ETHNIKI
FIRST IN INSURANCE

Solvency & Financial Condition Report

2021

DISCLAIMER: This document is a translation into English of the original Greek "Έκθεση Φερεγγυότητας & Χρηματοοικονομικής Κατάστασης 2021". It is not a binding document. In the event of a conflict in interpretation, reference should be made to the Greek version, which is the authentic text.

Contents

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Disclosure Framework

The content of Solvency and Financial Condition Report ("the Report"), is based on Article 38 of Greek Law 4364/2016, Articles 2 to 14 of the Executive Committee Act No. 77/12.02.2016 of Bank of Greece («BoG») and Articles 290 to 298 of Delegated Regulation (EU) 2015/35. The structure of the Report follows Annex XX of the Delegated Regulation (EU) 2015/35 and is depicted in Chapters 1 to 5.

The Board of Directors ("BoD") and Independent Auditors' reports form an integral part of this Report and are published along with it.

The Annex I of this Report includes the templates included in Article 4 of the European Commission Implementing Regulation (EU) 2015/2452 of 2.12.2015.

All amounts in the tables of the Report, are presented in thousands of euros, while all amounts included in the commentary are presented in ms of euros (unless otherwise stated).

BoG as Supervisory Authority, in accordance with Article 41 of Greek Law 4364/2016, shall require modification or revision of published reports or disclose of any additional information, as well as any other necessary actions needed to be taken by Management.

The original Greek Report for the year ended 31 December 2021 has been approved by the BoD of the "ETHNIKI" Hellenic General Insurance Company S.A. ("the Company" or "the Company") on 5 April 2022.

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Board of Directors report

Set out below is the executive summary of the Company's Report, which includes key figures and information on the Business and Performance, System of Governance, Risk Profile, Valuation for solvency purposes, Capital Management, Impact of Covid-19 outbreak, Change of shareholder composition of the Company and its Future Prospects.

Key Figures

The following table depicts the key figures of the Company for the financial years 2021 and 2020:

Solvency II Key Figures	31.12.2021	31.12.2020
(€ in thousands)		
Investments	4.031.876	3.854.421
Other Assets	441.629	451.309
Total Assets	**4.473.505**	**4.305.730**
Technical provisions	3.281.643	3.299.615
Other liabilities	430.964	289.763
Excess of assets over liabilities	**760.898**	**716.353**
Subordinated liabilities	175.000	50.000
Total Own Funds	**935.898**	**766.353**
Eligible own funds to meet SCR		
Tier 1	668.307	597.556
Tier 2	125.000	-
Tier 3	57.800	56.993
Total eligible own funds to meet SCR	**851.106**	**654.549**
Capital Requirement		
Solvency Capital Requirement (SCR)	385.333	379.954
Solvency Ratio (to meet SCR)[1]	**221%**	**172%**
Minimum Capital Requirement (MCR)	114.597	115.946
Eligible own funds to meet MCR		
Tier 1	668.307	597.556
Tier 2	22.919	-
Total eligible own funds to meet MCR	**691.226**	**597.556**
Solvency Ratio (to meet MCR)[2]	**603%**	**515%**

As indicated in the above Table, as at 31.12.2021 , the Company's eligible own funds exceeds both the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR").

[1] Solvency Ratio (to meet SCR) = Total eligible own funds to meet SCR / Solvency Capital Requirement (SCR)
[2] Solvency Ratio (to meet MCR) = Total eligible own funds to meet MCR / Minimum Capital Requirement (MCR)

The BoD of the Company did not propose a dividend distribution for 2021.

Business and Performance

In 2021, the Company continued to hold a leading position in the Greek insurance market, and maintained strong levels of profitability, while remaining a financially sound and robust beacon of stability for its policyholders, reaffirming once again its leading role in the Greek private insurance market.

