2023 Annual Report
General Reinsurance AG

A Berkshire Hathaway Company

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Key Figures

		2023	2022	2021	2020	2019
Balance sheet data						
Investments	Euro m	10,449.4	9,446.8	8,643.1	12,631.1	12,169.2
thereof: deposits	Euro m	1,851.6	1,959.2	1,888.6	1,702.9	1,663.4
Cash and cash equivalents	Euro m	554.9	576.8	479.8	324.1	304.3
Investments including cash and cash equivalents	Euro m	11,004.3	10,023.6	9,122.9	12,955.2	12,473.5
Shareholders' equity	Euro m	3,878.4	3,226.5	3,061.2	2,800.4	2,707.4
Return on equity	%	25.4	5.3	8.9	3.4	14.0
Net underwriting reserves	Euro m	7,685.4	7,197.9	6,789.1	10,565.7	10,389.9
Total assets	Euro m	12,993.5	11,892.1	11,271.9	14,690.7	14,209.2
Income statement						
Gross premiums written	Euro m	4,723.6	4,187.3	4,525.9	4,213.5	4,038.9
Life/health	Euro m	2,783.0	2,671.3	2,917.3	2,558.8	2,355.0
Property/casualty	Euro m	1,940.6	1,516.0	1,608.6	1,654.7	1,683.9
Net premiums earned	Euro m	4,000.6	3,771.0	4,058.3	3,752.8	3,496.4
Life/health	Euro m	2,672.9	2,620.1	2,853.2	2,507.8	2,236.6
Property/casualty	Euro m	1,327.7	1,150.9	1,205.1	1,245.0	1,259.8
Underwriting result before change in the equalization reserve	Euro m	259.6	64.5	-146.1	14.9	356.5
Life/health	Euro m	250.5	219.2	67.2	138.6	184.9
Property/casualty	Euro m	9.0	-154.8	-213.3	-123.7	171.6
Combined ratio	%	93.5	98.3	103.6	99.6	89.8
Life/health	%	90.6	91.6	97.6	94.5	91.7
Property/casualty	%	99.3	113.4	117.7	109.9	86.4
Change in the equalization reserve	Euro m	-32.7	132.4	135.1	120.6	-125.1
Underwriting result after change in the equalization reserve	Euro m	226.8	196.8	-11.0	135.5	231.4
Investment income	Euro m	918.5	81.6	323.4	117.0	251.5
thereof: current investment income	Euro m	223.0	168.0	178.5	152.0	193.3
thereof: realized gains/losses*	Euro m	695.5	-86.4	144.9	-35.0	58.2
Profit before taxes	Euro m	1,075.6	296.9	312.5	152.4	464.9
Net income / net loss	Euro m	902.2	165.3	260.8	92.9	354.0
Dividend	Euro m	0.0	250.3	0.0	0.0	0.0
Employees**		831	792	756	758	735
thereof: in Germany		415	393	384	393	395
Ratings		Standard & Poor's: AA+		A.M. Best: A++		Moody's: Aa1

*including write-ups and write-downs

**as at 31 December, including staff of General Reinsurance AG employed at service companies

Executive Board Report

Introduction

Berkshire Hathaway Inc. is the parent company of General Re Corporation (Gen Re) – a holding company whose subsidiaries include General Reinsurance Corporation. General Reinsurance Corporation, in turn, is the immediate parent company of General Reinsurance AG. One of the world's leading reinsurance groups, Gen Re transacts international reinsurance business as well as all related operations. The Gen Re Group is represented worldwide by a network of more than forty locations.

General Reinsurance AG is represented by branches or through subsidiaries in all major markets of life/health reinsurance and property/casualty reinsurance outside the United States, except for the Australian property/casualty market. Business in the Australian property/casualty market is transacted by an affiliate within the Gen Re Group, which is not part of the General Reinsurance AG Group.

In 2023 the global macroeconomic environment was largely characterized by easing inflation in many countries, uneven regional economic growth, and expectations of interest rate cuts. While the United States posted strong economic growth, growth elsewhere was significantly less pronounced. The Eurozone reacted more sensitively than other economies to the repercussions of global conflicts and geopolitical uncertainties such as the ongoing war between Russia and Ukraine and the changed situation in the Middle East following Hamas' attack on Israel in October 2023.

A further rise in interest rates in 2023 raised the costs of financing for capital expenditures. On the other hand, financial investments and savings products have become more attractive. In the area of savings products, life insurers are facing tougher competition from other industries within the financial sector. In health insurance and property/casualty insurance, inflation has made both premiums and claims more expensive.

2023 was another year of considerable loss expenditure from natural catastrophes on the international market.

General Reinsurance AG recorded an underwriting profit of Euro 259.6 million before changes in the equalization reserve in the 2023 financial year (previous year: profit of Euro 64.5 million). We added Euro 32.7 million to the equalization reserve in 2023 (2022: release of Euro 132.4 million). The underwriting profit after changes in the equalization reserve improved from Euro 196.8 million in 2022 to Euro 226.8 million in the year under review.

Indications of a less restrictive stance by central banks fueled optimism on financial markets towards year-end: the MSCI World Index posted a gain of 22%, its best performance since 2019. Bond markets similarly delivered strong returns following two years in negative territory.

In the year under review, we recorded total investment income of Euro 918.5 million compared to Euro 81.6 million in the previous year. The notable increase is due to gains from the disposal of large parts of our equity portfolio.

Including the effects of other income and expenses, we posted net income of Euro 902.2 million in the year under review, after net income of Euro 165.3 million in the previous year.

Macroeconomic Environment and Capital Market Development

Following a year of considerable uncertainty and disruption on markets in 2022, economies globally outperformed expectations in 2023. Global financial markets, buoyed by easing inflation, robust economic growth, and expectations of interest rate cuts, posted strong returns.

Against the backdrop of persistently high inflation and inflation expectations, the Federal Reserve increased its key policy rate four times during 2023, with the last increase taking place in July. With the U.S. CPI reading falling to +3.4% in December 2023, it became clear that U.S. inflation was by then likely to continue to decelerate and follow a pathway toward a normal, or at least acceptable, level. The decline in U.S. consumer price inflation was similarly reflected elsewhere: Eurozone inflation dropped to +2.9% in December, while U.K. inflation also slowed sharply to +4.0%.

GDP growth proved to be more resilient and confounded expectations. While the U.S. has posted strong GDP growth, growth elsewhere was less pronounced. Having eked out a slim gain of +0.1% in both the first and second quarters, the Eurozone - more sensitive to the repercussions of the war between Russia and Ukraine - recorded negative growth of -0.1% for the third quarter and is expected to grow by just +0.6% for the full year. The U.K. is also expected to record meagre annual growth for 2023 of just +0.6%.

The optimism on financial markets at year-end is best exemplified by equity market returns. The MSCI World Index, which tracks the performance of developed economies' equity markets, posted a gain of 22%, its best performance since 2019. A key driver of this strong global equity market performance was the dynamic development of the United States' Standard & Poor's 500 index (S&P 500). Much of the positive annual equity market return was due to the strong months of November and December, when investors started expecting that central bank policy rates have peaked and may even ease in 2024.

Due to the change in investor expectations as regards the future path of central bank policy rates, bond markets similarly posted strong returns following two years in negative territory. The 10-year U.S. Treasury rate, a global benchmark for bond markets, closed the year at 3.88%. The shorter-maturity 2-year U.S. Treasury rate also moved lower.

Financial Performance

	2023 Euro m	2022 Euro m
Earned premiums net of reinsurance	4,000.6	3,771.0
Underwriting result net of reinsurance	226.8	196.8
Total investment income	918.5	81.6
Other income/expenses	-69.7	18.5
Taxes	-173.4	-131.6
Net income / net loss	**902.2**	**165.3**
Shareholders' equity	**3,878.4**	**3,226.5**

Our financial performance for 2023 is characterized by an improved positive underwriting result net of reinsurance and notable investment income compared to the previous year.

After the change in the equalization reserve, the underwriting result net of reinsurance posted a gain of Euro 226.8 million in 2023, compared to Euro 196.8 million in the previous year.

We generated a profit of Euro 918.5 million from our investments in the year under review, following a profit of Euro 81.6 million in the previous year. In contrast to the previous year, the balance of write-ups and write-downs on investments reduced the result only marginally in 2023. The remarkable investment result is largely due to the sale of a large proportion of our equity portfolio. In addition, the turnaround in interest rates on the bond markets led to rising interest earnings on our fixed-income securities.

Net income increased from Euro 165.3 million in the previous year to Euro 902.2 million in the year under review. Shareholders' equity grew by 20.2% to Euro 3,878.4 million in the year under review (previous year: increase of 5.4 % to Euro 3,226.5 million).

Underwriting Result

	2023 Euro m	2023 Combined Ratio *)	2022 Euro m	2022 Combined Ratio *)
Earned premiums net of reinsurance	4,000.6		3,771.0	
Life/health	2,672.9		2,620.1	
Property/casualty	1,327.7		1,150.9	
Underwriting result before change in the equalization reserve	259.6	93.5%	64.5	98.3%
Underwriting result net of reinsurance	226.8		196.8	
Life/health	250.5	90.6%	219.2	91.6%
Property/casualty	-23.7		-22.4	
Underwriting result before change in the equalization reserve	9.0	99.3%	-154.8	113.4%
Change in the equalization reserve	-32.7		132.4	

*) Ratio of incurred losses and expenses to earned premiums net of reinsurance

Our total earned premiums net of reinsurance increased by 6.1% from Euro 3,771.0 million in the previous year to Euro 4,000.6 million in the year under review. Premiums increased in the life and health reinsurance business and in the property and casualty reinsurance business. Earned premiums net of reinsurance in life/health business increased by 2.0% (2023: Euro 2,672.9 million, previous year: Euro 2,620.1 million). Earned premiums net of reinsurance in property/casualty business increased by 15.4% from Euro 1,150.9 million in 2022 to Euro 1,327.7 million in 2023. We retroceded around 20% of the property/casualty portfolio to our parent company, General Reinsurance Corporation. In addition, a stop-loss agreement was in place with General Reinsurance Corporation for part of our property/casualty business. We had a stop-loss agreement with General Re Life Corporation for part of our life/health business.

Life and health reinsurance and property and casualty reinsurance both contributed to the good underwriting result.

The underwriting result net of reinsurance in life/health was significantly higher than in the previous year (2023: Euro 250.5 million, previous year: Euro 219.2 million). The combined ratio decreased to 90.6% (previous year: 91.6%). The claims experience improved, partly because it turned out that the excess mortality associated with the COVID-19 pandemic was not quite as high as originally expected.

In property/casualty reinsurance, we were able to increase our exposure in many lines of business at risk-adequate prices. Following an underwriting loss of Euro -154.8 million in 2022, the year under review produced a profit of Euro 9.0 million before changes in the equalization reserve. This equates to a combined ratio of 99.3% (previous year: 113.4%). After the allocation of Euro 32.7 million to the equalization reserve (previous year: withdrawal of Euro 132.4 million), we posted an underwriting loss net of reinsurance of Euro -23.7 million in 2023 (previous year: loss of Euro -22.4 million).

Investments incl. Cash and Cash Equivalents

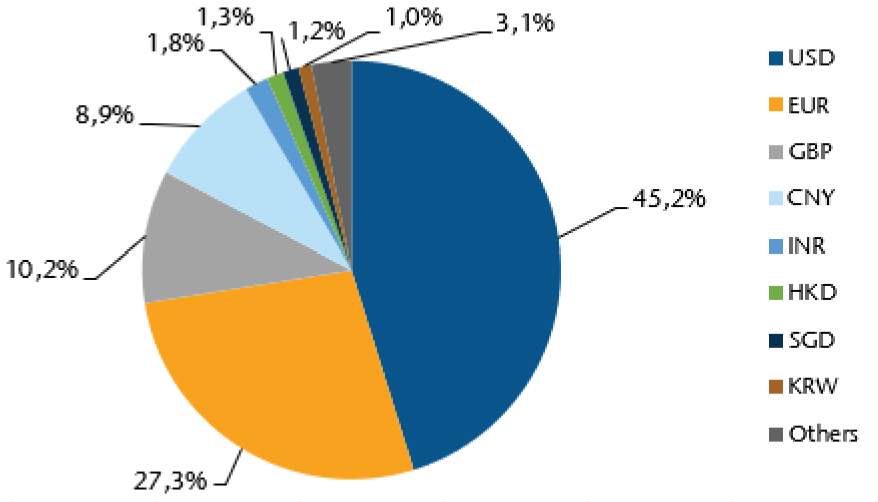
	2023 Euro m	2023 %	2022 Euro m	2022 %
Real estate, rights to real estate and buildings	24.6	0.3	26.3	0.4
Investments in affiliated companies and participations	533.3	6.2	536.0	7.2
Equities, investment fund certificates and other non-fixed-income securities	565.5	6.6	2,238.2	29.9
Bearer bonds and other fixed-income securities	6,717.7	78.1	3,878.4	51.8
Bank deposits	756.7	8.8	808.8	10.8
Investments, excluding deposits retained on assumed reinsurance business	**8,597.7**	**100.0**	**7,487.7**	**100.0**
Deposits retained on assumed reinsurance business	1,851.7		1,959.2	
Total investments	**10,449.4**		**9,446.8**	
Current accounts with banks, cheques and cash	554.9		576.8	
Investments including cash and cash equivalents	**11,004.3**		**10,023.6**	

Large parts of the equity portfolio were sold and the revenues were reinvested in fixed-income securities. By reallocating between asset classes, we aim to benefit from the rise in interest rates on bond markets, particularly for U.S. bonds with shorter maturities. Our investment portfolio continues to consist of high-quality, highly liquid fixed-income securities, equities and loans.

Bond Portfolio

At the end of the year, 99.5% of the bond portfolio was held in government securities.

Investments by currency



Revenues from the sale of equity holdings were mainly reinvested in U.S. bonds. The majority (45.2%) of our investments are therefore held in U.S. dollars (previous year: 11.8%), followed by investments held in euro-denominated instruments (year under review: 27.3%, previous year: 48.7%), pound sterling (year under review: 10.2%, previous year: 14.6%), and Chinese yuan renminbi (year under review: 8.9%, previous year: 11.1%).

Investment Income

	2023 Euro m	2022 Euro m
Income from participations	1.2	1.2
Income from equities	57.0	106.0
Income from bearer bonds and other fixed-income securities	137.3	24.6
Interest on reinsurance deposits	49.6	50.0
Income from other investments	24.8	33.9
Less administration costs on investments, interest costs and other investment expenses	4.8	4.7
Less income from technical interest	42.1	43.0
Current investment income	**223.0**	**168.0**
Gains/losses from disposals	699.8	-2.9
Write-ups/write-downs of investments	-4.3	-83.5
Total investment income	**918.5**	**81.6**

Current investment income increased from the previous year's level of Euro 168.0 million to Euro 223.0 million. In 2023 we posted gains from disposals in the amount of Euro 699.8 million (2022: losses of Euro 2.9 million). The remaining balance of write-ups and write-downs was attributable for the most part to the equity portfolio (2023: loss of Euro 4.3 million, previous year: loss of Euro 83.5 million).

As a result of the sales in our equity portfolio, dividend income decreased to Euro 57.0 million (2022: Euro 106.0 million), and interest earnings on our fixed-income securities increased from Euro 24.6 million in 2022 to Euro 137.3 million in the year under review.

We generated a return of 2.6% on our bond portfolio (2022: 0.6%), and a dividend yield of 5.7% in our equity portfolio (2022: 5.6%), delivering a total return of 2.7% (2022: 2.2%).

Total investment income excluding technical interest therefore amounted to a Euro 918.5 million in the year under review after income of Euro 81.6 million in the previous year.

Other Profit Contributions

Other income/expenses closed with a loss of Euro 69.8 million in 2023 (2022: profit of Euro 18.5 million). The result is mainly driven by exchange rate losses.

Shareholders' Equity

Capital strength and solvency rank among the key competitive factors in the international reinsurance business. The shareholder's equity of General Reinsurance AG increased by 20.2 % in 2023 to Euro 3,878.4 million after an increase of 5.4 % in the previous year.

