internal Audit Policy outlines the overall aim, governance, audit roles and the audit process at GRAG and the entire Group. The policy is subject to an annual review and supplemented by the Internal Audit Charter and the Internal Audit Procedures Manual. Updates of the policy are distributed to the IA Team and other stakeholders as appropriate. During the reporting period there were minor changes to the Internal Audit Policy that did not require approval by the GRAG Executive Board.

The audit process is comprised of:

- Annual Internal Audit plan;
- Audit preparation and audit planning notification;
- Risk and control matrix formulation;
- Audit fieldwork;
- Audit observation table and audit report;
- Follow-up.

Internal Audit is an integral part of the internal control framework and performs operational, financial and IT audits focusing on the structure, controls, procedures, and processes associated with underwriting, investments, and the operations supporting these businesses. Internal Audit also performs compliance audits to review the organization's adherence to a regulatory framework or guidance, such as Solvency II requirements or operational resilience.

Internal Audit also conducts special reviews as requested by Management such as specific fraud investigations following a fraud indication. On request and in addition to auditing activities, Internal Audit also advises Management on questions related to the internal control system.

IA has full, free, and unrestricted access to all activities, records, property, and personnel. IA regularly communicates and closely collaborates with the RMF and CF while maintaining the appropriate level of independence. The annual Internal Audit Plan which summarizes all audit topics for the upcoming year, is approved by the Board and distributed to all stakeholders. The annual Internal Audit Plan can be subject to change on an ad-hoc basis, when deemed necessary. The final Audit Report in respect of each audit, which contains the findings of the audit work, recommendations, and management responses, is distributed to all relevant stakeholders and the Chief Risk Officer. All open observations are regularly followed up to ensure that the management actions as agreed in the audit report are implemented.

## B.6 Actuarial Function

The Actuarial Function (AF) is assumed by CAS ensuring that appropriate methods and parameters are applied in the P/C and L/H reserve setting process, including the review of technical provisions (TPs). Further, the AF is responsible for establishing actuarial models for regulatory reporting. The AF is independent from the underwriting/pricing business units, with a direct reporting line to the Board and to the Gen Re Corporate Chief Actuary.

The AF submits an annual Actuarial Function Report to the Board providing details on the appropriateness of underlying methodologies, models and assumptions used in the calculation of TPs. The AF is part of our International Underwriting Risk Committees and regularly communicates and closely collaborates with all key functions.

The tasks of the AF include in particular:

- Coordinate and validate the calculation of the TPs;
- Assess the uncertainties in the calculation of TP;
- Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of TPs;
- Assess the sufficiency and quality of the data used in the calculation of TPs and contribute to data quality improvement as appropriate;
- Take account of sustainability risks in its evaluation of the appropriateness of the TPs;
- Compare best estimates against experience;
- Inform the Board about the reliability and adequacy of the calculation of TPs;
- Express an opinion on the underwriting policies;
- Express an opinion on the adequacy of the retrocession policies, as well as assess and express an opinion for any material retrocession arrangement;
- Contribute to the effective implementation and further development of the risk management system;
- Produce annual reports such as the Actuarial Function Report, the Validation Report for L/H or the USP Report for P/C.

## B.7 Outsourcing

The main rationale for outsourcing is to increase operational efficiency by providing effective support and services in those areas where we can benefit from the expertise and experience of third-party providers. However, outsourcing could result in significant risks if not properly identified and adequately managed: the service might be outsourced but the risk cannot.

The operationalization of our outsourcing policy which defines roles and responsibilities in the outsourcing, risk analysis and due diligence process as well as guidance on contractual arrangements, monitoring and reporting routines, is embedded in the Global Vendor Governance Process. Based on the vendor governance framework we ensure that where relevant, engagements of third-party services providers are identified as outsourcing arrangements and the applicable legal and regulatory requirements are adhered to. This includes that service contracts comply with legal, regulatory, and operational requirements and measures for the effective oversight and management of outsourcing arrangements are in place.

The Global Vendor Governance Process is based on the compliance management tool CPOT which also includes a framework for the risk assessment of material outsourcings.

We outsource the management of our investment portfolio to our affiliate NEAM Ltd. in Dublin, Ireland. Regarding IT, we have been outsourcing IT services and infrastructure services to GRC, our parent company, and external providers since 1997.

The competent Supervisory Authorities had been notified or approval had been obtained in accordance with regulatory requirements. All material outsourcing arrangements are subject to the established regular review process.

The Head of Investment Controlling is responsible for monitoring and controlling the performance of the asset management outsourcing arrangement with NEAM. The role of the IT intra-group outsourcing relationship manager is performed by the Gen Re IT Vendor Monitoring Committee which includes representatives from IT, Legal, Risk Management and Business. The committee reviews and monitors the performance of the IT Services outsourced to General Reinsurance Corporation (GRC) and GRC's adherence to the provisions of the relevant outsourcing agreement. Oversight of onsite staff from the external service companies and regular review meetings to discuss the service performance against key performance indicators (KPIs) and compliance with the service level agreements (SLAs) are elements of the regular outsourcing monitoring process. This also involves an effective business continuity plan (BCP) in the event of a disaster. The RMF is appropriately involved in the monitoring process and provided with the status of the outsourcing arrangements in the course of the quarterly risk reporting procedure.

## B.8 Any Other Information

### Sustainability

The Corporate Sustainability Reporting Directive (CSRD) came into force on 5 January 2023 following adoption by the European Parliament and the Council of the European Union (EU) in September 2022.

The CSRD requires large companies and listed companies in the EU to publish regular reports on the environmental, social and governance risks to which they are exposed to and the impacts of their activities on people and the environment according to European Sustainability Reporting Standards (ESRS). With this, investors and other stakeholders will be enabled to obtain information about the ways companies operate and manage environmental, social and governance challenges.

For GRAG, the new rules were meant to be applicable for the 2024 financial year and the reports to be published in 2025. However, the Corporate Sustainability Reporting Directive (CSRD) has not yet been transposed into German law and the legislative process is still ongoing. We have therefore prepared the "GRAG Sustainability Report" in accordance with the existing requirements of the EU Directive 2014/95/EU (NFRD). In this non-financial statement, we provide information on our material sustainability matters, including environmental, social and governance information. In addition, we provide general information about sustainability for the General Reinsurance AG Group and report on the approach used to determine the material sustainability matters. The non-financial statement is generally guided by the European Sustainability Reporting Standards (ESRS).

The "GRAG Sustainability Report" is publicly available on our corporate website.

## Operational Resilience

As of 17 January 2025, the European Union's Digital Operational Resilience Act (DORA) came into force. It covers the areas of ICT (Information and Communications Technology) risk management, ICT third-party risk management and supervision of critical third-party service providers, digital operational resilience testing and ICT-related incident management and is intended to increase the digital resilience of the European financial market. As a result, financial institutions are subject to a set of common standards to reduce ICT and cyber risks within their operations and ensure that they can continue to operate safely and reliably even in the event of major incidents. For internationally active financial institutions such as GRAG, it is therefore important to identify the continuously increasing risk of disruption at an early stage in order to be prepared and respond accordingly. A DORA project was set up with representatives from IT, Business, Legal and Risk to ensure compliance with the DORA requirements. In 2025, we will continue to improve activities to strengthen operational resilience and embed them in our processes.

## Artificial Intelligence

The importance of artificial intelligence (AI) has increased in everyday life and is reshaping our world in many ways. AI can help organizations and individuals save time and resources by automating repetitive tasks, reducing errors, and optimizing workflows, thereby increasing efficiency. Alongside these opportunities, there are of course also risks associated with the use of AI, such as the randomness of generated content and the attendant lack of replicability, dependency on data quality, bias and ethical concerns or potential vulnerability to cyber threats.

On 1 August 2024, the European Artificial Intelligence Act (AI Act) came into force, the requirements of which are to be implemented gradually over time. The main objective is to create a common framework for AI across the European Union to manage potential risks and ensure the safe and responsible development and use of AI technologies. Since 2023, a Responsible AI Committee, chaired by the Chief Technology Officer and composed of representatives from IT and Legal, has been in place to assess AI tools in terms of compliance with company policies and regulatory requirements related to information security, data protection, intellectual property, data loss prevention, and non-discrimination.

The Committee's primary objective is to review AI tools that can effectively and efficiently support and supplement the expertise of Gen Re employees and the decisions they make in their day-to-day work. We do not currently use AI tools to replace human agency or to substitute for professional judgement and experience in decision-making.

# C. Risk Profile

We are in the business of assuming risk and as such we have defined the risks we actively seek and those that we want to minimize. For those risks we consider "material" a risk appetite and tolerance framework has been established by the Board as part of the risk strategy which is aligned with group goals and the business strategy.

The following table shows the split of the individual risk charges per risk module based on the standard formula in comparison to the previous year:

| Solvency II Capital Requirements | GRAG Solo 2024 €'000 | GRAG Solo 2023 €'000 | GRAG Group 2024 €'000 | GRAG Group 2023 €'000 |
|---|---|---|---|---|
| Eligible own funds | 7,218,262 | 6,632,222 | 7,218,262 | 6,632,222 |
| **Solvency capital requirement (SCR)** | **3,452,671** | **2,979,753** | **3,700,054** | **3,211,456** |
| Surplus capital | 3,765,590 | 3,652,469 | 3,518,208 | 3,420,766 |
| **Minimum capital requirement (MCR)** | **1,553,702** | **1,340,889** | **1,648,280** | **1,429,506** |
| **Solvency ratio** | **209.1%** | **222.6%** | **195.1%** | **206.5%** |
| **Risk modules** | | | | |
| Underwriting risk Life | 2,123,523 | 1,956,510 | 2,243,294 | 2,072,508 |
| Underwriting risk Health | 1,144,716 | 1,053,913 | 1,236,777 | 1,147,508 |
| Underwriting risk Non-Life | 688,616 | 608,455 | 689,438 | 608,435 |
| Market risk | 2,951,292 | 2,383,297 | 3,023,975 | 2,446,296 |
| Counterparty default risk | 223,211 | 128,358 | 238,150 | 131,999 |
| Diversification | -2,340,112 | -2,035,029 | -2,444,793 | -2,127,703 |
| Operational risk | 185,273 | 166,013 | 195,515 | 190,624 |
| Loss absorbing capacity for deferred taxes | -1,523,848 | -1,281,764 | -1,482,302 | -1,258,210 |
| **Solvency capital requirement (SCR)** | **3,452,671** | **2,979,753** | **3,700,054** | **3,211,456** |

* Application of the Standard Formula following SII even though not part of the EEA.

Overall, the SCR increased from Euro 3,211,456 thds to Euro 3,700,054 thds (+ Euro 488,598 thds) due to the increased market risk as a consequence of the currency risk related to our investments in US treasuries as well as higher Life underwriting risk due to additional business volume. These effects, however, are partially offset by a higher Loss Absorbing Capacity for deferred taxes as explained further down below.

### Insurance risk

There was an increase in the Life underwriting risk charge (Euro 170,786 thds), which is mainly driven by premium growth and updates of the model assumptions. As a consequence, both the disability risk and the mortality risk increased. This increase was partially offset by a decline in our life cat risk as we have increased the capacity of our mortality stop loss retrocession with an affiliated company, GRL. The Health underwriting risk charge also increased (Euro 89,269 thds) due to premium growth in our disability and medical business in comparison to the prior year. The Non-Life underwriting risk increased by Euro 81,003 thds which is due to higher claims provisions as a result of the reclassification of the (re)insurance receivables/payables, which were previously netted against these provisions but are now shown separately in the balance sheet.

### Market risk

Market risk increased by Euro 577,679 thds, which is mainly driven by the increase in currency risk being slightly reduced by a decrease in the interest rate risk. In 2024, we continued to increase our investments in US treasuries, taking advantage of the attractive yields available. This change in our investment strategy led to an increase in our currency risk. The currency risk continues to be the largest individual risk charge. The interest rate risk declined by 35,004 thds, due to a reduction in the duration of our invested assets and lower retro BELs (Best Estimate Liabilities).

The counterparty default charge, while still relatively small in comparison to our core risks, increased over the prior year as a result of the reclassification of the (re)insurance receivables / payables which are now included within this risk charge.

The Loss Absorbing Capacity (LAC) for deferred tax assets has increased, following the increase in the capital charges for the underlying risk modules, which form the basis of the calculation for the LAC.

Overall, we consider our capital position adequate to profitably grow our business, supporting our clients with our expertise and capital strength.

In the following we provide details to those risks that could impact our risk profile.

## C.1 Underwriting Risk

In this section we cover both Life/Health and Property/Casualty risks which are considered our main risks. The risks included in this category are:

- Pricing and underwriting risk (non-nat cat);
- Natural catastrophe risk (nat cat);
- Terrorism risk;
- War risk;
- Pandemic risk;
- Cyber risk;
- Reserving risk.

As within the standard formula, the focus of underwriting risk can be split into our current or future underwriting activities, which include pricing and underwriting risk, and those risks that result from prior underwriting periods and reserving risk. We also place special attention to natural catastrophe risks and other risks that might lead to large accumulations such as pandemic, terrorism. cyber and war risks.

**Pricing and underwriting risk** is the risk that actual aggregate claims amounts exceed those expected in the underwriting process. In this context, we differentiate between:

- Risk of random fluctuations as well as pricing model and parameter risk, which can lead to a higher-than-expected claims frequency or severity,
- Large loss accumulation risks due to a single loss event impacting multiple reinsurance contracts or to one contract affected by many individual losses.

In the following paragraphs we specifically address natural catastrophe, terrorism, war, pandemic and cyber risks in more detail, but we also consider other accumulations if deemed relevant.

We manage these risks by means of a well-defined and controlled underwriting process. The key elements are a clear referral process, with authorization levels specified in the underwriting guidelines, centrally approved pricing guidelines and operational limits reflecting our risk appetites and tolerances, as well as the use of standardized methodologies and software tools.

**Natural catastrophe risk** is the risk of loss resulting from natural catastrophe on the in-force book of business. It also considers the impact on frequency and / or severity of specific natural catastrophe events due to climate change trends. The main driver of our Nat Cat Risk is Property/Casualty business. For Property/Casualty treaty business GRAG Group prefers to write natural catastrophe risk in developed markets where covered perils and exposures are known.

The natural catastrophe exposure is regularly monitored, analyzed, and reported annually to senior management including the RMF and the Board to ensure that peak exposures are well understood. We have a risk tolerance framework in place that is linked to capacities representing maximum admissible sums of limits per country. The determination of capacities ensures that the natural catastrophe risk is managed within risk appetite/risk tolerance.

**Terrorism risk** is the risk of loss resulting from terrorism events on the in-force book of business. We do not actively seek to cover terrorism exposures, but we do actively manage and control the risk, give the accumulation potential that it represents. Whilst for Property/Casualty business our exposure to terrorism is limited predominantly through exclusion clauses in reinsurance contracts, Life/Health exposures have the potential to accumulate and thus contribute to our terrorism aggregates.

**War risk** is the risk of loss resulting from war events on the in-force book of business. For most of our Property/Casualty business war is a standard exclusion. In accordance with our underwriting guidelines minor exposures may be accepted in marine, aviation, and personal accident lines (e.g., passive war risk in personal accident).

For Life/Health business we distinguish between proportional business and non-proportional Cat-XL business. For non-proportional Cat-XL war is a standard exclusion and only waived existing business if systematically priced for and approved by the Chief Underwriting Officer or the Chairman of the GRAG Board. For proportional business, however, we assume exposures as we cannot always exclude it. In cooperation with the Group Legal team, our Life/Health business units have commenced a more detailed review of our Life/Health contract wordings and tail risk exposures in the event of war, terror, or nuclear events.

**Pandemic risk** is the risk from events such as corona viruses, Ebola, swine flu, avian flu, and pestilence. Regarding Life/Health pandemic risk we consider different scenarios to evaluate the impact of a world-wide pandemic event.

For managing this risk, we rely on control activities that are subject to annual internal control testing. For Life/Health pandemic risk we refer to the underwriting policy and guidelines, underwriting authorities and referral as well as underwriting reviews. As part of our underwriting strategy, we exclude pandemic risk from non-proportional Cat XL covers and apply a pandemic risk charge for proportional mortality business to reflect the additional risk.

For Property/Casualty business we aim to reduce our pandemic exposure through restrictive policy wordings and exclusions. Following the Covid-19 pandemic, we further strengthened our wordings and exclusions for most of our markets and products. While we have generally been successful in implementing these changes there are still selected markets and lines of business where we cannot fully mitigate this risk. Therefore, we apply a scenario approach to assess the residual risk.

**Cyber risk** refers to the losses from both affirmative and non-affirmative cyber exposures covered by our insurance contracts and resulting in damage, disruption, unauthorized access to, or release of, business-critical or sensitive applications, data, or infrastructure systems, or physical property. In general, it is related to online activities, electronic systems, and technological networks. Cyber risk can be caused by third party actions as well as human or technical failure.

We continue to apply a conservative approach to writing cyber risk. Our appetite for affirmative cyber risk is limited and coverage in our international treaties is generally capped by appropriate annual aggregate and event limits. These limits and the corresponding exposures from policies that explicitly cover cyber risk are monitored regularly and reported to the appropriate risk committees.

With respect to potential non-affirmative or so-called "silent cyber" exposures within our traditional products we aim to apply exclusion clauses when possible. As we have successfully implemented such exclusion in our portfolio, we consider the residual financial impact from silent cyber accumulations on our solvency positions to be manageable.

**Reserving risk** is the risk of inadequate reserves for the ultimate settlement of incurred claims or technical provisions due to unanticipated changes in parameters such as the loss trend and/or inappropriate reserve modelling. The estimation process includes reasonable assumptions, techniques, and judgments in accordance with best-practice actuarial standards. It also includes reconciliations, checks, and independent reviews and considers potential sources of uncertainty due to mortality improvement trends, climate change, social risks and potential increases in claims costs due to climate change mitigation. The risk is controlled by monitoring the underlying business as well as through actuarial reviews and appropriate segregation of duties in the reserving process. We consider the reserving process to be a core function of a disciplined reinsurer. It is centralized with quarterly reserving and reporting procedures.

## C.2 Market and Credit Risk

We invest to generate competitive returns over time, while managing liquidity needs and investment risk accordingly. Our fixed income portfolio is composed of high quality and highly liquid investments. The shorter duration of the fixed income portfolio ensures that substantial liquidity is available to meet all obligations under normal conditions, as well as in a stress situation.

As outlined above we significantly reduced our equity portfolio in 2023 in favor of investments in U.S. treasuries, taking advantage of the attractive yields available. Despite the reduction in exposure, equity remains an important asset class. We normally expect to hold equity investments for long periods of time. We understand that this can create short-term volatility and hold sufficient capital in recognition of this risk.

We have decided that only the parent company GRAG can purchase equities. The subsidiaries only invest in fixed income securities.

The following individual risks are included under **market risk**:

- **Interest rate risk** arising from value sensitivity to changes in term structures or interest rate volatility.
- **Equity risk** arising from volatility in market prices and economic factors such as inflation, which could negatively impact the value of our equity holdings.
- **Currency risk** arising from changes in the level or volatility of currency exchange rates or inadequate currency matching.
- **Credit spread risk** arising from changes in market prices following a change in the credit spread above the risk-free interest rate curve or following a rating downgrade (excluding retro credit risk).
- **Concentration risk** which arises from losses/volatility resulting from concentration of investment exposure in a specific instrument, issuer or financial market.
- **Liquidity risk** arising from lack of market liquidity preventing quick or effective liquidation of positions or portfolios in order to meet financial obligations, and limited access to or lack of sufficient funds.

**Credit Risk** is the risk of economic losses and volatility resulting from fluctuations in the credit standing of counterparties not included in credit spread risk:

- **Counterparty default risk** arising from credit downgrades or failure in counterparties' banking relationships. This includes settlement risk (accounts receivables, deferred acquisition costs), retro credit risk, and broker or coverholder risk; but excludes intragroup exposures.

Under the Prudent Person Principle Policy all investment activities have to be managed in an appropriate manner and the risks associated with the invested assets have to be considered. This includes ESG or sustainability risks, such as the decline in asset value due to changing consumer preferences, or reputational impact from non-compliance, or inadequate reporting disclosures. Sustainability risks depend on the type of investment and the underlying industry segment. For GRAG Group they are primarily considered relevant for equity risk, credit spread risk, concentration risk and liquidity risk.

The Master Investment Guidelines (MIG) of GRAG Group define the risk limits for the different investment risks and asset classes and include GRAG's Investment Policy. Both the MIG and our Investment Policy are reviewed by the Board on an annual basis.

**Market risk** is measured and managed in accordance with:

- a stochastic model for our main market risk components which is based on historical returns, price returns and interdependencies;
- clear guidelines for existing asset classes and for investment activities in permitted asset classes which are approved by the Board;
- defined limits for total aggregate exposure including single issuance limits, as well as suitable limits per asset class and rating category;
- a duration target for the portfolio;
- an Asset Liability Management Policy to ensure that a process has been implemented to monitor the risk profile associated with assets and liabilities, particularly with respect to the duration and related currencies, to ensure that these are managed in line with the GRAG Risk Strategy and that the company can meet all liquidity needs and local capital requirements;

**Credit risk** is measured and managed according to the following criteria:

- loss-given defaults and probabilities of default based on internal and external credit ratings for exposures with banks, retrocessionaires, clients, etc.;
- outstanding amounts per counterparty where no credit ratings exist;
- targets and measures agreed with the business units for dealing with overdue receivables and regular monitoring of their implementation;
- selection of counterparties with superior financial strength and a high-quality ratings.

### Assets invested in Accordance with the Prudent Person Principle (PPP)

We have a prudent approach to investment risk, generally prioritizing credit quality in the selection of individual investments and avoiding complex instruments. Our main priority is to have a portfolio which is composed of investment grade and liquid assets as these assets can be quickly converted into cash with minimal impact to the price received in an established market. We have a "buy and hold" strategy and therefore manage the total investments to have adequate fixed income investments available to meet the liquidity requirements of our business operations at all times.

Our investment strategy is designed to achieve the following objectives:

- Generate levels of investment income commensurate with agreed risk parameters and managing investment risk accordingly.
- Maintain an appropriate level of liquidity to satisfy the cash requirements of our operations.
- Meet insurance regulatory requirements with respect to investments under various insurance laws and regulatory admissibility levels.

Targets and limits are set according to the GRAG Master Investment Guidelines and are reviewed at least annually. In accordance with our "buy and hold" strategy and strong capitalization we do not have any automatic triggering targets which would result in the sale of any asset class.

## C.3 Credit Risk

Credit spread risk resulting from our investment portfolio is included under market risk. The remaining credit or counterparty default risk arises from a default of cedants, retrocessionnaires and brokers or a banking failure. However, as shown in the table on page 42, our exposure (referred to as counterparty default risk) is comparably small compared to the underwriting and market risk.

The outstanding receivables are regularly monitored, necessary provisions are calculated for overdue receivables in accordance with uniform group-wide standards, and any material issues are reported to management.

Targets and measures for dealing with overdue receivables are agreed with the business units, and their implementation is regularly monitored.

The retrocession arrangements with our parent company GRC have a relatively low impact on our credit risk due to the strong capital position as demonstrated by the high-level credit rating assigned by several rating agencies and the robust solvency ratio according to U.S. Risk Based Capital requirements. Furthermore, as part of the BRK group - one of the best capitalized groups in the world - GRC would benefit from additional parental support by BRK if necessary. Therefore, we consider the likelihood of a default of GRC extremely remote, which is also reflected in the comparably low credit risk.

# C.4 Liquidity Risk

Liquidity risk associated with our investment portfolio is the risk arising from lack of market liquidity preventing quick or effective liquidation of positions or portfolios in order to meet financial obligations, and limited access to or lack of sufficient funds; it is included in market risk. According to our investment strategy, we consider the risk to be low as we predominantly invest in short-term and very liquid investments with a high credit rating.

We keep a liquidity margin based on a combination of historical working capital and the past significant short-term cash requirements following a natural catastrophe. We monitor our cash inflows from investments per currency on a weekly basis.

In order to adequately assess foreseeable events that could affect our solvency position, we also prepare a liquidity forecast on a quarterly basis, taking into account the available capital at the end of the last quarter and the predicted payments for the coming quarter, including cash flows from assets. A liquidity buffer is also added, which is primarily intended for obligations that we cannot estimate in detail.

Payment obligations to our clients are communicated by the business units regularly. Based on this payment information and the current balances of the bank accounts, we can reliably monitor the liquidity of the major currencies over a certain period.

In the case of an extraordinarily large payment, we can generate funds very quickly due to the highly liquid nature of our fixed income portfolio. We therefore consider the composition of the assets in terms of their nature, duration, and liquidity appropriate to meet the undertaking's obligations as they fall due.

We also consider the implications that investments with sale restrictions and required deposits have on our liquidity. The average duration of our fixed income assets is generally shorter than the duration of the liabilities, which provides adequate liquidity to fund liabilities.

Our strategy, processes and controls ensure that we are not exposed to significant liquidity risks. Furthermore, we can exclude a substantial risk concentration with regard to liquidity risks.

## Expected Profits in Future Premiums (EPIFP)

The EPIFP takes into consideration the expected future cash inflows from premium less the associated expected cash outflows such as commissions, management expenses and future expected losses. The amounts shown in the table below have been discounted using the rates provided by EIOPA.