The financial results of 2021 confirmed the Company's positive performance which, despite the Covid-19 pandemic effects worldwide, continues its healthy profitability with Profit before Tax ("PBT") and before Voluntary Exit Scheme for Employees (VES) Cost of €90,5m in 2021FY, compared to €85,7m in 2020FY. Total Premium Production for 2021 reached €689,6m (2020: €669,0 m)[3] increased by 3,1% compared to 2020. Out of Total Production in 2021, €518,6m is attributed to Life Business (2020: €493,8m)[3] and €171,0m is attributed to Non-Life Business (2020: €175,2m). The increase is mainly due to recurring premium products, whose production was increased by 12,9% in 2021. During 2021 a new UL type product without guarantees was launched in the market with total production of €53,9m.

Ethniki Insurance, with a strong presence and leading position in the Greek insurance market, holding a share of 14,9% on the GWP, dealt efficiently with the challenges and risks emerging from the Covid-19 outbreak, while maintained robust levels of capital adequacy and remained capable to provide insurance services to its policyholders effectively.

System of Corporate Governance

The Company has an effective Corporate Governance System which ensures sound and prudent management and promotes continuity, consistency and proper operation of the Company.

The BoD of the Company (supported by its Committees) is responsible for setting the strategic direction of the Company, supervising the senior management and exercising adequate control of the Company, aiming at the maximization of its long-term value, the advocacy of general corporate interest and the promotion of internal affairs, in accordance with the legal and regulatory framework.

The System of Corporate Governance includes:

1. Policies and procedures, approved by the BoD, such as Corporate Governance Code, Fit and Proper Policy, Remuneration Policy and Outsourcing Policy,
2. Internal Control system aiming at ensuring that internal control mechanisms are implemented as designed, are adequate and promote the consistent implementation of business strategy, the timely identification and effective management of risks undertaken, and the provision of reliable financial management information. In this context, Internal Control System includes, inter alia, allocating responsibilities to personnel, establishing and recording procedures and safeguards, carrying out regular and exceptional audits by the competent Units,
3. Risk management system, aiming at the timely identification, adequate assessment and effective monitoring, management and reporting of existing and emerging risks, throughout the range of Company's business activities. For the effective operation of

[3] Including GWP of €141,6m (2020: €182,7m) relating to contracts classified as Investment Products according to the provisions of International Financial Reporting Standards.

the Risk Management System, Risk Management Strategies and Policies are adopted and Own Risk & Solvency Assessment ("ORSA") is performed,

4. Four key functions: Internal Audit, Actuarial, Risk Management and Regulatory Compliance function, which operate on the basis of approved Regulations are supervised by the Committees of the BoD or / and directly by the BoD.

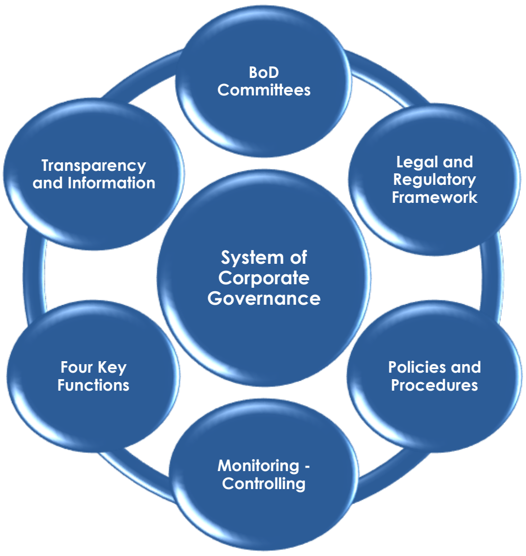


Diagram: Illustration of System of Governance

Risk Profile

The Company monitors its Risk Profile through coordinated procedures for the identification, evaluation, management and reporting of the risks undertaken with the involvement of all business units.

In this framework, the following risks have been identified and managed through the development of policies and respective procedures:

Business environment both in Greece and worldwide, was characterized by increased uncertainty in 2021, which is reinforced by Covid-19 pandemic and geopolitic instability. The ongoing pandemic has had an adverse impact on Greek & Global economy, causing uncertainty to the society and markets, as its duration and evolution cannot be determined.

The impact from the pandemic and the respective mitigating actions put pressure on the economy, as the majority of economic activity is contained, thus measures are taken by the government to support the sectors affected.