Net income for 2023 amounted to 902.2 million. Considering the profit brought forward from prior years of Euro 649.1 million, the disposable profit amounts to Euro 1,551.3 million. The Executive Board of General Reinsurance AG proposes to the Ordinary General Meeting that the disposable profit should be carried forward.

Development of the Major Classes of Business

Business Units

When reporting on operations, we distinguish between two business units: Life and health reinsurance on the one hand, and property and casualty reinsurance on the other. The development of the major classes in both units and in our most important regional markets is as follows:

Life and Health Reinsurance

Market Development

Having overcome the COVID-19 pandemic, many markets are experiencing uncertainty due to geopolitical changes, inflation, rising interest rates and other factors. Even after almost two years of war, there was still no sign of a peaceful solution in Ukraine at the end of the year. Since Hamas attacked Israel at the beginning of October, the situation in the Middle East has been tenser than it had been for decades. The rise in interest rates continued in 2023 as inflation remained high. As a result, life insurers have seen their solvency position ease considerably. Instead, the focus in this environment was much more on liquidity management. Following the turnaround in interest rates, the competitive situation with banks and investment companies changed fundamentally for life insurers when it comes to savings products. Nevertheless, life insurers are experiencing growth impetus from these developments since the need for protection remains high, not least in the area of retirement provision. On the other hand, it is precisely when disposable incomes are under pressure from inflation that consumers postpone the decision to take out a new policy under which they enter into long-term commitments.

Our focus in life and health reinsurance is on the coverage of biometric risks. Due to the increase in the cost of property loans, new business in term life insurance was less strong in 2023 than in previous years. Against the backdrop of competition with bank products, we are also observing a certain shift away from savings-oriented offerings towards biometric covers, such as disability insurance. Health and group covers generally follow inflation and thus contribute to premium growth. The digital transformation is of paramount importance for life and health insurers and therefore ties up considerable capacity. This makes it even more important for reinsurers such as Gen Re to offer high-quality services that directly support the digital transformation (e.g. in the application and claims process) and ease the burden on primary insurers in other areas, such as product development. With our expertise and range of services in the field of biometric risks, we support our clients as a partner in the international life and health insurance markets and help them to take advantage of growth opportunities. In addition to our expertise and our service, Gen Re's financial strength is another decisive advantage in competition with other reinsurers. On this basis, we were able to further expand our business last year.

Financial Results

Due to growth in the United Kingdom, Germany, the ASEAN countries and other markets, our premium income from life and health business increased moderately year-on-year. The claims experience improved again compared to the previous year, partly because it turned out that the excess mortality associated with the COVID-19 pandemic was not quite as high as originally expected. This meant that, at Euro 250.5 million, the underwriting result was above the previous year's level (Euro 219.2 million).

The combined ratio stood at 90.6%, compared to 91.6 % in 2022. Gross written premiums increased by 4.2 % to Euro 2,783.0 million (2022: Euro 2,671.3 million). Net earned premium in life and health insurance also increased by 2.0 % in the year under review to Euro 2,672.9 million (previous year: Euro 2,620.1 million). Adjusted for exchange rate effects, net earned premium rose by 4.6%, meaning that premium growth was less pronounced in euros than in original currency due to exchange rate movements.

Analysis by Classes of Business

	Gross Written Premiums		Underwriting Result net of Reinsurance		Combined Ratio	
	2023	2022	2023	2022	2023	2022
	Euro m	Euro m	Euro m	Euro m	%	%
Life	2,216.0	2,050.0	194.0	179.5	90.8	90.9
Health	567.0	621.3	56.6	39.8	90.1	93.9
Total	**2,783.0**	**2,671.3**	**250.6**	**219.2**	**90.6**	**91.6**

Developments in our Home Market and Abroad

Germany

The market environment for German life insurers was not easy in 2023. Although inflationary pressure eased somewhat following the very high price increases in 2022, economic growth was weak. Rising interest rates led to significantly changed framework conditions and a new competitive situation for life insurers. Demand for single-premium products therefore declined in 2023. Although there was a slight increase in new business with regular premiums, the market as a whole did not reach the previous year's level. All of this took place against the backdrop of intensive political discussions around the future of subsidized retirement provision and the implementation of regulatory measures such as the EU's Retail Investment Strategy. At the end of 2023, life insurers raised their surplus declarations for the following year across a broad front for the first time in a long while, which is expected to provide new business impetus in 2024.

The business segment of biometric covers proved to be very robust in 2023. While there was a decline in new business with protection in case of death due to the increased cost of mortgages and sluggish property market, coverage for capacity to work flourished and the biometric market consequently grew strongly overall. The strategic initiatives undertaken by primary insurers to expand biometric business for diversification purposes are still meeting with very high demand for protection among the population and further growth in interest on the sales side. The pleasing new business was also driven not least by essential abilities insurance, which has established itself as a more affordable alternative to traditional occupational disability insurance – particularly for those engaged in predominantly physical work – and is now offered by numerous life insurers. We continue to assess the outlook for capacity to work coverage as favorable and anticipate several important trends in this area, namely further increases in the level of cover, a growing share of essential abilities insurance, an associated increase in the penetration of insurance cover among the working population and the ongoing development of innovative approaches. In addition to refined pricing approaches, new cover components and a wide range of support services for insureds, the advancing digitalization of risk and claims assessments should be mentioned in connection with innovations. Technology and other productivity-enhancing measures also help to counteract the shortage of skilled personnel already evident in underwriting and claims assessment. We work very successfully with our clients on the development of products for capacity-to-work coverage and support them with our services in defining and implementing innovative approaches that are precisely tailored to their needs. In the past year, we once again played a part here with the further enhancement of our systems for underwriting and claims management, with our claims management system COMPANION in particular meeting with brisk demand.

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 2023.

International

Many of the business developments and factors described above in relation to our home market also apply to other markets in **Europe**. Growth in new business and premium income showed a mixed picture across **Continental European** life and health insurance markets. These varying developments are very evident in France and Italy, which are by far the largest Continental European markets apart from Germany and where single-premium products sold through banks dominate. France recorded slight year-on-year growth in 2023, while Italy saw a significant decline in premium income. High inflation and increased interest rates are leading to greater restraint in new business. The rise in the cost of mortgage loans has resulted in softer demand in many countries. Accordingly, business involving biometric protection for loans was flat and even declined in some countries. Risk protection for self-employed persons and small businesses remained remarkably stable in 2023. However, it is our expectation that demand in this segment will also decline appreciably in the coming months, reflecting the uncertain economic environment.

Our business in Continental European markets nevertheless developed positively overall in 2023 despite this mixed environment. While our premium was lower in some markets than in the previous year, we were able to increase our premium in other markets through new business relationships. Overall, we achieved a pleasing result in the year under review.

The **UK** is seeing a persistent excess mortality after the pandemic. We take this phenomenon into account in the pricing of our new business and will continue to monitor developments. Disability business continues to develop positively and, together with group insurance business, we see good opportunities here for future growth.

European markets still offer considerable potential for life and health insurance business due to the comparatively low level of private retirement provision and inadequate individual risk protection. However, given the uncertain economic environment shaped by inflation, higher interest rates and other factors, our growth expectations for the next one to two years are cautious.

Through our strong emphasis on service when it comes to supporting product development and risk management, we continue to play a consistently significant role in generating new business opportunities with our clients – both now and going forward.

In **Asia**, we recorded growth driven by the ASEAN countries as well as India, while primary insurers in China are still seeking to run more business in their retention. The premium booked for our life/health business in Asia measured in euros was roughly on a par with the previous year due to currency depreciation in the region, while the premium in the original currency increased slightly. The result for 2023 is encouraging, mainly because of the very good performance of health business in China. In Chinese critical illness business, we had to strengthen our reserves due to higher claims. We continue to invest considerable effort in analyzing this business and are closely monitoring the trend and claims experience together with our clients. It is our expectation that markets in South-East Asia and India will continue to grow in the year ahead, similarly providing us with further opportunities for profitable growth.

Our business in **Latin America** was very profitable due to positive developments from previous underwriting years. Following the market turbulence caused by the COVID-19 pandemic, we again focused primarily on working with long-standing clients in 2023 and achieved stable premium income.

In the **Middle East** and **North Africa** we booked a higher premium volume and a slightly negative result due to individual portfolios with an unfavorable loss experience. We continue to see further good growth potential in the region over the medium to long term.

Our business in **Sub-Saharan Africa** and **Australia** is written by subsidiaries and affects our underwriting results through their retrocessions to General Reinsurance AG.

With a slight increase in premium income, we achieved a pleasing underwriting result to which all regions again contributed with underwriting profits. We see promising growth opportunities in various markets for the coming years. We benefit from our globally diversified portfolio and our strong position in many markets. With our reinsurance solutions, our risk management expertise, and our range of services, we are very well positioned to further grow our business. We are investing in various forward-looking technology projects that will benefit us as well as our clients in a number of ways – thereby putting in place the foundation for our sustained success in what remains a challenging environment.

Property and Casualty Reinsurance

Market Development

2023 brought some changes in our market, with a reduced supply of natural catastrophe capacity available globally on 1 January as reinsurers revisited their risk appetite following many years of loss experience. Whilst the imbalance of supply and demand was most pronounced in catastrophe-exposed treaties in markets which had major losses in 2022, reinsurer appetite altered in most markets and most lines. We took the opportunity to further strengthen our deep global client relationships and supported many clients with increased participations, leading to significant growth of 28% in gross written premium in 2023.

2023 was another year of considerable natural catastrophe losses in the international market, with major losses in Mexico, New Zealand, Türkiye, Italy, the Nordics and Germany among other places. The market remained disciplined in the face of this loss experience throughout most of the year, although there were indications of a return to an adequate supply of reinsurance capacity by the end of the year.

Our portfolio was well placed to absorb the loss activity we experienced and our relationships, our expertise and our rating enabled us to meet client demand in many markets throughout the world. This resulted in both positive underwriting results in 2023 and the opportunity to grow our business in areas that we consider to be adequately priced.

We expect the market to return to a more stable state in 2024, with modest risk-adjusted rate increases in most lines as the demand for reinsurance and supply of capacity have become more balanced. We consider there to be ample opportunity to further grow our franchise in the coming year.

Financial Results

Gross written premium in property and casualty business increased by 28.0% to Euro 1,940.6 million (2022: Euro 1,516.0 million). Adjusted for exchange rate effects, gross written premiums increased by 29.5%.

Excluding natural catastrophe losses, the result in most lines of business was within expectations. An underwriting profit of Euro 9.0 million was recorded for 2023 before changes in the equalization reserve (2022: loss of Euro 154.8 million).

Including changes in the equalization reserve, we booked an overall loss of Euro 23.7 million (2022: loss of Euro 22.4 million). On the whole, we recorded a material improvement in the pricing strength of the portfolio renewed in 2023 as we continued to focus on ensuring an adequate risk return. Across most lines and most markets, price adequacy improved to the extent that we considered the expected return to be commensurate with the risk assumed. As a result, we increased our exposure in many lines during 2023, including in catastrophe business.

Analysis by Classes of Business

Before change in the equalization reserve	Gross Written Premiums		Underwriting Result net of Reinsurance		Combined Ratio	
	2023 Euro m	2022 Euro m	2023 Euro m	2022 Euro m	2023 %	2022 %
Property insurance	1,178.5	862.2	44.8	-39.6	94.3	106.6
Motor insurance	320.7	265.8	-52.6	-67.2	122.1	122.9
General third party liability insurance	183.2	201.5	9.7	-17.2	93.1	112.5
Other classes of insurance	258.2	186.5	7.1	-30.8	95.6	125.2
Total	**1,940.6**	**1,516.0**	**9.0**	**-154.8**	**99.3**	**113.4**

During 2023 we maintained our firm underwriting discipline and our focus on obtaining appropriate compensation for the risk that we take on. The rating environment was significantly more positive in 2023 compared to previous years and we therefore had the opportunity to grow in many lines of business. In particular, we saw significant opportunities in the property, energy and engineering lines. Motor business was somewhat distressed in many markets due to inflationary pressures on claims costs. As a result, we reduced our exposure to motor business in certain markets. The premium booked in motor insurance in the business year was still higher than in the prior year due to the cancellation of business in Russia and Ukraine in 2022.

Developments in our Major Regional Markets

Germany

Thanks to strong client loyalty and our long-standing market presence, our business in Germany again developed very positively in 2023. Whilst some segments of the market, particularly industrial property and motor, are seeing significant claims activity, we still found opportunities to strengthen our relationships and grow our business further.

Our premium from property business grew materially whilst our liability business showed a slight decrease compared to the previous year. Overall, the underwriting results including run-off profits from claims in prior years were satisfactory.

Our premium volume from the German motor insurance market increased slightly. The trend towards above-average claims inflation continued into 2023 and underlying rate increases were, in general, insufficient to counter this trend. We anticipate further underlying rate increases in the current year, although these will probably not be enough to restore profitability in 2024.

International

In most other **European markets,** the historical catastrophe loss experience and lack of reinsurance supply meant that we saw some opportunities to grow our portfolio materially. We did this whilst maintaining our low exposure to business involving inadequate risk premiums and unfavorable structures such as aggregate deductibles or very low attachments.

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 2023 as we considered rates inadequate for the level of risk assumed. The rate adequacy of UK motor reinsurance is highly sensitive to changes in the so-called Ogden discount rate as well as expected changes in inflation impacting bodily injury claims over the long term. This is compounded by short-term inflationary trends in damage losses. While underlying rates in original business and on the reinsurance side have both moved higher, we believe that the increases seen in 2022 and 2023 are not sufficient to achieve rate adequacy over the longer term. For this reason, we further reduced our participation in this class.

In 2023 we materially expanded our shares in non-motor business and expanded our participation in some London Market specialist lines. Overall, we saw significant growth in our premium volume in the UK market.

In **France, Italy, the Nordics and the Iberian Peninsula,** markets reacted differently depending on loss experience. We found opportunities to support clients further in France and the Nordics following significant changes in reinsurance rates, whereas in the Iberian Peninsula and Italy rates remained somewhat depressed. Results in the Nordic market were disappointing in 2023 because of high levels of both natural catastrophe and other property loss activity.

Our **Latin American business** continued to perform well, although we reduced our exposure to some agricultural business in response to declining rates. While this effect led to an overall reduction in premium volume, we nevertheless grew our business in Latin America with a number of clients in other lines of business.

Turning to **Asia,** we saw significant growth in 2023, particularly in India and Singapore albeit from a relatively small base. Our Chinese business did not grow in overall volume, but we were able to alter the profile of our portfolio such that we are better placed to maintain an acceptable level of profitability over the long term.

Our business in **Africa** is written through a subsidiary and impacts our underwriting results through retrocessions to General Reinsurance AG. Our African business generated an underwriting profit in 2023 due to the improved profitability of the business we write there and the lack of major loss activity. We grew our portfolio modestly in 2023 in response to a lower level of reinsurance supply after the major losses of 2022.

Business Development of the Major Subsidiaries

General Reinsurance AG, Cologne, is the parent company within the General Reinsurance AG Group. The General Reinsurance AG Group is included as part of the Gen Re Group in the consolidated financial statements of Berkshire Hathaway Inc., Omaha/USA.

The primary risk carrier of the General Reinsurance AG Group is General Reinsurance AG, which is represented by numerous branches, subsidiaries, and representative offices based in Europe (Copenhagen, London, Madrid, Milan, Paris, Vienna), the Middle East (Beirut, Dubai), Asia (Beijing, Hong Kong, Labuan, Mumbai, Seoul, Shanghai, Singapore, Taipei, Tokyo) and Latin America (Buenos Aires, Mexico City, São Paulo).

The two major subsidiaries as at the balance sheet date were General Reinsurance Africa Ltd., Cape Town/South Africa, and General Reinsurance Life Australia Ltd., Sydney/Australia. 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.

Our South African life/health business achieved a very pleasing result in the year under review due to a favorable loss experience. While the financial impact of the COVID-19 pandemic was negligible this year, growing new business is a challenge owing to difficult market headwinds and competitive pressure.

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.

Our Staff

At the end of the 2023 financial year General Reinsurance AG employed a total workforce including its staff at service companies of 831 (39 more than at the end of the previous year), of whom 415 (+22) were based in Germany and 416 (+17) abroad.