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| **EPIFP** | **2024 €'000** | **2023 €'000** | **2024 €'000** | **2023 €'000** |
| Total Non-Life | 112,555 | 123,316 | 112,555 | 123,316 |
| Total Life/Health | 4,678,470 | 4,444,357 | 4,763,076 | 4,521,081 |
| **Total EPIFP** | **4,791,026** | **4,567,673** | **4,875,631** | **4,644,397** |

## C.5 Operational Risk

Operational risk is defined as the potential loss resulting from inadequate internal processes, human and technical failure, fraud and/or external events. All operational risks are reviewed, analyzed, and assessed on a regular basis in order to promptly identify any deficiencies in policies, processes, and controls to propose and implement corrective actions.

We manage and control operational risks by means of:

- appropriate policies, processes and procedures;
- regular measures to identify and evaluate potential new operational risks;
- effective quarterly/annual monitoring and reporting procedures;
- internal controls including segregation of functions, two-person integrity, plausibility checks, avoidance of conflict of interests; and
- appropriate testing and documentation, and
- education and training.

The operational risks and the related controls are evaluated in the scope of our annual operational risk assessment which is applied globally and is an integral part of GRAG Group's ORSA process. Due to the nature of operational risk and the lack of appropriate historical data, expert judgements are used to assess these risks. Therefore, scenarios have been developed to aid the risk evaluation and facilitate further risk discussions.

Our objective is to continuously improve our risk awareness and operational risk culture which is also supported by the Internal Audit Function who assists the Board and senior management by independently reviewing application and effectiveness of operational risk management procedures.

## C.6 Other Material Risks

In addition to underwriting and market risks, we consider strategic risks within our risk assessment, in particular the strategy, the reputational and the emerging risks material as well as some operational risks such as IT, cybersecurity, and legal and regulatory compliance risk. Like operational risks, strategic risks are subject to regular assessment which is facilitated by qualitative discussions with a view to increasing risk awareness and ensuring that effective controls are in place to minimize exposure. As these risks are difficult to quantify, we apply a conservative approach when assessing these risks. We continue to monitor and manage these risks consistently within the entire Group.

In the following, we provide more details on the strategic risks and the operational risks which we consider to be most important for the entire Group:

**Strategy risk** is defined as the risk of loss from implementing an inappropriate business, investment and/or operational (e.g., IT) strategy. Strategy risk can negatively impact the growth and performance of our business and considers the organization's response to untapped opportunities. Risks/opportunities include but are not limited to the following: consumer demand shortfall, competitor pressure, product issues, loss of key customers, R & D, changing technology, industry downturn and but also substandard execution of decisions or inadequate resource allocation. This also includes all aspects of ESG risks. The Board owns our strategy and regularly reviews and challenges current strategic decisions, evaluating whether the strategy is appropriate given the dynamic business environment and in due consideration what risks could affect our long-term positioning and performance.

**Reputational risk** is defined as any risk to GRAG Group's reputation that could damage the shareholder value and lead to negative publicity, loss of revenue, litigation, loss of clients, regulatory concerns, inability to attract new hires, loss of existing employees, etc. Drivers vary and include but are not limited to inappropriate client / transaction pre-qualification, inappropriate tax structures, data breach of client's information, lack of response/actions referring to sustainability and ESG risks such as climate change, labor law requirements, corporate diversity, anticorruption measures and compliance/adequacy of reporting disclosures. Overall, we view the reputational risk as possible side effects of our operations that may arise from potential weaknesses or deficiencies in our internal control environment.

In order to minimize our exposure to this risk we have implemented a comprehensive governance framework, standards for process documentation and an effective internal control environment. Through Gen Re's Code of Conduct, which clearly sets out our view on corporate integrity and value management, our associates are required to maintain the highest degree of integrity towards each other, GRAG, the entire Group and our business partners.

Regular training initiatives are carried out for all employees to ensure awareness of regulatory and legal compliance and for dealing with conflicts of interest. All these procedures promote preserving our image and credibility and minimizing our exposure to reputational risks.

**Emerging risk** is defined as the risk of loss resulting from a newly developing or changing (political, economic, social, technological, legal, regulatory, tax, environmental, etc.) situation that could have critical impacts on the Group, but which may not be fully understood, are difficult to quantify and might not even be considered in contract terms and conditions, pricing, reserving, operations, or capital setting. These exposures could materially impact GRAG, the entire Gen Re Group and/or our clients. We identify and evaluate emerging risks in the scope of our risk assessment as part of the group wide annual ORSA Process. Throughout the year, developments which include but are not limited to geopolitical risks and potential resultant economic disruptions are monitored quarterly as part of our risk reporting procedure.

**Group or intra-group risk** is defined as the risk of loss arising from the financial position of the Berkshire Hathaway Group as a whole or of individual group entities being adversely affected by their financial or non-financial commitments, thus impacting the financial position of the GRAG Group or parts of the group (e.g. reputational contagion). This risk involves reputational risks, risks arising from intra-group transactions, concentrations within the Berkshire Hathaway Group, and interdependencies between risks arising from conducting business through different entities and in different jurisdictions as well as risks from third-country entities. They can lead to restricted growth, increased costs and/or additional regulatory scrutiny and may have an impact on the GRAG Group's solvency position or liquidity.

Guarantees exist in favor of the clients of GRLA and GRSA to the effect that GRAG shall be liable for the commitments arising out of existing reinsurance treaties in case the individual subsidiaries are unable to meet their commitments. We regularly monitor liquidity and capital requirements of each subsidiary.

We consider the risk of our parent companies failing to meet their financial obligations if necessary to be extremely unlikely as GRAG Group is part of the Gen Re Group, which is owned by Berkshire Hathaway Inc. (BRK) and benefits from BRK's diversified structure and financial strength (S&P AA+, Moody's Aa1, A.M. Best A++). An example to trigger this risk would be a significant Berkshire downgrade. We therefore view being part of the Gen Re Group and BRK as an additional layer of protection.

In addition, the GRAG Group operates in a heightened regulatory environment, which has an impact on our subsidiaries and branches worldwide. As a result, we have to operate efficiently and effectively to comply with applicable principles, rules, and standards. The regulatory requirements are steadily monitored by our network of Principal and Compliance Officers supported by the legal department and the CF. In view of our processes and monitoring procedures implemented we consider the group risk remote.

While there are regulatory requirements for our subsidiaries and non-European branches to adhere to local capital requirements, this does not result in significant restrictions on our group capital.

The **legal and regulatory compliance risk** is defined as the loss from breach of legal and regulatory requirements. As a globally active reinsurance group we interact with various regulatory bodies throughout the world with continually progressing requirements. We have no appetite for regulatory breaches and aim to minimize this risk. Therefore, we have implemented a governance framework including the Compliance Function (please refer to chapter B.4.2) who in cooperation with the local Principal Officers and Compliance Officers is responsible for demonstrating compliance with applicable legal and regulatory requirements worldwide. Quarterly monitoring and reporting routines as well as the regular compliance risk assessment have been implemented to identify and mitigate any potential legal and/or regulatory compliance risks in our international organization. We continue to further expand the knowledge and awareness of regulatory and compliance requirements throughout the Group by mandatory compliance training to ensure that we stay abreast of these developments around the world.

The **service provider and outsourcing risk** refers to the loss from ineffective controls over the governance and management of outsourcer / service provider performance, the procurement of the outsourcer / service provider and compliance with contract terms, applicable laws and regulations as well as the application of IT security, vendor governance and data privacy measures and policies. A Vendor and Outsourcing Governance Framework has been introduced to define roles and responsibilities in the outsourcing, risk analysis and due diligence process, and to provide guidance on contractual arrangements, monitoring and reporting routines. This ensures that where relevant, engagements with third-party services providers are identified as outsourcing arrangements and the applicable legal and regulatory requirements are adhered to and measures for the effective oversight and management of outsourcing arrangements are in place. Also refer to chapter B.7 for further details.

The **talent risk** addresses losses from an insufficient number of experienced, trained, engaged and motivated as well as diverse staff and losing key people or key teams. Talent risk can arise from a variety of sources. Addressing these risks is an important part of talent management, which aims to align the human capital with the organization's business strategy. We measure, manage and control talent risk by means of the fair and respectful treatment of our employees, competitive remuneration, flexible working hours and opportunities for individual development, an appropriate work-life-balance as well as regular performance reviews to motivate employees. As part of our Global Diversity, Equity and Inclusion (DEI) program, we strive to drive cultural change and a more diverse workforce. Through cooperations with universities, we promote interaction between research and corporate practice by also offering internships and employing working students to open up access to interested young talent and implementing recruitment strategies to attract new talent.

The **project execution risk** arises from project or change management activities or an ineffective project management and prioritization that results in projects / changes not meeting the expected scope, cost, time, and resources, impairing the organization's ability to operate effectively, including meeting its regulatory requirements and retaining appropriate staffing and resources. Many of our projects are corporate wide, i.e., involve all companies, and decisions / strategies are consistently applied, with global technology being implemented in a decentralized way. In view of the large number of projects and increasing complexity, we consider project execution to be a crucial factor in the successful development and implementation of all projects. We have therefore introduced a management structure with steering committees for individual projects to monitor project management and progress, including the involvement of Internal Audit. Major projects are also monitored as part of the quarterly risk reporting process.

The **business interruption and disaster recovery risk** refers to losses from the inadequate contingency and operational resilience planning and readiness in regard to the availability of people, systems, offices, and services due to a system or telecommunication failure, blackout, or other event affecting business activities including but not limited to fire, flood, sabotage, explosion, pandemic, cyberattack, or theft. The main goal of the Business Continuity Management (BCM) Framework is to ensure that the organization can continue its critical business processes during or after a disruptive event. This includes the identification of potential threats that could impact business operations such as natural disasters or cyberattacks, the development of response plans to reduce the impact of these threats on critical business processes, the implementation of procedures to quickly restore normal operations and minimize downtime, the protection of employees and other stakeholders by maintaining important business services, the protection of the Group's reputation and the adherence with legal and regulatory requirements. GRAG implemented a globally aligned BCM Organization with Business Continuity Plans (BCPs) for individual units and each location to facilitate the timely and effective return to normal business operations after a disruptive incident. In addition to our BCPs, we have IT Disaster Recovery Plans which ensure an appropriate process and set of procedures aiming to recover and protect the Group's IT infrastructure from various incidents such s as natural disasters, hardware failures or cyberattacks. BCPs are reviewed and updated at least annually.

The **IT risk** is defined as loss resulting from non-compliance with applicable governance and security policies, insufficient IT infrastructure and/or ineffective physical security over IT assets, as well as inappropriate environmental controls, job scheduling and processing, data backup and restore capabilities, system monitoring and capacity management.

The IT Framework, which is aligned with the corporate risk management framework, provides a set of guiding principles and supporting practices for the effective management of IT risks. This includes setting the appropriate strategy to govern all aspects of the IT landscape and infrastructure, both hardware and software, as well as the future developments and projects to continually support the business needs. External threats to our IT environment are included under cybersecurity risk below.

**Cybersecurity risk** is defined as loss from cyberattack or threat resulting in damage, disruption, or unauthorized access to or release of business critical or sensitive applications, data or infrastructure systems or physical property. This also includes the impact of system outage on business operations and the costs to recover and restore systems. Elements of our Cybersecurity Program are organized in accordance with the National Institute of Standards and Technology (NIST) Cybersecurity framework. Numerous security controls which are organized in a "Security Landscape" have been selected and implemented to address the Group's cybersecurity risks. As part of the IT Framework, we maintain the Information Security Management System (ISMS) providing several policies and guidelines, procedures, and controls to protect our information system and the non-public information stored on those information systems from unauthorized access, use or other malicious acts. In addition, penetration tests, security assessments and security audits are performed on a regular basis. The global IT Cybersecurity Committee assists the risk functions in the regular monitoring and assessment of cybersecurity risks and contributes to maintaining and enhancing the Group's IT Cybersecurity Framework.

Cybersecurity awareness programs which include but are not limited to simulated phishing emails, external banners, and role-based training have been launched to increase risk awareness.

# C.7 Any Other Information

## C.7.1 Risk Concentration

This section covers risk concentration between risk categories. The Group has a well-diversified underwriting portfolio and thus does not have any other material risk concentrations. GRAG Group transacts L/H and P/C reinsurance business worldwide. While our volumes may vary, we currently do not anticipate a change in our risk profile resulting in material concentration of risks over our planning horizon. We have some risk concentration with our parent and sister companies GRL and GRC due to our retrocession activities outlined in Chapter A.1.3. However, in view of the strong capitalization of Gen Re and the Berkshire Hathaway Group, we consider this concentration risk remote and well managed.

### Significant Risk Concentration at the Group Level

Regarding underwriting, our subsidiaries follow the same guidelines, policies, and procedures as the parent company GRAG. They represent the Group in geographic regions which the parent company does not service. Therefore, they do not add additional concentration but additional geographic diversification on the group level.

Referring to investment risk, the size of the subsidiaries' investment portfolios is considerably smaller compared to the parent. The investment guidelines of the subsidiaries stipulate that they only invest in government or government guaranteed securities and to a limited extent in supranational securities in the local currencies that generally match the liability exposure. Thus, we do not have any additional risk concentration at the Group level.

## C.7.2 Risk Mitigations Techniques

Under Solvency II the definition of risk mitigating techniques for underwriting refers to the purchase of retrocession agreements. We are generally a gross for net underwriter; however, we do consider opportunistic retrocession purchases to optimize our risk and capital position.

Within our Property/Casualty portfolio we mitigate underwriting risk through a set of integrated controls based on a two head principle and a well-defined referral process with authorization levels which are determined in the underwriting guidelines. Globally applied pricing tools with centrally approved pricing parameters and benchmarks for all major markets and lines of business ensure the consistency of pricing.

Similar to Property/Casualty, the Life/Health underwriting risk is managed and mitigated by underwriting controls and guidelines, a system of personal underwriting authorities, referral, and underwriting reviews. Pricing models are established based on our pricing methodology. Any transaction that does not meet minimum pricing criteria as set out in the pricing methodology requires approval by a referral underwriter in Cologne.

We have the following material retrocession arrangements in place:

With effect from 1 January 2017, GRAG entered into a 20% quota share agreement with its parent company, General Reinsurance Corporation (GRC). This agreement covers the majority of the Property/Casualty business written by GRAG, its branches and subsidiaries. The primary reason for this retrocession is to reduce the risk associated with differences between trade sanctions of the United States and the EU. This resulted in a slight improvement in our solvency ratio.

As of 1 October 2018, GRAG retrocedes 50% of Indian Life/Health business to its sister company General Re Life Corporation (GRL), and GRAG retrocedes 50% of its Indian Property/Casualty reinsurance business incepting on or after 1 April 2019, to GRC.

Since 1 April 2020, we have been writing Japanese Non-life business in our Singapore branch, which was previously written by GRC. As this business generally includes natural catastrophe covers, we have concluded an additional retrocession agreement with GRC retroceding the majority of our Japanese Non-life business (total retrocession 90%) to mitigate the risk thereof.

Effective 1 July 2020, we entered into a Stop Loss Agreement with our U.S. sister company GRL to protect the mortality exposure in our Life/Health business.

Effective 1 April 2021, a quota share retrocession agreement was concluded between GRL and GRAG for the Canadian business of GRL. With effect from 1 October 2023, the quota share retrocession agreement was replaced by a new agreement and, in addition to the Canadian business, U.S. business was retroceded from GRL to GRAG.

In the third quarter 2021, GRAG entered into a Loss Portfolio Transfer (LPT) with GRC, our parent company, transferring approximately 90% of our Non-life reserves (except for those reserves related to our Asia branches) from prior underwriting years.

A Property/Casualty stop loss retrocession arrangement incepting on 1 January 2022, has been established with our parent company. This effectively manages the tail risk, particularly from catastrophe exposures, which has a beneficial effect on our solvency ratio by reducing the capital requirements for catastrophe exposure under Solvency II.

In the third quarter of 2017, our subsidiary GRLA wrote a very large block of business which involves substantial financing. 90% of the main financing transaction within this business is retroceded to GRL. In 2020 the retrocession agreement was amended to provide for the collateralization of reserves by GRL as agreed with the local regulatory authority in Australia.

Effective 1 January 2021, a quota share retrocession agreement was entered into between GRSA and GRL covering 100% of the mortality, critical illness, and lump sum disability business, in addition to the current GRAG proportional surplus retrocession agreement between GRSA and GRAG.

Effective 1 July 2021, the Property/Casualty insurance business of GRSA was retroceded to both GRC (80%) and GRAG (20%) on a quota share basis. Effective 1 January 2022, the Property/Casualty retrocession share changed to GRC 75% and GRAG 25% on a quota share basis. This change in the retrocession structure has been agreed with the Prudential Authority. Whilst the GRC retro only covered treaty business in 2021, it also covers facultative business from 2022.

The overall effectiveness of our mitigation techniques is confirmed by our underwriting performance. We monitor our processes regularly with detailed reporting of our results and status of our portfolios.

### C.7.3 Stress and Scenario Testing

As part of the ORSA process we perform stress tests as of the valuation date and if relevant over a multi-year time horizon.

Stress tests cover at least:

- Individual stress tests assessing the impact of a single event;
- Scenario analysis focusing on the impact of a combination of events;
- Sensitivity analysis aiming to test model results to changes in key parameter of the model;
- Reverse stress tests identifying those stress and scenarios that could threaten the Group's viability.

The principles set out below apply to all stress tests for GRAG and GRAG Group:

- Stress tests are based on the Group's main risk drivers, i.e. insurance risks and market risks. Parameter stress tests reflect the risks the Group is exposed to going forward.
- Stress tests are to be applied to
  - The Solvency II Own Funds (incl. technical provisions where applicable),
  - The SCR derived from the standard formula.
- In addition to the stress tests based on the actual portfolio, additional stress tests are calculated taking into account the full use of the risk tolerances.
- Stress tests, where appropriate, take into account varying levels of severity, different risk measures (such as VaR and Tail Value at Risk (TVaR)) and valuation basis.
- Generic stress tests may be applied, in particular for a scenario calculation which combines several single stresses.

Within our 2024 ORSA process we have identified the most relevant stresses for GRAG Group. Their after-tax results on our own funds, the solvency capital requirement and the solvency ratio are shown in the table below:

| Scenario | Own Funds after scenario €'000 | Own Funds Δ to year-end 2024 €'000 | Solvency Capital Requirement after scenario €'000 | Solvency Capital Requirement Δ to year-end 2024 €'000 | Solvency Ratio after scenario in % | Solvency Ratio Δ to year-end 2024 in % |
|---|---|---|---|---|---|---|
| **Non-Life Underwriting Risk*** | | | | | | |
| - European windstorm scenario | 7,105,403 | -112,858 | 3,700,054 | 0 | 192.0% | -3.1% |
| - Flood Germany scenario | 7,105,403 | -112,858 | 3,700,054 | 0 | 192.0% | -3.1% |
| - Earthquake Germany scenario | 7,105,403 | -112,858 | 3,700,054 | 0 | 192.0% | -3.1% |
| - Hail Germany scenario | 7,105,403 | -112,858 | 3,700,054 | 0 | 192.0% | -3.1% |
| **Life-Health Underwriting Risk** | | | | | | |
| - Pandemic scenario | 6,907,173 | -311,089 | 3,700,054 | 0 | 186.7% | -8.4% |
| **Market Risk** | | | | | | |
| - Currency stress scenario | 6,090,551 | -1,127,711 | 3,354,144 | -345,910 | 181.6% | -13.5% |
| **Combined Event** | | | | | | |
| - Combination of European Windstorm, Currency stress, Pandemic scenario | 5,666,604 | -1,551,658 | 3,354,144 | -345,910 | 168.9% | -26.1% |

*based on an Occurrence VaR 99.5%

The most material perils for our P/C business are European Windstorm, Flood Germany, Earthquake Germany, and Hail Germany. In all stresses, the SCR was assumed to be constant, i.e., we do not consider our exposure reduced even after a severe natural catastrophe event. For the scenarios we assumed a natural catastrophe according to our internal models with a return period of 200 years which would be up for immediate payment without any impact on technical provisions. Due to the stop loss agreement with our parent company GRC, the losses before taxes are capped at the stop loss priority in all four scenarios.

The most relevant catastrophes for L/H business are pandemics, as a pandemic would incur a large number of fatalities in countries with a high insurance penetration. We considered the SII pandemic scenario, which corresponds to an additional insured lives mortality of 1.5 per 1,000 in one year. We assumed that our portfolio would not change fundamentally as a consequence of the pandemic and that claims would be paid immediately. Thus, both the required capital and the technical provisions would remain unchanged. We do consider recoverables from our stop loss agreement for L/H, therefore the impact of a pandemic on a net basis is small for GRAG Group.

With respect to market risk, the most material stress for our solvency positions is a currency stress situation. We assumed a depreciation of the USD of 25% in the scenario above, consistent with the SCR capital charge calculation. In the case of a severe market crash, the Group could lose substantial financial resources as a result of unrealized losses. Nonetheless, we would still be able to meet our regulatory capital requirements following such an extreme event. We consider a 25% currency shock reasonably conservative based on historical currency fluctuations and the capital charge factors applied in the Standard Formula.

According to our reverse stress test analysis we would need to suffer a loss of Euro 3,518,208 thds to reduce our solvency ratio on group level to the regulatory requirement of 100%. Considering a combined scenario with a European windstorm, a pandemic event and an equity crash our capital position would remain well above this level even without any management actions.

Even if we fell below the SCR, we would still have capital above the minimum capital requirement (MCR) and thus be able to take the appropriate management actions. In addition, we could rely on parental support if more remote scenarios were to occur.

In addition to the stress scenarios described above we have also considered the impact of climate change on our insurance and markets risks. For insurance risks, we consider increasing frequency and severity of natural catastrophes due to climate change to have the most material impact (physical risk). For our market risks, we consider a disorderly transition to a carbon-neutral economy to be the major risk (transition risk). It is currently hard to reliably quantify these physical and transitional risks but based on our natural catastrophe scenarios and market risk stresses, we are confident that we would still be able to fulfill the solvency regulatory requirements.

# D. Valuation for Solvency Purposes

Please note that unless otherwise stated the information provided apply to GRAG Group as well as GRAG Solo.

## D.1 Assets

The Group applies the Solvency II principles for asset recognition and valuation, which are based on the going concern principle and individual asset valuations using the "fair value" principles. Unless otherwise required by Solvency II regulations, the recognition of assets and their valuation is based on international accounting standards (IAS), as endorsed by the European Commission.

In determining the value of assets, we follow the Solvency II valuation hierarchy.

- Mark-to-market approach (default method): We use quoted market prices in active markets for the valuation of assets. Solvency II follows the IFRS principles for active markets.
- Marking-to-market approach: If quoted prices for assets are not available, quoted market prices in active markets for similar assets are used making any necessary adjustment in order to reflect observable differences.
- Mark-to-model approach (alternative technique): Where the use of quoted market prices for the same or similar assets is not available, we would apply alternative valuation methodologies. As far as possible, the alternative valuation methods are based on the use of observable market data.

We assume an active market exists unless one or more of the following market conditions apply:

- High volatility in prices;
- Low level of transactions;
- Extensive price spread between purchase and sale prices;
- Low trade volume.

In selected rare cases only, and when deemed appropriate considering the materiality of the balance sheet item, a simplified approach has been adopted.

The consolidated financial statement of GRAG Group has been prepared in accordance with US GAAP and includes the balance sheets of GRAG and its subsidiaries GRSA and GRLA. Inter-company accounts and transactions have been eliminated. Group figures are disclosed in the column indicated with GRAG Group.

The financial statement of GRAG stand-alone has been prepared in accordance with HGB which is shown in the columns indicated with Solo.

Assets and liabilities were translated at the following exchange rates as of the end of the reporting period:

| Subsidiary / Country | Exchange rate to Euro as at 31 December 2024 |
|---|---|
| General Reinsurance Africa Ltd., Cape Town/South Africa | 0.052686 |
| General Reinsurance Life Australia Ltd., Sydney/Australia | 0.601182 |

The Group Solvency II balance sheet has been prepared following the consolidation method which is considered the default method and is referred to as method 1 in accordance with Art. 230 of the Solvency II Directive.

It should be noted that our subsidiaries GRLA and GRSA are incorporated outside the European Economic Area (EEA) and as such they are not subject to Solvency II regulation on a stand-alone basis. Therefore, we have established a Solvency II Accounting Manual focusing on the recognition and valuation of assets and liabilities in order to ensure a consistent approach for all entities within the GRAG Group.

Based on this the parent company GRAG as well as the subsidiaries GRLA and GRSA each prepare Solvency II balance sheets on a solo level, starting with the US GAAP financial statement. Reclassifications and valuation adjustments may be necessary to arrive at the Solvency II balance sheet. The SII technical provisions are calculated by the parent company GRAG based on cash flows provided by the local actuarial function (or chief actuary) for each entity in scope. The individual Solvency II balance sheets of the group entities are consolidated considering the elimination of inter-company transactions.

For valuation and reporting purposes the asset categories have been aggregated in compliance with the SII balance sheet template.

Please note that rounding differences can occur in the following tables.