Under this regime, there is likelihood that the Greek economy, along with other vulnerable economies, is most affected by the pandemic and the restrictive measures if the pandemic persists, as well as with the increased geopolitical uncertainty, which is likely to be reflected in the credit spreads of both government and corporate bonds.

Despite the recent upward trends, the low interest rate environment that was observed in the previous period, is preserved and is likely to be preserved for a long period in order to boost economic development, putting pressure on the Company's insurance portfolios and more specifically on the Life portfolios with high technical guaranteed rates.

The Company successfully participated in 2021 in a supervisory exercise to examine possible effects of the unstable business environment on its financial position and its liquidity and to examine actions to deal with extreme conditions. At the same time, it prepares for the revision of the regulatory framework regarding Solvency II, when it is finalized and takes measures for its adequate harmonization with the requirements of the regulatory framework.

Due to the current conditions in Greece and globally, the main strategic risks that affected the Company's activities are those stemming from the unstable financial and operating business environment (macroeconomic risks at European and Greek level), which is deteriorating due to the pandemic and its consequences, as well as geopolitical instability in Eastern Europe. At the same time, the Company closely monitors developments in the field of cyber security, where there is an increase in the complexity and frequency of cyber attacks.

The quantitative assessment of the Solvency Capital Requirement that stems from the risks undertaken is performed with the use of the standard formula. The suitability of this method, in relation to the Company's risk profile, has been evaluated within the framework of the annual ORSA.

The Solvency Capital Requirement as at 31.12.2021, with the use of the volatility adjustment on the relevant risk free interest rate term structure ("adjusted curve") and the transitional measures on technical provisions and on the equity risk sub-module ("transitional measures"), amounts to €385,3m as opposed to €380,0m as at 31.12.2020.

The solvency capital requirements by risk module are presented in the following table:

Solvency Capital Requirement (€ in thousands)	**31.12.2021**	**31.12.2020**	**Difference**
Market risk	221.251	191.226	30.025
Credit risk	29.774	24.393	5.381
Insurance risk Life	116.785	154.333	(37.548)
Insurance risk Health	107.186	104.394	2.792
Insurance risk Non - Life	76.768	80.105	(3.337)
Diversification benefit	(192.179)	(199.218)	7.039
Basic Solvency Capital Requirement ("BSCR")	**359.585**	**355.233**	**4.352**
Operational Risk	25.748	24.721	1.027
Solvency Capital Requirement	**385.333**	**379.954**	**5.379**

There was no material change to the Company's Risk Profile, compared to the previous reporting period. Total capital requirements increased by 1,4%. The increase came mainly from credit risk, market risk and health underwriting risk (by 22%, 16% and 3% respectively). In counterbalance, Life and Non-Life underwriting risk were reduced (by 24% and 4% respectively).

The Company has performed a sensitivity analysis, in order to estimate the effect of changes in risk factors on its own funds as at 31.12.2021. The results of the sensitivity analysis that was performed with the use of transitional measures and the adjusted curve are summarized in the table below:

Scenarios	Parameter	Value	Explanation
A.1	**Decrease of equity prices**	-25%	Impact of a 25% decrease in equity prices, excluding holdings in Garanta and Ethniki insurance Cyprus.
A.2	**Increase of equity prices**	+25%	Impact of a 25% increase in equity prices, excluding holdings in Garanta and Ethniki insurance Cyprus.
B.1	**Decrease of property prices**	-25%	Impact from a decrease in property prices by 25%.
B.2	**Increase of property prices**	+25%	Impact from an increase in property prices by 25%.
C.1	**Decrease of bond credit spreads**	-50 bps	Impact from a decrease in all bonds credit spreads by 50 bps.
C.2	**Increase of bond credit spreads**	+50 bps	Impact from an increase in all bonds credit spreads by 50 bps.
D.1	**Decrease of interest rate curve**	IRR -0.5%	Parallel decrease of interest rate curve by 0.5%
D.2	**Increase of interest rate curve**	IRR +0.5%	Parallel increase of interest rate curve by 0.5%

A description of the results and parameters of the sensitivity analysis is set out in Chapter 3. "Risk Profile".