Depending on local market standards, we have put in place various models of flexible, mobile working practices to enable local management to find the best solutions for our employees and clients. As a modern employer, an appropriate balance between professional requirements and private needs is important for us to ensure high employee satisfaction over the long term as well as to attract new talented people for General Reinsurance AG.

The success of our company is founded on the expertise, experience, and dedication of our employees. As an employer, we offer our staff attractive working conditions. These include the fair and respectful treatment of our employees, competitive remuneration, flexible working hours and opportunities for individual development. We also offer an Employee Assistance Program, which provides confidential external counseling services that can assist our staff and their families with professional, private or health matters.

In our Talent Management System, we offer a wide range of online learning content covering topics ranging from leadership and management to technical and data skills. Many of the courses are available in multiple languages and new materials are constantly added. All our employees are also required to complete interactive online compliance training as well as courses related to data security, ethical business conduct, handling conflicts of interest, preventing corruption and money laundering, financial integrity, data protection, antitrust law, trade sanctions as well as avoiding insider trading and workplace harassment.

Additionally, our Learning & Development department and our external partners offer virtual courses on core interpersonal skills spanning a range of topics, including Diversity, Equity, and Inclusion (DEI), performance, holding difficult conversations, managing staff in a hybrid world, influencing, negotiating and setting personal goals. We also offer resilience training that covers practical methods for staying healthy, a leadership training program for new managers and individual coaching.

We continue to support cooperation with universities to promote interaction between research and corporate practice and hosted a successful in-house event, the "Mathematicians' Day". We participate in the 10,000 Interns Foundation programme and the Lloyd's of London Foundation bursary programme, which also support our global DEI activities. Furthermore, we offer scholarships for disadvantaged students and support them with mentoring. Offering internships and employing working students on a frequent basis also opens access to interested young talent.

We continue to strengthen our Global Diversity, Equity, and Inclusion (DEI) program to move forward with shaping a more diverse, equitable and inclusive work environment at General Reinsurance AG. The Global DEI Officer works with the leaders of the Employee Resource Groups (ERGs) to learn more about the needs of these employees and develop more effective and successful inclusion and integration strategies. Furthermore, we offer online courses on an ongoing basis covering a suite of DEI topics, for example, to help employees understand and reduce their own inbuilt unconscious biases. We also support managers so that they can act as inclusive leaders and promote inclusion in their teams and throughout the organization.

As part of our global DEI approach, we strive to drive cultural change within the company from the bottom up, thus making everyone accountable for creating a more inclusive environment and a more diverse workforce. This explicitly includes, but is not limited to, gender equality. We believe this approach best supports our goals and ensures the most qualified individuals are given every opportunity. To review our progress, we regularly analyze workforce data disaggregated and summarized according to various demographic characteristics, including assigned gender. This data enables us to measure the changes in our workforce over time. We further examine the three driving factors which account for the changes in our workforce over time: who we hire, who we promote, and who leaves our company. We passionately believe that this holistic approach and self-evaluation of our progress will raise awareness and contribute effectively to our overall success in creating a more diverse workforce and inclusive environment over time.

Participation of Women in Management Positions

In implementing the Act on the Equal Participation of Women and Men in Leadership Positions in the Private Sector and Public Sector, we set ourselves targets in 2017 for the proportion of women on the various levels of leadership positions. Target achievement was last reviewed and updated in 2022.

As in 2017, it was decided in 2022 to at least maintain the current quota of women in leadership positions while ensuring that the best-qualified candidate is selected for a position, regardless of gender.

The targets set and the status of the proportion of women on the four management levels as of 31 December 2023 correspond to the following percentages:

Management Level	Targets 2017	Status 31 Dec. 2023	Targets 2022 – 2027
Supervisory Board	16.67%	16.7%	16.7%
Executive Board	0%	14.3%	0%
Level 1 below Executive Board	8.8%	25.5%	29%
Level 2 below Executive Board	39%	38.5%	40%

We will review our targets again by 30 June 2027 and adjust them, if necessary.

The targets set reflect our firm belief that the best qualified individual should be selected in each case, regardless of gender.

In line with our fit-and-proper policy and regulatory requirements, the company must ensure that individual Executive Board members are personally reliable and have the appropriate skills, experience and knowledge to perform the duties assigned to their respective areas of responsibility on the Board. At the same time, the company must ensure that the collective knowledge and experience of the Executive Board guarantee sound and prudent corporate governance at all times.

Although we are strongly committed to promoting a diverse workforce and strive to improve diversity at board level as well, we continue to consider the decision not to set a specific target proportion of women on the Executive Board to be appropriate. However, this in no way precludes a natural development towards greater diversity at board level as well.

These statements at the same time constitute the disclosures required under § 289f (4) German Commercial Code.

Word of Thanks to Our Staff

Our thanks go to all our staff for their considerable dedication, strong motivation, and successful collaboration on all levels. Their expertise and personal commitment, which has enabled the company to develop successfully, are greatly appreciated by the entire leadership team.

Risk Report

Our core business is the assessment and acceptance of insurance risk. We also accept a certain amount of market risk with respect to our investment portfolio. The key elements of our risk assessment are comprehensive qualitative methods supported by extensive quantitative analyses.

Risk Governance

General Reinsurance AG is committed to an integrated approach to risk management. This forms the basis for our company-wide understanding of all risks affecting 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 internal control framework, overseen and facilitated by a **central Risk Management Function**.

The responsibilities in the area of risk management at General Reinsurance AG are allocated as follows:

The **Executive 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 it ensures operational implementation of the risk management processes.

The **Chief Risk Officer,** who is also the Board member responsible for risk management, is in charge of the Risk Management Function and has a direct reporting line to the full Executive Board. The Risk Management Function is responsible for the implementation and ongoing development of the Risk Management System on behalf of the Executive Board. It executes the Risk Strategy on the operational level, including monitoring and reporting on the company's risk profile. In this role, the Risk Management Function is supported by the International Life/Health Risk Committee, the International Property/Casualty Risk Committee, the Investment Risk Committee, the Operational Risk Committee and the Asia Risk Committee, which provide detailed input and expert knowledge and report directly to the Chief Risk Officer. This enables the Risk Management Function to ensure appropriate monitoring of the company's risk profile as well as risk topics across various units and to leverage professional expertise company-wide.

In addition to the Risk Management Function, we have established the key functions for Compliance, Actuarial, and Internal Audit in line with the Solvency II regulatory framework.

Risk Strategy

Our Risk Strategy defines our general approach to risk management by specifying all relevant risks based on our business strategy. It sets out how risks are measured, managed and controlled and specifies our risk appetite and risk tolerance framework.

We broadly define risk as the threat of potential developments or events negatively impacting our ability to achieve the company's business goals. Risks 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 the company's business strategy by limiting risks to acceptable levels.

Risk Management Process

Our company-wide risk management process at General Reinsurance AG comprises the following elements:

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

This 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 Gen Re Group. We divide risks into insurance, market and credit, operational and strategic risk categories (see chart below). Where relevant, we consider sustainability risks with their environmental, social and governance factors (ESG) within our existing risk categories.

Regular quarterly and annual risk reporting routines within the Risk Committee structure referred to above as well as ad-hoc risk reporting ensure continuous monitoring of the company's risk profile.

Our global **Internal Audit** unit regularly reviews the adequacy and effectiveness of the Internal Control System within the scope of its audit mandate. Internal Audit is an integral part of the internal control framework and performs regulatory and risk-based audits focusing on the control mechanisms, procedures and processes associated with the insurance business, investments and operational aspects supporting these business areas. Internal Audit also performs compliance audits to review adherence to regulatory requirements, laws or guidance as well as special reviews as requested by Management. The results of each audit are shared with the Audit Committee of the Supervisory Board and relevant stakeholders, including the Chief Risk Officer.

Our **Risk Universe** is outlined in the chart below:

In the following paragraphs we describe our insurance, market and credit, operational and strategic risks as well as their control mechanisms.

Insurance Risks

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

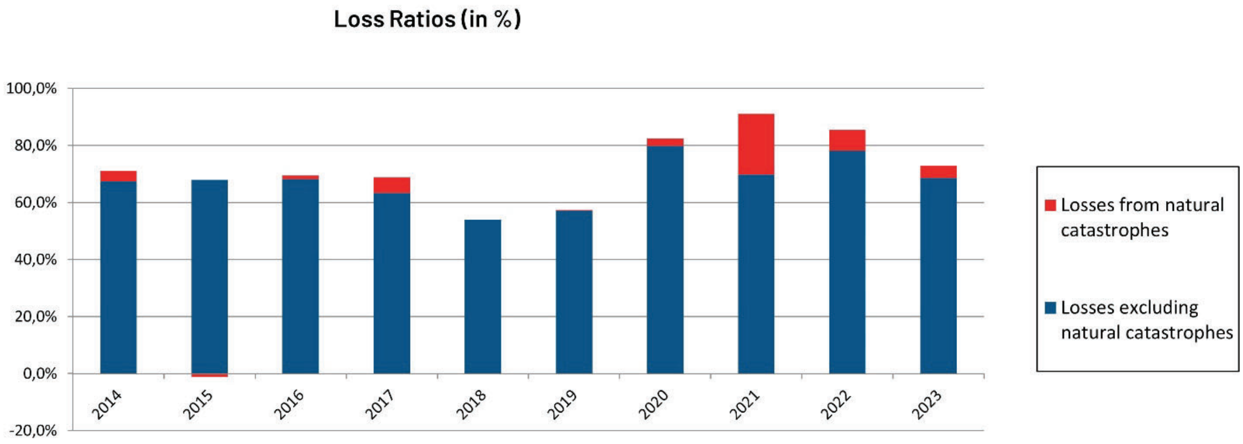
- Risk of random fluctuations as well as pricing model and parameter risk, which can lead to a higher-than-expected claims frequency or severity,
- Large loss accumulation risk due to a single loss event impacting multiple reinsurance contracts or to one contract affected by many individual losses. In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

Our exposure to **natural catastrophes** is systematically monitored and reported to senior management, the Risk Management Function and the Executive Board to ensure that peak exposures are properly understood. We have a risk tolerance framework in place that is linked to capacities representing maximum admissible sums of limits per event and country. This determination of capacities ensures that the natural catastrophe risk is managed within our risk appetite/risk tolerance.

Our loss ratios (split between natural catastrophe losses and other losses) over the last ten years are shown below, expressed as percentages of net premiums earned. In 2023 the share of natural catastrophe losses was 4.3%, compared with 7.3% in the previous year. In 2015 and 2018 this proportion was even negative (-1.2% and -0.2%, respectively) because the reserves released in respect of prior-year catastrophes exceeded the relatively low level of new losses from natural catastrophes in these years.

Loss Ratios (in %) in Property/Casualty Business



We do not actively seek to cover **terrorism** exposures, but it is a risk that we assume in the course of writing reinsurance business and one which we manage and control, including the monitoring of potential accumulations. 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 with risks from other business areas and contribute to our terrorism aggregates.

We limit our **war risk** wherever possible through standard exclusions, and we monitor our exposure by analyzing appropriate scenarios.

Pandemic risk may emanate from events such as the spread of serious highly infectious diseases. We regularly consider various scenarios in order to evaluate the potential impact of pandemic events on both our property/casualty and life/health portfolios and to assess our risk tolerance. In managing this risk, we have implemented an appropriate underwriting policy, including standard terms and conditions, guidelines, referral processes and underwriting reviews.

Cyber risk refers to potential losses from cyber-attacks or threats covered by our reinsurance contracts that result in unauthorized access to or disclosure of business-critical or sensitive applications, data, or infrastructure systems. In general, it is related to online activities, electronic systems and technological networks. Cyber risks can be caused by the intentional actions of third parties as well as by human error or technical failure.

Cyber risks remain one of the biggest challenges from an underwriting perspective in assessing, pricing, monitoring and aggregating risks. The management of cyber risks covered by our reinsurance treaties is continuously refined, including assessment of our risk appetite, risk management procedures and accumulation control.

With regard to potential non-affirmative or so-called "silent cyber" exposures, we aim to apply exclusion clauses where possible. As we have successfully implemented such exclusions in the majority of our portfolio, we consider the impact of silent cyber accumulations on our risk profile and solvency positions to be manageable. Nevertheless, we continue to refine our analyses of those business lines where accumulations could occur and develop appropriate scenarios to evaluate possible loss exposures. Our "Cyber Tracker" facilitates the systematic monitoring of current exposures.

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 and it is therefore centralized with quarterly reserving and reporting procedures. The anticipated ultimate loss ratios are regularly verified and adjusted, if necessary, based on updated data.

Run-off result in property/casualty business

Financial year	Run-off result* (%)
2023	-5.7
2022	-20.5
2021	-2.7
2020	-2.5
2019	0.9
2018	3.8
2017	0.8
2016	1.7
2015	2.7
2014	0.9

* Financial year's claims expenses for prior years net of reinsurance in relation to claims reserves net of reinsurance at the end of the previous year

Due to a special case in the prior year, but above all due to the calculation method, the run-off results appear negative in recent years. In cases where business is written on an underwriting-year basis, we are unable to determine a sufficiently precise allocation of claims between the current and previous financial year due to limitations in the data received from clients. The corresponding claims are fully allocated to the prior financial year, thus adversely impacting the run-off result, although the claims provisions recognized in previous years have developed positively.

Allowing for the other underwriting profit variables from prior underwriting years, including unearned premiums and adjustment premiums, the run-off result would be positive with the exception of 2022.

As reported last year, the net run-off loss in 2022 was also affected by the loss portfolio transfer, under which a large part of the provision for outstanding claims was ceded to our parent company General Reinsurance Corporation in 2021.

Market and Credit Risks

Our Investment Policy is intended to ensure that we maintain adequate liquidity at all times to meet the operational requirements of our business and achieve competitive returns in keeping with our risk profile. Our Master Investment Guidelines include precisely defined and measurable risk limits for the various investment risks, including asset class concentration limits, credit quality criteria and duration targets. Both the Investment Policy and the Master Investment Guidelines are reviewed by the Executive Board at least annually.

They are designed to protect our investment portfolio and our return on investment against the following **market and credit risks**:

- **Interest rate risk**: interest rate volatility or value sensitivity to changes in term structures,
- **Equity risk**: volatility in market prices due to economic and other factors such as inflation,
- **Currency risk**: volatility of currency exchange rates or inadequate currency matching,
- **Spread risk**: changes in the credit spread above the quasi-risk-free interest rate,
- **Concentration risk**: losses/volatility resulting from concentration of investment exposures in a specific instrument, issuer or financial market,
- **Liquidity risk**: changes in market liquidity preventing timely or effective access to sufficient funds, including liquidation of investments to meet financial obligations as and when required, and
- **Counterparty default and credit risk**: volatility due to factors such as the downgrading of counterparties' credit rating or failure in a counterparty's banking relationship. This includes the settlement risk of balances such as accounts receivable.

In 2023 interest rates increased in most markets. Our policy of maintaining a relatively short duration of our investment portfolio significantly reduces our exposure to interest rate sensitivity as well as our liquidity risk. We also keep adequate capital available to cover the associated interest rate and spread risk. The performance of the portfolio is regularly analyzed against defined benchmarks and the portfolio undergoes regular stress testing and scenario analyses.

A substantial proportion of the fixed-income securities of General Reinsurance AG was held in AAA-rated investments, amounting to 68.6% at the balance sheet date (compared to 39.3% at the end of 2022), with a further 28.1% held in AA-rated securities (2022: 54.5%).

Our investment guidelines define a specific limit for the **proportion of equities** in the portfolio. They also contain detailed criteria for controlling **credit and concentration risks**, such as minimum rating requirements and maximum exposure limits per asset class. The credit quality of the fixed-income securities held by General Reinsurance AG at year-end 2023 clearly shows the high quality of our portfolio.

Equity risks and interest rate risks affecting our investments are monitored by means of various stress tests. The equity risk declined substantially in 2023 as we sold the majority of our portfolio. The following table shows an excerpt from the list of scenarios considered and the resulting changes in the fair value of our investment portfolio:

Portfolio	Assumptions	Changes in fair value in Euro m
Equities	Price increase of 20%	+62.4
Equities	Price decline of 20%	-62.4
Fixed-income securities	Interest rate rise of 1%	-48.1
Fixed-income securities	Interest rate drop of 1%	+48.7

Counterparty default and credit risks arise from transactions with our different counterparties, most notably from investment transactions with issuers or financial services providers and from reinsurance business with cedants, retrocessionaires and brokers.