The table below contains all assets as of 31 December 2024 according to Solvency II valuation principles compared with HGB (GRAG Solo) and US GAAP (GRAG Group). For the particular QRT S.02.01.02, please refer to the appendix.

| Assets as at 31 December 2024 | Note | GRAG Solo Solvency II €'000 | GRAG Solo HGB €'000 | GRAG Group Solvency II €'000 | GRAG Group US GAAP €'000 |
|---|---|---|---|---|---|
| Deferred acquisition cost | 1 | 0 | 0 | 0 | 266,006 |
| Intangible assets | 2 | 0 | 21,070 | 0 | 21,070 |
| Deferred tax assets | 3 | 37,319 | 474,651 | 52,864 | 169,872 |
| Pension benefit surplus | 4 | 2,924 | 0 | 2,924 | 2,924 |
| Property, plant & equipment held for own use | 5 | 59,254 | 28,785 | 59,538 | 29,069 |
| **Investments (other than assets held for index-linked and unit-linked contracts)** | | **9,901,997** | **9,716,222** | **10,930,250** | **4,266,646** |
| Holdings in related undertakings, including participations | 6 | 296,690 | 192,139 | 3,238 | 18,746 |
| Equities - listed | 7 | 285,124 | 164,836 | 285,124 | 267,485 |
| **Bonds** | **8** | **7,903,386** | **7,922,049** | **9,225,092** | **2,501,171** |
| Government bonds | | 7,855,564 | 7,883,486 | 9,177,270 | 2,462,464 |
| Corporate bonds | | 47,822 | 38,564 | 47,822 | 38,707 |
| Collective investments undertakings | 9 | 509,362 | 518,829 | 509,362 | 506,389 |
| Deposits other than cash equivalents | 10 | 907,435 | 895,625 | 907,435 | 923,290 |
| Other investments | 11 | 0 | 22,744 | 0 | 49,565 |
| **Loans and mortgages** | **12** | **338,808** | **334,800** | **338,808** | **334,800** |
| Loans and mortgages to individuals | | 338,808 | 334,800 | 338,808 | 334,800 |
| **Reinsurance recoverables from** | **13** | **3,339,892** | **4,873,577** | **3,437,438** | **5,311,637** |
| Non-Life excluding Health | | 3,418,970 | 4,723,882 | 3,446,623 | 4,878,504 |
| Health similar to Non-Life | | 40,741 | 52,208 | 40,741 | 52,971 |
| Health similar to Life | | -19,799 | 6,300 | 151,709 | 5,200 |
| Life excluding Health and index-linked and unit-linked | | -100,020 | 91,187 | -201,636 | 374,961 |
| **Deposits to cedants** | **14** | **1,600,057** | **1,575,479** | **1,567,774** | **125,554** |
| Non-Life | | 123,020 | 139,742 | 90,737 | 103,937 |
| Life/Health | | 1,477,037 | 1,435,738 | 1,477,037 | 21,617 |
| Insurance and intermediaries receivables | 15 | 1,155,538 | 1,206,660 | 1,255,499 | 1,255,347 |
| Reinsurance receivables | 16 | 133,920 | 133,920 | 133,992 | 133,992 |
| Receivables (trade, not insurance) | 17 | 78,935 | 79,311 | 78,620 | 78,988 |
| Cash and cash equivalents | 18 | 629,989 | 629,989 | 743,775 | 7,402,530 |
| Any other assets, not elsewhere shown | 19 | 12,678 | 440 | 12,678 | 12,678 |
| **Total Assets** | | **17,291,313** | **19,074,904** | **18,614,160** | **19,411,112** |

In the following the differences between the basis, methods and assumptions used for asset valuation for Solvency II purposes in comparison to HGB and US GAAP are described for each asset class:

## Note 1 – Deferred Acquisition Cost

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Deferred Acquisition Cost | 0 | 0 | 0 | 266,006 |

Under Solvency II and HGB, deferred acquisition costs are not recognized.

Under US GAAP, acquisition costs, which principally consist of commission expenses incurred at contract issuance, are deferred and amortized over the contract period in which the related premiums are earned, generally one year (ASC 944-30). Deferred acquisition costs are reviewed to determine that they do not exceed recoverable amounts, after considering investment income.

## Note 2 – Intangible Assets

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Intangible assets | 0 | 21,070 | 0 | 21,070 |

Under Solvency II, the valuation of intangible assets needs to meet the criteria that intangible assets can be sold separately and a market value for such assets can be determined. As neither of these conditions could be met, we have not recognized these assets in the Solvency II balance sheet.

Under US GAAP, costs incurred to develop, maintain, or restore intangible assets are recognized as an expense when incurred, in accordance with ASC 350-30. Exceptions include costs associated with computer software intended to be sold or computer software for internal use. Intangible assets are measured at historical cost (less accumulated amortization and impairments); revaluation of intangible assets (other than for impairments) is not permitted.

Under HGB, intangible assets are valued at cost of acquisition, less accumulated ordinary and extraordinary depreciation HGB § 341b (1) in conjunction with § 253 para. 1, 3 and 5 and § 255 para. 1.

The intangible assets presented under US GAAP and HGB, relate primarily to capitalized software in connection with the implementation of a new Life/Health administration system.

## Note 3 – Deferred Tax Assets

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Deferred tax assets (DTA)(+) | 37,319 | 474,651 | 52,864 | 169,872 |
| Deferred tax liability (DTL)(-) | -774,960 | 0 | -775,284 | -56,708 |
| **Total deferred taxes** | **-737,641** | **474,651** | **-722,420** | **113,163** |

For Solvency II deferred taxes are recognized in accordance with IFRS for temporary differences and unused tax losses. For permanent differences, e.g., from tax exempt mark to market valuation of equities, no deferred taxes have been recognized. The methodology and the conception for the calculation of deferred taxes follow IAS 12 (Income Taxes).

Under US GAAP, deferred taxes are recognized and valuated in accordance with ASC 740. In essence, the fundamental methodology and conception of deferred taxes under US GAAP corresponds to IFRS.

For the calculation of deferred taxes company specific tax rates which have been enacted at the reporting date are applied. The German tax rate used for Solvency II is 32,45% and equals to the rate used for statutory (HGB) and US GAAP purposes. Foreign tax rates are considered for deferred taxes related to temporary differences regarding local tax/local GAAP to HGB and HGB to US GAAP. A weighted average tax rate of 32.45% is used to calculate deferred taxes on technical provisions for Solvency II purposes (prior year 32.45%).

Foreign tax rates are considered for the calculation of deferred taxes of foreign subsidiaries. The foreign tax rates amount to 27% for GRSA and 30% for GRLA.

Deferred taxes on temporary differences between the values of assets and liabilities according to HGB, US GAAP and the respective Solvency II values as of 31 December 2024 mainly result from the following positions:

| **Overview deferred taxes** | **GRAG Solo DTA (+) and DTL (-) €'000** | **GRAG Group DTA (+) and DTL (-) €'000** |
|---|---|---|
| Deferred taxes on temporary differences between HGB values and tax base | 474,651 | n/a |
| Deferred taxes on temporary differences between US GAAP values and tax base | n/a | 113,163 |
| Adjustments due to Solvency II revaluations of Investments | -17,850 | -12,119 |
| Adjustments due to Solvency II revaluations of technical provisions | | |
| - Life | -771,632 | -709,647 |
| - Non-life | -356,734 | -145,898 |
| Total - technical provisions | -1,128,366 | -855,545 |
| Adjustments due to other Solvency II revaluations | -66,076 | 32,080 |
| **Total deferred taxes for Solvency II DTA (+)/ DTL (-)** | **-737,641** | **-722,420** |
| **- thereof DTA (+)** | **37,319** | **52,864** |
| **- thereof DTL (-)** | **-774,960** | **-775,284** |

Maturities are as follows:

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| **Maturity bands** | **Deferred tax assets (DTA)(+) €'000** | **Deferred tax liability (DTL)(-) €'000** | **Deferred tax assets (DTA)(+) €'000** | **Deferred tax liability (DTL)(-) €'000** |
| Maturity band < 1 year | 13,373 | -90,705 | 13,373 | -90,705 |
| Maturity band 1-5 years | 20,388 | -37,031 | 35,933 | -37,031 |
| Maturity band > 5 years | 3,558 | -647,225 | 3,558 | -647,549 |
| **Total deferred taxes** | **37,319** | **-774,960** | **52,864** | **-775,284** |

As far as DTA and DTL relate to different taxable entities netting was not applicable.

DTL on investments mainly results from mark to market valuation.

DTL on technical provision result from revaluation of technical provisions for Solvency II purposes described in chapter D.2.

Deferred tax assets and liabilities stemming from subsidiaries are only set up if the preconditions of IAS 12.39 (deferred tax liabilities) or IAS 12.44 (deferred tax assets) are met. On 31 December 2024 for taxable differences amounting to Euro 6,173 thds (tax base) for GRAG solo, the preconditions for recognition of deferred tax liabilities (referred above), had not been met. For GRAG Group the preconditions for recognition of deferred tax liabilities/assets (referred above) for taxable/deductible differences from the currency translation of subsidiaries, had not been met on 31 December 2024.

The recoverability of the net deferred tax assets is considered in the light of planning projections which cover future taxable profits (other than profits arising from the reversal of existing taxable temporary differences). The planning cycle for tax recoverability testing of the Company consists of five years. Planning projections to recognize future taxable profits are consistent with US GAAP and HGB reporting. With regard to temporary differences with Solvency II valuation principles, and the calculation of the risk margin a recoverable net deferred tax asset of Euro 17,876 thds has been recognized based on the assumption, that a potential release of the risk margin will then create additional taxable income in the future. As all net deferred tax assets for deductible temporary differences are posted, no valuation allowances needed to be considered.

For tax losses carried forward, deferred tax assets are recognized as far as their future usability is supported by planning projections, taking into account any legal or regulatory requirements on the time limits relating to the carry-forward. In particular, the tax losses carried forward taken into account can be utilized within the country specific limited period of time.

On 31 December 2024 deferred tax assets on tax losses carried forward, amounting to Euro 70,774 thds for GRAG Solo and amounting to Euro 70,774 thds for GRAG Group were booked (gross amount before offset against DTL).

| Tax losses carried forward with corresponding DTA per country | GRAG Solo Tax losses carried forward €'000 | GRAG Solo DTA €'000 | GRAG Group Tax losses carried forward €'000 | GRAG Group DTA €'000 | Expiry Limit |
|---|---|---|---|---|---|
| Denmark | 5,559 | 1,223 | 5,559 | 1,223 | unlimited carry-forward |
| United Kingdom | 278,204 | 69,551 | 278,204 | 69,551 | unlimited carry-forward |
| **Total tax losses carried forward** | **283,764** | **70,774** | **283,764** | **70,774** | |

On 31 December 2024 there are no unrecognized deferred tax assets for GRAG solo and also for GRAG Group since it is expected that the underlying tax losses carried forward will be usable in the future.

## Note 4 – Pension Benefit Surplus

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Pension benefit surplus | 2,924 | 0 | 2,924 | 2,924 |

GRAG's UK branch has a pension plan funded by GRAG whose assets are held in trust funds. A pension benefit surplus represents the excess of the fair value of the plan assets and associated life insurance contracts over the defined benefit obligations.

The Solvency II value was derived in accordance with EIOPA's final relevant level 3 guidelines on valuation which refers to IAS 19 (as a proxy for consistent measurement principles for employee benefits).

The pension liabilities have been netted with the plan assets in the HGB balance sheet according to HGB § 246 para. 2 sentence 3.

The table below shows the amounts which were netted in the balance sheet:

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Fair value of plan assets | 39,339 | 39,339 | 39,339 | 39,339 |
| Pension fund liability | 36,415 | 39,339 | 36,415 | 36,415 |
| **Total** | **2,924** | **0** | **2,924** | **2,924** |
| Thereof shown under pension benefit obligations (chapter D.3, note 2) | 0 | 0 | 0 | 0 |
| **Total** | **2,924** | **0** | **2,924** | **2,924** |

The plan assets are as follows:

| **Portfolio** | **Valuation amount €'000** | **of total plan assets %** |
|---|---|---|
| Government bonds | 4,984 | 12.7% |
| Equities | 0 | 0.0% |
| Other investments | 34,613 | 88.0% |
| Cash and cash equivalents | -259 | -0.7% |
| **Total plan assets** | **39,339** | **100.0%** |

For further details relating to the benefit obligations please refer to chapter D.3, note 2 - Pension Benefit Obligation.

## Note 5 – Property, Plant & Equipment held for Own Use

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Property, plant | 53,700 | 23,231 | 53,700 | 23,231 |
| Equipment | 5,554 | 5,554 | 5,838 | 5,838 |
| **Property, plant & equipment held for own use** | **59,254** | **28,785** | **59,538** | **29,069** |

### Property

The only property, currently owner-occupied by GRAG Group, is the office building located in Cologne Germany.

The Solvency II value is derived using a mark-to-model approach in accordance with IAS 16 (fair value model). We perform an external assessment of the current market value every three years. The last external valuation assessment was performed in 2022. In addition, at each valuation date, it is assessed whether there are any material indicators or market developments that may impact the market value, such as macroeconomic conditions, interest rate levels, or rent levels.

For the valuation, a discounted cash flow approach has been used, based on a two-stage financial mathematical model to determine the cash value of the future yield of the property, which is viewed as its present value. Market transactions as well as comparable rentals for similar properties have also been considered where available.

In our valuation, we have considered a remaining period of usage of the property of 40 years.

We have considered a fictional lease agreement scenario for the property, using the following main parameters/assumptions:

- Market value in Euro per sq. m: 4,270
- Gross multiplier on market rent: 21.83
- Net yield on market rent in %: 3.89

Under US GAAP, we have valued the asset using the principle of historical cost within the meaning of ASC 360. Depreciation was applied using the linear method, based on the asset's expected useful life. Under US GAAP, the revaluation of the asset to fair value is not permitted which is the main driver for the difference between SII and US GAAP value. Due to the favorable location of the building and the increasing rental costs over the period since the property was purchased, the market value is significantly higher than the depreciated book value under US GAAP.

Under HGB we have valued this asset using the principle of historical cost within the meaning of HGB § 341b in conjunction with § 253 para. 1 and § 255 para. 1, 3 and 5, less scheduled depreciation. Depreciation was applied using the linear method, based on the asset's period of economic use.

In cases where the market value is significantly below book value, an unscheduled depreciation is considered. No unscheduled depreciation was necessary for the reporting year 2024.

As under HGB write-ups of the value are restricted to the level of acquisition costs, any increases in the market value for the real estate in Cologne are not reflected in the HGB values. This restriction is the main driver for the difference between SII and HGB value. Due to the favorable location of the building and the increasing rental costs over the period since the property was purchased, the market value is significantly higher than the depreciated book value under HGB.

The amount shown under HGB and US GAAP includes the capitalization of renovation costs in respect of the modernization of the office building. These measures are already considered in the higher market value derived from the external assessment and are, therefore, also included under Solvency II.

### Equipment

The equipment mainly comprises office furniture and fixtures.

Under Solvency II equipment is valued based on market values. As the market valuation cannot readily be determined, we have adopted the US GAAP valuation principles, based on the assumption that the US GAAP book values are not materially different from market values.

Under US GAAP, we have valued equipment using the principle of historical cost in accordance with ASC 360.

Under HGB we have valued equipment based on the acquisition costs within the meaning of HGB § 341b in conjunction with § 255 para. 1, 3 and 5, less scheduled depreciation.

Depreciation was applied for HGB as well as US GAAP by using the linear method, based on the asset's period of economic use.

## Note 6 - Holdings in related Undertakings, including Participations

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Holdings in related undertakings | 296,605 | 174,500 | 0 | 0 |
| Other participations | 86 | 17,639 | 3,238 | 18,746 |
| **Holdings in related undertakings, including participations** | **296,690** | **192,139** | **3,238** | **18,746** |

**Holdings in related undertakings** relate to the two wholly owned reinsurance subsidiaries and other subsidiaries which represent ancillary service undertakings (please also refer to the table below):

a) **Wholly owned subsidiaries**

- General Reinsurance Africa Limited, Cape Town, (GRSA)
- General Reinsurance Life Australia Ltd, Sydney, (GRLA)

b) **Ancillary service undertakings**

- Gen Re Beirut s.a.l. offshore, Beirut
- General Reinsurance AG - Escritório de Representacao No Brasil Ltda., São Paulo
- Gen Re Servicios México S.A., Mexico City
- Gen Re Support Services Mumbai Private Limited (in liquidation)

We have listed the Solvency II values in comparison to HGB in the table below.

| Holdings in related undertakings | Share | Solvency II Market value €'000 | HGB Book value €'000 |
|---|---|---|---|
| GRSA | 100% | 135,043 | 60,077 |
| GRLA | 100% | 158,410 | 113,267 |
| Other subsidiaries* | - | 3,152 | 1,157 |
| **Total** | | **296,605** | **174,500** |

*Ancillary service undertakings

As no active market with quoted prices exists for the **wholly owned subsidiaries**, we have adopted the Solvency II adjusted equity method under the Solvency II requirements. The valuation is based on the excess of assets over liabilities, in accordance with Art. 75 of Solvency II Directive (EU Directive 2009/138/EC) subsequently referred to as SII Directive.

Under HGB, shares in affiliated companies and investments are valued at acquisition cost. According to HGB § 341b para. 1, in conjunction with § 253 para. 3 sentence 3 unscheduled depreciation to the lower carrying value is only recognized when a permanent impairment is expected (lower of cost or market principle). If the conditions for the lower valuation do no longer apply, the asset is written up to the maximum historical cost (HGB § 341b para. 2 sentence 1 in conjunction with § 253 para. 5 sentence 1).

Material valuation differences between HGB and Solvency II arise, as HGB limits write-ups to the amount of the original acquisition cost, whereas for Solvency II, these valuation gains are fully reflected.

For GRAG Group reporting the investment in subsidiaries in respect of GRSA and GRLA are eliminated within the consolidated financial statement.

Due to the size of the **other subsidiaries (ancillary service undertakings)** relative to the total amount of participations, these have been excluded from group supervision following BaFin approval but are still reported for Solvency II purposes.

### Other Participations

The Other Participations include the following limited participation:

- Triton Gesellschaft für Beteiligungen mbH, Luxembourg (in liquidation).

For materiality considerations, we follow the same approach as for the ancillary service undertakings. It has been excluded from group supervision following BaFin approval due to their immateriality in comparison to the participation but is reported for Solvency II purposes. Furthermore, Nürnberger Beteiligungs-AG, Nürnberg, which is shown as a participation in HGB and US GAAP, is included in equities for Solvency II reporting purposes.

## Note 7 – Equities, listed

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Equities - listed | 285,124 | 164,836 | 285,124 | 267,485 |

GRAG Group only holds listed equities, which are recognized at fair value in accordance with Art. 75 SII Directive, excluding any deduction for transaction costs that would be incurred on disposal. The Group applies monthly market values (quoted prices from active markets), obtained from independent pricing service vendors such as ICE, Bloomberg, London Stock Exchange Group, SOLVE, and S&P and reported by our investment manager, NEAM. The Solvency II market values fully reflect dividends paid but exclude any dividend accruals. In 2024, there were no significant changes to the valuation models used.

Under US GAAP (ASC 320) the appropriate classification of investments in fixed maturity and equity securities is determined at the acquisition date and re-evaluated at each balance sheet date:

- Held-to-maturity investments are carried at amortized cost, reflecting the ability and intent to hold the securities to maturity.
- Trading investments are securities acquired with the intent to sell in the near term and are carried at fair value.
- All other securities are classified as available-for-sale and are carried at fair value with net unrealized gains or losses reported as a component of accumulated other comprehensive income.

On 31 December 2024 the Group equity investments were classified as available-for-sale and valued at fair value. There are no valuation differences between Solvency II and US GAAP, however, an amount of Euro 17,639 thds is shown under participations in US GAAP but included in equities for Solvency II reporting purposes.

Under HGB, common equities are recognized at cost less unscheduled depreciation.

- For common equities allocated as fixed assets (Anlagevermögen), the moderate lower of cost or market principle in accordance with HGB § 341b para. 2 in conjunction with § 253 para. 3 and 5 applies.
- Common equities allocated as current assets (Umlaufvermögen), are recognized at the strict lower of cost or market principle in accordance with HGB § 341b para. 2 in conjunction with § 253 para. 4. If the conditions for impairment no longer apply, the value is written up to a maximum of the acquisition cost (HGB § 341b para. 2 sentence 1 in conjunction with § 253 para. 5 sentence 1).
- Accruals are recognized in a separate HGB balance sheet position.

On 31 December 2024, GRAG equities were all allocated as fixed assets (Anlagevermögen). In 2024, one share recorded a negative development, so that we had to make a write-down according to HGB at the end of the year.

Additional differences between Solvency II and HGB equity values arise as HGB does not allow individual equity valuations which are higher than their respective acquisition costs, and also applies a different treatment for accrued dividends. The stock markets performed very well during 2024 and had positive effects on the market values of the (remaining) equity positions. The decreasing inflation rates and hope for interest rate cuts further pushed the markets during 2024.

## Note 8 – Bonds

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Government bonds | 7,855,564 | 7,883,486 | 9,177,270 | 2,462,464 |
| Corporate bonds | 47,822 | 38,564 | 47,822 | 38,707 |
| **Bonds** | **7,903,386** | **7,922,049** | **9,225,092** | **2,501,171** |

Our bonds portfolio consists exclusively of government and corporate bonds and is invested in listed bonds.

In accordance with Art. 75 of the SII directive, bonds are recognized in the balance sheet at fair value. The Group applies monthly market values (quoted prices from active markets), obtained from independent pricing service vendors such as ICE, Bloomberg, London Stock Exchange Group, SOLVE, and S&P, and reported by our investment manager, NEAM. The Solvency II market values fully reflect interest paid and any interest accruals. In 2024, there were no significant changes to the valuation models used.

Please refer to note 7 above for details on the US GAAP classification and valuation methods of investments in fixed maturity and equity securities.

On 31 December 2024 all of the Group investments in fixed maturity securities were classified as available-for-sale and valued at fair value.

The difference between Solvency II and US GAAP values is primarily driven by the fact that under Solvency II, Treasury Bills with an amount of Euro 6,714,806thds are shown as government bonds whereas under US GAAP, those belong to Cash and Cash Equivalents. Moreover, the market values of bonds include the associated accrued interest, whilst under US GAAP the accrued interest is reported under the "Other Investments" category as reported in Note 11 below.

Under HGB, bearer bonds and other fixed-income securities, which are classified as bonds are recognized and valued at acquisition cost less unscheduled depreciation (HGB § 253 para. 1 sentence 1). Accruals are recognized in a separate HGB balance sheet category.

The majority of our bonds are allocated to fixed assets (Anlagevermögen) and hence, the moderate lower of cost or market principle in accordance with HGB § 341b para. 2 in conjunction with § 253 para. 3 and 5 is applied.

A minority of bonds are allocated to current assets (Umlaufvermögen) and are recognized at the strict lower of cost or market principle in accordance with HGB § 341b para. 2 and in conjunction with § 253 para. 4. If the conditions for impairment no longer apply, the value is written up to a maximum of the acquisition cost (HGB § 341b para. 2 sentence 1 in conjunction with § 253 para. 5 sentence 1).

Under HGB, unrealized gains and losses are not recognized if they are considered to be temporary, which means that values are higher than under Solvency II. Debt instruments of Kreditanstalt für Wiederaufbau (KfW), which are not issued in Euro have been reclassified with an amount of Euro 8,013 thds from government bonds to corporate bonds.

## Note 9 – Collective Investments Undertakings

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Collective investments undertakings | 509,362 | 518,829 | 509,362 | 506,389 |

GRAG Group is invested in a single fixed income fund which is 100% held by the Company. The fund consists only of sovereign and corporate bonds and also holds a small portion of cash.

The difference between the SII and US GAAP valuation is primarily driven by the fact that under Solvency II, the market values of bonds include the associated accrued interest, whilst under US GAAP the accrued interest is reported under the "Other Investments" category as reported in note 11 below.

Under HGB, we classified this fund to the fixed assets category (Anlagevermögen), recognizing and valuing these investments at acquisition cost less unscheduled depreciation (HGB § 253 para. 1 sentence 1) following the moderate lower of cost or market principle, in accordance with HGB § 341b para. 2 in conjunction with § 253 para. 3 and 5.

The difference between SII and HGB valuation results from the "look-through accounting" in the SII, while in HGB the fund is only shown as an individual item. Under HGB, the recognition of unrealized gains and losses is not permitted.

## Note 10 – Deposits other than Cash Equivalents

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Deposits other than cash equivalents | 907,435 | 895,625 | 907,435 | 923,290 |

Under Solvency II, HGB and US GAAP deposits with credit institutions are valued at nominal amounts, which correspond to their fair value in accordance with Art. 75 SII Directive and US GAAP.

The deviation between Solvency II, HGB and US GAAP results from the different treatment of accrued accruals.

## Note 11 – Other Investments

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Other investments | 0 | 22,744 | 0 | 49,565 |

Under HGB, other investments include accrued interest on bonds and cash. The capital investment in a limited partnership was liquidated in the current year.

Under Solvency II, the market values of the bonds fully reflect the accrued interest. Under US GAAP (ASC 235), these assets comprise the accrued interests on bonds and cash.

The difference reported is entirely related to the inclusion of accrued interests on bonds and cash under US GAAP as well as HGB.

## Note 12 – Loans and Mortgages

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Loans and mortgages to individuals | 0 | 0 | 0 | 0 |
| Other loans and mortgages | 338,808 | 334,800 | 338,808 | 334,800 |
| **Loans and mortgages** | **338,808** | **334,800** | **338,808** | **334,800** |

Under US GAAP (ASC 944-310) we have valued loans and mortgages using the principle of historical cost plus or less an amortization of the difference between acquisition costs and redemption amount.

For HGB the measurement of these assets follows the same approach within the meaning of HGB § 341b para. 1 in conjunction with HGB § 341c para. 3.

As at year-end, no loans and mortgages to individuals were issued.

The "Other loans and mortgages" consist of a private loan to an affiliated company. The valuation differences between Solvency II and US GAAP/HGB results from the difference between amortized cost and the Solvency II market value which is calculated by a Discounted Cash Flow Model using the EIOPA risk free interest curve (without volatility adjustment). In addition, a spread is considered for the credit risk, which is derived from an appropriate index provider.

## Note 13 – Reinsurance Recoverables

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Non-Life excluding Health | 3,418,970 | 4,723,882 | 3,446,623 | 4,878,504 |
| Health similar to Non-Life | 40,741 | 52,208 | 40,741 | 52,971 |
| Health similar to Life | -19,799 | 6,300 | 151,709 | 5,200 |
| Life excluding Health and index-linked and unit-linked | -100,020 | 91,187 | -201,636 | 374,961 |
| **Reinsurance recoverables** | **3,339,892** | **4,873,577** | **3,437,438** | **5,311,637** |

Under US GAAP (ASC 944-310), reinsurance recoverables are valued at their nominal values, net of individual flat-rate value adjustments for Property/Casualty, and at their present value for Life/Health.

Under HGB, reinsurance recoverables are valued at their nominal values, net of individual flat-rate value adjustments, according to HGB § 341b para. 2 sentence 1 in conjunction with § 253 para. 1.

Please refer to section D.2 of this report, for details on the SII valuation of reinsurance recoverables.

## Note 14 – Deposits to Cedants

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Non-life | 123,020 | 139,742 | 90,737 | 103,937 |
| Life/Health | 1,477,037 | 1,435,738 | 1,477,037 | 21,617 |
| **Deposits to cedants** | **1,600,057** | **1,575,479** | **1,567,774** | **125,554** |

Under Solvency II, the deposits are valued based on their expected future cash flows discounted by the corresponding discount curves.

For US GAAP the deposits are netted with reserves in accordance with ASC 944, except for Life/Health deposits located in the Netherlands, which we were prohibited from doing so and for all Non-Life deposits.

Under HGB, the deposits from reinsurers are recognized at their redemption amount (HGB § 314b para. 2 sentence 2 in conjunction with § 253 para. 1).

## Note 15 – Insurance and Intermediaries Receivables

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Insurance and intermediaries receivables | 1,155,538 | 1,206,660 | 1,255,499 | 1,255,347 |

This position includes all receivables from incoming business.

Under US GAAP, insurance and intermediaries receivables are valued and recognized at their corresponding nominal values in accordance with ASC 944-310. Receivables which are overdue greater than 180 days are valued at 50% of the original value. For receivables which are overdue greater than 360 days a bad debt reserve of 100% is provided.

Under HGB, insurance and intermediaries receivables are valued and recognized at their corresponding nominal values, net of individual flat-rate value adjustments, according to HGB § 341b para. 2 sentence 1 in conjunction with HGB § 253 para. 1.

For Solvency II purposes, the same principles are generally applied from year-end 2024 onwards following a change in regulatory requirements resulting in the disclosure of the full amount of insurance and intermediaries receivables instead of only receivables which are considered overdue. There is no longer any reclassification of receivable or payable balances to technical provisions. The difference between the HGB and the Solvency II amount is attributable to receivables in life reinsurance business from financing components granted as part of the risk transfer which are shown as accounts receivable for HGB but are included in the revaluation difference from technical provisions for Solvency II.

## Note 16 – Reinsurance Receivables

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Reinsurance receivables | 133,920 | 133,920 | 133,992 | 133,992 |

This position includes all receivables from ceded reinsurance. The valuation principles applied for Solvency II, HGB and US GAAP are the same as described in note 15 – Insurance and Intermediaries Receivables.

## Note 17 – Receivables (Trade, not Insurance)

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Receivables (trade, not insurance) | 78,935 | 79,311 | 78,620 | 78,988 |

Under Solvency II, GRAG Group values receivables (trade, not insurance) of short-term duration (up to 12 months) based on their nominal value as fair value. For longer-term receivables, the fair value is calculated as the present value of future cash flow. Individual and flat-rate value adjustments are made in line with the accounting treatment under US GAAP. Under US GAAP, receivables from reinsurers are valued and recognized at their corresponding nominal values in accordance with ASC 944-310.

Under HGB, receivables (trade, not insurance) are valued and recognized at their corresponding nominal values, net of individual flat-rate value adjustments, according to HGB § 341b para. 2 sentence 1 in conjunction with HGB § 253 para. 1.

In addition, in accordance with our internal provisioning policy, receivables which are overdue greater than 180 days are valued at 50% of the original value. Receivables which are overdue greater than 360 days are written down 100%.

Current tax assets are measured at the amount expected to be recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period (IAS 12.46).

Long-term receivables include tax receivables and security deposits (Euro 2,984 thds). These long-term receivables are discounted under Solvency II, which is the reason for the valuation difference of Euro -376 thds between the Solvency II and US GAAP values. A reclassification between receivables and payables from our sister company in the UK led to a difference of EUR 1,797 thds.

In addition, a reclassification of tax receivables/payables (Euro -1,789 thds) has been considered. Under US GAAP the interest receivables on taxes are netted against the tax payables which are shown under "provisions other than technical provisions" and payables (trade, not insurance). For Solvency II purposes we show the value on a gross basis.

### Note 18 – Cash and Cash Equivalents

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Cash and cash equivalents | 629,989 | 629,989 | 743,775 | 7,402,530 |

Under Solvency II, HGB and US GAAP (ASC 305), these are valued at their nominal value. In this respect, there are no or only minor valuation differences. As explained in Note 8 above, the difference between Solvency II and US GAAP values is primarily driven by the fact that under Solvency II, Treasury Bills are shown as government bonds whereas under US GAAP, those belong to Cash and Cash Equivalents.

### Note 19 – Any Other Assets, not elsewhere shown

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Any other assets, not elsewhere shown | 12,678 | 440 | 12,678 | 12,678 |

Under HGB, this item mainly comprises deferred items. Under both US GAAP and Solvency II, we follow the US GAAP presentation on the leasing of assets (ASC 842), so that these are also shown in this item at Euro 12,239 thds.

**Other Disclosures**

There have been no material changes made to the recognition and valuation basis and to estimations during the period.

## D.2 Technical Provisions

This section provides details about GRAG Group's technical provisions (TPs). As a reinsurance undertaking, we assume both Life/Health (L/H) and Property/Casualty (P/C) risks.

The following table presents an overview of GRAG's and GRAG Group's TPs.

| Gross Technical Provisions as at 31 December 2024 | GRAG Solo Solvency II €'000 | HGB €'000 | GRAG Group Solvency II €'000 | US GAAP €'000 |
|---|---|---|---|---|
| **Technical Provisions - Non-Life** | **6,307,321** | **8,745,786** | **6,336,183** | **8,364,042** |
| Technical Provisions - Non-Life (excl. Health) | 6,212,920 | 8,655,289 | 6,241,782 | 8,273,172 |
| TP calculated as a whole | | 8,655,289 | | 8,273,172 |
| Best Estimate | 6,088,300 | | 6,116,494 | |
| Premium Provision | 240,054 | | 243,465 | |
| Claims Provision | 5,848,246 | | 5,873,029 | |
| Risk Margin | 124,621 | | 125,288 | |
| Technical Provisions - Health (NSLT, similar to Non-Life) | 94,401 | 90,497 | 94,401 | 90,870 |
| TP calculated as a whole | | 90,497 | | 90,870 |
| Best Estimate | 87,464 | | 87,464 | |
| Premium Provision | -6,388 | | -6,388 | |
| Claims Provision | 93,852 | | 93,852 | |
| Risk Margin | 6,936 | | 6,936 | |
| **Technical Provisions - Life (excl. index-linked / unit-linked)** | **1,734,930** | **4,242,976** | **2,736,300** | **3,969,545** |
| Technical Provisions - Health (SLT, similar to Life) | 929,505 | 1,591,121 | 1,778,030 | 523,997 |
| TP calculated as a whole | | 1,591,121 | | 523,997 |
| Best Estimate | 305,121 | | 1,113,504 | |
| Risk Margin | 624,384 | | 664,526 | |
| Technical Provisions - Life (excl. Health) | 805,425 | 2,651,856 | 958,271 | 3,445,548 |
| TP calculated as a whole | | 2,651,856 | | 3,445,548 |
| Best Estimate | -864,986 | | -749,677 | |
| Risk Margin | 1,670,411 | | 1,707,947 | |
| **Other Technical Provisions** | | **87,892** | | **88,813** |
| **Total Gross Technical Provisions - Life and Non-Life** | **8,042,251** | **13,076,655** | **9,072,483** | **12,422,400** |

The risk margin (RM) included in the TPs relates to both L/H and P/C risks. The RM is allocated to L/H and P/C on a pro-rate basis in proportion to the quantum of the SCR relating to L/H and P/C underwriting risk.

Information relating to the technical provisions is provided below in two sections, Life/Health and Property/Casualty as well as a third section providing details on assumptions applicable to both.

## D.2.1 Life/Health

### Overview of the Technical Provisions for Life/Health

The following table provides an overview of the GRAG Group's best estimate and risk margin for each line of business as of 31 December 2024.

| | Best Estimate Gross €'000 | Risk Margin €'000 | Technical Provisions €'000 | Reinsurance Recoverables €'000 |
|---|---|---|---|---|
| Life | -749,677 | 1,707,947 | 958,271 | 201,636 |
| Health SLT | 1,113,504 | 664,526 | 1,778,030 | -151,709 |
| **Total** | **363,827** | **2,372,473** | **2,736,300** | **49,927** |

For reconciliation purposes we would like to note that under HGB and US GAAP, the Life/Health business comprises more than just the business shown in the Solvency II lines of business of "Life" and "Health SLT". The Solvency II line of business "Health Non-SLT" comprises business written in Life/Health (non-proportional health business) and Property/Casualty (personal accident business). The technical provisions for "Health Non-SLT" amount to Euro 94,401 thds.

| Health Non-SLT | €'000 |
|---|---|
| **Best estimate** | **87,464** |
| Thereof | |
| Non-proportional health business | 18,089 |
| Personal Accident business (non-life) | 69,375 |
| Risk margin | 6,936 |
| **Technical provisions** | **94,401** |

Details on the assumptions used for the valuation of the technical provisions are provided further down below. The technical provisions for "Health Non-SLT" are further discussed in Chapter D.2.2 "Property/ Casualty".

The main part of the consolidated technical provisions of the GRAG Group for "Life" and "Health SLT" is associated with the GRAG. They also comprise the business of GRLA and of GRSA. The breakdown of the best estimate and risk margins for the lines of business "Life" and "Health SLT" can be found in the following table.

| | Best Estimate Gross €'000 | Risk Margin €'000 | Technical Provisions €'000 | Reinsurance Recoverables €'000 |
|---|---|---|---|---|
| GRAG | -559,865 | 2,294,795 | 1,734,930 | 119,819 |
| GRLA | 582,204 | 56,659 | 638,862 | -50,441 |
| GRSA | 334,300 | 21,020 | 355,320 | -12,263 |
| Intercompany transactions | 7,188 | 0 | 7,188 | -7,188 |
| **Total** | **363,827** | **2,372,473** | **2,736,300** | **49,927** |

GRLA mainly covers mortality, disability and trauma/critical illness. The disability benefits are either lump sum benefits or regular payments over the time of disablement subject to policy terms. These regular payments give rise to liabilities under US GAAP and form the main part of the technical provisions under Solvency II.

The majority of the technical provisions of GRSA are in relation to regular payments on disability claims.

### Description of the Level of Uncertainty associated with the Value of Technical Provisions (TPs)

The shocks prescribed by the Solvency II standard formula can already be regarded as a sensitivity test of the best estimate TPs. The shocks represent the variation of one parameter in the set of assumptions. The impact of a shock is the difference between the shocked cash flows and the best estimate cash flows. However, only the increase in the liability is measured at the level of the homogenous risk classes. Correlation effects at a higher level are not taken into account.

The following shocks are considered:

| Risk | Description |
|---|---|
| Mortality | Increase of 15% in the mortality rates |
| Longevity | Decrease of 20% in the mortality rates |
| Disability (income protection) | Increase of 35% in the disability and morbidity rates in the first year, of 25% in the following years as well as a decrease of 20% in the termination rates |
| Disability (increase of medical expenses) | Increase of 5% in the amount of medical payments and of 1% to the inflation rate |
| Disability (decrease of medical expenses) | Decrease of 5% in the amount of medical payments and of 1% from the inflation rate |
| Lapse up | Increase of 50% in the lapse rates |
| Lapse down | Decrease of 50% in the lapse rates, but not more than 20% absolutely |
| Lapse mass | Lapse rate of 40% in the first year |
| Expenses | Increase of 10% in the amount of expenses and of 1% to the inflation rate |
| Cat (life) | Additive increase of 0.15% to the mortality rates in the first year |

The table below sets out the best estimate as well as the impact of the particular shock scenarios.

| | **Life €'000** | **Health SLT €'000** |
|---|---:|---:|
| **Best estimate** | **-749,677** | **1,113,504** |
| **Impact of shocks:** | | |
| Mortality | 1,360,021 | 23,499 |
| Longevity | 103,143 | 19,351 |
| Disability | 735,700 | 1,006,827 |
| Lapse down | 52,610 | 33,457 |
| Lapse mass | 943,763 | 402,840 |
| Lapse up | 579,244 | 143,831 |
| Expenses | 174,293 | 74,642 |
| Cat (life) | 403,298 | - |

The table should be interpreted in the following way: The best estimate is Euro -749,677 thds for the "Life" module and Euro 1.113.504 thds for the "Health SLT" module. In "Life" this is an asset while in "Health SLT" it is a liability.

If the mortality assumption is increased by 15%, i.e., to 115% of the best estimate assumption, the best estimate in the "Life" segment increases by Euro 1,360,021 thds to Euro 610,344 thds and becomes a liability. In the "Health SLT" module it increases by Euro 23,499 thds to Euro 1,137,003 thds.

As noted before, this is a rather conservative proxy for the impact of the shock as offsets are not taken into account.

Disability and mortality are the main risks in our business. For this reason, the corresponding shocks have the greatest impact on the best estimate.

The greatest impact of the three lapse shocks has the mass lapse risk since it causes a reduction of profitable future business.

The above-mentioned shock scenarios are absorbed within the GRAG Group's Own Funds.

Solvency II requires a projection of future cash flows up to the contract boundary, which includes bound new business. There is uncertainty in the estimation of the new business volumes as well as uncertainty in the actuarial assumptions on the lapses, respectively decline rate of the portfolio in force at the valuation date.

GRAG Group estimates the expected premium volume for 2025 per reinsurance contract as part of its financial planning process. If GRAG Group's gross premium volume 2025 was 1% higher (lower) than expected, the gross best estimate would decrease (increase) by Euro 47,550 thds. An increase in premium volume implies an increase of the future profits, which in turn reduces the best estimate. The 1% change in premium volume correlates to a 1% increase of the present value of future profits. Excluding special effects from short-term business, the actual gross premium income in recent years exceeded the expected premium income by 1% to 3%.

## Material Differences between Bases, Methods and Main Assumptions Used for the Valuation for Solvency II Purposes and in Financial Statements for Material Lines of Business

### 1. Differences between Solvency II and HGB for GRAG Solo

For the Solvency II lines of business "Life" and "Health SLT", the material valuation differences between the Solvency II technical provisions and reserves according to HGB for GRAG Solo are:

i. A risk margin is included in the Solvency II technical provisions, but not in the statutory reserves. The risk margin amounts to Euro 2,294,795 thds.

ii. Under Solvency II, the best estimate liability (BEL) is calculated using best estimate assumptions, as detailed in the section on actuarial methodologies and assumptions, and using discount curves as provided by EIOPA, whereas for statutory purposes, statutory assumptions and local statutory discount rates, based on prudent assumptions, are used.

iii. Solvency II is a gross premium valuation. All future premiums and future claims up to the contract boundary are considered for the determination of the best estimate liability. Therefore, the Solvency II BEL is different from statutory reserves by the discounted value of profit margins on future business.

The latter point is particularly important for GRAG Solo, as it has a significant portfolio of reinsurance contracts with guaranteed terms. The financial impact of the above-mentioned valuation differences ii. and iii. amounts to Euro 4,835,309 thds.

The following table provides an overview of the main drivers and their effect resulting in different values. The Solvency II technical provisions are shown for Life/Health SLT business. For reconciliation purposes, the table includes amounts relating to non-proportional health reinsurance business, which is included under Solvency II in the line of business "Health NSLT". For details on this line of business, see chapter D.2.2 Property/Casualty.

| | Life/Health SLT<br>€'000 | Health Non-SLT*)<br>€'000 | Total<br>€'000 |
|---|---|---|---|
| Statutory reserves, gross | 4,326,566 | 10,425 | 4,336,992 |
| Thereof reserve for profit commission, gross | 83,590 | 213 | 83,803 |
| Thereof all other reserves, gross | 4,242,976 | 10,212 | 4,253,189 |
| Statutory DAC (Life), gross | -51,122 | 0 | -51,122 |
| **Subtotal statutory** | **4,275,444** | **10,425** | **4,285,869** |
| PV margin of future business and change in assumptions | 4,835,309 | | |
| Best estimate | -559,865 | | |
| Risk margin | 2,294,795 | | |
| **Technical provisions** | **1,734,930** | | |

*) non proportional health reinsurance business only, excl. PA business written by P/C.

The value of gross reserves under HGB is Euro 4,336,992 thds for its Life/Health reinsurance business. Under modified coinsurance treaties, some of the reserves are deposited back with the cedants. These deposits amount to Euro 1,435,738 thds (gross) for the Life/Health business and are an asset on GRAG's balance sheet. No investment risk is associated with the deposits. The cedant reimburses an amount equal to the contractually agreed discount rate to GRAG.

### 2. Difference between Solvency II and US GAAP for GRAG Group

For the Solvency II lines of business "Life" and "Health SLT", the material valuation differences between the Solvency II technical provisions and reserves according to US GAAP for GRAG Group are:

i. A risk margin is included in the Solvency II technical provisions, but not in the US GAAP reserves. The risk margin amounts to Euro 2,372,473 thds.

ii. Under Solvency II, the best estimate is calculated using the discount curves provided by EIOPA, whereas for US GAAP purposes, discount rates based on best estimate assumptions are used.

iii. Solvency II is a gross premium valuation. All future premiums and future claims up to the contract boundary are considered for the determination of the best estimate which therefore contains the discounted future profit margin. For short-term business, this margin is not included in the US GAAP reserves. In long-term business, the US GAAP reserves depend on both the past and the future margins.

The latter point is particularly important for GRAG Group, as it has a significant portfolio of reinsurance contracts with guaranteed terms. The financial impact of the above-mentioned valuation differences ii. and iii. amounts to Euro 4,996,231 thds.

Under modified coinsurance treaties, some of the reserves are deposited back with the cedants. These deposits amount to Euro 1,435,738 thds (gross) for the Life/Health business and are netted against the reserves in the US GAAP balance. For Solvency II, these cash deposits are disclosed on the asset side.

The following table provides an overview of the main drivers and their effect resulting in different values. The Solvency II technical provisions are shown for "Life" and "Health SLT" business. For reconciliation purposes, the table includes amounts relating to non-proportional health reinsurance business, which is included under Solvency II in the line of business "Health Non-SLT". For details on this line of business, see Chapter D.2.2 Property/Casualty.

| | Life/Health SLT €'000 | Health Non-SLT*) €'000 | Total €'000 |
|---|---|---|---|
| US GAAP reserves - gross | 4,054,056 | 9,185 | 4,063,241 |
| Thereof reserve for profit commission, gross | 84,511 | 213 | 84,724 |
| Thereof all other reserves, gross | 3,969,545 | 8,972 | 3,978,517 |
| US GAAP deposits - gross | 21,617 | 0 | 21,617 |
| Deferred acquisition costs - gross | -150,377 | 0 | -150,377 |
| **Subtotal US GAAP** | **3,925,295** | **9,185** | **3,934,480** |
| Statutory deposits - gross | 1,434,762 | 976 | 1,435,738 |
| **Subtotal** | **5,360,057** | **10,161** | **5,370,218** |
| PV margin of future business and change in assumptions | 4,996,231 | | |
| Best estimate | 363,827 | | |
| Risk margin | 2,372,473 | | |
| **Technical provisions** | **2,736,300** | | |

*) non-proportional health reinsurance business only, excl. PA business written by P/C.

### Recoverables from Reinsurance Contracts and Special Purpose Vehicles (SPV)

As a generally "gross for net" underwriter, we only accept inwards reinsurance business of sufficient quality which meets our underwriting standards and where we are confident that premiums adequately reflect the underlying exposures. External retrocession has been purchased for various reasons but only to a limited extent.

GRAG Group's retroceded premium for 2024 amounted to Euro 322,154 thds representing 10.9% of the overall Life/Health premium (based on US GAAP).

The recoverables from reinsurance contracts under Solvency II for "Life" and "Health SLT" amount to Euro 49,927 thds. The positive amount is explained by the retrocession of profitable business, thus creating a liability balance with the retrocessionaires.

| Recoverables from Reinsurance Contracts | €'000 |
|---|---|
| Life | 201,636 |
| Health SLT | -151,709 |
| **Total** | **49,927** |

Counterparty default adjustments were considered in the calculation of the reinsurance recoverables. They amount to Euro 1,017 thds.

The GRAG Group does not have any Special Purpose Vehicles.

## Actuarial Methodologies and Assumptions used in the Calculation of the Technical Provisions, and details of Simplifications and Justification of Chosen Methods.

### Methodology

The cash-flow projection used for the best estimate is calculated on main treaty level in the valuation tool AXIS, using two different modelling variants that differ in the granularity of the input data and of the assumptions: Portfolio models and Seriatim models.

The majority of the treaties are modelled as Portfolio models. These models are based upon aggregated information from the accounting system (such as premiums, claims etc.). The Seriatim models are based on individual policy data and project cash flows per reinsured policy or person.

Statutory reserves which are not modelled using Seriatim models are assumed to be on a best estimate basis. These reserves are released into cash flows through Portfolio models.

Portfolio models are based on loss ratios and commission ratios which are applied to the projected premium to derive the individual cash outflow components: claims and commissions. The projection of the premiums is based on assumptions on the decline rate of the premium volume.

For a wide range of our reinsurance business the planning, monitoring and control cycle focuses on these ratios. Also pricing activities and pricing guidelines operate on such key ratios, ultimately on the combined ratio. This justifies and shows the appropriateness of Portfolio models in these business areas.

Seriatim models are more detailed. Cash flows are modelled using information per reinsured policy, respectively per reinsured person. The actuarial model combines the policy information with data from the reinsurance treaty on premium rates and with assumptions on mortality, morbidity, and lapses.

The financial impact of COVID-19 was modelled separately and the resulting cashflow estimates were included in the calculation of technical provisions.

The expenses used for the cash flow projections are derived from the actual expenses of the Life/Health business in the most recent financial years. They are modelled with reference to the volume of projected premiums and claims cashflows. Future expense inflation is taken into account in the projection.

All input data for the actuarial model is checked for appropriateness and quality; this applies especially to all the policy data, assumptions and key-ratio factors.

The actuarial models project cash flows with the following components for incoming and out-going business:

- Premiums;
- Acquisition commission;
- Renewal commission;
- Claims;
- Technical interest;
- Profit commission; and
- Expenses.

The technical interest is an element of the reinsurance accounts and paid by the cedant under modified coinsurance treaties. The technical interest is not investment income but an amount equal to the contractual agreed discount rate for reserves deposited back with the cedant.

The profit commission is defined by the contractual terms of the reinsurance treaty. It is a function of the profit emerging under a reinsurance treaty. Its quantum is not dependent on management decisions.

The actuarial models generate cash flow projections in the currency of the respective reinsurance treaty. Besides the best estimate scenario, shock scenarios according to the Solvency II standard formula are generated.

These cash flows are loaded into GRAG's Solvency II data mart. From there the cash flows are taken to RiskIntegrityTM[1], where the technical provisions and solvency capital requirements are calculated. The calculation and data-transfer processes are semi-automated.

The subsidiaries GRLA and GRSA generate cash flow projections for their local IFRS reporting and their local Solvency regimes „ICAAP" (Internal Capital Adequacy Assessment Process) and „SAM" (Solvency Assessment and Management). They use AXIS, Prophet and Mo.net as valuation tools as well as spreadsheet models. The cash flows aggregated to homogeneous risk groups are incorporated into the valuation for the Group balance sheet.

For GRAG Group the technical provisions are consolidated on a gross basis. Retrocessions from the subsidiaries to GRAG are eliminated from the reinsurance recoverables of the subsidiaries and from GRAG's technical provisions. There are no retrocessions from GRAG to the subsidiaries.

The business retroceded to General Re Life Corporation under the Stop Loss Agreement covering large parts of GRAG's mortality business, the Quota Share Agreement covering GRSA's short term business, and the Quota Share Agreement covering 90% of the business in force of a large GRLA cedant have been taken into account in the modelling as well.

### Assumptions

The assumptions underlying the cash flow projections encompass mortality and morbidity rates, lapse/persistency rates, termination rates etc. The assumptions are considered best estimates and are reviewed annually and adjusted when necessary.

For the Seriatim models the assumptions are approved by the responsible account managers.

For Portfolio models the key ratios (loss ratios, commission ratios etc.) are taken from the financial reporting and planning system. The planning is the basis for the financial reporting and control and monitoring cycle. The actual development of the business is measured against this benchmark. To this extent, the financial planning reflects the best estimate assumptions for the underlying business.