We manage the risk arising from investment transactions through the rigorous criteria set out in the Master Investment Guidelines. Outstanding receivables and recoverables from reinsurance business are regularly monitored and necessary provisions are calculated for overdue receivables and recoverables in accordance with group-wide standards. Measures for dealing with overdue receivables are agreed with the business units, and their enforcement is regularly reviewed.

Overdue balances amounted to Euro 135.2 million at year-end (2022: Euro 71.9 million). As in previous years, the default rate in the year under review was negligible. Recoverable balances are reviewed with senior management.

Finally, **currency risk** is managed as part of our asset/liability matching policy and the regular review of currency balances to ensure adequate liquidity to meet all our obligations in each of our major operating currencies. In addition, we keep in mind that assets must sometimes be held in the currency of the jurisdiction in which we operate to meet local capital requirements. Any funds that are surplus to these requirements are invested in line with the Master Investment Guidelines in such a way as to earn a competitive return. We currently have made a conscious decision to increase our currency risk in order to benefit from the higher interest rates in short-term US sovereign debt. The Executive Board has reviewed the additional risks associated with such an approach and it is ensured that sufficient solvency capital is always maintained.

In the following paragraphs we address other risk categories that we consider important, even though we believe that none of them constitutes a threat to the organization.

Operational Risks

Operational risks arise from inadequate internal processes or systems, human error or 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 as well as to propose and implement corrective actions. We manage and control operational risks by means of:

- Appropriate policies and processes,
- Regular measures to identify and evaluate potential new operational risks,
- Effective quarterly/annual monitoring and reporting procedures,
- Internal controls including segregation of duties, plausiblity checks and avoidance of conflicts of interest,
- Appropriate testing and documentation of controls, and
- Education and training.

Our goal is to continuously improve our risk awareness and risk culture across the company's different operational units. This is also supported by the Internal Audit function, which assists senior management and the Executive Board by independently reviewing the application and effectiveness of operational risk management procedures and our internal control system.

We provide further detail on individual operational risks in the latest version of our Solvency and Financial Condition Report, which is available on our website.

Strategic Risks

Like operational risks, strategic risks are also subject to a regular assessment; this is facilitated, in particular, by qualitative discussions intended to raise risk awareness and ensure that effective controls are in place to minimize potential exposures. We differentiate between the following strategic risks:

Strategy

We define strategy risk as the risk of loss from implementing an inappropriate business, investment and/or operational (e.g. IT) strategy. The company's strategic orientation, including the identification and evaluation of new opportunities, is crucial to the successful growth and profitability of our business. The Executive Board is responsible for our business strategy; it regularly reviews and evaluates whether all aspects of the current strategy are appropriate given the dynamic business environment and in consideration of any risks which could affect the company's position and performance over the long term.

Reputation

We view reputational risks as possible side effects of our operations that may arise from potential weaknesses or deficiencies in our internal control environment or our risk management and governance frameworks. In order to minimize our exposure to these risks, we have implemented a comprehensive governance framework, standards for process documentation and adequate internal controls.

In addition, we have adopted a Code of Conduct outlining our position on corporate integrity and values. This was established by Berkshire Hathaway Inc., our ultimate parent company. Our associates around the world are committed to maintaining the highest level of integrity among themselves as well as towards the company and our business partners.

All employees receive regular training to raise awareness of compliance with regulations and laws and how to deal with conflicts of interest. These measures help to preserve our image and credibility and minimize our exposure to reputational risks.

Emerging Risks

We define emerging risks as risks of loss arising from new or changing situations (political, economic, social, technological, legal, regulatory, fiscal, environmental, etc.) that could have a decisive impact on the company's operations. Such risks have not yet been fully understood, are difficult to quantify, and may not yet be reflected in contract terms, pricing and reserving, operations or capital allocation. We identify and evaluate emerging trends and risks as part of the annual group-wide Own Risk and Solvency Assessment (ORSA) process. Throughout the year, developments relating to potential new exposures and geopolitical risks are monitored as part of the company's quarterly risk reporting.

Intra-Group Risks

We define group or intra-group risk as the risk that our business may be adversely impacted by the inability of the Berkshire Hathaway Group as a whole or of individual group entities to meet their financial commitments to General Reinsurance AG, as well as the risk of adverse developments impacting the financial position of the Berkshire Hathaway Group or parts of the group (e.g. reputational contagion). In addition, the following risks are included: reputational risks, risks arising from intra-group transactions, concentrations within the Berkshire Hathaway Group, and interdependencies between risks arising from transacting business through different operational entities and in different jurisdictions as well as risks from third-country entities within the Berkshire Hathaway Group. This can lead to restricted growth, increased costs and/or additional regulatory scrutiny and may have an adverse impact on the company's solvency position or liquidity.

We manage our subsidiaries by applying consistent policies in all operational areas, including underwriting and investment. We regularly monitor liquidity and local capital requirements at each location. In addition, we continuously monitor compliance with local regulatory requirements.

Considering our implemented processes and monitoring procedures as well as the financial strength of General Reinsurance AG and the Berkshire Hathaway Group, we assess the intra-group risk as low. This was also addressed in General Reinsurance AG's Recovery Plan for the 2023 reporting year, which considers several scenarios that could threaten the financial position of the company and lead to a recovery situation, as well as the potential management actions that could be taken in response to each scenario.

Solvency II Reporting and Major Factors Influencing Opportunities and Risks

Solvency II reporting encompasses requirements such as the Own Risk and Solvency Assessment (ORSA) Report, the annual and quarterly Quantitative Reporting Templates (QRTs) and the Regular Supervisory Report (RSR). The Solvency and Financial Condition Report (SFCR) will be publicly available on our corporate website from 21 May 2024.

We have received permission from the Federal Financial Supervisory Authority (BaFin) to prepare and publish a "Single SFCR" covering both the solo and group position, as the overall risk profile of the General Reinsurance AG Group does not differ materially from the risk profile of the parent company General Reinsurance AG. The Solvency II balance sheets are audited annually in accordance with regulatory requirements.

Our calculations of the Solvency Capital Requirements are based on the Solvency II standard formula, including the use of undertaking-specific parameters. The calculations for the year-end 2023 have not yet been completed at the date of publication of this report. The solvency ratio for the fourth quarter of 2023 was 223% (2022: 210%) for General Reinsurance AG on a stand-alone basis.

In addition to regulatory developments in Europe, we continuously monitor the potential impacts of other international solvency regimes on the General Reinsurance AG Group.

Change in Reporting Standards

The International Financial Reporting Standard (IFRS) 17 "Insurance Contracts" became effective on 1 January 2023. This introduced some fundamental changes in the accounting, measurement and disclosure of insurance and reinsurance contracts. Whilst IFRS 17 does not apply to General Reinsurance AG as an individual company, it is applicable to some of its branches and subsidiaries.

The United States has not adopted IFRS 17 but the U.S. Accounting Standard Long-Duration Targeted Improvements (LDTI) instead, which similarly came into effect on 1 January 2023. It is applicable to long-term contracts, such as life (re)insurance, and therefore has implications for General Reinsurance AG with respect to the consolidation of its results within the annual financial statements of Berkshire Hathaway Inc. We have successfully completed our global implementation projects to ensure compliance with the new requirements of IFRS 17 and LDTI from 1 January 2023.

Sustainability Reporting

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 social and environmental risks to which they are exposed 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 able to access information on the ways companies operate and manage social and environmental challenges. The new rules have to be applied for the first time in the 2024 financial year for reports to be published in 2025.

With the increasing importance of sustainability in recent years, we have begun to consider the potential impact of environmental, social and governance (ESG) factors on our risks as part of our regular risk assessment process. To this end, we use scenarios, sensitivities and qualitative aspects to assess the impacts of climate change and other sustainability risks on our risk profile. We have launched an implementation project in order to meet the CSRD and future reporting requirements.

Climate Change

With further extreme weather events occurring in 2023 in many of the locations where we conduct business, the risk associated with climate change remains an area of focus.

We recognize the long-term shift in global climate patterns and the impacts of climate change, which will be felt over an extended period of time. At present, the impacts of climate change on our future business and operations are still unknown. Climate change is a risk that is embedded in our risk management framework. It is actively considered and assessed by management through our risk identification and assessment process. This includes consideration in our insurance, market and credit, strategic and operational risk categories, including reputational risk, emerging risk and natural catastrophe risk. A primary exposure to climate risk arises from our property/casualty business, where policies are customarily written for one-year terms and repriced annually to reflect changing exposures. We closely monitor and evaluate the potential frequency and severity of natural catastrophe risks, including those risks that could potentially be impacted by climate risk. For life/health business, we also actively consider the appropriateness of mortality improvement assumptions in our pricing tools in each of our key regions where we write individual life business. We review modelling outcomes for specific stand-alone climate change scenarios that contemplate a combination of stresses including, but not limited to, natural catastrophe and transition risks.

Geopolitical Tensions

Global conflicts and geopolitical uncertainties and their impacts on operating and business models remain one of the greatest challenges facing companies today. While the Russia/Ukraine war continues, the outbreak of war between Israel and Hamas in October 2023 further increased the risks to the global economy. If the conflict were to escalate further, this could lead to lower growth rates for an already struggling economy that is still suffering under the effects of the COVID-19 pandemic, global supply chain disruptions, and high inflation in many economies around the world.

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 cyber-attacks around the world and continue to monitor the potential impacts on our underwriting business, reserving practices, investment strategy and employees.

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 lack of AI transparency, dependency on data quality, bias and ethical concerns or potential vulnerability to cyber threats.

Given the rapid proliferation of generative AI application options and a growing number of proposed regulatory standards governing the use of AI applications for businesses, we have established a Responsible AI Committee chaired by the Chief Technology Officer and consisting of representatives from IT and Legal that will assess AI tools for compliance with company policies and regulatory requirements in matters of information security, data protection, intellectual property, data loss prevention and non-discrimination. The Committee seeks to identify

AI tools that can effectively and efficiently support and supplement the professional expertise of Gen Re associates and consultants and the decisions they make as part of their ongoing work responsibilities. There is no interest in using AI tools to replace human agency or to make decisions that require professional judgment and experience.

Inflation

In the current macro-economic environment, inflation continues to be one of the major concerns. Despite inflation moving lower towards the end of the year, it is expected to stay at elevated levels. Inflation assumptions are incorporated into our pricing process as part of loss estimation analysis. For our reserving, we usually apply parameters slightly above data indications where appropriate. Therefore, inflation is implicitly accounted for in our reserves. Furthermore, as our non-life reinsurance contracts are usually short-term, 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 insurance with annuity payments, however, inflation can be a relevant factor for our reserves. Therefore, business inflation assumptions are set at an appropriate level to reflect long-term inflation.

Inflation will also have an impact on expenses as well as claims payments that are either explicitly linked to inflation indices or paid on a reimbursement basis without any index clauses. We try to incorporate appropriate inflation assumptions into our pricing and reserving, particularly for our non-life business.

In view of the above, we continue to closely analyze the impacts inflation may have on our reinsurance business and investment portfolio and assess potential risks in light of the uncertainty around how inflation will develop.

Operational Resilience

The Digital Operational Resilience Act (DORA) is a European Union regulation covering the areas of ICT (Information and Communications Technology) risk management, ICT third-party risk management and oversight of critical third-party service providers, digital operational resilience testing and ICT-related incident management; it came into force on 16 January 2023 and will apply from 17 January 2025. The aim of the regulation is to increase the digital resilience of the European financial market. Financial organizations are subject to a common set of standards to mitigate ICT and cyber-risks to their business activities to ensure they can continue to operate securely and reliably in the event of major incidents. For internationally active organizations such as General Reinsurance AG, it is therefore important to identify today's increased risk of disruption at an early stage in order to be prepared and react accordingly. Although DORA increases overall operational resilience, reduces the risk of cyber-attacks and helps organizations protect their reputation, the DORA requirements are very comprehensive and pose a number of challenges for organizations. For this reason, we have set up a DORA project with representatives from IT, business, legal and risk management to ensure compliance with the regulations once they come into force.

Both in terms of its financial strength and the quality of its risk management system, General Reinsurance AG remains well positioned to successfully pursue its business strategy. We consider our capital resources sufficient and appropriately structured to meet our business needs over the short- and long-term horizon. We have effective control and risk management processes in place.

Outlook

The core of our commercial activities consists of reinsurance business transacted in all major markets outside of the United States with the exception of property and casualty insurance in Australia, which is served by a Gen Re affiliate that is not part of the General Reinsurance AG Group. Above and beyond traditional reinsurance products, we offer a comprehensive range of services, including actuarial advice, product development, underwriting and claims management, as well as software solutions. We shall continue to adopt a consistently profit-oriented underwriting policy. Our underwriting know-how and our pricing and monitoring systems are continuously refined and updated. Our strong consulting expertise is held in high regard by clients at home and abroad.

In life/health reinsurance, we expect premium income to remain stable or increase moderately in 2024. We anticipate promising growth in various markets over the coming years. With our reinsurance solutions, our risk management expertise, and our strong emphasis on service, we are very well positioned to further grow our business.

On 1 January 2023 a reduced supply of reinsurance capacity for catastrophe covers was available worldwide. We took the opportunity to strengthen our deep global client relationships further by supporting many clients with increased capacities. There were indications of a return to an adequate supply of reinsurance capacity by the end of 2023. We expect the market to stabilise in 2024 with modest premium increases in most lines. In our assessment, there are opportunities for further growth in the coming year. We benefit from strong client retention, which has enabled us to further strengthen the quality of our portfolio. Our financial strength, underwriting know-how and service remain key factors in this respect.

Regarding investments, it should be noted that the macroeconomic outlook crucial to their performance in 2024 and beyond will depend heavily on the direction of inflation and economic growth, but also on the ongoing transition towards a climate-neutral and generally more sustainable economy.

With inflation seemingly under control, the expectation globally is that central bankers will begin to cut their policy rates during 2024 to foster an environment more conducive to positive economic growth.

Forecast GDP growth for the United States in 2024 is approximately +1.3%. It is expected to increase to +1.8% for 2025. In the Eurozone, GDP growth is forecast to be +1.2% in 2024 and +1.6% in 2025, while GDP growth in the U.K. is forecast to be +0.5% in 2024 and +1.0% in 2025. Any sudden or unexpected disruption to the economy could potentially change the growth outlook and push the economy into recession.

Sustainability reporting by large and listed companies in the European Union, to be applied for the first time in 2024, will give investors and other stakeholders access to information about the way companies operate and deal with environmental and social challenges. This is expected to influence decisions about financial investments and capital expenditures, but may also affect the company's client relationships.

Compared to 2023, the current outlook suggests continued moderate premium growth and favorable results in both our life/health and property/casualty reinsurance business, but our results can be affected by many factors, such as a high catastrophe loss burden or volatile capital markets. Overall, we expect low single-digit premium growth for the 2024 financial year. We assume that the current investment income will be similarly positive, while a contribution to earnings from the disposal of investments such as that seen in 2023 is no expected. To this extent, we expect net income for the 2024 financial year to be lower overall than in the previous year.

Report on Relations with Affiliated Companies

As at 31 December 2023 General Reinsurance Corporation, Wilmington, Delaware, United States, held 100% of the interests in the voting capital of General Reinsurance AG.

General Reinsurance Corporation is a wholly-owned subsidiary of General Re Corporation, Wilmington, Delaware, United States, which in turn is a wholly-owned subsidiary of Berkshire Hathaway, and thus General Reinsurance Corporation is a wholly-owned indirect subsidiary of Berkshire Hathaway Inc., Omaha, Nebraska, United States. Both General Re Corporation and Berkshire Hathaway Inc. therefore hold indirect interests of 100% in the voting capital of General Reinsurance AG. General Reinsurance AG is thus a majority-owned company pursuant to § 16 German Stock Corporation Act, which is required to draw up a report on relations with affiliated companies pursuant to §§ 312 and 17 of the German Stock Corporation Act. In the report of General Reinsurance AG on relations with affiliated companies in the 2023 financial year, dated 6 March 2024, which was compiled by the Executive Board, the following closing declaration was made:

"For all transactions with affiliated companies specified in Appendix 1 General Reinsurance AG received appropriate consideration according to the circumstances known at the time when the transactions were effected."