There are more than 4,000 Portfolio models covering the incoming and outgoing Life/Health business. The assumptions may vary for all these models.

The decline rate applicable to the in-force premium was derived from the companies' own experience in the respective markets. If applicable, assumptions about implicit growth in premium rates due to the aging of the portfolio are made. Also, if applicable, assumptions about changes in premium volumes relating to changes in the underlying sum at risk are made. Where data was incomplete or insufficient, expert judgment was used to set up appropriate assumptions.

For Seriatim models assumptions on mortality, morbidity, lapses etc. are used.

[1] RiskIntegrityTM is software used by GRAG to calculate the solvency capital required following SII requirements and support Pillar

The information from pricing a piece of business indicates best estimate assumptions; at the point the business is written. Where experience data is available, the ratio of actual to expected rates is analyzed when deemed necessary.

If there are significant changes the best estimate assumptions are revised accordingly. Also, expert judgment is used to verify the assumptions made.

There are Seriatim models for 96 different cedant companies, but each model may have several sub models for which separate assumptions may apply. These sub models may reflect gender, smoking status, underwriting periods or different products.

The non-economic assumptions for the models of GRLA and GRSA are consistent with the assumptions for their local IFRS reporting.

### Significant Movements in Technical Provisions between the previous and current year-end

The following table provides an overview of the best estimate (net) for each line of business as at 31 December 2024 and 31 December2023. The changes may be subdivided into three categories:

1. The increase due to new exchange rates and discount rates amounts to Euro 35,300 thds.

2. The change in deposits leads to a reduction of the best estimate of Euro 313,141 thds. The main driver here is the discontinuation of a short-term health business in Malaysia.

3. Other changes increase the best estimate by Euro 127,020 thds. The main drivers are the changes in the underlying business, the enhancement of the projection models, changes in assumptions, and higher liabilities from new business. The reinsurance, insurance and intermediaries receivables and payables not overdue are no longer included in the best estimate liability.

| | Life €'000 | Health SLT €'000 | Health Non-SLT*) €'000 | Total €'000 |
|---|---|---|---|---|
| **Best estimate 2023 (net)** | **-277,351** | **837,911** | **22,105** | **582,664** |
| Change due to currency rates and discount rates | -12,105 | 46,355 | 1,050 | 35,300 |
| Change in deposits | -314,538 | 1,265 | 133 | -313,141 |
| Other changes | 55,953 | 76,264 | -5,198 | 127,020 |
| **Best estimate 2024 (net)** | **-548,041** | **961,795** | **18,089** | **431,843** |

*) non proportional health reinsurance business only, excl. PA business written by P/C

The development of the risk margin is described in chapter D.2.3. Compared to the previous year, the underlying SCR changes are mainly due to updates of actuarial assumptions, new currency rates, and the increase in business volumes.

## D.2.2 Property/Casualty

### Overview of the Technical Provisions for Property/Casualty

In the following table we provide an overview of GRAG Group's best estimate liabilities (BEL) and risk margin for each line of business.

| Solvency II Lines of Business Reinsurance | Premium Provision Gross €'000 | Claims Provision Gross €'000 | Total Best Estimate Gross €'000 | Risk Margin €'000 | Total Technical Provision Gross €'000 | Recov. after CPD Adjustment Retro €'000 | Total Technical Provision Net €'000 |
|---|---|---|---|---|---|---|---|
| Income protection | -743 | 39,020 | 38,277 | 2,594 | 40,871 | -20,806 | 20,065 |
| Motor vehicle liability | 2,713 | 455,807 | 458,520 | 6,737 | 465,257 | -314,222 | 151,034 |
| Other motor | 31,561 | 72,549 | 104,110 | 3,028 | 107,139 | -39,242 | 67,896 |
| Marine, aviation, and transport | 27,699 | 98,865 | 126,565 | 4,069 | 130,634 | -39,856 | 90,777 |
| Fire and other damage to property | 132,356 | 1,193,863 | 1,326,219 | 43,788 | 1,370,008 | -397,731 | 972,277 |
| General liability | 7,472 | 308,257 | 315,729 | 6,914 | 322,643 | -167,793 | 154,851 |
| Credit and suretyship | 689 | 21,297 | 21,985 | 339 | 22,325 | -14,715 | 7,610 |
| NP property | 32,089 | 989,133 | 1,021,222 | 31,410 | 1,052,632 | -348,539 | 704,093 |
| NP casualty | 7,974 | 2,657,046 | 2,665,019 | 26,502 | 2,691,521 | -2,100,954 | 590,567 |
| NP marine, aviation, and transport | 912 | 76,212 | 77,124 | 2,500 | 79,624 | -23,572 | 56,052 |
| NP health/accident | -5,645 | 54,832 | 49,187 | 4,343 | 53,530 | -19,935 | 33,595 |
| **Total Non-Life** | **237,077** | **5,966,881** | **6,203,958** | **132,225** | **6,336,183** | **-3,487,365** | **2,848,818** |

### Description of the Level of Uncertainty associated with the Value of Technical Provisions

For the calculation of the Technical Provisions, reasonable assumptions, techniques, and judgments are used in accordance with actuarial standards of practice, including reconciliations, checks and a thorough review process.

However, the estimation of time and amount of liabilities will be subject to forecast error, which can be potentially large. This is because the resolution of claims is subject to the outcome of events that are unknown or yet to occur. Future loss trends regarding bodily injuries, judicial or legislative outcomes, the general economic environment, client claims settlement practices, reporting lags or timing risks as well as changes in mortality, health or nursing care can impact the run-off performance significantly.

The level of uncertainty associated with the TP's is driven by the Line of Business' intrinsic risk, the duration of the treaties and underlying policies and the geographical area where the risks are underwritten. Technical Provisions are sensitive against changes in the set of best estimate assumptions. This applies to both components of the Technical Provisions, the Best Estimate Liabilities, and the Risk Margin. The Risk Margin, however, is a function of all SCRs: L/H as well as P/C. The corresponding correlation effects have to be considered.

We conducted some sensitivity tests of the P/C Best Estimate Liabilities (BEL), and the results fall within a reasonable range of potential loss deviations from the best estimate.

### Material Differences between Bases, Methods and Main Assumptions Used for the Valuation for Solvency II Purposes and in Financial Statements for Material Lines of Business

The material methodological differences between Solvency II net technical provisions as of 31 December 2024 and corresponding net reserves for the Group according to US GAAP and for GRAG Solo according to HGB are outlined below.

i. We established unallocated loss adjustment reserves (ULAE) for US GAAP purposes of Euro 38,410 thds respectively equalization reserves for HGB of Euro 681,255 thds.

ii. The US GAAP reserves include a net unearned premium reserve of Euro 471,341 thds. The HGB reserves include a net unearned premium reserve of Euro 364,384 thds.

iii. Under Solvency II, best estimate liabilities are calculated as present values whereas for US GAAP and HGB purposes the reserves are nominal values. Using the interest rate curves as provided by EIOPA, the net claims discounting effect amounts to Euro 464,430 thds.

iv. For US GAAP and HGB purposes, claims reserves are only set for outstanding claims (i.e., incurred claims). Under Solvency II, future premiums, and future claims up to the contract boundary are considered for the determination of the premium provision. Therefore, Solvency II BELs are different from US GAAP and HGB reserves by the present value of cash flows from future business, totaling Euro 157,008 thds for GRAG Group or Euro 157,226 thds for GRAG Solo, respectively.

v. Solvency II TPs further include claims expenses amounting to Euro 81,795 thds.

vi. Some other minor differences sum up to Euro 19,404 thds for GRAG Group and Euro 17,405 thds for GRAG Solo, for instance a provision for the expected loss due to counterparty default in Solvency II or evaluation differences in the L/H piece of the NP health business (NSLT).

vii. A risk margin is included in the Solvency II TPs and not part of the US GAAP respectively HGB reserves which amounts to Euro 132,225 thds for GRAG Group and Euro 131,557 thds for GRAG Solo (the difference stems from our subsidiary GRSA).

The following table provides an overview of the main drivers as described above:

| Reconciliation of P/C Reserves to SII Technical Provisions | GRAG Solo €'000 | GRAG Group €'000 |
|---|---|---|
| **Net statutory reserves*** | **3,969,696** | **3,432,567** |
| Equalization reserve | -681,255 | n/a |
| Unallocated loss adjustment expenses | n/a | -38,410 |
| Unearned premium reserve | -364,384 | -471,341 |
| Claims discounting | -464,430 | -464,430 |
| Premium provision | 157,226 | 157,008 |
| Claims expenses | 81,795 | 81,795 |
| Other | 17,405 | 19,404 |
| **Net best estimate liabilities** | **2,716,052** | **2,716,593** |
| Risk margin | 131,557 | 132,225 |
| **Net technical provisions** | **2,847,609** | **2,848,818** |

*For GRAG Solo based on HGB
*For GRAG Group based on US GAAP

### Recoverables from Reinsurance Contracts and Special Purposes Vehicles

The methodology to calculate the retro recoverables is the same as the methodology to calculate the gross best estimate, see the section on actuarial methodologies and assumptions below.

We have ceded internal quota share retrocessions to our US parent GRC since UY 2017. In 2021 GRAG transferred the majority of its remaining prior year loss reserves to GRC in a loss portfolio transfer (LPT) which had increased the retro reserves materially. Since UY 2022 we have a Stop Loss protection from GRC in addition. The GRAG Group retro recoverables amount to Euro 3,487,365 thds. GRAG Group does not have any SPVs.

### Actuarial Methodologies and Assumptions used in the Calculation of the Technical Provisions, and Details of Simplifications and Justification of Chosen Methods.

#### Claims Provisions

The BELs are calculated using standard deterministic actuarial methodologies, based on the projection of run-off triangles, usually constructed on aggregate basis (predominantly Bornhuetter-Ferguson but also Chain-Ladder etc.). For the more recent underwriting years, where no triangle history is available yet, we apply expected loss ratio methods, also incorporating most recent information received from underwriters, the general market, benchmarks or claims reports where available. Our actuarial forecast process also consists of peer reviews and retrospective back-testing in our loss development review.

#### Premium Provisions

Future premiums and commissions are derived from our Solvency II forecast process, based on the written and bound premium.

The future expected losses as well as all claims cash flows are derived from the actual payment history by actuarial forecast segment i.e., by reinsurance form, line of business and region/market.

#### Inflation

Inflation assumptions as part of the loss estimation are incorporated in our pricing process. For our reserving, we generally apply parameters slightly above data indications. Therefore, inflation is usually incorporated implicitly in our reserves. Furthermore, as our contracts are one-year business, the impact of inflation on our reserves is generally considered limited as our pricing can be adjusted on an annual basis. For long-term business such as motor liability with annuity payments, however, inflation can be a relevant factor for our reserves. For this business inflation assumptions are set at an appropriate level to reflect long-term inflation. In light of the economic environment in 2022, we also incorporated an inflation adjustment for our property book. We continue to monitor the risk of inflation on the TPs and the appropriateness of our assumptions.

#### Expenses

We split management expenses into "short-term" and "long-term" expenses to allocate them accordingly between gross premium provisions (short-term) and gross claims provisions (long-term), adjusted for inflation. The latest available management expenses are used as a benchmark for the current year. Expenses for future financial years are then projected using these uniform ratios over time; thus the expenses mirror the future premium or reserve related cash flows over the whole runoff period.

**Material Changes in Assumptions made in the Calculation of the Technical Provisions**

The following table shows the development of the net BELs of GRAG Group during the last year:

| | Claims Provision €'000 | Premium Provision €'000 | Total €'000 |
|---|---|---|---|
| **Best estimate 2023 (net)** | **1,821,726** | **-29,219** | **1,792,506** |
| Change due to currency rates | 27,536 | 3,416 | 30,952 |
| Change due to discount rates | 40,980 | 5,757 | 46,737 |
| Change due to experience or assumptions | 331,591 | 18,080 | 349,671 |
| Change to discontinuation of allocation of reinsurance receivables and payables not overdue | 337,295 | 159,432 | 496,727 |
| **Best estimate 2024 (net)** | **2,559,127** | **157,466** | **2,716,593** |

The changes of Euro 924,086 thds can be subdivided into four categories:

1. The change in currency exchange rates causes a Euro 30,952 thds increase in TPs.
2. New discount rates increase the TPs by Euro 46,737 thds.
3. The changes relating to actual loss experience or changes in actuarial assumptions represent an increase of Euro 349,671 thds. Apart from our actual loss experience and premium changes in 2024 this is mainly due to the reduced impact of the LPT as the 2021 and later underwriting years are not protected by this retrocession. There were no material changes in actuarial assumptions as our general approaches remained unchanged.
4. The change due to discontinuation of allocation of insurance and intermediaries as well as reinsurance receivables and payables not overdue amounts to Euro 496,727 thds.

The development of the risk margin is described in the following chapter D.2.3.

## D.2.3 Further Assumptions applicable to both Life/Health and Property/Casualty

### Risk Margin

The calculation of the risk margin (RM) is based on the cost of capital (CoC) method.

In line with Solvency II regulations market risk and loss absorbing capacity for deferred taxes are not accounted for in the calculation of the SCR for RM. The SCR is calculated at a legal entity level. We therefore account for diversification between life and non-life, but not between legal entities. For GRAG Group as a composite entity the respective Life, Health and P/C modules are projected separately to determine the SCR for all future years of the run-off of Technical Provisions (TPs).

To determine the SCR for risk margin for each projection year, the individual modules and sub-modules are aggregated based on the square root formula and the correlation matrix provided by the standard formula.

For the whole portfolio the risk margin is allocated to the lines of business so that it adequately reflects the contributions of the lines of business to the SCR over the lifetime of the whole portfolio. No additional split of the risk margin between claims and premium provision is required.

### Risk Margin Calculation for GRSA and GRLA

For the calculation of the risk margin for our subsidiaries GRLA and GRSA we use the simplified method 2. The simplification classified as method 2 of the hierarchical structure of the technical specification provided by EIOPA is based on the assumption that the future SCRs are proportional to the best estimate liability for the relevant year. Here the proportionality factor is given by the ratio of the present SCR to the present best estimate liability.

### Change in Risk Margin

In 2024 GRAG Group's Risk Margin increased by Euro 227,947 thds from Euro 2,276,751 thds to Euro 2,504,698 thds. The main reason for this is the change in currency rates and discount rates as well as the growth in SCR due to considerable premium growth expected in 2025.

### Matching adjustment

A matching adjustment was not used.

### Volatility adjustment

A volatility adjustment was not used.

### Transitional risk-free interest rate-term structure

The transitional risk-free interest rate-term structure was not applied.

### Transitional deduction

The transitional deduction was not applied.

## D.3 Other Liabilities

The table below contains all relevant other liabilities as at 31 December 2024 according to Solvency II valuation principles compared with HGB (GRAG Solo) and US GAAP (GRAG Group). For the particular QRT S.02.01.02, we refer to the appendix.

| Other Liabilities as at 31. December 2024 | Note | GRAG Solo Solvency II €'000 | GRAG Solo HGB €'000 | GRAG Group Solvency II €'000 | GRAG Group US GAAP €'000 |
|---|---|---|---|---|---|
| Provisions other than technical provisions | 1 | 446,692 | 804,062 | 447,829 | 447,971 |
| Pension benefit obligations | 2 | 265,664 | 363,197 | 265,754 | 265,754 |
| Deposits from reinsurers | 3 | 16,785 | 16,699 | 228,513 | 215,667 |
| Non-Life | | 385 | 402 | 30,902 | 34,411 |
| Life/Health | | 16,399 | 16,296 | 197,611 | 181,255 |
| Deferred tax liabilities | 4 | 774,960 | 0 | 775,284 | 56,708 |
| Insurance and intermediaries payables | 5 | 341,398 | 343,512 | 346,771 | 346,772 |
| Reinsurance payables | 6 | 153,439 | 153,439 | 219,816 | 218,871 |
| Payables (trade, not insurance) | 7 | 19,257 | 19,257 | 26,842 | 25,045 |
| Any other liabilities, not elsewhere shown | 8 | 12,606 | 367 | 12,606 | 12,606 |
| **Total Other Liabilities** | | **2,030,800** | **1,700,532** | **2,323,416** | **1,589,394** |

The differences between the basis, methods and assumptions used for liability valuation for Solvency II purposes, and those used in the HGB and US GAAP financial statements are outlined below:

## Note 1 – Provisions other than Technical Provisions

| | GRAG Solo Solvency II €'000 | GRAG Solo HGB €'000 | GRAG Group Solvency II €'000 | GRAG Group US GAAP €'000 |
|---|---|---|---|---|
| Provisions other than technical provisions | 446,692 | 804,062 | 447,829 | 447,971 |

Under Solvency II and in accordance with IAS 37, the valuation is based on the best estimate for settling the current obligations, taking into consideration the risks and uncertainties that exist. Provisions with a maturity of less than one year are valued at nominal value, whilst provisions with a maturity of more than one year are discounted, to reflect the risk and the timing in the settlement of the obligation.

Under US GAAP and in accordance with ASC 450, we do not to discount provisions.

Under HGB, provisions are valued based on a fulfillment amount, in accordance with HGB § 253 para. 1 sentence 2 taking into account future price and cost increases. Provisions with a maturity of longer than one year are discounted at the corresponding monthly interest rates of the past seven years, published by the German Central Bank.

For discounting purposes and considering materiality levels, we use the same interest rates for Solvency II as for HGB.

Current tax liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates that have been enacted or substantively enacted by the end of the reporting period (IAS 12.46).

For US GAAP the Group does not discount tax liabilities, whereas for Solvency II, the Group discounts these liabilities. Moreover, provisions for interests on taxes are valued based on a fulfillment amount for HGB and Solvency II, taking into account future price and cost increases, whereas for US GAAP provisions for interests on taxes are only considered up to the year-end of the current financial year. Under US GAAP the receivables for interests on taxes are netted against the tax payables which are shown under "provisions other than technical provisions" category. For Solvency II purposes we report the values on a gross basis, with the tax receivables as well as the receivables for interests on taxes being reported under "Receivables (trade, not insurance)" category.

The difference between Solvency II and US GAAP is primarily driven by discounting effects and the different treatment of current tax liabilities as well as provisions for interests on tax between US GAAP and Solvency II as explained above. The difference between Solvency II and HGB relates to the currency reserve contained within HGB but not permitted under Solvency II.

### Material Provisions other than Technical Provisions

The table below outlines the material provisions under Solvency II; uncertainties in terms of the amount or timing of the outflows of economic benefits were taken into account in the valuation.

| | Duration of Economic Benefit | Solo €'000 | Group €'000 |
|---|---|---|---|
| Tax provision | up to 5 years | 345,392 | 345,392 |
| Interest on taxes | up to 5 years | 49,772 | 49,772 |

Uncertainties in terms of the amount or timing of the outflows of economic benefits were taken into account in the valuation.

## Note 2 – Pension Benefit Obligations

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Pension benefit obligations | 265,664 | 363,197 | 265,754 | 265,754 |

The pensions benefit obligations cover provisions for accrued pensions rights and current pension's obligations.

For Solvency II purposes we recognize and value pension benefit obligations in accordance with IAS 19 as amended in 2011, which is considered to be consistent with Solvency II requirements.

The actuarial value is determined using the projected unit credit method, allowing for estimated future salary increases, benefits and medical costs. The Klaus Heubeck 2018 G mortality tables are applied for Germany as well as corresponding mortality tables for foreign pension liabilities.

The discount rate used to calculate the Solvency II value reflects the current market conditions at the balance sheet date. It is derived using corporate bonds with a rating of AA or higher which are consistent with the currency and maturity of the liabilities in relation to the portfolio.

Under US GAAP, the same valuation approach is used, in accordance with ASC 715 and therefore no valuation differences exist between Solvency II and US GAAP.

Under HGB, we have used the provisions for pension obligations according to HGB § 253 para. 1 and 2 also applying the Klaus Heubeck 2018 G mortality tables for Germany and corresponding mortality tables for foreign pension liabilities.

The discount rate used is a 10-year-average historical rate, which is determined based on the rates published by the German Central bank by 31 October 2024 in accordance with HGB § 253 para. 2 and extrapolating these rates to 31 December 2024 using the method prescribed by the German regulation of the discounting of provisions (Rückstellungsabzinsungsverordnung).

Under HGB, a remaining period of 16 years is assumed for the future increase for salaries and pensions.

In accordance with the approach described above the following assumptions for the fiscal year 2024 were applied:

| | Solvency II | HGB | US GAAP |
|---|---|---|---|
| Discount rate | 3.53% | 1.90% | 3.53% |
| Future increase of salaries | 3.00% | 3.00% | 3.00% |
| Future increase of pensions | 1.90% | 1.90% | 1.90% |
| Biometric basis for calculation for Germany | Klaus Heubeck 2018 G mortality tables | Klaus Heubeck 2018 G mortality tables | Klaus Heubeck 2018 G mortality tables |

Note: For the pension fund in UK a discount rate of 5.3% and a future increase in salaries of 3.1% are applied

## Note 3 – Deposits from Reinsurers

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Non-Life | 385 | 402 | 30,902 | 34,411 |
| Life/Health | 16,399 | 16,296 | 197,611 | 181,255 |
| **Deposits from reinsurers** | **16,785** | **16,699** | **228,513** | **215,667** |

Under Solvency, the deposits are valued based on their expected future cash flows discounted using the corresponding discount curves.

For US GAAP deposits are netted with reserves in accordance with ASC 944, except for Life/Health deposits located in the Netherlands, which we were prohibited from doing so and for all non-life deposits.

Under HGB, the deposits from reinsurers are recognized at their redemption amount (HGB § 314b para. 2 sentence 2 in conjunction with § 253 para.1).

## Note 4 – Deferred Tax Liabilities

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Deferred tax assets (DTA) (+) | 37,319 | 474,651 | 52,864 | 169,872 |
| Deferred tax liability (DTL) (-) | -774,960 | 0 | -775,284 | -56,708 |
| **Total deferred taxes** | **-737,641** | **474,651** | **-722,420** | **113,163** |

For explanation of valuation differences, please refer to chapter D.1 Assets, note 3 – Deferred Tax Assets.

## Note 5 – Insurance and Intermediaries Payables

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Insurance and intermediaries payables | 341,398 | 343,512 | 346,771 | 346,772 |

This position includes payables from incoming business.

Under US GAAP, the valuation is in accordance with ASC 944. All payables are considered to be of short-term nature (up to 12 months). Therefore, GRAG uses the nominal amount as fair value.

Under HGB, insurance and intermediaries receivables have to be valued in accordance with the regulations applicable to HGB § 341b para. 2 sentence 1 in conjunction with § 253 para. 1 based on the corresponding repayment amounts.

For Solvency II purposes, the same principles are generally applied from year-end 2024 onwards following a change in regulatory requirements resulting in the disclosure of the full amount of insurance and intermediaries payables instead of payables which are considered overdue only. There is no longer any reclassification to technical provisions for balances which are not overdue. The difference between the HGB and the Solvency II amount is attributable to payables in life reinsurance business from financing components granted as part of the risk transfer, which are included in accounts payable for HGB.

## Note 6 – Reinsurance Payables

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Reinsurance payables | 153,439 | 153,439 | 219,816 | 218,871 |

This position includes all payables from ceded reinsurance. The valuation principles applied for US GAAP, HGB and Solvency II are the same as described in note 5 – Insurance and Intermediaries Payables.

## Note 7 – Payables (Trade, not Insurance)

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | **Solvency II €'000** | **HGB €'000** | **Solvency II €'000** | **US GAAP €'000** |
| Payables (trade, not insurance) | 19,257 | 19,257 | 26,842 | 25,045 |

Under Solvency II and US GAAP, payables (trade, not insurance) are recognized at their nominal value. For Solvency II the fair values of balances payable over a longer term (greater than 12 months) are determined using the present value method.

As all payables (trade, not insurance) are of a short-term nature (up to 12 months) the Group uses the nominal value as fair value.

Under HGB, payables (trade, not insurance) are recognized at their settlement amounts (nominal value) in accordance with HGB § 341b para. 2 sentence 1 in conjunction with § 253 para.1.

As all payables are short-term (up to 12 months) GRAG uses the nominal value as fair value. Therefore, no differences arise between the Solvency II and the HGB values.

The difference between the US GAAP and the Solvency II value of EUR 1,797 thds results from a reclassification between receivables and payables from our sister company in the UK.

### Note 8 – Any other Liabilities, not elsewhere shown

| | GRAG Solo | | GRAG Group | |
|---|---|---|---|---|
| | Solvency II €'000 | HGB €'000 | Solvency II €'000 | US GAAP €'000 |
| Any other liabilities, not elsewhere shown | 12,606 | 367 | 12,606 | 12,606 |

Under HGB, this balance contains deferred items only. Under US GAAP and Solvency II, this position additionally includes lease liabilities amounting to Euro 12,239 thds following the US GAAP standard on leases (ASC 842), which we have also adopted for Solvency II.

## D.4 Alternative Methods for Valuation

Wherever possible we have used market values in accordance with (article 75 of the SII Directive. Where quoted prices from active markets are not available, the fair value hierarchy as outlined in article 10 DA was applied.

In some circumstances where the determination of the market value is considered highly difficult to establish in comparison to the level of materiality (proportionality) of the balance sheet item, GRAG Group has used the US GAAP financial statement valuations, where the conditions as laid down in article 9 DA apply. The valuation approach applied for Solvency II is described in chapter D.1 to D.3.