Corporate Social Responsibility Reporting

General Reinsurance AG is compiling a Corporate Social Responsibility (CSR) report guided by UN Global Compact reporting standards. This will be published in the Financial Information section of our website (www.genre.com) by the end of April 2024.

Balance Sheet as at 31 December 2023

Assets			Euro	2023 Euro	2022 Euro
A. Intangible assets	I.	Internally created industrial property rights and similar rights and assets	23,982,700		20,492,882
	II.	Concessions, industrial property rights and similar rights and assets acquired against payment as well as licenses to such rights and assets	30,457		38,684
				24,013,157	20,531,566
B. Investments	I.	Real estate, rights to real estate and buildings	24,551,141		26,339,692
	II.	Investments in affiliated companies and participations	533,276,483		535,954,958
	III.	Other investments	8,039,970,029		6,925,380,946
	IV.	Deposits retained on assumed reinsurance business	1,851,648,473		1,959,157,669
				10,449,446,126	9,446,833,265
C. Receivables	I.	Reinsurance accounts receivable of which from affiliated companies: Euro 41,247,005 (previous year: Euro 78,518,156) of which from participations: Euro 5,723,751 (previous year: Euro 6,339,169)	1,270,257,130		1,127,964,892
	II.	Sundry receivables of which from affiliated companies: Euro 3,128,466 (previous year: Euro 2,743,834) of which from participations: Euro 0 (previous year: Euro 0)	247,448,903		245,492,688
				1,517,706,033	1,373,457,580
D. Sundry assets	I.	Property, plant and equipment and inventories	6,341,956		6,540,404
	II.	Current accounts with banks, cheques and cash	554,917,171		576,781,988
				561,259,126	583,322,392
E. Deferred items	I.	Deferred interest	33,422,909		28,412,556
	II.	Other deferred items	622,146		552,712
				34,045,055	28,965,268
F. Deferred tax assets				407,076,856	439,023,712
Total assets				12,993,546,353	11,892,133,783

Liabilities			Euro	Euro	2023 Euro	2022 Euro
A. Shareholders' equity	I.	Share capital		55,000,000		55,000,000
	II.	Capital reserve		866,173,704		866,173,704
	III.	Retained earnings				
		1. Legal reserve	715,809			715,809
		2. Other retained earnings	1,405,208,342			1,405,208,342
				1,405,924,151		1,405,924,151
	IV.	Profit brought forward		649,121,347		734,060,675
	V.	Net income/net loss for the year		902,224,440		165,310,671
					3,878,443,642	3,226,469,201
B. Underwriting reserves	I.	Unearned premiums				
		1. Gross amount	823,992,813			735,346,129
		2. Less: reinsured portion	152,586,691			138,148,936
				671,406,123		597,197,193
	II.	Actuarial reserves for life and health policies				
		1. Gross amount	1,707,060,931			1,684,734,899
		2. Less: reinsured portion	45,341,053			48,596,155
				1,661,719,878		1,636,138,744
	III.	Reserve for outstanding claims				
		1. Gross amount	9,440,422,045			9,315,217,226
		2. Less: reinsured portion	4,792,869,289			5,022,183,500
				4,647,552,756		4,293,033,726
	IV.	Equalization reserve and similar reserves		616,803,467		584,083,196
	V.	Other underwriting reserves				
		1. Gross amount	87,987,260			87,528,025
		2. Less: reinsured portion	26,618			45,022
				87,960,641		87,483,003
					7,685,442,865	7,197,935,862
C. Other provisions					814,948,217	867,847,555
D. Deposits retained on assumed reinsurance business					19,558,142	22,114,370

Liabilities			Euro	Euro	2023 Euro	2022 Euro
E. Other liabilities	I.	Reinsurance accounts payable of which to affiliated companies: Euro 6,453,243 (previous year: Euro 574,336), of which to participations: Euro 4,481 (previous year: Euro 107,533)		555,833,463		547,727,754
	II.	Sundry liabilities of which taxes: Euro 18,856,679 (previous year: Euro 3,018,391) of which social security: Euro 454,831 (previous year: Euro 780,420) of which to affiliated companies: Euro 2,706,207 (previous year: Euro 2,526,189) of which from participations: Euro 0 (previous year: Euro 0)		38,967,130		29,687,498
					594,800,593	577,415,252
F. Deferred items					352,894	351,543
Total liabilities					12,993,546,353	11,892,133,783

Income Statement for the Period from 1 January to 31 December 2023

				2023	2022
		Euro	Euro	Euro	Euro
I. Underwriting Account	1. Earned premiums net of reinsurance				
	a) Gross premiums	4,723,587,038			4,187,259,585
	b) Retrocession premiums	634,130,620			448,140,270
			4,089,456,418		3,739,119,315
	c) Change in gross unearned premiums	-104,302,971			80,458,691
	d) Change in the reinsurers' share of the gross unearned premiums	-15,444,919			48,649,867
			-88,858,052		31,808,824
				4,000,598,366	3,770,928,139
	2. Interest on reinsurance funds net of reinsurance			41,460,730	42,383,070
	3. Sundry underwriting income net of reinsurance			1,031,510	965,348
	4. Claims expenditure net of reinsurance				
	a) Claims payments				
	aa) Gross amount	2,688,044,103			2,697,324,883
	bb) Reinsurers' share	405,396,557			500,474,130
			2,282,647,546		2,196,850,753
	b) Change in the reserve for outstanding claims				
	aa) Gross amount	168,370,384			153,765,123
	bb) Reinsurers' share	-234,276,786			-465,811,398
			402,647,170		619,576,521
				2,685,294,716	2,816,427,274
	5. Change in the other underwriting reserves net of reinsurance			-50,491,146	9,862,620
	6. Expenditure relating to profit- and non-profit-related premium refunds net of reinsurance			1,024,896	879,635
	7. Insurance business expenditure net of reinsurance			1,039,970,752	936,000,342
	8. Sundry underwriting expenses net of reinsurance			6,744,203	6,358,562
	9. Subtotal			259,564,893	64,473,364
	10. Change in the equalization reserve and similar reserves			-32,720,271	132,353,881
	11. Underwriting result net of reinsurance			226,844,622	196,827,245
II. Investment and general account	1. Investment income of which from affiliated companies: Euro 21,818,488 (previous year: Euro 20,611,265)	1,092,193,373			217,689,502
	2. Investment expenses	131,558,330			93,077,934
			960,635,043		124,611,568
	3. Underwriting interest on reinsurance funds		-42,121,158		-43,000,680
				918,513,885	81,610,888
	4. Sundry income		86,641,817		106,667,627
	5. Sundry expenditure		156,397,246		88,135,098
				-69,755,429	18,532,529
	6. Profit before taxes			1,075,603,078	296,970,662
	7. Tax on income and profit		168,296,673		130,310,886
	8. Other taxes		5,081,965		1,349,105
				173,378,638	131,659,991
	9. Net income / net loss			902,224,440	165,310,671

Notes to the Financial Statement

Development of assets items A and B I. to III. in the 2023 business year	Book values previous year Euro	Exchange rate gains/losses Euro	Acquisition Euro	Disposals Euro	Write-ups Euro	Write-downs Euro	Book value business year Euro
Asset items A. Intangible assets							
1. Internally generated industrial property rights and similar rights and assets	20,492,881	623,386	11,412,300	0	0	8,545,867	23,982,700
2. Concessions, industrial property rights and similar rights and assets acquired against payment as well as licenses for such rights and assets	38,685	-1646	18,094	0	0	24,676	30,457
3 Total A.	20,531,566	621,740	11,430,394	0	0	8,570,543	24,013,157
B. I. Real estate, rights to real estate and buildings including buildings on foreign real estate	26,339,692	0	0	432,381	0	1,356,170	24,551,141
II. Investments in affiliated companies and participations							
1. Shares in affiliated companies	174,548,771	0	0	0	0	0	174,548,771
2. Loans to affiliated companies	334,800,000	0	0	0	0	0	334,800,000
3. Participations	26,606,187	0	0	0	0	2,678,475	23,927,712
4. Total B II.	535,954,958	0	0	0	0	2,678,475	533,276,483
III. Other investments							
1. Equities, investment fund certificates and other non-fixed-income securities	2,238,190,435	14,218,226	4,160,000	1,691,074,558	0	0	565,494,103
2. Bearer bonds and other fixed-income securities	3,878,403,903	-60,991,595	6,763,008,383	3,862,361,074	295	281,975	6,717,777,937
3. Bank deposits	808,786,608	-41,537,676	0	10,550,943	0	0	756,697,989
4. Sundry investments	0	0	0	0	0	0	0
5. Total B III.	6,925,380,946	-88,311,045	6,767,168,383	5,563,986,575	295	281,975	8,039,970,029
Total	**7,508,207,162**	**-87,689,305**	**6,778,598,777**	**5,564,418,956**	**295**	**12,887,163**	**8,621,810,810**

Company identification

General Reinsurance AG with registered business address in Cologne, Theodor-Heuss-Ring 11, is entered in the Cologne commercial register under HRB 773.

The annual financial statements of General Reinsurance AG are published in the electronic company register.

General accounting principles and valuation methods

The company compiled the annual financial statement and the Executive Board Report in accordance with the provisions of the German Commercial Code, the German Stock Corporation Law, the Insurance Supervisory Law and the Ordinance on the Accounting of Insurance Companies of 8 November 1994 as amended on 10 August 2021.

Assets

Intangible assets

Intangible assets were valued at cost of acquisition less amortization. In the event of permanent impairment, extraordinary write-downs are taken.

In accordance with § 248, section 2 German Commercial Code internally created intangible assets were capitalized and valued at production costs less amortization.

Investments

Real estate, rights to real estate and buildings were valued at cost of acquisition or construction less amortization in accordance with § 341b, section 1 German Commercial Code in conjunction with § 253, section 1, sentence 1 German Commercial Code. Systematic depreciation was taken using the straight-line method based on the economic useful life. In the event of expected permanent impairment, extraordinary depreciation are taken.

The fair values were calculated using the discounted cash flow method.

Investments in affiliated companies and participations were valued on a purchase cost basis at the lower of amortized cost or fair value in accordance with § 253, section 3, sentence 3 German Commercial Code and allowing for write-ups made in accordance with § 253, section 5 German Commercial Code.

Loans to subsidiaries were valued at the lower of amortized cost or fair value.

Equities, investment fund certificates, bearer bonds and other fixed-income securities were carried at acquisition cost. Equities and bearer bonds which we acquired in several tranches were grouped per investment and valued at the average book value in accordance with § 240, section 4 German Commercial Code. In the year under review, securities were intended for use on a continuing basis in the normal course of business activities in accordance with § 341 b, section 2 German Commercial Code. There were no reclassifications in the year under review.

The valuation of equities, investment fund certificates, bearer bonds and other fixed-income securities was contingent upon whether they were allocated to fixed assets or current assets. Securities allocated to current assets were valued according to the strice lower-of-cost-or-market principle pursuant to § 341b, section 2 in conjunction with § 255, section 1 and § 253, section 1, sentence 1, section 4, section 5 German Commercial Code. Securities intended for use on a continuing basis in the normal course of business activities were valued according to the modified lower-of-cost-or-market principle (§ 341b, section 2 in conjunction with § 255, section 1 and § 253 section 1, sentence 1, section 3, section 5 German Commercial Code). Premiums relating to fixed-income securities allocated to fixed assets were recognized pro rata temporis in the income statement.

Notes and other loans were valued at the amount repayable.

Bank deposits were valued at their nominal value.

Other investments were valued at purchase cost less write-downs pursuant to § 253, section 3, sentence 5 German Commercial Code.

The fair values of investments were determined on the basis of available market prices and stock exchange quotations. Insofar as this was not possible in the case of affiliated companies and sundry fixed-term securities, suitable recognized methods were used to calculate the fair values. Simplified discounted cash flow methods and present value methods were used for this purpose.

Deposits receivable were shown at their nominal value. Specific bad debt provision was made for known risks. In cases where no statements of account were available, these deposits receivable were estimated.

Receivables and other assets

Reinsurance accounts receivable were shown at their nominal value. Where no statements of account were available, the receivables were estimated.

Bad debt provisions were established on premiums receivable and reinsurance recoverable for identifiable risks because of uncertainty about their collectability. Provisions were recognized using a global approach. The valuation was initially based on the day outstanding, with the exception of those deemed to be in financial difficulty. Through further development, the probable credit risk of each individual cedant was also taken into account in the following manner: No provisioning for receivables less than 90 days. A credit-weighted provision is recognized for receivables outstanding between 90 days and 180 days. The provision for outstanding receivables from 180 days to 360 days is 50 %, beyond that 100 %. The provision is offset against the receivables.

Zillmer adjustments in assumed life reinsurance business were recognized under reinsurance accounts receivables.

Fixed assets were valued at purchase cost less write-downs based on the economic useful life.

Low-value items for which the purchase costs less input VAT were lower than Euro 800 were completely written off in the year of acquisition in accordance with § 6, section 2 German Income Tax Act.

Inventories were recognized at a fixed quantity and a fixed value in accordance with § 240, section 3 German Commercial Code due to immateriality and merely minor changes.

Current accounts with banks, cheques and cash as well as other sundry receivables were shown at their nominal value.

Deferred items

Interest income was shown as deferred interest if the amount pertained to the period prior to the closing date but was not yet due. This position also includes expenditures prior to the closing date, which represent expenses for a certain period after this date.

Deferred tax assets

Deferred taxes were calculated using the temporary concept. The company exercised the option to recognize the amount of deferred tax assets in excess of liabilities resulting from temporary and quasi-permanent differences between commercial and tax regulations. Deferred tax assets and liabilities are shown on a net basis.

Excess of plan assets over pension liability

The balances in respect of pension assets and liabilities relate to both defined benefit pension plans and also insurance policies purchased as part of a defined contribution plan. In accordance with § 246, section 2 of the German Commercial Code, the pension liabilities have been netted with the plan assets and corresponding expenses have been netted with income. The plan assets in respect of the defined benefit plans were recognized at fair value. Creditors of the company are unable to access these assets by way of individual enforcement measures or insolvency.

The amounts receivable under insurance policies correspond to the liability of the company towards its associates. Furthermore, the fair values of investments in respect of the insurance policies were determined on the basis of market prices and stock exchange quotations.

Liabilities

Underwriting reserves

The provisions of §§ 341e to 341h German Commercial Code and of the Ordinance on the Accounting of Insurance Companies were applied to the recognition of underwriting reserves.

The gross written premiums include all premiums due for the reinsurance treaties in the course of the business year. Reinsurance premiums which are written but attributable to future periods are accrued as unearned premiums. The unearned premiums are calculated as at the balance sheet date. The accruals are determined on the basis of flat-rate methods in life and health insurance and on the basis of individual contractual agreements in property and casualty insurance.

Actuarial reserves were established in life and health insurance. Their carrying amount essentially reflects figures supplied by cedants. In cases where cedant information is not or not sufficiently available, the level of actuarial reserves is determined on the basis of realistic assumptions with regard to interest rates, mortality and morbidity. The actuarial methods applied take into account the current cash value of future benefits paid to the policyholder less future premium income.

The reserves for outstanding claims were generally recognized on the basis of the figures supplied by cedants. Due to the sometimes considerable time lag that may occur between the loss event and the reporting of the claim to the reinsurer, reserves are established for IBNR losses on the basis of our own estimates. These estimates are made using recognized actuarial methods (chain-ladder method, Bornhuetter-Ferguson method and expected-loss method).

The equalization reserve was determined based on § 341h German Commercial Code in conjunction with § 29 of the Ordinance on the Accounting of Insurance Companies as per the annex to § 29 of the Ordinance on the Accounting of Insurance Companies. Reserves for major pharmaceutical product liability risks and for nuclear plant insurance are based on § 30, sections 1 and 2 of the Ordinance on the Accounting of Insurance Companies. A reserve for terrorism risks was constituted in conjunction with § 30, section 2a of the Ordinance on the Accounting of Insurance Companies.