## D.5 Any Other Information

For the valuation of assets, the Group is generally applying the mark to market approach, with the exception of:

Properties (see chapter D.1, note 5 – Property, Plant and Equipment) where the valuation approach used is mark to model.

Reinsurance recoverables (see chapter D.1, note 13 – Reinsurance Recoverables respectively chapter D.2 technical provisions).

For the valuation of technical provisions and other liabilities, GRAG Group is applying a mark to model approach (see relevant chapters D.2 and D.3).

# E. Capital Management

## E.1 Own Funds

### E.1.1 Management of Own Funds

Our capital management policy sets the framework for the correct classification of all own funds items into tiers taking into account applicable capital and distribution rules. In addition, it ensures that adequate processes are implemented and adhered to. We define capital management as the planning, management and monitoring of our own funds to ensure that the regulatory requirements as well as the internal strategic capital objectives are met at any time.

The Solvency Ratio stipulated by the supervisory authority in accordance with Solvency II is 100%. However, we have set internal strategic capital objectives regarding our capital adequacy in order to achieve a sustainable long-term increase of the financial position and financial strength. As such capital management is integrated into the planning and steering process. The planned eligible own funds are compared with the expected solvency capital requirements to ensure compliance with the regulatory solvency capital requirements.

The achievement of our capital management objectives is ensured through:

- The integration of capital management in the planning and control process facilitates a direct link to the Group's own risk and solvency assessment.
- The limit system and risk reporting procedures implemented continuously monitor for changes in the risk profile and the amount of already consumed eligible own funds.

Part of the capital management process consists of analyzing all components of the eligible own funds according to their quality criteria ('tiering'), any duration or constraints of their availability, future planned dividends and contractual interest payments.

### E.1.2 Structure, Amount and Quality of Own Funds

Our capital structure consists of the following Solvency II own funds (OF) categories, which are not subject to any conditions:

1. Ordinary share capital
2. Share premium account related to ordinary share capital (paid-in capital)
3. Reconciliation reserve.

The reconciliation reserve consists of current and prior retained earnings within the Group, items directly booked to equity based on US GAAP accounting requirements and any valuation adjustments which are the difference between the economic balance sheet and those of the US GAAP balance sheet. Referring to GRAG Solo the reconciliation reserve includes current and prior earnings retained based on HGB and any valuation differences between HGB and Solvency II.

The Group Own Funds have been calculated based on the Solvency II Group Balance Sheet, which has been prepared in accordance with the consolidation method (default method/method 1); all intra-group transactions have been eliminated.

The entire own fund items of GRAG and GRAG Group are classified as unrestricted tier 1 which is considered the highest quality of capital in terms of "loss absorbing capacity". We do not hold any subordinated debt capital.

There are no items that need to be approved as basic or ancillary own funds items. In addition, the availability or transferability of the own funds are not affected by any deductions or restrictions.

The details of the eligible Own Funds for GRAG and GRAG Group at 31 December 2024 in comparison to the prior year are disclosed in the table below:

| | GRAG Solo | | | GRAG Group | | |
|---|---|---|---|---|---|---|
| | 2024 €'000 | 2023 €'000 | Change €'000 | 2024 €'000 | 2023 €'000 | Change €'000 |
| **Total assets** | **17,291,313** | **15,341,797** | **1,949,515** | **18,614,160** | **16,484,845** | **2,129,315** |
| Total liabilities | 10,073,051 | 8,709,575 | 1,363,476 | 11,395,898 | 9,852,623 | 1,543,276 |
| Own shares | 0 | 0 | 0 | 0 | 0 | 0 |
| Participation in financial and credit institutions | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreseeable dividends | 0 | 0 | 0 | 0 | 0 | 0 |
| Ring-fenced funds | 0 | 0 | 0 | 0 | 0 | 0 |
| **Basic own funds** | **7,218,262** | **6,632,222** | **586,040** | **7,218,262** | **6,632,222** | **586,040** |
| thereof | | | 0 | | | 0 |
| Ordinary share capital (gross of own shares) | 55,000 | 55,000 | 0 | 55,000 | 55,000 | 0 |
| Share premium account related to ordinary share capital | 866,174 | 866,174 | 0 | 866,174 | 866,174 | 0 |
| Surplus fund | 0 | 0 | 0 | 0 | 0 | 0 |
| Reconciliation reserve | 6,297,088 | 5,711,048 | 586,040 | 6,297,088 | 5,711,048 | 586,040 |
| thereof | | | 0 | | | 0 |
| Retained earnings | 3,376,543 | 2,957,270 | 419,273 | 3,346,438 | 2,834,169 | 512,269 |
| Adjustment due to revaluation differences | 2,920,545 | 2,753,778 | 166,766 | 1,835,759 | 1,749,787 | 85,972 |
| Foreseeable dividend | 0 | 0 | 0 | 0 | 0 | 0 |
| + Subordinated liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| + Additional own funds | 0 | 0 | 0 | 0 | 0 | 0 |
| **Eligible Own Funds** | **7,218,262** | **6,632,222** | **586,040** | **7,218,262** | **6,632,222** | **586,040** |

Overall, the structure of the OF did not change in comparison to the prior year.

| | GRAG Solo | | | GRAG Group | | |
|---|---|---|---|---|---|---|
| **Differences in Equity** | 2024 €'000 | 2023 €'000 | Change €'000 | 2024 €'000 | 2023 €'000 | Change €'000 |
| **Shareholder's equity*** | **4,297,717** | **3,878,444** | **419,273** | **5,399,317** | **4,885,006** | **514,311** |
| **Adjustments** | | | | | | |
| Investments | 202,403 | 290,109 | -87,706 | 27,343 | 27,390 | -47 |
| Life/Health | 1,605,626 | 1,593,098 | 12,528 | 1,474,948 | 1,414,625 | 60,323 |
| Property/Casualty | 742,549 | 651,181 | 91,368 | 307,648 | 254,586 | 53,062 |
| Other | 369,967 | 219,390 | 150,576 | 9,005 | 50,615 | -41,610 |
| • Dividend | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total adjustments** | **2,920,545** | **2,753,778** | **166,766** | **1,818,944** | **1,747,216** | **71,728** |
| **SII Own Funds** | **7,218,262** | **6,632,222** | **586,040** | **7,218,262** | **6,632,222** | **586,040** |

*GRAG Solo based on HGB | GRAG Group based on US GAAP

For details on the key differences please refer to chapter D.

## E.2 Solvency Capital Requirement and Minimum Capital Requirement

We use the standard formula for the calculation of the minimum capital requirement (MCR) and SCR. The table below outlines GRAG Group's SCR and MCR broken down into the individual entities and split by risk modules at 31 December 2024 in comparison to the previous year:

| Solvency II Capital Requirements | GRAG Solo 2024 €'000 | GRAG Solo 2023 €'000 | GRSA* 2024 €'000 | GRSA* 2023 €'000 | GRLA* 2024 €'000 | GRLA* 2023 €'000 | GRAG Group 2024 €'000 | GRAG Group 2023 €'000 |
|---|---|---|---|---|---|---|---|---|
| Eligible own funds | 7,218,262 | 6,632,222 | 111,541 | 82,759 | 220,937 | 226,798 | 7,218,262 | 6,632,222 |
| SCR | 3,452,671 | 2,979,753 | 323,364 | 295,501 | 121,528 | 128,044 | 3,700,054 | 3,211,456 |
| Surplus capital | 3,765,590 | 3,652,469 | -211,823 | -212,741 | 99,410 | 98,754 | 3,518,208 | 3,420,766 |
| MCR | 1,553,702 | 1,340,889 | 75,117 | 68,245 | 19,462 | 20,373 | 1,648,280 | 1,429,506 |
| Solvency ratio | 209.1% | 222.6% | 34.5% | 28.0% | 181.8% | 177.1% | 195.1% | 206.5% |
| **Risk modules** | | | | | | | | |
| Underwriting risk Life | 2,123,523 | 1,956,510 | 51,285 | 49,570 | 77,840 | 73,693 | 2,243,294 | 2,072,508 |
| Underwriting risk Health | 1,144,716 | 1,053,913 | 40,841 | 38,118 | 77,454 | 82,319 | 1,236,777 | 1,147,508 |
| Underwriting risk Non-Life | 688,616 | 608,455 | 2,913 | 12,311 | 0 | 0 | 689,438 | 608,435 |
| Market risk | 2,951,292 | 2,383,297 | 270,802 | 274,069 | 27,539 | 35,981 | 3,023,975 | 2,446,296 |
| Counterparty default risk | 223,211 | 128,358 | 51,925 | 10,879 | 2,795 | 2,762 | 238,150 | 131,999 |
| Diversification | -2,340,112 | -2,035,029 | -95,546 | -75,038 | -50,599 | -54,704 | -2,444,793 | -2,127,703 |
| Operational risk | 185,273 | 166,013 | 9,252 | 8,627 | 16,824 | 16,564 | 195,515 | 190,624 |
| Loss-absorbing capacity for deferred taxes | -1,523,848 | -1,281,764 | -8,108 | -23,035 | -30,325 | -28,572 | -1,482,302 | -1,258,210 |
| **SCR** | **3,452,671** | **2,979,753** | **323,364** | **295,501** | **121,528** | **128,044** | **3,700,054** | **3,211,456** |

* Application of the Standard Formula following SII even though not part of the EEA.

Regarding GRSA and GRLA it should be noted that these companies are not within the EEA and as such not subject to Solvency II regulation on a stand-alone basis. However, as outlined in chapter D the subsidiaries provide input for the Solvency II Group reporting. The calculation of the Group SCR follows the same approach as for GRAG stand-alone but based on consolidated data considering the elimination of intercompany transactions.

GRSA as well as GRLA have adequate capital to meet their local regulatory requirements. For capital management purposes we consider it efficient to concentrate the surplus capital within the parent company GRAG and provide parental support when needed.

In determining the risk modules, we have not made use of simplifications. However, in terms of the non-life premium and reserve risk we applied USPs/GSPs in accordance with article 218 level II in due consideration that this better reflects our risk profile. The USP's/GSPs were approved by the Bafin in November 2015. In addition, EIOPA introduced transitional measures to ensure a smooth conversion to the SII regime.

The SCR includes the loss-absorbing capacity for deferred taxes recognizing that additional deferred tax assets (DTA) will be created in case of a SCR shock event. For 2024, the loss-absorbing capacity for deferred taxes for the Group amounts to Euro 1,482,302 thds of which, prior to diversification, GRAG contributed Euro 1,523,848 thds, GRLA Euro 30,325 thds and GRSA Euro 8,108 thds. As noted in Chapter D.1 regarding the projection of future taxable profits, we use a planning horizon of five years.

As GRAG Group is classified as non-composite we follow the regulatory requirements for non-composite undertakings for the calculation of the MCR.

We would like to point out that the amounts disclosed for the SCR and MCR are considered preliminary and are subject to supervisory assessment by the BaFin.

## E.3 Use of the Duration-Based Equity Risk Sub-Module in the Calculation of the Solvency Capital Requirement

We do not use the duration-based equity risk sub-module in the calculation of the SCR. It should be noted that Germany did not make use of the option to allow the duration-based equity risk sub-modules.

## E.4 Difference between the Standard Formula and Any Internal Model Used

We apply the standard formula and do not use an internal model to calculate the SCR. We have obtained regulatory approval to use USPs/GSPs in the calculation of premium and reserve risk. These are reviewed and updated each year, where appropriate.

## E.5 Non-Compliance with the MCR and SCR

There was no breach of the SCR and hence the MCR over the reporting period. By reference to the SCR and MCR, the Solvency II OF substantially exceeded the capital requirements. By these measures, we remain in a satisfactory capital position.

## E.6 Any Other Information

For the reporting period 31 December 2024, there is no other information to be disclosed.

# Abbreviations

| | |
|---|---|
| AF | Actuarial Function |
| AML | Anti-Money-Laundering |
| AMSB | Administrative, Management and Supervisory Body |
| APRA | Australian Prudential Regulation Authority |
| ASU | Accounting Standards Update |
| BaFin | Federal Financial Supervisory Authority |
| BCM | Business Continuity Management |
| BSCR | Basic Solvency Capital Requirement |
| BEL | Best Estimate Liability |
| BRK | Berkshire Hathaway Inc. |
| CAS | Corporate Actuarial Services |
| CCAG | Cloud Collaborative Audit Group |
| CBIRC | China Banking and Insurance Regulatory Commission |
| CF | Compliance Function |
| CFT | Counter Finance Terrorism (Terrorismusfinanzierung) |
| CI | Critical Illness |
| CISA | Cybersecurity and Infrastructure Security Agency |
| CO | Compliance Officer |
| CoC | Cost of Capital |
| CFO | Chief Financial Officer |
| COSO | Committee of Sponsoring Organizations of the Treadway Commission |
| CPOT | Gen Re Compliance Management Platform |
| CR | Combined Ratio |
| CRO | Chief Risk Officer |
| CSP | Cloud Service Provider |
| DA | Delegated Acts |
| DE&I | Diversity, Equity & Inclusion |
| DIFC | Dubai International Financial Center |

| | |
|---|---|
| DTA | Deferred tax assets |
| DTL | Deferred tax liabilities |
| EEA | European Economic Area |
| EIOPA | European Insurance and Occupational Pensions Authority |
| E&O | Error & Omission |
| EPIFP | Expected Profits in Future Premium |
| ESG | Environmental, Social and Governance |
| EU | European Union |
| EUC | End User Computing |
| EUDA | End User Developed Application |
| Faraday | Faraday MGA Ltd. |
| FEB | Financial Examination Bureau |
| FS-ISAC | Financial Services Information Sharing and Analysis Center |
| GDP | Gross Domestic Product |
| GDPR | General Data Protection Regulation |
| GRAG | General Reinsurance AG |
| GRC | General Reinsurance Corporation |
| GRL | General Re Life Corporation |
| GRLA | General Reinsurance Life Australia Ltd, Sydney |
| GRN | General Re Corporation |
| GRSA | General Reinsurance Africa Limited, Capetown |
| HGB | German Commercial Code |
| IA | Internal Audit |
| IAF | Internal Audit Function |
| IAS | International Accounting Standard |
| IASB | International Accounting Standard Board |
| ICS | Internal Control System |
| ICT | Internal Control Testing |
| IDD | Insurance Distribution Directive |
| IDII | Individual Disability Income Insurance |

| | |
|---|---|
| IDW | Institute of Public Auditors in Germany, Incorporated Association |
| IFRS | International Financial Reporting Standard |
| KPI | Key Performance Indicator |
| LDTI | Long Duration Targeted Improvements |
| LGBTQ | Lesbian, Gay, Bisexual, Transgender and Queer |
| L/H | Life/Health |
| LHSM | Life Health System Migration |
| LoB | Line of Business |
| LoD | Line of Defense |
| LPT | Loss Portfolio Transfer |
| LS | Lump sume |
| LUCA | Life Underwriting and Claims Administration |
| MCR | Minimum Capital Requirement |
| MIFID | Markets in Financial Instruments Directive |
| MIG | Master Investment Guidelines |
| NEAM | New England Asset Management Inc. |
| NIST | National Institute of Standards and Technology |
| NSLT | Non-Similar to Life Techniques |
| OF | Own Funds |
| OFAC | Office of Foreign Assets Control |
| ORSA | Own Risk and Solvency Assessment |
| OSN | Overall Solvency Needs |
| PA | Personal accident |
| PCAOB | Public Company Accounting Oversight Board |
| P/C | Property/Casualty |
| PO | Principal Officer |
| PPP | Prudent Person Principle |
| QRT | Quantitative Reporting Template |
| RBC | Risk Based Capital |
| RC | Risk Committee |

| | |
|---|---|
| RM | Risk Margin |
| RMF | Risk Management Function |
| RMT | Risk Management Team |
| RO | Risk Officer |
| RSR | Regulatory Supervisory Report |
| SII | Solvency II |
| SCR | Solvency Capital Requirement |
| SLA | Service Level Agreement |
| SLT | Similar to Life Techniques |
| SOX | Sarbanes-Oxley Act. |
| SF | Standard Formula |
| SPVs | Special Purpose Vehicles |
| TPs | Technical Provisions |
| TvaR | Tail Value at Risk |
| UK | United Kingdom |
| US | United States |
| USA | United Stated of America |
| US GAAP | United States Generally Accepted Accounting Principles |
| USPs | Undertaking Specific Parameters (Unternehmensspezifische Parameter) |
| UY | Underwriting Year |
| VAIT | Supervisory Requirements for IT in Insurance Undertakings |
| VAE | Vereinigte Arabische Emirate |
| VaR | Value at Risk |

# Appendix – Quantitative Reporting Templates

**Please note the following:**

- All values are stated in thousand Euros.
- Rounding differences can occur in the following tables.
- GRAG Group does not make use of transitional arrangements, volatility and matching adjustments and as such we do not disclose QRT S.22.01.21 "Impact of long term guarantees and transitional measures".

# S.02.01.02_Solo – QRT Balance Sheet as at 31 December 2024

**Annex I**
**S.02.01.02**

**Balance sheet**

| | | Solvency II value |
|---|---|---|
| **Assets** | | **C0010** |
| Intangible assets | **R0030** | 0 |
| Deferred tax assets | **R0040** | 37,319 |
| Pension benefit surplus | **R0050** | 2,924 |
| Property, plant & equipment held for own use | **R0060** | 59,254 |
| Investments (other than assets held for index-linked and unit-linked contracts) | **R0070** | 9,901,997 |
| Property (other than for own use) | **R0080** | 0 |
| Holdings in related undertakings, including participations | **R0090** | 296,690 |
| Equities | **R0100** | 285,124 |
| Equities - listed | **R0110** | 285,124 |
| Equities - unlisted | **R0120** | 0 |
| Bonds | **R0130** | 7,903,386 |
| Government Bonds | **R0140** | 7,855,564 |
| Corporate Bonds | **R0150** | 47,822 |
| Structured notes | **R0160** | 0 |
| Collateralised securities | **R0170** | 0 |
| Collective Investments Undertakings | **R0180** | 509,362 |
| Derivatives | **R0190** | 0 |
| Deposits other than cash equivalents | **R0200** | 907,435 |
| Other investments | **R0210** | 0 |
| Assets held for index-linked and unit-linked contracts | **R0220** | 0 |
| Loans and mortgages | **R0230** | 338,808 |
| Loans on policies | **R0240** | 0 |
| Loans and mortgages to individuals | **R0250** | 0 |
| Other loans and mortgages | **R0260** | 338,808 |
| Reinsurance recoverables from: | **R0270** | 3,339,892 |
| Non-life and health similar to non-life | **R0280** | 3,459,711 |
| Non-life excluding health | **R0290** | 3,418,970 |
| Health similar to non-life | **R0300** | 40,741 |
| Life and health similar to life, excluding health and index-linked and unit-linked | **R0310** | -119,819 |
| Health similar to life | **R0320** | -19,799 |
| Life excluding health and index-linked and unit-linked | **R0330** | -100,020 |
| Life index-linked and unit-linked | **R0340** | 0 |
| Deposits to cedants | **R0350** | 1,600,057 |
| Insurance and intermediaries receivables | **R0360** | 1,155,538 |
| Reinsurance receivables | **R0370** | 133,920 |
| Receivables (trade, not insurance) | **R0380** | 78,935 |
| Own shares (held directly) | **R0390** | 0 |
| Amounts due in respect of own fund items or initial fund called up but not yet paid in | **R0400** | 0 |
| Cash and cash equivalents | **R0410** | 629,989 |
| Any other assets, not elsewhere shown | **R0420** | 12,678 |
| **Total assets** | **R0500** | 17,291,311 |

| | | Solvency II value |
|---|---|---|
| **Liabilities** | | **C0010** |
| Technical provisions - non-life | **R0510** | 6,307,321 |
| Technical provisions - non-life (excluding health) | **R0520** | 6,212,920 |
| Technical provisions calculated as a whole | **R0530** | 0 |
| Best Estimate | **R0540** | 6,088,300 |
| Risk margin | **R0550** | 124,621 |
| Technical provisions - health (similar to non-life) | **R0560** | 94,401 |
| Technical provisions calculated as a whole | **R0570** | 0 |
| Best Estimate | **R0580** | 87,464 |
| Risk margin | **R0590** | 6,936 |
| Technical provisions - life (excluding index-linked and unit-linked) | **R0600** | 1,734,930 |
| Technical provisions - health (similar to life) | **R0610** | 929,505 |
| Technical provisions calculated as a whole | **R0620** | 0 |
| Best Estimate | **R0630** | 305,121 |
| Risk margin | **R0640** | 624,384 |
| Technical provisions - life (excluding health and index-linked and unit-linked) | **R0650** | 805,425 |
| Technical provisions calculated as a whole | **R0660** | 0 |
| Best Estimate | **R0670** | -864,986 |
| Risk margin | **R0680** | 1,670,411 |
| Technical provisions - index-linked and unit-linked | **R0690** | 0 |
| Technical provisions calculated as a whole | **R0700** | 0 |
| Best Estimate | **R0710** | 0 |
| Risk margin | **R0720** | 0 |
| Contingent liabilities | **R0740** | 0 |
| Provisions other than technical provisions | **R0750** | 446,692 |
| Pension benefit obligations | **R0760** | 265,664 |
| Deposits from reinsurers | **R0770** | 16,785 |
| Deferred tax liabilities | **R0780** | 774,960 |
| Derivatives | **R0790** | 0 |
| Debts owed to credit institutions | **R0800** | 0 |
| Financial liabilities other than debts owed to credit institutions | **R0810** | 0 |
| Insurance & intermediaries payables | **R0820** | 341,398 |
| Reinsurance payables | **R0830** | 153,439 |
| Payables (trade, not insurance) | **R0840** | 19,257 |
| Subordinated liabilities | **R0850** | 0 |
| Subordinated liabilities not in Basic Own Funds | **R0860** | 0 |
| Subordinated liabilities in Basic Own Funds | **R0870** | 0 |
| **Any other liabilities, not elsewhere shown** | **R0880** | 12,606 |
| **Total liabilities** | **R0900** | 10,073,052 |
| **Excess of assets over liabilities** | **R1000** | 7,218,259 |

# S.04.05.21_Solo – QRT Activity by Country as at 31 December 2024

**Home country: Non-life insurance and reinsurance obligations**

| | | Home country | Top 5 countries: non-life | | | | |
|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | | | | |
| Country | R0010 | | CH | ES | FR | GB | US |
| **Premiums written (gross)** | | | | | | | |
| Gross Written Premium (direct) | R0020 | | | | | | |
| Gross Written Premium (proportional reinsurance) | R0021 | 658,187 | 21,957 | 56,992 | 17,112 | 44,472 | 269,872 |
| Gross Written Premium (non-proportional reinsurance) | R0022 | 146,325 | 47,600 | 33,274 | 80,417 | 99,515 | 15,048 |
| **Premiums earned (gross)** | | | | | | | |
| Gross Earned Premium (direct) | R0030 | | | | | | |
| Gross Earned Premium (proportional reinsurance) | R0031 | 661,164 | 20,925 | 53,097 | 17,619 | 41,748 | 219,621 |
| Gross Earned Premium (non-proportional reinsurance) | R0032 | 147,881 | 42,281 | 31,587 | 74,186 | 122,524 | 14,565 |
| **Claims incurred (gross)** | | | | | | | |
| Claims incurred (direct) | R0040 | | | | | | |
| Claims incurred (proportional reinsurance) | R0041 | 460,681 | 13,122 | 26,929 | 16,768 | 19,205 | 107,151 |
| Claims incurred (non-proportional reinsurance) | R0042 | 127,338 | 16,208 | 11,478 | 37,237 | 2,044 | 3,080 |
| **Expenses incurred (gross)** | | | | | | | |
| Gross Expenses Incurred (direct) | R0050 | | | | | | |
| Gross Expenses Incurred (proportional reinsurance) | R0051 | 206,491 | 7,616 | 18,834 | 3,331 | 24,158 | 67,467 |
| Gross Expenses Incurred (non-proportional reinsurance) | R0052 | 19,959 | 5,864 | 5,071 | 8,244 | 12,786 | 1,142 |

**Home country: Life insurance and reinsurance obligations**

| | | Home country | Top 5 countries: life and health SLT | | | | |
|---|---|---|---|---|---|---|---|
| | | C0030 | C0040 | | | | |
| Country | R1010 | | CN | FR | GB | HK | TW |
| Gross Written Premium | R1020 | 247,494 | 487,190 | 216,971 | 507,787 | 111,281 | 110,781 |
| Gross Earned Premium | R1030 | 248,310 | 490,466 | 218,515 | 507,286 | 110,155 | 110,137 |
| Claims incurred | R1040 | 113,558 | 319,980 | 152,678 | 465,564 | 78,121 | 46,605 |
| Gross Expenses Incurred | R1050 | 70,264 | 134,410 | 61,017 | 55,673 | 23,931 | 45,486 |