The other underwriting reserves mainly comprise the reserves for profit commission. These reserves were generally constituted in line with our contractual arrangements with our cedants.

Sundry liabilities

Deposits and reinsurance accounts payable were shown at their nominal value. Where statements of account were not yet available, the liabilities were estimated.

Zillmer adjustments in ceded life reinsurance business were recognized under reinsurance accounts payable.

The provisions for pension obligations were established according to § 253, sections 1, 2 and 6 of the German Commercial Code applying the Klaus Heubeck 2018 G mortality tables for Germany and corresponding mortality tables for foreign pension liabilities. The actuarial interest rate of 1.83% was determined by extrapolating the rates published by the German Bundesbank until 30 November 2023 in accordance with § 253, section 2 of the German Commercial Code to 31 December 2023 using the method prescribed by the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung).

In addition, a rate of compensation increase of 2.50%, pension indexation rate of 1.90% and a staff turnover rate of 2.00% were taken as a basis. The assumed maturity is 15 years.

The difference between recognition of the pension obligation calculated according to the 7- and 10-year average interest rate in accordance with § 253, section 6 of the German Commercial Code amounted to Euro 3,931,246.

In accordance with § 253, section 1 sentence 2 of the German Commercial code the other reserves were established in the settlement amount required according to reasonable and prudent business judgement. Based on the regulations of § 253, section 2 of the German Commercial Code, reserves with a maturity of more than one year were discounted with the corresponding average market rate of the past seven financial years in accordance with their maturity.

The other liabilities are valued at the settlement amounts.

The deferred items include revenues prior to the closing date insofar as they represent income for a defined period after that date.

Currency conversion basis

Items in the balance sheet and profit and loss account expressed in foreign currencies were converted into euros at the mean rates of exchange as at the balance sheet date. The exchange profits or losses were shown, after setting off amounts within the same currency, as "sundry income" or "sundry expenditure" in the income statement. If the offsetting of amounts within the same currency resulted in gains, these amounts were allocated to other provisions.

The most important conversion rates for our balance sheet are set out in the following table:

in €	2023	2022
Australian Dollar	0.6175	0.6339
British Pound	1.1553	1.1374
Chinese Yuan Renminbi	0.1279	0.1348
Indian Rupee	0.0110	0.0114
Hong Kong Dollar	0.1169	0.1207
Japanese Yen	0.0064	0.0071
South Korean Won	0.0007	0.0007
South African Rand	0.0499	0.0549
Swiss Franc	1.0589	1.0177
Singapore Dollar	0.6864	0.6976
Taiwan Dollar	0.0292	0.0307
US Dollar	0.9124	0.9406

Appropriation of profit

The 2023 business year closed with net income of Euro 902,224,440. Taking into account the profit of Euro 649,121,347 brought forward from prior years, the disposable profit totals Euro 1,551,345,787. The Executive Board of General Reinsurance AG proposes that the disposable profit should be carried forward.

Notes to the Balance Sheet

				2023			2022
Assets		Book values	Fair values	Valuation reserve	Book values	Fair values	Valuation reserve
Valuation reserves in respect of investments	I. Real estate, rights to real estate and buildings including buildings on foreign real estate *)	24,551,141	53,700,000	29,148,859	26,339,692	53,700,000	27,360,308
	II. Investments in affiliated companies and participations						
	1. Shares in affiliated companies	174,548,771	620,261,327	445,712,556	174,548,771	628,833,794	454,285,023
	2. Loans to affiliated companies	334,800,000	334,163,880	-636,120	334,800,000	334,130,400	-669,600
	3. Participations	23,927,712	23,996,721	69,009	26,606,187	26,698,421	92,234
	4. Total II.	533,276,483	978,421,928	445,145,445	535,954,958	989,662,615	453,707,657
	III. Other investments						
	1. Equities, investment fund certificates and other non-fixed-income securities	565,494,103	684,700,931	119,206,828	2,238,190,435	2,997,060,402	758,869,967
	2. Bearer bonds and other fixed-income securities	6,717,777,937	6,794,255,976	76,478,039	3,878,403,903	3,834,390,990	-44,012,913
	3. Bank deposits	756,697,989	756,697,989	0	808,786,608	808,786,608	0
	4. Sundry investments	0	14,422	14,422	0	16,442	16,442
	5. Total III.	8,039,970,029	8,235,669,318	195,699,289	6,925,380,946	7,640,254,442	714,873,496
Total		**8,597,797,653**	**9,267,791,246**	**669,993,593**	**7,487,675,596**	**8,683,617,057**	**1,195,941,461**

*) The fair values of real estate and buildings were last calculated in 2022 by an external expert.

Assets

Intangible assets

In accordance with § 285 number 22 of the German Commercial Code internally created intangible assets accounted for an amount of Euro 23,982,700 (previous year: Euro 20,492,882).

The total research and development expenses of the financial year 2023 amounted to Euro 35,120,359.

Real estate, rights to real estate and buildings

The book value of the real estate and buildings utilized by the company was Euro 24,551,141 (previous year: Euro 26,339,692).

Other investments

In the year under review, as in the previous business year, no write-up was made on investments in affiliated companies according to § 253, section 5 of the German Commercial Code.

No omitted write-down occurred on participations for the business year just ended (previous year: Euro 0).

There was no write-up in accordance with § 253, section 5 German Commercial Code on participations (previous year: Euro 0).

A permanent impairment of Euro 2,678,475 (previous year: Euro 1,249,955) was recognized on participations in the area of securities allocated to fixed assets in the business year just ended.

As at 31 December 2023 no additional payment obligations existed in respect of the recognized share capital (previous year: Euro 0).

There were no omitted write-downs on equities as at the balance sheet date (previous year: Euro 55,904,604). These equities are used in business operations on a permanent basis and allocated to fixed assets.

No permanent impairment on equities (previous year: Euro 81,697,530) was recognized in the area of securities allocated to fixed assets in the business year just ended.

Write-downs on the equities recognized as fixed assets were taken after in-depth internal and external analysis of the future business development of these items and with an eye to the volatility of equity markets.

In the area of securities classified as fixed assets no write-up was made according to § 253, section 5 German Commercial Code on equities amounting (previous year: Euro 0). No write-up was recognized on other investments according to § 253, section 5 of the German Commercial Code in the business year just ended (previous year: Euro 0).

The book value of the investment fund certificates relates to a special fund for which no write-down was taken was Euro 407,929,000 (previous year: Euro 403,769,000). The fair value of the securities invested in the fund amounted to Euro 396,921,035 (previous year: Euro 387,587,515).

The investment fund certificates relate to a special fund, which is entirely held by General Reinsurance AG and serves to secure specific foreign underwriting reserves. The fund is mainly invested in German government bonds. A dividend was paid in the financial year of Euro 4,160,000 (previous year: Euro 0).

In all above-mentioned cases a permanent impairment was not to be expected because the financial standing of the issuers was not in doubt.

The book value of the bearer bonds for which no write-down was taken was Euro 917,013,941 (previous year: Euro 3,512,803,331). The fair value of these bonds amounted to Euro 913,422,717 (previous year: Euro 3,464,247,325).

Write-downs of Euro 281,975 (previous year: Euro 19,823) were taken in the year under review on fixed-income securities assigned to current assets.

A write-up was made on fixed-income securities classified as current assets in accordance with § 253, section 5 German Commercial Code of Euro 295 (previous year: Euro 0).

The amount of the write-downs omitted under § 341b, section 2 of the German Commercial Code in conjunction with § 253, section 3 of the German Commercial Code totaled Euro 14,599,188 (previous year: Euro 120,642,095); it was attributable in an amount of Euro 0 (previous year: Euro 55,904,604) to equities, in an amount of Euro 11,007,965 (previous year: Euro 16,181,485) to investment certificates relating to a special fund and in an amount of Euro 0 (previous year: Euro 0) to participations as well as in an amount of Euro 3,591,223 (previous year: Euro 48,556,006) to fixed-income securities.

Investments amounting to Euro 483,448,001 (previous year: Euro 368,339,734) have been deposited with cedants as security for reinsurance liabilities or were administered for us on a trustee basis.

No investments were made in bonds of highly indebted states in the Euro region, the issuers of which may be dependent on support measures, in 2023 or 2022.

Investments in limited partnership firms and other shares are shown under other investments.

No derivative financial transactions were entered into in 2023 or 2022. As at 31 December 2023 and 31 December 2022 there were no outstanding foreign exchange forward transactions.

Deposits retained on assumed reinsurance business

Of these, deposits receivable from affiliated companies accounted for Euro 58,158,359 (previous year: Euro 90,038,399).

Reinsurance accounts receivable

An amount of Euro 31,773,432 of the reinsurance accounts receivable is attributable to Zillmer adjustments in assumed life reinsurance business (previous year: Euro 26,853,151).

Sundry receivables

The item "Sundry receivables" primarily shows tax receivables from revenue authorities of Euro 215,723,886 as well as receivables from Sharia-compliant Takaful business of Euro 16,678,375 and interest receivables on tax appears an amount to Euro 6,520,259.

Receivables with a maturity of more than one year in accordance with § 268, section 4 German Commercial Code amounted to Euro 32,267,704 (previous year: Euro 94,768,250).

Deferred tax assets

The recognized deferred tax assets mainly relate to the revaluation of underwriting reserves, the different fiscal treatment of pension provisions and intangible assets, differences in investment positions due to national and international tax regulations and different accounting principles at foreign branches as well as existing Net Operating Losses for Germany and for some of the foreign branches. Deferred taxes are calculated at a tax rate of 32.45% with the exception of deferred taxes relating to branch offices. Deferred taxes here are established on the basis of the individual local tax rates of the branches (8.25% - 43.00%)

Excess of plan assets over pension liability

The company had offered a defined contribution pension plan in the past for employees in Cologne under which contributions were made through deferred compensation. At the same time General Reinsurance AG used the contributions to purchase life insurance contracts, which guarantee a defined minimum return. The amount of the claim under the insurance policy corresponds to the liability of the company towards its associates.

The following table shows the amounts netted in the balance sheet as at 31 December 2023 according to § 246, section 2 of the German Commercial Code:

Euro thsd.	
Fair value of plan assets	2,972
Pension fund liabilities	-2,972
Total	**0**

The UK branch has pension plans funded by the company, which are managed through trust funds. Due to the provisions for pensions exceed for financial year 2023 the fair values of the plan assets the netted amount is shown under "Other provisions" this year.

Liabilities

Subscribed capital

The share capital as at 31 December 2023 was composed of 55,000,000 registered no-par shares.

Retained earnings

	Euro	Euro
a) Legal reserves		715,809
b) Other reserves		
Opening balance on 1 January 2023	1,405,208,342	
Contributions from the previous year's disposable profit	0	
Withdrawals in the current year	0	
Contribution from current year's net income	0	
Closing balance on 31 December 2023		1,405,208,342
		1,405,924,151

Other provisions

			2023	2022
		Euro	Euro	Euro
I.	Provisions for pensions and similar obligations		362,811,810	351,171,176
II.	Tax provisions		257,419,662	294,292,385
III.	Sundry provisions			
a)	Provisions for currency translation gains	104,841,611	104,841,611	125,048,916
b)	Services which have been received but for which accounts have not yet been settled	2,546,814		2,963,479
c)	Miscellaneous	87,328,320		94,371,599
			194,716,745	222,383,994
			814,948,217	**867,847,555**

The miscellaneous other provisions mainly relate to provisions for interest on taxes.

Reinsurance accounts payable

An amount of Euro 0 (previous year: Euro 0) of the reinsurance accounts payable is attributable to Zillmer adjustments in ceded life reinsurance business.

Sundry liabilities

Liabilities with a maturity of less than one year amounted to Euro 38,967,130 (previous year: Euro 29,687,498). Thereof, liabilities to Sharia-compliant Takaful business show an amount of Euro 16,680,304, liabilities toward tax authorities an amount of Euro 18,856,679 and liabilities to affiliated companies show an amount of Euro 2,706,207.

As at 31 December 2023 there were no liabilities with a maturity of more than five years (previous year: Euro 0).

As at 31 December 2023 no liabilities were secured by pledges or similar rights (previous year: Euro 0).

Non-distributable amounts pursuant to §285 No. 28 German Commercial Code

		Euro	Euro
1.	Internally created intangible assets	23,982,700	
	less deferred tax liabilities established thereon	0	
			23,982,700
2.	Fair value of assets netted in accordance with § 246 section 2 German Commercial Code	40,554,690	
	Less acquisition costs of such assets	31,514,865	
			9,039,825
3.	Deferred tax assets in accordance with § 274 German Commercial Code*		407,076,856
4.	Difference in pension obligation between 7- and 10-year average interest rate in accordance with § 253 section 6 German Commercial Code		4,779,921
	Non-distributable amount as at 31.12.2023		**444,879,302**
	Available capital		3,822,727,833
	Less non-distributable amount		444,879,302
	Amount available for distribution as at 31.12.2023		**3,377,848,532**

*including deferred tax liabilities for 2. pursuant to § 268, section 8, sentence 3 German Commercial Code (HGB)

Notes to the Income Statement

Claims expenditure net of reinsurance

The Claims experience improved compared to the previous year. The burden from major losses and natural catastrophes remained high.

Change in the other underwriting reserves net of reinsurance

	2023 Euro	2022 Euro
a) Net actuarial reserves for life and health policies	-47,350,085	22,817,724
b) Sundry net underwriting reserves	-3,141,062	-12,955,104
	-50,491,146	**9,862,620**

Minus signs indicate contributions to the reserves.

Insurance business expenditure net of reinsurance

	2023 Euro	2022 Euro
a) Gross insurance business expenditure	1,181,036,498	1,058,558,187
b) Less: commission and profit commission on reinsured business	141,065,746	122,557,845
	1,039,970,752	**936,000,342**

Interest on reinsurance funds net of reinsurance

Interest on reinsurance funds net of reinsurance comprises interest on deposits retained on assumed reinsurance business in accordance with § 38, section 1 no. 3 of the Ordinance on the Accounting of Insurance Companies. The disclosure is based on the information provided by cedants; where statements of account were not available, the interest on deposits retained was estimated. The retrocessionaires' share was deducted.

The interest on reinsurance funds is reflected in the transfer of a portion of the investment income from the investment and general income statement to the underwriting income statement.

Sundry underwriting expenses

Sundry underwriting expenses mainly comprise fire protection tax.

Investment Income

			2023 Euro	2022 Euro
a)		Income from participations of which in affiliated companies: Euro 0 (previous year: Euro 0)	1,249,955	1,178,529
b)		Income from other investments of which in affiliated companies Euro 21,818,488 (previous year: Euro 20,611,265)		
	aa)	Income from real estate, rights to real estate and buildings	3,390,918	3,367,602
	bb)	Income from other investments	265,307,412	211,119,930
			268,698,330	214,487,532
c)		Write-ups on investments	295	0
d)		Income from the disposals of investments	822,244,794	2,023,441
			1,092,193,373	**217,689,502**

The interest costs from negative interest rates were offset against interest income.

Investment expenses

	2023 Euro	2022 Euro
a) Expenses for the administration of investments, interest expenditure and other investment expenses	4,833,929	4,658,434
b) Write-downs on investments	4,316,621	83,515,203
c) Losses from the disposal of investments	122,407,779	4,904,297
	131,558,330	**93,077,934**

Sundry income

Sundry income mainly relates to income from exchange rate gains of Euro 48,487,565 (previous year: Euro 86,030,714), followed by income from write-downs of Euro 20,561,275 (previous year: Euro 5,267,359), other interest income of Euro 14,590,501 (previous year: Euro 11,584,200) and income from services to third parties of Euro 2,538,660 (previous year: Euro 2,828,024).

Sundry expenditure

Sundry expenditure mainly comprises exchange rate losses of Euro 121,941,361 (previous year: Euro 79,815,559) . The interest expense on tax provisions shows a loss of Euro 1,182,120 (previous year: gain of Euro 31,573,507).

Tax on income and profit

The profit before taxes was reduced by Euro 168,296,673 (previous year: Euro 130,310,886) due to tax on income. Deferred taxes accounted for loss of Euro 31,946,856 (previous year: loss of Euro 76,830,705).

Our company, with a total of 18 branches as a subsidiary of our U.S. ultimate parent company, Berkshire Hathaway Inc. ('BHI'), falls within the scope of regulations related to global minimum taxation ('Pillar 2'). The regulations regarding global minimum taxation came into effect in Germany on 28 December 2023, through the Minimum Tax Act ('MinStG'). The MinStG applies for the first time to fiscal years beginning after 30 December 2023, so there is no minimum tax burden for the 2023 financial reporting period. In preparation of these laws, BHI is conducting comprehensive analyses to assess the potential impact on our company and the consolidated group to ensure compliance with the new provisions. Due to the complexity of minimum tax regulations, the open legal implementation in many jurisdictions, and business developments, the specific quantitative effects of the global implementation of minimum tax regulations for the year 2024 cannot be reliably determined. Based on the current assessment, no significant tax burden due to the MinStG is anticipated.

Details on the Individual Classes of Reinsurance

		2023 Euro	2022 Euro
Premium income **Gross written premiums**	Life insurance	2,215,998,348	2,050,000,373
	Health insurance	567,004,099	621,266,030
	General third party liability insurance	183,171,770	201,510,240
	Accident insurance	18,647,412	16,484,386
	Motor insurance	320,651,215	265,775,889
	Marine insurance	86,402,347	47,078,257
	Property insurance	1,178,548,824	862,196,819
	Engineering insurance	121,435,766	93,939,511
	Sundry classes of insurance	31,727,257	29,008,081
	Total	**4,723,587,038**	**4,187,259,585**

		2023 Euro	2022 Euro
Net earned premiums	Life insurance	2,099,323,437	1,967,260,331
	Health insurance	573,573,465	652,802,375
	General third party liability insurance	141,055,255	137,527,691
	Accident insurance	13,471,291	12,548,641
	Motor insurance	238,489,184	293,102,126
	Marine insurance	52,541,299	32,964,843
	Property insurance	784,906,407	598,008,028
	Engineering insurance	75,394,144	57,199,732
	Sundry classes of insurance	21,843,884	19,514,372
	Total	**4,000,598,366**	**3,770,928,139**

		2023 Euro	2022 Euro
Subtotal before change in the equalization reserve and similar reserves net of reinsurance	Life insurance	193,971,839	179,457,303
	Health insurance	56,553,483	39,789,991
	General third party liability insurance	9,739,407	-17,223,304
	Accident insurance	440,270	-1,611,768
	Motor insurance	-52,617,276	-67,177,705
	Marine insurance	3,938,858	-16,561,049
	Property insurance	44,772,710	-39,614,979
	Engineering insurance	5,557,387	-10,566,477
	Sundry classes of insurance	-2,791,785	-2,018,648
	Total	**259,564,893**	**64,473,364**

		2023 Euro	2022 Euro
Underwriting result after change in the equalization reserve and similar reserves net of reinsurance	Life insurance	193,971,839	179,457,303
	Health insurance	56,553,483	39,789,991
	General third party liability insurance	6,620,635	1,727,738
	Accident insurance	80,204	-586,407
	Motor insurance	-26,763,703	22,223,606
	Marine insurance	1,038,131	-3,544,875
	Property insurance	-2,150,947	-28,274,677
	Engineering insurance	5,295,493	-6,883,301
	Sundry classes of insurance	-7,800,512	-7,082,132
	Total	**226,844,622**	**196,827,245**

		2023 %	2022 %
Combined ratio *) before change in the equalization reserve and similar reserves net of reinsurance	Life insurance	90.8	90.9
	Health insurance	90.1	93.9
	General third party liability insurance	93.1	112.5
	Accident insurance	96.7	112.8
	Motor insurance	122.1	122.9
	Marine insurance	92.5	150.2
	Property insurance	94.3	106.6
	Engineering insurance	92.6	118.5
	Sundry classes of insurance	112.8	110.3
	Total	**93.5**	**98.3**

*) Ratio of incurred losses and expenses to earned premiums net of reinsurance

		2023 Euro	2022 Euro
Underwriting reserves net of reinsurance total underwriting reserves	Life insurance	4,017,989,751	4,015,686,160
	Health insurance	271,307,332	303,444,701
	General third party liability insurance	544,746,180	474,336,836
	Accident insurance	30,419,921	24,894,293
	Motor insurance	986,560,375	931,978,207
	Marine insurance	101,018,688	78,022,165
	Property insurance	1,414,897,646	1,114,226,447
	Engineering insurance	162,880,790	117,030,776
	Sundry classes of insurance	155,622,182	138,316,277
	Total	**7,685,442,865**	**7,197,935,862**

		2023 Euro	2022 Euro
Reserves for outstanding claims net of reinsurance	Life insurance	3,738,536,431	3,762,932,573
	Health insurance	134,163,453	142,609,029
	General third party liability insurance	382,236,149	312,671,380
	Accident insurance	27,942,291	23,465,292
	Motor insurance	784,572,106	707,371,824
	Marine insurance	73,948,323	64,390,557
	Property insurance	1,020,031,023	809,363,532
	Engineering insurance	111,667,582	79,490,967
	Sundry classes of insurance	36,175,277	26,877,315
	Total	**6,309,272,635**	**5,929,172,469**

Life and health reserves include actuarial reserves

Overall, the net run-off result is positive and represents 4.1% (previous year: -5.6%) of the original provision.

		2023 Euro	2022 Euro
Equalization reserve and similar reserves	General third party liability insurance	122,681,488	119,562,716
	Accident insurance	957,613	597,548
	Motor insurance	140,478,388	166,331,961
	Marine insurance	2,922,721	21,994
	Property insurance	241,235,639	194,311,982
	Engineering insurance	261,895	0
	Sundry classes of insurance	108,265,723	103,256,995
	Total	**616,803,467**	**584,083,196**

General Information

Employees

In 2023 the company employed an average of 682 staff (previous year: 654), including 274 working for our branch offices abroad (previous year: 264). Furthermore, an average of 138 staff (previous year: 125) was employed at service companies.

In contrast to these annual averages, the Executive Board Report contains corresponding information as at the end of the year.

Personnel expenses

	2023 Euro	2022 Euro
1. Salaries and wages	113,018,693	99,602,169
2. Statutory social security contributions and expenses for benefits	16,311,497	14,278,826
3. Expenses for retirement benefits	22,711,796	73,141,002
	152,041,986	**187,021,997**

The total remuneration granted to members of the Executive Board in 2023 includes fixed annual basic salary and bonus payments, intra-group allocations of remunerations and benefits. The members of the Executive Board were granted a total remuneration of Euro 2,352,881 (previous year: Euro 1,436,753). This amount is broken down as follows: Euro 1,625,402 was paid for fixed salaries and intra-group allocations, and variable compensation amounted to Euro 727,478, which is based on the company's underwriting result in the previous year. A reserve had been constituted for this purpose at the end of the previous year. In addition, the members of the Executive Board received other compensation in the form of benefits, such as the use of a company car and insurance coverage and those resulting from deferred tax liabilities. The monetary benefit associated with such other compensation amounted to Euro 252,268 (previous year. Euro 130,902).

The expense from increasing the pension reserve for active members of the Executive Board amounted to Euro 2,068,828 (previous year: expense of Euro 171,310). No loans or advances were granted. The members of the Executive Board do not receive compensation for serving on the supervisory and management committees of Group companies. A reserve has been constituted for benefits owed to members of the Executive Board who left the company.

Payments amounting to Euro 2,221,623 (previous year: Euro 2,077,904) were made to former members of the Executive Board or their dependents in the 2023 business year. The provisions for pensions payable to such persons as at 31 December 2023 totaled Euro 43,547,706 (previous year: Euro 44,315,859).

Fixed remuneration paid to the members of the Supervisory Board totaled Euro 40,000 (previous year: Euro 40,000).

Shareholdings in our company

General Reinsurance Corporation, Wilmington, Delaware/USA, which is a wholly owned subsidiary of General Re Corporation, Wilmington, Delaware/USA, holds 100% of the voting share capital of General Reinsurance AG and has informed us of this in accordance with § 20 section 4 of the German Stock Corporation Act. In relation to this corporation, we are a dependent company in accordance with § 17 of the German Stock Corporation Act. We are thus an affiliate of General Re Corporation and its subsidiaries. General Reinsurance AG is included in the consolidated accounts of General Re Corporation.

Berkshire Hathaway Inc., Omaha, Nebraska/USA, has held 100% of the shares in General Re Corporation since December 1998, meaning that we are also an affiliate of Berkshire Hathaway Inc. and its subsidiaries. General Reinsurance AG is included in the consolidated accounts of Berkshire Hathaway Inc. These consolidated accounts are on file with the U. S. Securities and Exchange Commission, Washington, DC/USA.

Pursuant to the waiver stipulated in § 292 of the German Commercial Code, General Reinsurance AG does not compile consolidated financial statements. Reference is made to the consolidated accounts of Berkshire Hathaway Inc., which are compiled on a US GAAP basis and are published in the electronic Business Register System.

Important differences between the regulations of the German Commercial Code (HGB) and US GAAP

Reinsurance business

- US GAAP requires acquisition costs to be deferred; this is not permitted by the German Commercial Code (HGB)(§ 248 HGB).
- The equalization reserve and provision for major risks required by German accounting principles are not included as reserves under US GAAP, since they do not involve liabilities to third parties at the balance sheet date. This gives rise, on the one hand, to higher shareholders' equity and, on the other hand, to greater volatility in the result for the period recognized under US GAAP.
- For the purpose of measuring the loss reserves, US GAAP continues to permit a portfolio measurement for contracts with short terms. This contrasts with the principle of individual measurement required under German commercial law. Under US GAAP, provisions for short-duration contracts are recognised in accordance with the best estimate principle, whereas the German Commercial Code expressly requires prudent measurement (Section 252 HGB). In contrast, US GAAP Long-Duration Targeted Improvements (LDTI) represents a fundamental change in the accounting treatment of insurance contracts with long terms in terms of both the actuarial methods and the parameters used.
- The reinsurance recoverables on the loss reserves are shown as an asset under US GAAP and are not deducted from the loss reserves.
- Under US GAAP the premium income in life insurance is reduced by the savings elements – only the premiums collected to cover the technical risk are recognized under premium income. Actuarial reserves established in the balance sheet are netted with funds held by ceding companies, insofar as netting is contractually permissible.

Investments

- The measurement of investments excluding equity positions at fair values as well as the open recognition of unrealized gains and losses in the asset classes in shareholders' equity under US GAAP run contrary to the cost method specified in § 253 HGB. The same applies to the measurement of equity positions at fair values as well as the open recognition of unrealized gains and losses in this asset category in the consolidated income statement under US GAAP (ASU 2016-01).
- Investment funds (Spezialfonds) are entities that must be consolidated under US GAAP. Through inclusion of these investment funds in the consolidated financial statements the securities held within the funds are treated as direct holdings (look-through accounting). This means that income and expenses are recognized in the consolidated financial statement at the time of their accrual, whereas the provisions of German commercial law recognize income and expenses at the time of distribution.
- Under US GAAP investments are written down if the impairments are not temporary. This contrasts with the depreciation rules of the German Commercial Code, under which an asset allocated to current assets is to be measured at acquisition cost or at the value on the balance sheet date if this is lower (§ 253 HGB). Under

the rules of § 341b HGB securities allocated to long-term assets are to be written down only in the event of permanent impairment. What is more, when measuring the impairment to be taken on units in investment funds (Spezialfonds) the German Commercial Code requires that portfolio effects be recognized, while the consolidation of investment funds under US GAAP results in the measurement of individual instruments.

- The provisions of German commercial law require write-ups to be made on investments up to the cost of acquisition. Such write-ups are not permissible under US GAAP.

Other provisions

- Under the German Commercial Code pension provisions are discounted according to the Act on the Modernization of Accounting Law (BilMoG) on a flat basis using an average market interest rate determined by the German Bundesbank (§ 253 HGB) and assuming a term to maturity of 15 years. Under US GAAP the discount rate is geared to long-term bonds of high-quality issuers.
- Under the German Commercial Code provisions with a term to maturity of more than one year are discounted using the average market interest rate of the past seven financial years according to their term to maturity (§ 253 HGB). The discount rates are determined by the German Bundesbank. Such discounting is not permitted under US GAAP.

Currency translation

- The principle of functional currencies under ASC 830 results in parts of the translation gains/losses being recognized in shareholders' equity under US GAAP.
- Based on the German imparity principle, unrealized exchange losses are to be recognized in income, whereas exchange gains may only be recognized upon realization. In accordance with US GAAP exchange gains and losses are recognized in the period of accrual.

Audit fees

- A total of Euro 1,629,462 (previous year: Euro 1,493,000) was expensed for audit fees in the business year. No expenditure was incurred in 2023 for other assurance services or other services performed by the auditors (previous year: Euro 0).
- The fees for auditing services provided by Deloitte GmbH Wirtschaftsprüfungsgesellschaft mainly related to the audit of the annual financial statements and US GAAP the reporting package in accordance with the instructions of the group auditor as well as statutory extensions of the engagement.

Contingent liabilities and other liabilities

We are a member of the Association for the Reinsurance of Pharmaceutical Risks and the Association for the Insurance of German Nuclear Reactors. In the event of one of the other members failing to meet its liabilities, we are required to take over such other member's share within the framework of our mutual participation. Following the dissolution of the German Aviation Pool on 31 December 2003, we are participating in the run-off of the remaining treaty relationships. As at 31 December 2023 there were no accounts payable resulting from contingent liabilities relating to investments (previous year: Euro 0).

By way of a letter of comfort we have undertaken to provide the subsidiaries specified below with sufficient financial resources to fulfil their liabilities at all times. The liquidity planning of these companies indicates that positive cash flows will be generated in future years. Therefore, we do not expect any claims arising out of the letters of comfort.

- General Reinsurance Life Australia Ltd., Sydney/Australia

- General Reinsurance Africa Ltd., Cape Town/South Africa

As at 31 December 2023, other financial liabilities from leasing agreements amounted to Euro 9,153,624 (previous year: Euro 10,313,336).

No further transactions were effected which are not shown in the balance sheet.

Related party disclosures

A party is defined as related to an entity if the party controls, is controlled by or is under common control with the entity, is able to exert a significant influence over the entity or has joint control over the entity (this includes parent companies, subsidiaries and sister companies).

The immediate parent company is General Reinsurance Corporation incorporated in Delaware/USA. The ultimate controlling entity of the Group is Berkshire Hathaway Inc. incorporated in Nebraska/USA.

As a majority-owned company – and in view of the existing dependency and the absence of a control agreement or profit transfer agreement – General Reinsurance AG has drawn up a dependent company report on relations with affiliated companies in accordance with § 312 of the German Stock Corporation Act. All business relations with related parties are based upon arm's-length principles.

Contracts for the outsourcing of services and functions were concluded at arm's length-conditions according to the group-wide guideline on transfer pricing. The guideline regulates the principles for the settlement of intercompany services as well as the distinction between chargeable services and stewardship expenses. The guideline further defines the requirements for pricing, invoicing and documentation and thus ensures transparency, group-wide consistency and compliance.

The agreed prices are generally accounted for on a fully absorbed cost basis plus profit margin. Loans, leases and other contractual agreements between related parties are based on arm's-length conditions.

As of 1 January 2017, our parent company, General Reinsurance Corporation, participates in our property and casualty business with a quota share of around 20%. In addition, we carried out a loss portfolio transfer with General Reinsurance Corporation, on 1 July 2021. Under this agreement, a larger portion of the loss reserves for property and casualty business was retroceded to General Reinsurance Corporation. In 2022 we entered into a stop-loss agreement with General Reinsurance Corporation for part of our property/casualty business.

Since 2020 a stop loss agreement has been in place with General Re Life Corporation for part of our life/health business. General Re Life Corporation is an affiliated company of General Reinsurance AG.

Our company is a member of the following associations:

- Gesamtverband der Deutschen Versicherungswirtschaft e.V., Berlin,
- Arbeitgeberverband der Versicherungsunternehmen in Deutschland, Munich.