# S.05.01.02_Solo – QRT Premiums, Claims and Expenses by Line of Business as at 31 December 2024

| | | Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)** | | | | | | | | | | | | Line of Business for: **accepted non-proportional reinsurance** | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Health | Casualty | Marine, aviation, transport | Property | |
| | | **C0010** | **C0020** | **C0030** | **C0040** | **C0050** | **C0060** | **C0070** | **C0080** | **C0090** | **C0100** | **C0110** | **C0120** | **C0130** | **C0140** | **C0150** | **C0160** | **C0200** |
| **Premiums written** | | | | | | | | | | | | | | | | | | |
| Gross - Direct Business | **R0110** | | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | **R0120** | | 14,699 | | 127,228 | 31,580 | 79,550 | 1,085,801 | 94,009 | 5,078 | | | | | | | | 1,437,945 |
| Gross - Non-proportional reinsurance accepted | **R0130** | | | | | | | | | | | | | 29,522 | 155,465 | 28,094 | 500,798 | 713,880 |
| Reinsurers' share | **R0140** | | 3,865 | | 30,217 | 1,105 | 23,707 | 312,949 | 23,208 | 1,436 | | | | 1,001 | 40,194 | 7,535 | 160,392 | 605,609 |
| Net | **R0200** | | 10,834 | | 97,011 | 30,474 | 55,843 | 772,852 | 70,801 | 3,642 | | | | 28,521 | 115,271 | 20,559 | 340,406 | 1,546,215 |
| **Premiums earned** | | | | | | | | | | | | | | | | | | |
| Gross - Direct Business | **R0210** | | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | **R0220** | | 14,754 | | 132,039 | 67,701 | 73,710 | 1,006,537 | 95,785 | 4,318 | | | | | | | | 1,394,842 |
| Gross - Non-proportional reinsurance accepted | **R0230** | | | | | | | | | | | | | 29,422 | 178,920 | 27,754 | 496,825 | 732,921 |
| Reinsurers' share | **R0240** | | 3,856 | | 31,291 | 18,740 | 21,993 | 279,990 | 23,374 | 1,360 | | | | 1,003 | 45,129 | 7,505 | 162,868 | 597,109 |
| Net | **R0300** | | 10,898 | | 100,748 | 48,961 | 51,717 | 726,546 | 72,410 | 2,958 | | | | 28,419 | 133,791 | 20,248 | 333,957 | 1,530,654 |
| **Claims incurred** | | | | | | | | | | | | | | | | | | |
| Gross - Direct Business | **R0310** | | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | **R0320** | | 2,213 | | 91,493 | 52,189 | 48,925 | 588,726 | 66,284 | -1,232 | | | | | | | | 848,598 |
| Gross - Non-proportional reinsurance accepted | **R0330** | | | | | | | | | | | | | 11,460 | 139,448 | 20,900 | 242,537 | 414,344 |
| Reinsurers' share | **R0340** | | -645 | | 8,936 | 8,539 | 11,287 | 118,627 | 17,156 | -2,348 | | | | 1,126 | -660 | 1,794 | 41,445 | 205,256 |
| Net | **R0400** | | 2,859 | | 82,556 | 43,650 | 37,638 | 470,099 | 49,128 | 1,116 | | | | 10,333 | 140,108 | 19,106 | 201,092 | 1,057,686 |
| **Expenses incurred** | **R0550** | | 6,408 | | 25,017 | 16,346 | 14,712 | 221,168 | 28,308 | 666 | | | | 4,619 | 23,791 | 3,497 | 52,683 | 397,215 |
| **Other expenses** | **R1200** | | | | | | | | | | | | | | | | | 7,588 |
| **Total expenses** | **R1300** | | | | | | | | | | | | | | | | | 404,803 |

| | | Line of Business for: life insurance obligations | | | | | | Life reinsurance obligations | | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | Insurance with profit participation | Index-linked and unit-linked insurance | Other life insurance | Annuities stemming from non-life insurance contracts and relating to health insurance obligations | Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations | Health reinsurance | Life reinsurance | |
| | | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0300 |
| **Premiums written** | | | | | | | | | | |
| Gross | **R1410** | | | | | | | 1,030,267 | 1,662,305 | 2,692,572 |
| Reinsurers' share | **R1420** | | | | | | | 4,956 | 99,647 | 104,603 |
| Net | **R1500** | | | | | | | 1,025,311 | 1,562,657 | 2,587,968 |
| **Premiums earned** | | | | | | | | | | |
| Gross | **R1510** | | | | | | | 1,029,616 | 1,638,272 | 2,667,889 |
| Reinsurers' share | **R1520** | | | | | | | 4,977 | 97,329 | 102,306 |
| Net | **R1600** | | | | | | | 1,024,639 | 1,540,943 | 2,565,582 |
| **Claims incurred** | | | | | | | | | | |
| Gross | **R1610** | | | | | | | 643,482 | 860,902 | 1,504,384 |
| Reinsurers' share | **R1620** | | | | | | | -319 | 34,311 | 33,992 |
| Net | **R1700** | | | | | | | 643,801 | 826,591 | 1,470,392 |
| **Expenses incurred** | **R1900** | | | | | | | 298,411 | 629,688 | 928,099 |
| **Balance - other technical expenses/income** | **R2510** | | | | | | | | | 0 |
| **Total technical expenses** | **R2600** | | | | | | | | | 928,099 |

# S.12.01.02_Solo – QRT Life and Health SLT Technical Provisions as at 31 December 2024

**Annex I**
**S.12.01.02**
**Life and Health SLT Technical Provisions**

| | | Insurance with profit participation | Index-linked and unit-linked insurance | | | Other life insurance | | | Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations | Accepted reinsurance | **Total (Life other than health insurance, incl. Unit-Linked)** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Contracts without options and guarantees | Contracts with options or guarantees | | Contracts without options and guarantees | Contracts with options or guarantees | | | |
| | | **C0020** | **C0030** | **C0040** | **C0050** | **C0060** | **C0070** | **C0080** | **C0090** | **C0100** | **C0150** |
| **Technical provisions calculated as a whole** | **R0010** | | | | | | | | | | |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole | **R0020** | | | | | | | | | | |
| **Technical provisions calculated as a sum of BE and RM** | | | | | | | | | | | |
| **Best Estimate** | | | | | | | | | | | |
| **Gross Best Estimate** | **R0030** | | | | | | | | | -864,986 | -864,986 |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | **R0080** | | | | | | | | | -100,020 | -100,020 |
| Best estimate minus recoverables from reinsurance/SPV and Finite Re - total | **R0090** | 0 | | 0 | 0 | | 0 | 0 | 0 | -764,966 | -764,966 |
| **Risk Margin** | **R0100** | | | | | | | | | 1,670,411 | 1,670,411 |
| **Technical provisions - total** | **R0200** | 0 | 0 | | | 0 | | | 0 | 805,425 | 805,425 |

| | | Health insurance (direct business) | | | Annuities stemming from non-life insurance contracts and relating to health insurance obligations | Health reinsurance (reinsurance accepted) | **Total (Health similar to life insurance)** |
|---|---|---|---|---|---|---|---|
| | | | Contracts without options and guarantees | Contracts with options or guarantees | | | |
| | | **C0160** | **C0170** | **C0180** | **C0190** | **C0200** | **C0210** |
| **Technical provisions calculated as a whole** | **R0010** | | | | | | |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole | **R0020** | | | | | | |
| **Technical provisions calculated as a sum of BE and RM** | **AR0028** | | | | | | |
| **Best Estimate** | **AR0029** | | | | | | |
| **Gross Best Estimate** | **R0030** | | | | | 305,121 | 305,121 |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | **R0080** | | | | | -19,799 | -19,799 |
| Best estimate minus recoverables from reinsurance/SPV and Finite Re - total | **R0090** | | 0 | 0 | 0 | 324,920 | 324,920 |
| **Risk Margin** | **R0100** | | | | 0 | 624,384 | 624,384 |
| **Technical provisions - total** | **R0200** | 0 | | | 0 | 929,505 | 929,505 |

# S.17.01.02_Solo – QRT Non-Life Technical Provisions as at 31 December 2024

**Annex I**

**S.17.01.02**

**Non-life Technical Provisions**

| | | Direct business and accepted proportional reinsurance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance |
| | | **C0020** | **C0030** | **C0040** | **C0050** | **C0060** | **C0070** | **C0080** | **C0090** | **C0100** |
| **Technical provisions calculated as a whole** | **R0010** | | | | | | | | | |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole | **R0050** | | | | | | | | | |
| **Technical provisions calculated as a sum of BE and RM** | | | | | | | | | | |
| **Best estimate** | | | | | | | | | | |
| Premium provisions | | | | | | | | | | |
| Gross | **R0060** | | -743 | | 2,713 | 31,561 | 27,618 | 129,388 | 7,470 | 689 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | **R0140** | | -353 | | -1,191 | 13,085 | 5,398 | 37,383 | 1,228 | 225 |
| Net Best Estimate of Premium Provisions | **R0150** | | -390 | | 3,904 | 18,476 | 22,220 | 92,005 | 6,242 | 464 |
| Claims provisions | | | | | | | | | | |
| Gross | **R0160** | | 39,020 | | 455,807 | 72,549 | 98,415 | 1,177,975 | 308,172 | 21,297 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | **R0240** | | 21,159 | | 315,414 | 26,157 | 33,933 | 341,896 | 166,428 | 14,489 |
| Net Best Estimate of Claims Provisions | **R0250** | | 17,861 | | 140,393 | 46,392 | 64,482 | 836,079 | 141,744 | 6,808 |
| **Total Best estimate - gross** | **R0260** | | 38,277 | | 458,520 | 104,110 | 126,033 | 1,307,363 | 315,642 | 21,985 |
| **Total Best estimate - net** | **R0270** | | 17,471 | | 144,297 | 64,868 | 86,702 | 928,084 | 147,986 | 7,272 |
| **Risk margin** | **R0280** | | 2,594 | | 6,737 | 3,028 | 4,048 | 43,329 | 6,909 | 339 |
| **Technical provisions - total** | | | | | | | | | | |
| Technical provisions - total | **R0320** | | 40,871 | | 465,257 | 107,138 | 130,081 | 1,350,692 | 322,551 | 22,324 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | **R0330** | | 20,806 | | 314,223 | 39,242 | 39,331 | 379,279 | 167,656 | 14,714 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | **R0340** | | 20,065 | | 151,034 | 67,896 | 90,750 | 971,413 | 154,895 | 7,611 |

| | | Direct business and accepted proportional reinsurance | | | Accepted non-proportional reinsurance | | | | Total Non-Life obligation |
|---|---|---|---|---|---|---|---|---|---|
| | | Legal expenses insurance | Assistance | Miscellaneous financial loss | Non-proportional health reinsurance | Non-proportional casualty reinsurance | Non-proportional marine, aviation and transport reinsurance | Non-proportional property reinsurance | |
| | | C0110 | C0120 | C0130 | C0140 | C0150 | C0160 | C0170 | C0180 |
| **Technical provisions calculated as a whole** | R0010 | | | | | | | | |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole | R0050 | | | | | | | | |
| **Technical provisions calculated as a sum of BE and RM** | | | | | | | | | |
| **Best estimate** | | | | | | | | | |
| **Premium provisions** | | | | | | | | | |
| Gross | R0060 | | | | -5,645 | 7,613 | 923 | 32,080 | 233,666 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0140 | | | | -105 | 1,414 | 114 | 18,785 | 75,983 |
| Net Best Estimate of Premium Provisions | R0150 | | | | -5,540 | 6,199 | 809 | 13,295 | 157,684 |
| **Claims provisions** | | | | | | | | | |
| Gross | R0160 | | | | 54,832 | 2,648,728 | 76,173 | 989,129 | 5,942,098 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0240 | | | | 20,040 | 2,091,150 | 23,428 | 329,634 | 3,383,729 |
| Net Best Estimate of Claims Provisions | R0250 | | | | 34,792 | 557,578 | 52,745 | 659,495 | 2,558,369 |
| **Total Best estimate - gross** | R0260 | | | | 49,187 | 2,656,341 | 77,096 | 1,021,209 | 6,175,764 |
| **Total Best estimate - net** | R0270 | | | | 29,252 | 563,777 | 53,554 | 672,790 | 2,716,053 |
| **Risk margin** | R0280 | | | | 4,343 | 26,321 | 2,500 | 31,410 | 131,557 |
| **Technical provisions - total** | | | | | | | | | |
| Technical provisions - total | R0320 | | | | 53,530 | 2,682,662 | 79,596 | 1,052,619 | 6,307,321 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | R0330 | | | | 19,935 | 2,092,564 | 23,542 | 348,419 | 3,459,712 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | R0340 | | | | 33,595 | 590,098 | 56,054 | 704,200 | 2,847,610 |

# S.19.01.21_Solo – QRT Non-Life Insurance Claims as at 31 December 2024

**Annex I**
**S.19.01.21**
**Non-life Insurance Claims Information**

**Total Non-Life Business**

| Accident year / Underwriting year | **Z0020** | 2 |
|---|---|---|

**Gross Claims Paid (non-cumulative)**
(absoluter Betrag)

**Development year**

| | **Year** | **0** | **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8** | **9** | **10 & +** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **C0010** | **C0020** | **C0030** | **C0040** | **C0050** | **C0060** | **C0070** | **C0080** | **C0090** | **C0100** | **C0110** |
| **Prior** | **R0100** | | | | | | | | | | | 59,254 |
| **N-9** | **R0160** | 102,109 | 251,296 | 78,241 | 37,392 | 20,544 | 21,102 | 18,185 | 11,584 | 12,143 | 13,206 | |
| **N-8** | **R0170** | 85,434 | 208,432 | 86,662 | 32,762 | 19,674 | 11,791 | 7,248 | 4,264 | 8,712 | | |
| **N-7** | **R0180** | 79,915 | 248,745 | 120,405 | 62,263 | 29,778 | 16,506 | 21,351 | 17,431 | | | |
| **N-6** | **R0190** | 116,644 | 320,826 | 157,045 | 70,527 | 53,208 | 33,439 | 28,326 | | | | |
| **N-5** | **R0200** | 104,827 | 312,226 | 174,001 | 87,865 | 57,406 | 56,590 | | | | | |
| **N-4** | **R0210** | 110,810 | 282,912 | 186,031 | 85,775 | 92,673 | | | | | | |
| **N-3** | **R0220** | 103,863 | 435,607 | 269,175 | 137,510 | | | | | | | |
| **N-2** | **R0230** | 77,972 | 304,426 | 163,465 | | | | | | | | |
| **N-1** | **R0240** | 57,895 | 390,442 | | | | | | | | | |
| **N** | **R0250** | 68,148 | | | | | | | | | | |

| | | **In Current year** | **Sum of years (cumulative)** |
|---|---|---|---|
| | | **C0170** | **C0180** |
| | **R0100** | 59,254 | 1,180,704 |
| | **R0160** | 13,206 | 565,802 |
| | **R0170** | 8,712 | 464,979 |
| | **R0180** | 17,431 | 596,394 |
| | **R0190** | 28,326 | 780,015 |
| | **R0200** | 56,590 | 792,915 |
| | **R0210** | 92,673 | 758,201 |
| | **R0220** | 137,510 | 946,155 |
| | **R0230** | 163,465 | 545,863 |
| | **R0240** | 390,442 | 448,337 |
| | **R0250** | 68,148 | 68,148 |
| **Total** | **R0260** | 1,035,756 | 7,147,512 |

**Bester Schätzwert (brutto) für nicht abgezinste Schadenrückstellungen**
(absoluter Betrag)

| | Jahr | Entwicklungsjahr 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 |
| Vor | R0100 | | | | | | | | | | | 2.712.623 |
| N-9 | R0160 | 720.501 | 594.605 | 488.245 | 394.961 | 333.558 | 287.755 | 268.015 | 252.228 | 228.750 | 194.994 | |
| N-8 | R0170 | 671.408 | 472.098 | 353.540 | 270.949 | 219.591 | 200.163 | 175.440 | 160.503 | 174.878 | | |
| N-7 | R0180 | 745.567 | 587.036 | 431.414 | 324.466 | 277.313 | 248.523 | 240.739 | 193.353 | | | |
| N-6 | R0190 | 583.675 | 773.958 | 573.803 | 476.028 | 363.289 | 313.709 | 308.741 | | | | |
| N-5 | R0200 | 620.688 | 909.839 | 730.116 | 571.922 | 471.833 | 448.730 | | | | | |
| N-4 | R0210 | 814.463 | 1.080.467 | 838.892 | 639.126 | 487.756 | | | | | | |
| N-3 | R0220 | 759.906 | 1.060.729 | 726.273 | 539.429 | | | | | | | |
| N-2 | R0230 | 575.785 | 768.859 | 616.880 | | | | | | | | |
| N-1 | R0240 | 829.388 | 979.758 | | | | | | | | | |
| N | R0250 | 1.153.849 | | | | | | | | | | |

| | | Jahresende (abgezinste Daten) |
|---|---|---|
| | | C0360 |
| | R0100 | 1.701.410 |
| | R0160 | 112.094 |
| | R0170 | 116.516 |
| | R0180 | 126.462 |
| | R0190 | 232.847 |
| | R0200 | 348.669 |
| | R0210 | 388.842 |
| | R0220 | 439.528 |
| | R0230 | 524.921 |
| | R0240 | 876.441 |
| | R0250 | 1.074.367 |
| Gesamt | R0260 | 5.942.098 |

# S.23.01.01_Solo – QRT Own Funds as at 31 December 2024

**Annex I**
**S.23.01.01**
**Own funds**

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35** | | | | | | |
| Ordinary share capital (gross of own shares) | R0010 | 55,000 | 55,000 | | | |
| Share premium account related to ordinary share capital | R0030 | 866,174 | 866,174 | | | |
| Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | R0040 | | | | | |
| Subordinated mutual member accounts | R0050 | | | | | |
| Surplus funds | R0070 | | | | | |
| Preference shares | R0090 | | | | | |
| Share premium account related to preference shares | R0110 | | | | | |
| Reconciliation reserve | R0130 | 6,297,085 | 6,297,085 | | | |
| Subordinated liabilities | R0140 | | | | | |
| An amount equal to the value of net deferred tax assets | R0160 | | | | | |
| Other own fund items approved by the supervisory authority as basic own funds not specified above | R0180 | | | | | |
| **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | | | | | | |
| Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds | R0220 | | | | | |
| **Deductions** | | | | | | |
| Deductions for participations in financial and credit institutions | R0230 | | | | | |
| **Total basic own funds after deductions** | R0290 | 7,218,259 | 7,218,259 | 0 | 0 | 0 |
| **Ancillary own funds** | | | | | | |
| Unpaid and uncalled ordinary share capital callable on demand | R0300 | | | | | |
| Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | R0310 | | | | | |
| Unpaid and uncalled preference shares callable on demand | R0320 | | | | | |
| A legally binding commitment to subscribe and pay for subordinated liabilities on demand | R0330 | | | | | |
| Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC | R0340 | | | | | |
| Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC | R0350 | | | | | |
| Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0360 | | | | | |
| Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0370 | | | | | |
| Other ancillary own funds | R0390 | | | | | |
| **Total ancillary own funds** | R0400 | 0 | | | 0 | 0 |

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Available and eligible own funds** | | | | | | |
| Total available own funds to meet the SCR | R0500 | 7,218,259 | 7,218,259 | 0 | 0 | 0 |
| Total available own funds to meet the MCR | R0510 | 7,218,259 | 7,218,259 | 0 | 0 | |
| Total eligible own funds to meet the SCR | R0540 | 7,218,259 | 7,218,259 | 0 | 0 | 0 |
| Total eligible own funds to meet the MCR | R0550 | 7,218,259 | 7,218,259 | 0 | 0 | |
| **SCR** | R0580 | 3,452,671 | | | | |
| **MCR** | R0600 | 1,553,702 | | | | |
| **Ratio of Eligible own funds to SCR** | R0620 | 209% | | | | |
| **Ratio of Eligible own funds to MCR** | R0640 | 465% | | | | |

| | | C0060 |
|---|---|---|
| **Reconciliation reserve** | | |
| Excess of assets over liabilities | R0700 | 7,218,259 |
| Own shares (held directly and indirectly) | R0710 | 0 |
| Foreseeable dividends, distributions and charges | R0720 | 0 |
| Other basic own fund items | R0730 | 921,174 |
| Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | R0740 | |
| **Reconciliation reserve** | R0760 | 6,297,085 |
| **Expected profits** | | |
| Expected profits included in future premiums (EPIFP) - Life business | R0770 | 4,678,470 |
| Expected profits included in future premiums (EPIFP) - Non-life business | R0780 | 112,555 |
| **Total Expected profits included in future premiums (EPIFP)** | R0790 | 4,791,026 |

# S.25.01.21_Solo – QRT Solvency Capital Requirement - for Undertakings on Standard Formula as at 31 December 2024

**Annex I**
**S.25.01.21**
**Solvency Capital Requirement - for undertakings on Standard Formula**

| | | Gross solvency capital requirement | USP | Simplifications |
|---|---|---|---|---|
| | | C0110 | C0090 | C0120 |
| Market risk | R0010 | 2,951,292 | | |
| Counterparty default risk | R0020 | 223,211 | | |
| Life underwriting risk | R0030 | 2,123,523 | None | |
| Health underwriting risk | R0040 | 1,144,716 | None | |
| Non-life underwriting risk | R0050 | 688,616 | Standard deviation for non-life gross premium risk, Standard deviation for non-life reserve risk | |
| Diversification | R0060 | -2,340,112 | | |
| Intangible asset risk | R0070 | 0 | | |
| **Basic Solvency Capital Requirement** | R0100 | 4,791,246 | | |

| **Calculation of Solvency Capital Requirement** | | C0100 |
|---|---|---|
| Operational risk | R0130 | 185,273 |
| Loss-absorbing capacity of technical provisions | R0140 | 0 |
| Loss-absorbing capacity of deferred taxes | R0150 | -1,523,848 |
| Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC | R0160 | 0 |
| **Solvency capital requirement excluding capital add-on** | R0200 | 3,452,671 |
| Capital add-on already set | R0210 | 0 |
| of which, capital add-ons already set - Article 37 (1) Type a | R0211 | 0 |
| of which, capital add-ons already set - Article 37 (1) Type b | R0212 | 0 |
| of which, capital add-ons already set - Article 37 (1) Type c | R0213 | 0 |
| of which, capital add-ons already set - Article 37 (1) Type d | R0214 | 0 |
| **Solvency capital requirement** | R0220 | 3,452,671 |
| **Other information on SCR** | | |
| Capital requirement for duration-based equity risk sub-module | R0400 | 0 |
| Total amount of Notional Solvency Capital Requirements for remaining part | R0410 | 0 |
| Total amount of Notional Solvency Capital Requirements for ring-fenced funds | R0420 | 0 |
| Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios | R0430 | 0 |
| Diversification effects due to RFF nSCR aggregation for article 304 | R0440 | 0 |

**Approach to tax rate**

| | | Yes/No |
|---|---|---|
| | | C0109 |
| Approach based on average tax rate | R0590 | 1 |

**Calculation of loss absorbing capacity of deferred taxes**

| | | LAC DT |
|---|---|---|
| | | C0130 |
| LAC DT | R0640 | -1,523,848 |
| LAC DT justified by reversion of deferred tax liabilities | R0650 | -800,990 |
| LAC DT justified by reference to probable future taxable profit | R0660 | -722,857 |
| LAC DT justified by carry back, current year | R0670 | 0 |
| LAC DT justified by carry back, future years | R0680 | 0 |
| Maximum LAC DT | R0690 | -1,562,937 |

# S.28.01.01_Solo – QRT Minimum Capital Requirement - Only Life or only Non-Life Insurance or Reinsurance Activity as at 31 December 2024

**Annex I**

**S.28.01.01**

**Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity**

**Linear formula component for non-life insurance and reinsurance obligations**

| | | C0010 |
|---|---|---|
| MCRNL Result | R0010 | 547,445 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
|---|---|---|---|
| | | C0020 | C0030 |
| Medical expense insurance and proportional reinsurance | R0020 | | |
| Income protection insurance and proportional reinsurance | R0030 | 17,471 | 10,940 |
| Workers' compensation insurance and proportional reinsurance | R0040 | | |
| Motor vehicle liability insurance and proportional reinsurance | R0050 | 144,298 | 96,762 |
| Other motor insurance and proportional reinsurance | R0060 | 64,868 | 30,328 |
| Marine, aviation and transport insurance and proportional reinsurance | R0070 | 86,702 | 57,300 |
| Fire and other damage to property insurance and proportional reinsurance | R0080 | 928,084 | 781,498 |
| General liability insurance and proportional reinsurance | R0090 | 147,987 | 71,636 |
| Credit and suretyship insurance and proportional reinsurance | R0100 | 7,271 | 3,663 |
| Legal expenses insurance and proportional reinsurance | R0110 | | |
| Assistance and proportional reinsurance | R0120 | | |
| Miscellaneous financial loss insurance and proportional reinsurance | R0130 | | |
| Non-proportional health reinsurance | R0140 | 29,252 | 28,783 |
| Non-proportional casualty reinsurance | R0150 | 563,776 | 116,503 |
| Non-proportional marine, aviation and transport reinsurance | R0160 | 53,553 | 20,972 |
| Non-proportional property reinsurance | R0170 | 672,791 | 344,376 |

**Linear formula component for life insurance and reinsurance obligations**

| | | C0040 |
|---|---|---|
| MCRL Result | R0200 | 1,809,476 |

| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk |
|---|---|---|---|
| | | C0050 | C0060 |
| Obligations with profit participation - guaranteed benefits | R0210 | | |
| Obligations with profit participation - future discretionary benefits | R0220 | | |
| Index-linked and unit-linked insurance obligations | R0230 | | |
| Other life (re)insurance and health (re)insurance obligations | R0240 | | |
| Total capital at risk for all life (re)insurance obligations | R0250 | | 2,584,965,327 |