List of Affiliated Companies

	Name and registered office	Share %	Shareholders' equity [1] Euro	Business year result[1] Euro
Affiliated companies	General Reinsurance AG - Escritório de Representacão no Brasil Ltda., São Paulo	100	1,880,781	194,324
	General Reinsurance Life Australia Ltd., Sydney	100	226,798,029	8,061,737
	General Reinsurance Africa Ltd., Cape Town	100	82,759,416	7,611,565
	General Reinsurance Beirut S.A.L. (Off-Shore), Beirut	100	1,053,881	-49,129
	Gen Re Servicios México S.A., Mexico City	100	1,403,890	-54,355
	Gen Re Support Services Mumbai Private Ltd. [2)*]	100	201,024	-37,722

	Name and registered office	Share %	Shareholders' equity[1]	Business year result[1]
Participations	Triton Gesellschaft für Beteiligungen mbH, Luxembourg [2]	19	361,900	-78,982
	Nürnberger Beteiligungs-Aktiengesellschaft, Nuremberg	3	745,656,293	49,749,165

[1] Figures taken from last available Annual Report

[2] In liquidation

[*] Different fiscal year (31 March 2023)

Supervisory Board

Manfred Seitz
Managing Director
Berkshire Hathaway Group of Insurance Companies
Reinsurance Division – International (Europe), Munich/Germany
Chair

Stephen A. Michael
Chief Executive Officer
Resolute Management Services Limited, London/UK
Deputy Chair

Sandra Bell
Senior Vice President
Chief Human Resources Officer
General Re Corporation, Stamford, Connecticut/USA

Andrew Gifford
Senior Vice President
General Counsel & Secretary
General Re Corporation, Stamford, Connecticut/USA

Rafael Lorsbach*
Senior Claims Specialist
General Reinsurance AG, Cologne/Germany

Thomas Mosakowski*
Regional BCM Coordinator
General Reinsurance AG, Cologne/Germany

*Employees' representative

Executive Board

Charles S. Shamieh
Stamford, Connecticut/USA
Chair

Life/Health Asia, Australia & New Zealand, Canada, Caribbean, Sub-Saharan Africa, UK & Ireland
Investments
Actuarial Life/Health
Global Marketing & Client Communications

Andrew Michael D'Arcy
Sevenoaks, Kent/UK

Property/Casualty
Actuarial Property/Casualty

Michael O'Dea
Twickenham, London/UK

Finance (Accounting/Controlling/Tax)
Legal/Compliance
Internal Audit
Human Resources

Ulrich Pasdika
Solingen/Germany

Life/Health Continental Europe, Middle East, North Africa, Latin America

Dr. Frank A. Schmid
Stamford, Connecticut/USA

Technology & Operations

Margaret McAuliffe-Noval (since 1 April 2023)
Pulheim/Germany

Corporate Risk Management
Business Continuity Management

Alexander Zeller (since 1 April 2023)
Düsseldorf/Germany

Property/Casualty Treaty Marketing Germany, Austria, Switzerland, Netherlands, Central-, Eastern and South-East Europe, Israel

Cologne, 6 March 2024

The Executive Board

Digitally signed by Charles Said Shamieh
Date: 2024-03-14 09:36:39-04:00

Charles S. Shamieh

Digitally signed by Andrew MICHAEL D'Arcy
Date: 2024-03-19 09:18:08+01:00

Andrew Michael D'Arcy

Digitally signed by Michael PATRICK O'Dea
Date: 2024-03-14 13:17:59Z

Michael O'Dea

Digitally signed by Ulrich Pasdika
Date: 2024-03-14 13:19:54+01:00

Ulrich Pasdika

Digitally signed by Frank ANDREAS Schmid
Date: 2024-03-14 06:48:56-04:00

Dr. Frank A. Schmid

Digitally signed by Margaret Rose McAuliffe-Noval
Date: 2024-03-15 08:58:52+01:00

Margaret McAuliffe-Noval

Digitally signed by Alexander MARCUS Zeller
Date: 2024-03-15 15:36:41+01:00

Alexander Zeller

Independent Auditor's Report

To General Reinsurance AG, Cologne/Germany

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of General Reinsurance AG, Cologne/Germany, which comprise the balance sheet as at 31 December 2023, and the statement of profit and loss for the financial year from 1 January to 31 December 2023, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of General Reinsurance AG, Cologne/Germany, for the financial year from 1 January to 31 December 2023. In accordance with the German legal requirements, we have not audited the content of the non-financial report within the meaning of Section 289b (3) German Commercial Code (HGB) included in the section "Corporate Social Responsibility Report" of the management report, or the content of the statement on the quota for women pursuant to Section 289f (4) HGB included in the section "Our Employees" of the management report, or the content of the paragraphs 2 to 8 of this section.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance for the financial year from 1 January to 31 December 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the above mentioned separate non-financial report, the information on the quota for women and the aforementioned paragraphs of the section "Our Employees".

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the reserve for incurred but not reported (IBNR) claims (Nonlife insurance line) that we have determined as a key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

a) description (including reference to corresponding information in the annual financial statements)
b) auditor's response

Reserve for incurred but not reported (IBNR) claims (Nonlife business line)

a) The outstanding claims reserve of mEUR 9,440 includes a reserve for IBNR claims for claims or events that have transpired as at the balance sheet date but have not been reported until recorded as part of an inventory count. The IBNR claims reserve is to be reported on a lump-sum basis by the Company in accordance with Section 341g (2) HGB. This measurement is required to also take into account historical experience of the Company in respect of both the number and the related expense of insurance claims that have been reported after the reporting date. In estimating the IBNR claims reserve, the Company uses generally accepted actuarial methods, such as the chain ladder method or the Bornhuetter-Ferguson method or the expected loss approach.

   The appropriate measurement of the IBNR claims reserve in the form of a lump-sum estimate is dependent on the application of an adequate actuarial method, the parameters used and the assumptions made as well as on one-off effects taken into account. The determination of the IBNR claims reserve is thus subject to uncertainties of estimation and to judgement, which may result in an under- or overstatement of the IBNR claims reserve influencing the amount of the technical reserves in the annual financial statements. In addition, the uncertainty of estimation can result in a failure to account for income and expenses on an accrual basis. Overall, this may influence the result of the technical account. Therefore, we determined this matter to be of most significance.

   Information on the outstanding claims reserve is provided in the notes to the financial statements in the "Technical Reserves" section.

b) During our audit we conducted, as the basis for our audit, a process analysis followed by an evaluation of the operating effectiveness, design and implementation of relevant controls. Furthermore, we relied on tests of details on a sample basis of the account settlements with ceding companies to be satisfied that claims were appropriately recorded and processed.

   As regards the process of the underlying data extraction, we monitored the preparation of the abstract from the data maintenance system as at the reporting date. This also included monitoring the performance of controls as regards completeness and accuracy of the data extraction.

   For auditing the computation of the IBNR claims reserve we involve internal specialists (actuaries). Our specialists recalculate the IBNR claims reserve using actuarial methods. Thereby, a range of reasonable results of the IBNR claims reserve is determined which is derived from appropriate upper and lower limits subject to defined parameters and assumptions. The results of the recalculation are then compared with the IBNR claims reserve determined by the Company.

The assumptions and the parameters, which are taken into account in the actuarial computation of the IBNR claims reserve of the Company, are reviewed and discussed both with the employees of the actuary function of GRAG and assessed and reviewed with objectivity by our internal specialists. The quality of the IBNR claims reserve estimate is reviewed by obtaining an understanding of the actual settlement – also during the year – over time.

Furthermore, the computation and the development of the IBNR claims reserve are discussed both with the Company's chief actuary and executive directors.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the separate non-financial report within the meaning of Section 289b (3) HGB to which reference is made in the management report and which is expected to be presented to us after the date of this auditor's report,
- the statement on the quota for women in accordance with Section 289f (4) HGB, which is included in the management report in the section "Our Employees", and the paragraphs 2 to 8 of this section, as well as
- all other parts of the annual report,
- but not the annual financial statements, not the audited content of the management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the shareholders' meeting on 30 March 2023. We were engaged by the supervisory board on 30 March 2023. We have been the auditor of General Reinsurance AG, Cologne/Germany, without interruption since the financial year 1999.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Michael Kilbinger.

Düsseldorf/Germany, 8 March 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

MICHAEL CHRISTOPH KILBINGER Digitally signed by MICHAEL CHRISTOPH KILBINGER Date: 2024-03-20 23:16:09+01:00	WOLFGANG PETER FRITZ WERNER BALZ Digitally signed by WOLFGANG PETER FRITZ WERNER BALZ Date: 2024-03-21 12:37:47+01:00
Signed:	Signed:
Michael Kilbinger	Wolfgang Balz
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

TRANSLATION
GERMAN VERSION PREVAILS

Supervisory Board Report

Dear Sir or Madam,

In the 2023 financial year, the Supervisory Board performed all its duties and obligations in accordance with the law, the Articles of Association and the Rules of Procedure. The Supervisory Board held four meetings in the course of 2023, one of which was held in person, one as a virtual meeting via video conference and two as hybrid meetings. All six members of the Supervisory Board attended all meetings.

At the meetings, the Supervisory Board was informed in detail and in a timely manner by the Executive Board about the performance of the company's business, the results of individual business units and the ongoing underwriting policy. The implications of geopolitical tensions, high inflation and increased interest rates for the company's various business units were explored at length. The Supervisory Board further considered developments on financial markets, the investment strategy and internal Group capital management measures.

The Executive Board fully complied with its duties to provide information and report to the Supervisory Board and in this regard presented, in particular, the interim and annual results as well as the investment plan. The Supervisory Board was directly involved in all business transactions of material importance in a timely manner. Outside the meetings, too, the Executive Board kept the Supervisory Board informed in a timely and comprehensive manner about major developments at the company. In addition, the Chairman of the Supervisory Board and the Chairman of the Executive Board regularly discussed the general development of business, the short- and medium-term planning and the focus of the various segments as well as the special claims burdens from natural catastrophes in the European Union. Management and personnel issues were also discussed.

The holders of the key functions informed the Supervisory Board in writing and verbally about significant activities. The Actuarial function reported at length to the Supervisory Board at two meetings on the development of reserves as well as the underlying assumptions and measurement methods. The Risk Management function informed the Supervisory Board about significant activities as well as changes in the risk profile compared with the previous year. The Supervisory Board deliberated in detail on the company's risk strategy, particularly with regard to the volatility of financial markets. The Supervisory Board was informed in detail about the coverage ratios in relation to the Solvency Capital Requirement (SCR) of General Reinsurance AG on an individual and group basis. All material risk management reports were submitted to the members of the Supervisory Board. The Compliance function reported to the Supervisory Board on key activities, in particular legal and regulatory developments and cooperation with the competent authorities. In this context, the implications of continuously increasing regulatory requirements were also discussed.

The Executive Board member responsible for information technology (IT) regularly reported to the Supervisory Board on the company’s IT strategy and compliance with regulatory requirements for information technology. He also informed the Supervisory Board about the development of an operational resilience concept in accordance with the EU DORA Regulation. In June, he also reported on the nature and scope of the use of generative artificial intelligence at General Reinsurance AG.

The Supervisory Board discussed the individual performance reviews and the individual targets of the Executive Board members for the financial year 2023 and determined the amounts of Executive Board remuneration and bonus payments for the individual Executive Board members.

The Supervisory Board examined and confirmed the professional suitability and reliability of the new members of the Executive Board and the Executive Board as a whole. The professional suitability of the Supervisory Board was confirmed by means of a self-assessment and suitable further training measures were defined for the Supervisory Board. The Supervisory Board as a whole has the necessary expertise to adequately monitor the work of the Executive Board and actively support the development of the company.

Committees

The Remuneration Committee met four times in the period under review. It reviewed the appropriateness of the Executive Board remuneration system and prepared the resolutions of the full Supervisory Board on Executive Board matters, including the appointment of new Executive Board members.

The Audit Committee met twice in 2023 and discussed, among other things, the rotation of the independent auditor planned for the 2024 audit year. After carrying out the tender process and thoroughly examining the offers submitted, the Audit Committee recommended that the auditing firm Mazars GmbH & Co. KG, Cologne, should be commissioned with the audit for the 2024 financial year. In March the Internal Audit function reported to the Audit Committee on the results of the audits carried out in 2022 and the current audit focuses. In October Internal Audit provided an overview of developments in the internal control and audit system as well as a status report on the internal audit plan for 2023.

On 19 March 2024 the Audit Committee considered at length the annual financial statement of General Reinsurance AG, the Executive Board Report, the independent auditors' report and the proposal by the Executive Board for the appropriation of the disposable profit for the 2023 financial year. The independent auditor reported to the Audit Committee on the course and outcome of its audit. Individual focal points of the audit were discussed in detail. In addition, the Audit Committee held discussions with the responsible member of the Executive Board, the Chief Financial Officer of the company, and the Head of Internal Audit.

Annual Financial Statement, Report on Relations with Affiliated Companies, Executive Board Report

On 27 October 2023 the Supervisory Board discussed the proposal of the Executive Board to pay a dividend amounting to Euro 4.55 per share from the distributable profit 2022 and endorsed the Executive Board's recommendation to the extraordinary General Meeting.

The annual financial statement of General Reinsurance AG for the financial year 2023 submitted by the Executive Board and the associated Executive Board Report as well as the accounting methods and the notes to the annual financial statement were audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, and given an unqualified audit opinion in accordance with § 322 German Commercial Code. The documentation pertaining to the annual financial statement and the audit reports of the independent auditor were made available to the Supervisory Board without delay.

At its meeting on 21 March 2024 the Supervisory Board was informed in detail about the prior review of the annual financial statement and the Executive Board Report by the Audit Committee. The report of the Audit Committee covered, in particular, the discussions of the auditor about the scope, concentrations, and key findings of its audit. No material weaknesses were identified in the internal control system and the risk management system. After the annual financial statement and the Executive Board Report had also been considered in detail by the full Supervisory Board, the Supervisory Board approved the annual financial statement, which is thus adopted in accordance with § 172 German Stock Corporation Act. The Supervisory Board approved the Executive Board Report as submitted.

At its meeting on 21 March 2024, the Supervisory Board endorsed the Executive Board's recommendation regarding the appropriation of the disposable profit 2023.

The report of the Executive Board on relations with affiliated companies was audited under § 313 German Stock Corporation Act by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, and certified with an unqualified opinion as follows:

"Following our audit and judgement performed in keeping our professional duties, we confirm that 1. the facts in the report are stated accurately, 2. the consideration given by the Company for the transactions set out in the report was not excessive."

The Supervisory Board examined the Executive Board's report on relations with affiliated companies and the report of the independent auditor. Having conducted a critical assessment, it concurred with the independent auditor's opinion. The Supervisory Board raised no objections to the declaration of the Executive Board at the end of its report on relations with affiliated companies.

The extraordinary General Meeting held on 20 June 2023 followed the recommendations of the Audit Committee and the full Supervisory Board and decided to commission Mazars GmbH & Co. KG, Cologne, to audit the financial statements for the 2024 financial year.

Personalia

There were no changes in the composition of the Supervisory Board or its committees in the year under review.

With effect from 1 April 2023, the Supervisory Board appointed Ms. Margaret McAuliffe-Noval and Mr. Alexander Zeller as members of the Executive Board, which was thus expanded to seven members.

Word of Thanks

The Supervisory Board would like to thank the Executive Board and the employees of General Reinsurance AG for their commitment which has enabled the company to develop successfully and achieve very good business results.

Cologne, 21 March 2024

Digitally signed by MANFRED WILLIBALD OTTO SEITZ
Date: 2024-03-22 10:18:16+01:00

Manfred Seitz
(Chairman of the Supervisory Board)

Digitally signed by Stephen Andrew Michael
Date: 2024-03-21 14:17:45Z

Stephen A. Michael
(Deputy Chairman of the Supervisory Board)

Digitally signed by Sandra Lynn Bell
Date: 2024-03-21 11:16:20-04:00

Sandra Bell

Digitally signed by Andrew RANDALL Gifford
Date: 2024-03-22 13:22:02+01:00

Andrew Gifford

Digitally signed by Rafael Gerd Lorsbach
Date: 2024-03-22 10:48:51+01:00

Rafael Lorsbach

Digitally signed by Thomas Johann Mosakowski
Date: 2024-03-21 15:51:28+01:00

Thomas Mosakowski

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