**Overall MCR calculation**

| | | C0070 |
|---|---|---|
| Linear MCR | R0300 | 2,356,921 |
| SCR | R0310 | 3,452,671 |
| MCR cap | R0320 | 1,553,702 |
| MCR floor | R0330 | 863,168 |
| Combined MCR | R0340 | 1,553,702 |
| Absolute floor of the MCR | R0350 | 3,600 |
| | | C0070 |
| **Minimum Capital Requirement** | R0400 | 1,553,702 |

# S.02.01.02_GROUP – QRT Balance Sheet as at 31 December 2024

**Annex I**
**S.02.01.02**

| | | Solvency II |
|---|---|---|
| **Assets** | | **C0010** |
| Intangible assets | **R0030** | 0 |
| Deferred tax assets | **R0040** | 52,864 |
| Pension benefit surplus | **R0050** | 2,924 |
| Property, plant & equipment held for own use | **R0060** | 59,538 |
| Investments (other than assets held for index-linked and unit-linked contracts) | **R0070** | 10,930,251 |
| Property (other than for own use) | **R0080** | 0 |
| Holdings in related undertakings, including participations | **R0090** | 3,238 |
| Equities | **R0100** | 285,124 |
| Equities - listed | **R0110** | 285,124 |
| Equities - unlisted | **R0120** | 0 |
| Bonds | **R0130** | 9,225,092 |
| Government Bonds | **R0140** | 9,177,270 |
| Corporate Bonds | **R0150** | 47,822 |
| Structured notes | **R0160** | 0 |
| Collateralised securities | **R0170** | 0 |
| Collective Investments Undertakings | **R0180** | 509,362 |
| Derivatives | **R0190** | 0 |
| Deposits other than cash equivalents | **R0200** | 907,435 |
| Other investments | **R0210** | 0 |
| Assets held for index-linked and unit-linked contracts | **R0220** | 0 |
| Loans and mortgages | **R0230** | 338,808 |
| Loans on policies | **R0240** | 0 |
| Loans and mortgages to individuals | **R0250** | 0 |
| Other loans and mortgages | **R0260** | 338,808 |
| Reinsurance recoverables from: | **R0270** | 3,437,438 |
| Non-life and health similar to non-life | **R0280** | 3,487,365 |
| Non-life excluding health | **R0290** | 3,446,624 |
| Health similar to non-life | **R0300** | 40,741 |
| Life and health similar to life, excluding health and index-linked and unit-linked | **R0310** | -49,927 |
| Health similar to life | **R0320** | 151,709 |
| Life excluding health and index-linked and unit-linked | **R0330** | -201,636 |
| Life index-linked and unit-linked | **R0340** | 0 |
| Deposits to cedants | **R0350** | 1,567,774 |
| Insurance and intermediaries receivables | **R0360** | 1,255,499 |
| Reinsurance receivables | **R0370** | 133,992 |
| Receivables (trade, not insurance) | **R0380** | 78,620 |
| Own shares (held directly) | **R0390** | 0 |
| Amounts due in respect of own fund items or initial fund called up but not yet paid in | **R0400** | 0 |
| Cash and cash equivalents | **R0410** | 743,775 |
| Any other assets, not elsewhere shown | **R0420** | 12,678 |
| **Total assets** | **R0500** | 18,614,161 |

| Liabilities | | Solvency II C0010 |
|---|---|---|
| Technical provisions – non-life | R0510 | 6,336,183 |
| Technical provisions – non-life (excluding health) | R0520 | 6,241,782 |
| Technical provisions calculated as a whole | R0530 | 0 |
| Best Estimate | R0540 | 6,116,494 |
| Risk margin | R0550 | 125,288 |
| Technical provisions - health (similar to non-life) | R0560 | 94,401 |
| Technical provisions calculated as a whole | R0570 | 0 |
| Best Estimate | R0580 | 87,464 |
| Risk margin | R0590 | 6,936 |
| Technical provisions - life (excluding index-linked and unit-linked) | R0600 | 2,736,301 |
| Technical provisions - health (similar to life) | R0610 | 1,778,030 |
| Technical provisions calculated as a whole | R0620 | 0 |
| Best Estimate | R0630 | 1,113,504 |
| Risk margin | R0640 | 664,526 |
| Technical provisions – life (excluding health and index-linked and unit-linked) | R0650 | 958,271 |
| Technical provisions calculated as a whole | R0660 | 0 |
| Best Estimate | R0670 | -749,677 |
| Risk margin | R0680 | 1,707,947 |
| Technical provisions – index-linked and unit-linked | R0690 | 0 |
| Technical provisions calculated as a whole | R0700 | 0 |
| Best Estimate | R0710 | 0 |
| Risk margin | R0720 | 0 |
| Contingent liabilities | R0740 | 0 |
| Provisions other than technical provisions | R0750 | 447,829 |
| Pension benefit obligations | R0760 | 265,754 |
| Deposits from reinsurers | R0770 | 228,513 |
| Deferred tax liabilities | R0780 | 775,284 |
| Derivatives | R0790 | 0 |
| Debts owed to credit institutions | R0800 | 0 |
| Financial liabilities other than debts owed to credit institutions | R0810 | 0 |
| Insurance & intermediaries payables | R0820 | 346,771 |
| Reinsurance payables | R0830 | 219,816 |
| Payables (trade, not insurance) | R0840 | 26,842 |
| Subordinated liabilities | R0850 | 0 |
| Subordinated liabilities not in Basic Own Funds | R0860 | 0 |
| Subordinated liabilities in Basic Own Funds | R0870 | 0 |
| Any other liabilities, not elsewhere shown | R0880 | 12,606 |
| **Total liabilities** | R0900 | 11,395,899 |
| **Excess of assets over liabilities** | R1000 | 7,218,262 |

# S.05.01.02_ GROUP – QRT Premiums, Claims and Expenses by Line of Business as at 31 December 2024

| | | Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)** | | | | | | | | | | | | Line of Business for: **accepted non-proportional reinsurance** | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss | Health | Casualty | Marine, aviation, transport | Property | |
| | | **C0010** | **C0020** | **C0030** | **C0040** | **C0050** | **C0060** | **C0070** | **C0080** | **C0090** | **C0100** | **C0110** | **C0120** | **C0130** | **C0140** | **C0150** | **C0160** | **C0200** |
| **Premiums written** | | | | | | | | | | | | | | | | | | |
| Gross - Direct Business | **R0110** | | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | **R0120** | | 14,699 | | 127,228 | 31,580 | 79,550 | 1,085,801 | 94,009 | 5,078 | | | | | | | | 1,437,945 |
| Gross - Non-proportional reinsurance accepted | **R0130** | | | | | | | | | | | | | 29,522 | 155,465 | 28,094 | 500,798 | 713,880 |
| Reinsurers' share | **R0140** | | 3,865 | | 30,217 | 1,105 | 23,707 | 312,949 | 23,208 | 1,436 | | | | 1,001 | 40,194 | 7,535 | 160,392 | 605,609 |
| Net | **R0200** | | 10,834 | | 97,011 | 30,474 | 55,843 | 772,852 | 70,801 | 3,642 | | | | 28,521 | 115,271 | 20,559 | 340,406 | 1,546,215 |
| **Premiums earned** | | | | | | | | | | | | | | | | | | |
| Gross - Direct Business | **R0210** | | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | **R0220** | | 14,754 | | 132,039 | 67,701 | 73,710 | 1,006,537 | 95,785 | 4,318 | | | | | | | | 1,394,842 |
| Gross - Non-proportional reinsurance accepted | **R0230** | | | | | | | | | | | | | 29,422 | 178,920 | 27,754 | 496,825 | 732,921 |
| Reinsurers' share | **R0240** | | 3,856 | | 31,291 | 18,740 | 21,993 | 279,990 | 23,374 | 1,360 | | | | 1,003 | 45,129 | 7,505 | 162,868 | 597,109 |
| Net | **R0300** | | 10,898 | | 100,748 | 48,961 | 51,717 | 726,546 | 72,410 | 2,958 | | | | 28,419 | 133,791 | 20,248 | 333,957 | 1,530,654 |
| **Claims incurred** | | | | | | | | | | | | | | | | | | |
| Gross - Direct Business | **R0310** | | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | **R0320** | | 2,213 | | 91,493 | 52,189 | 48,925 | 588,726 | 66,284 | -1,232 | | | | | | | | 848,598 |
| Gross - Non-proportional reinsurance accepted | **R0330** | | | | | | | | | | | | | 11,460 | 139,448 | 20,900 | 242,537 | 414,344 |
| Reinsurers' share | **R0340** | | -645 | | 8,936 | 8,539 | 11,287 | 118,627 | 17,156 | -2,348 | | | | 1,126 | -660 | 1,794 | 41,445 | 205,256 |
| Net | **R0400** | | 2,859 | | 82,556 | 43,650 | 37,638 | 470,099 | 49,128 | 1,116 | | | | 10,333 | 140,108 | 19,106 | 201,092 | 1,057,686 |
| **Expenses incurred** | **R0550** | | 6,408 | | 25,017 | 16,346 | 14,712 | 221,168 | 28,308 | 666 | | | | 4,619 | 23,791 | 3,497 | 52,683 | 397,215 |
| **Other expenses** | **R1200** | | | | | | | | | | | | | | | | | 7,588 |
| **Total expenses** | **R1300** | | | | | | | | | | | | | | | | | 404,803 |

| | | Line of Business for: **life insurance obligations** | | | | | | **Life reinsurance obligations** | | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | Insurance with profit participation | Index-linked and unit-linked insurance | Other life insurance | Annuities stemming from non-life insurance contracts and relating to health insurance obligations | Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations | Health reinsurance | Life reinsurance | |
| | | **C0210** | **C0220** | **C0230** | **C0240** | **C0250** | **C0260** | **C0270** | **C0280** | **C0300** |
| **Premiums written** | | | | | | | | | | |
| Gross | **R1410** | | | | | | | 1,340,751 | 1,902,039 | 3,242,790 |
| Reinsurers' share | **R1420** | | | | | | | 66,097 | 256,063 | 322,161 |
| Net | **R1500** | | | | | | | 1,274,654 | 1,645,976 | 2,920,630 |
| **Premiums earned** | | | | | | | | | | |
| Gross | **R1510** | | | | | | | 1,339,530 | 1,896,416 | 3,235,946 |
| Reinsurers' share | **R1520** | | | | | | | 66,118 | 255,365 | 321,483 |
| Net | **R1600** | | | | | | | 1,273,412 | 1,641,051 | 2,914,463 |
| **Claims incurred** | | | | | | | | | | |
| Gross | **R1610** | | | | | | | 905,853 | 1,115,373 | 2,021,226 |
| Reinsurers' share | **R1620** | | | | | | | 56,991 | 122,730 | 179,722 |
| Net | **R1700** | | | | | | | 848,862 | 992,643 | 1,841,504 |
| **Expenses incurred** | **R1900** | | | | | | | 321,367 | 630,452 | 951,819 |
| **Other expenses** | **R2500** | | | | | | | | | 3,000 |
| **Total expenses** | **R2600** | | | | | | | | | 954,819 |

# S.05.02.04_ GROUP – QRT Premiums, Claims and Expenses by Country as at 31 December 2024

**Annex I**
**S.05.02.04**
**Premiums, claims and expenses by country**

| | | Home Country | Top 5 countries (by amount of gross premiums written) – non-life obligations | | | | | Total Top 5 and home country |
|---|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| | R0010 | | CH | ES | FR | GB | US | |
| | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| **Premiums written** | | | | | | | | |
| Gross - Direct Business | R0110 | | | | | | | |
| Gross - Proportional reinsurance accepted | R0120 | 657,693 | 21,591 | 56,566 | 17,112 | 43,305 | 262,562 | 1,058,829 |
| Gross - Non-proportional reinsurance accepted | R0130 | 146,196 | 46,433 | 32,909 | 80,297 | 97,459 | 14,703 | 417,996 |
| Reinsurers' share | R0140 | 200,935 | 14,786 | 20,860 | 22,424 | 45,187 | 83,328 | 387,521 |
| Net | R0200 | 602,954 | 53,238 | 68,614 | 74,985 | 95,577 | 193,937 | 1,089,305 |
| **Premiums earned** | | | | | | | | |
| Gross - Direct Business | R0210 | | | | | | | |
| Gross - Proportional reinsurance accepted | R0220 | 660,648 | 20,095 | 51,718 | 17,753 | 38,907 | 200,122 | 989,242 |
| Gross - Non-proportional reinsurance accepted | R0230 | 147,808 | 41,386 | 31,141 | 74,042 | 120,188 | 14,299 | 428,864 |
| Reinsurers' share | R0240 | 205,108 | 13,154 | 19,946 | 22,745 | 49,046 | 65,545 | 375,544 |
| Net | R0300 | 603,348 | 48,326 | 62,912 | 69,050 | 110,048 | 148,876 | 1,042,561 |
| **Claims incurred** | | | | | | | | |
| Gross - Direct Business | R0310 | | | | | | | |
| Gross - Proportional reinsurance accepted | R0320 | 461,840 | 12,960 | 26,935 | 16,259 | 18,643 | 105,829 | 642,465 |
| Gross - Non-proportional reinsurance accepted | R0330 | 128,448 | 16,257 | 11,515 | 37,695 | -428 | 3,046 | 196,534 |
| Reinsurers' share | R0340 | 104,199 | 10,774 | 3,337 | 13,239 | -66,045 | 29,305 | 94,808 |
| Net | R0400 | 486,089 | 18,443 | 35,114 | 40,715 | 84,261 | 79,570 | 744,191 |
| **Expenses incurred** | R0550 | 177,729 | 9,935 | 16,053 | 10,209 | 22,171 | 38,464 | 274,560 |
| **Other expenses** | R1200 | | | | | | | 4,755 |
| **Total expenses** | R1300 | | | | | | | 279,315 |

| | | Home Country | Top 5 countries (by amount of gross premiums written) – life obligations | | | | | Total Top 5 and home country |
|---|---|---|---|---|---|---|---|---|
| | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
| | R1400 | | AU | CN | FR | GB | ZA | |
| | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| **Premiums written** | | | | | | | | |
| Gross | **R1410** | 233,141 | 421,029 | 479,084 | 216,746 | 497,006 | 202,230 | 2,049,236 |
| Reinsurers' share | **R1420** | 7,630 | 171,070 | 0 | 5,228 | 66 | 52,285 | 236,280 |
| Net | **R1500** | 225,511 | 249,959 | 479,084 | 211,518 | 496,940 | 149,945 | 1,812,957 |
| **Premiums earned** | | | | | | | | |
| Gross | **R1510** | 232,250 | 421,233 | 482,485 | 218,290 | 496,525 | 201,413 | 2,052,196 |
| Reinsurers' share | **R1520** | 7,666 | 171,070 | 0 | 5,243 | 85 | 52,285 | 236,349 |
| Net | **R1600** | 224,584 | 250,164 | 482,485 | 213,047 | 496,439 | 149,128 | 1,815,847 |
| **Claims incurred** | | | | | | | | |
| Gross | **R1610** | 105,679 | 342,930 | 323,295 | 154,994 | 451,409 | 174,436 | 1,552,744 |
| Reinsurers' share | **R1620** | 2,875 | 112,087 | 0 | 1,641 | -71 | 39,239 | 155,770 |
| Net | **R1700** | 102,805 | 230,843 | 323,295 | 153,353 | 451,480 | 135,197 | 1,396,973 |
| **Expenses incurred** | **R1900** | 76,085 | 31,523 | 126,713 | 56,728 | 32,343 | 18,580 | 341,972 |
| **Other expenses** | **R2500** | | | | | | | -2,137 |
| **Total expenses** | **R2600** | | | | | | | 339,835 |

# S.23.01.22_ GROUP – QRT Own Funds as at 31 December 2024

**Annex I**
**S.23.01.22**
**Own funds**

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Basic own funds before deduction for participations in other financial sector** | | | | | | |
| Ordinary share capital (gross of own shares) | R0010 | 55,000 | 55,000 | | | |
| Non-available called but not paid in ordinary share capital at group level | R0020 | | | | | |
| Share premium account related to ordinary | R0030 | 866,174 | 866,174 | | | |
| Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | R0040 | | | | | |
| Subordinated mutual member accounts | R0050 | | | | | |
| Non-available subordinated mutual member accounts at group level | R0060 | | | | | |
| Surplus funds | R0070 | | | | | |
| Non-available surplus funds at group level | R0080 | | | | | |
| Preference shares | R0090 | | | | | |
| Non-available preference shares at group level | R0100 | | | | | |
| Share premium account related to preference | R0110 | | | | | |
| Non-available share premium account related to preference shares at group level | R0120 | | | | | |
| Reconciliation reserve | R0130 | 6,297,088 | 6,297,088 | | | |
| Subordinated liabilities | R0140 | | | | | |
| Non-available subordinated liabilities at group level | R0150 | | | | | |
| An amount equal to the value of net deferred tax assets | R0160 | | | | | |
| The amount equal to the value of net deferred tax assets not available at the group level | R0170 | | | | | |
| Other items approved by supervisory authority as basic own funds not specified above | R0180 | | | | | |
| Non available own funds related to other own funds items approved by supervisory authority | R0190 | | | | | |
| Minority interests (if not reported as part of a specific own fund item) | R0200 | | | | | |
| Non-available minority interests at group level | R0210 | | | | | |

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds** | | | | | | |
| Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds | **R0220** | | | | | |
| **Deductions** | | | | | | |
| Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities | **R0230** | | | | | |
| whereof deducted according to art 228 of the Directive 2009/138/EC | **R0240** | | | | | |
| Deductions for participations where there is non-availability of information (Article 229) | **R0250** | | | | | |
| Deduction for participations included by using D&A when a combination of methods is used | **R0260** | | | | | |
| Total of non-available own fund items | **R0270** | 0 | 0 | 0 | 0 | 0 |
| **Total deductions** | **R0280** | 0 | 0 | 0 | 0 | 0 |
| **Total basic own funds after deductions** | **R0290** | 7,218,262 | 7,218,262 | 0 | 0 | 0 |

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Ancillary own funds** | | | | | | |
| Unpaid and uncalled ordinary share capital callable on demand | R0300 | | | | | |
| Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | R0310 | | | | | |
| Unpaid and uncalled preference shares callable on demand | R0320 | | | | | |
| Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC | R0350 | | | | | |
| Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC | R0340 | | | | | |
| Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0360 | | | | | |
| Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0370 | | | | | |
| Non available ancillary own funds at group level | R0380 | | | | | |
| Other ancillary own funds | R0390 | | | | | |
| **Total ancillary own funds** | R0400 | 0 | | | 0 | 0 |
| **Own funds of other financial sectors** | | | | | | |
| Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - Total | R0410 | | | | | |
| Institutions for occupational retirement provision | R0420 | | | | | |
| Non regulated entities carrying out financial activities | R0430 | | | | | |
| Total own funds of other financial sectors | R0440 | | | | | |

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Own funds when using the D&A, exclusively or in combination of method 1** | | | | | | |
| Own funds aggregated when using the D&A and combination of method | **R0450** | | | | | |
| Own funds aggregated when using the D&A and a combination of method net of IGT | **R0460** | | | | | |
| Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A ) | **R0520** | 7,218,262 | 7,218,262 | 0 | 0 | 0 |
| Total available own funds to meet the minimum consolidated group SCR | **R0530** | 7,218,262 | 7,218,262 | 0 | 0 | |
| Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A ) | **R0560** | 7,218,262 | 7,218,262 | 0 | 0 | 0 |
| Total eligible own funds to meet the minimum consolidated group SCR | **R0570** | 7,218,262 | 7,218,262 | 0 | 0 | |
| **Minimum consolidated Group SCR** | **R0610** | 1,648,280 | | | | |
| **Ratio of Eligible own funds to Minimum Consolidated Group SCR** | **R0650** | 437.9% | | | | |
| **Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A )** | **R0660** | 7,218,262 | 7,218,262 | 0 | 0 | 0 |
| **Group SCR** | **R0680** | 3,700,054 | | | | |
| **Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A** | **R0690** | 195.1% | | | | |

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0060 | | | | |
| **Reconciliation reserve** | | | | | | |
| Excess of assets over liabilities | **R0700** | 7,218,262 | | | | |
| Own shares (included as assets on the balance sheet) | **R0710** | 0 | | | | |
| Forseeable dividends, distributions and charges | **R0720** | 0 | | | | |
| Other basic own fund items | **R0730** | 921,174 | | | | |
| Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | **R0740** | | | | | |
| Other non available own funds | **R0750** | | | | | |
| **Reconciliation reserve before deduction for participations in other financial sector** | **R0760** | 6,297,088 | | | | |
| **Expected profits** | | | | | | |
| Expected profits included in future premiums (EPIFP) - Life business | **R0770** | 4,763,076 | | | | |
| Expected profits included in future premiums (EPIFP) - Non- life business | **R0780** | 112,555 | | | | |
| **Total EPIFP** | **R0790** | 4,875,631 | | | | |

# S.25.01.22_ GROUP – QRT Solvency Capital Requirement - for Groups on Standard Formula as at 31 December 2024

**Annex I**
**S.25.01.22**
**Solvency Capital Requirement - for groups on Standard Formula**

| | | Gross solvency capital requirement | USP | Simplifications |
|---|---|---|---|---|
| | | C0110 | C0090 | C0120 |
| Market risk | R0010 | 3,023,975 | | None |
| Counterparty default risk | R0020 | 238,150 | | |
| Life underwriting risk | R0030 | 2,243,294 | None | None |
| Health underwriting risk | R0040 | 1,236,777 | None | None |
| Non-life underwriting risk | R0050 | 689,438 | Standard deviation for non-life gross premium risk, standard deviation for non-life reserve risk | None |
| Diversification | R0060 | -2,444,793 | | |
| Intangible asset risk | R0070 | 0 | | |
| **Basic Solvency Capital Requirement** | R0100 | 4,986,841 | | |

| | | C0100 |
|---|---|---|
| **Calculation of Solvency Capital Requirement** | | |
| Operational risk | **R0130** | 195,515 |
| Loss-absorbing capacity of technical provisions | **R0140** | 0 |
| Loss-absorbing capacity of deferred taxes | **R0150** | -1,482,302 |
| Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC | **R0160** | 0 |
| **Solvency capital requirement excluding capital add-on** | **R0200** | 3,700,054 |
| Capital add-on already set | **R0210** | 0 |
| of which, capital add-ons already set - Article 37 (1) Type a | **R0211** | 0 |
| of which, capital add-ons already set - Article 37 (1) Type b | **R0212** | 0 |
| of which, capital add-ons already set - Article 37 (1) Type c | **R0213** | 0 |
| of which, capital add-ons already set - Article 37 (1) Type d | **R0214** | 0 |
| **Consolidated Group SCR** | **R0220** | 3,700,054 |
| **Other information on SCR** | | |
| Capital requirement for duration-based equity risk sub-module | **R0400** | 0 |
| Total amount of Notional Solvency Capital Requirements for remaining part | **R0410** | 0 |
| Total amount of Notional Solvency Capital Requirements for ring fenced funds | **R0420** | 0 |
| Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios | **R0430** | 0 |
| Diversification effects due to RFF nSCR aggregation for article 304 | **R0440** | 0 |
| Minimum consolidated group solvency capital requirement | **R0470** | 1,648,280 |
| **Information on other entities** | | |
| Capital requirement for other financial sectors (Non-insurance capital requirements) | **R0500** | 0 |
| Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies | **R0510** | 0 |
| Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions | **R0520** | 0 |
| Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial activities | **R0530** | 0 |
| Capital requirement for non-controlled participation requirements | **R0540** | 0 |
| Capital requirement for residual undertakings | **R0550** | 0 |
| Capital requirement for collective investment undertakings or investments packaged as funds | **R0555** | 0 |
| **Overall SCR** | | |
| SCR for undertakings included via D and A | **R0560** | 0 |
| **Solvency capital requirement** | **R0570** | 3,700,054 |

# S.32.01.22_ GROUP – Undertakings in the Scope of the Group as at 31 December 2024

**Annex I**
**S.32.01.22**
**Undertakings in the scope of the group**

| Country | Identification code of the undertaking | Type of code of the ID of the undertaking | Legal name of the undertaking | Type of undertaking | Legal form | Category (mutual/non mutual) | Supervisory Authority | |
|---|---|---|---|---|---|---|---|---|
| C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | (cont) |
| DE | LEI/391200QTD6VW5OOK0Z35 | LEI | General Reinsurance AG | 3 | Aktiengesellschaftt | 2 | BaFin | |
| AU | LEI/254900FBQZ1HZJGI4B49 | LEI | General Reinsurance Life Australia Ltd. | 3 | Aktiengesellschaftt | 2 | Australian Prudential Regulation Authority (APRA) | |
| ZA | LEI/378900B024DCA3D49F94 | LEI | General Reinsurance Africa Ltd | 3 | Aktiengesellschaftt | 2 | Financial Services Board (FSB) | |

| Criteria of influence | | | | | | Inclusion in the scope of group supervision | | Group solvency calculation |
|---|---|---|---|---|---|---|---|---|
| % capital share | % used for the establishment of consolidated accounts | % voting rights | Other criteria | Level of influence | Proportional share used for group solvency calculation | YES/NO | Date of decision if art. 214 is applied | Method used and under method 1, treatment of the undertaking |
| C0180 | C0190 | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 |
| 100% | | 100% | | | | 1 | | 1 |
| 100% | 100% | 100% | | 1 | 100% | 1 | | 1 |
| 100% | 100% | 100% | | 1 | 100% | 1 | | 1 |

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General Reinsurance AG
Theodor-Heuss-Ring 11
50668 Cologne

genre.com

Photo: Tippawankongto