Valuation for Solvency Purposes

The Company evaluates assets and liabilities and calculates technical provisions in accordance with Chapter VI, section 1 and 2 of Greek Law 4364/2016 and Chapter VI, section 1 and 2 of Directive 2009/138/EC of the European Parliament and of the Council.

For assets and liabilities which are measured at fair value in accordance with International Financial Reporting Standards ("IFRS"), no further adjustments are performed. The remaining assets and liabilities, are adjusted to fair value. Technical provisions are measured in accordance with the valuation rules of technical provisions.

Compared to the previous reporting year, the Company did not make any changes or adjustments to the valuation methods used.

Capital Management

Through capital management, the Company aims to optimize the balance between risk and return, while ensuring that its funds are adequate to cover capital requirements. In order to achieve this task, a Capital Management Policy has been developed, which is in line with the Company's risk appetite and strategy.

To effectively monitor the capital position of the Company, capital adequacy limits on the solvency ratio (with the use of the adjusted curve and the transitional measures) are set out in the Policy.

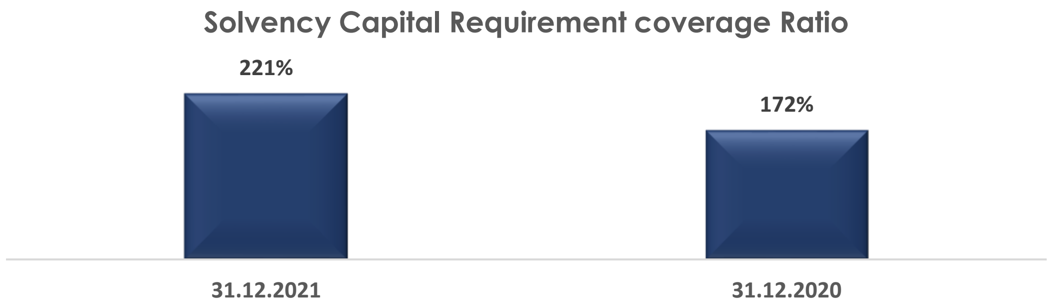
According to the decision No. 269/5/09.05.2018 of the Committee of Credit and Insurance Issues ("CIIC") of BoG and in accordance with the provisions of article 275 of Greek Law 4364/2016, the transitional measure was set at €205,8m. The reduction of the technical provisions concerns the liability of the health legacy portfolio with a restriction on premium adjustment and is amortized linearly over a sixteen (16) year period. As at 31.12.2021 the unamortized value of the transitional measure on technical provisions amounting to €141,1m (i.e. 11/16 of the initial amount of the transitional measure of €205,8m) and for 2022 will amount to €128,6m (i.e. 10/16 of €205,8m).

The Solvency Capital Requirement coverage ratio with the use of the volatility adjustment on the relevant risk free interest rate term structure and transitional measures reached 221% as at 31.12.2021, compared to 172% as at 31.12.2020.

The Solvency Capital Requirement coverage ratio without the use of the transitional measure on technical provisions but using the volatility adjustment and the transitional measure for the equity risk sub-module, amounts to 184% as at 31.12.2021, compared to 132% as at 31.12.2020.

The Company, as at 31.12.2021 exceeds the Solvency Capital Requirement, with and without transitional measures. More specifically, the total own funds amount to €935,9m as at 31.12.2021, out of which €851,1m are eligible to meet the Solvency Capital Requirement, and the Solvency Capital Requirement as at 31.12.2021 amounts at €385,3m.

The Solvency Capital adequacy ratio of the Company with the use of transitional measures, increased by 49 percentage points compared with last year's ratio and amounted to 221%.



The increase in the ratio is due to the increase of eligible own funds by €196,6m as at 31.12.2021, while capital requirements increased by € 5,4m.

The increase of capital requirements is attributed mainly to the significant increase (by € 30,0m) of capital requirements for Market Risk, as well as smaller increases of Credit Risk (by € 5,4m) and and health insurance risk (by €2,8m)and was offset by the decrease of capital requirements for life insurance risk (by € 37,5m) and non-life insurance risk (by € 3,3m).

The increase of eligible own funds with the use of the transitional measures, by €196,6m, in 2021 compared to 2020, is mainly driven by:

- The issuance of subordinate loan of € 125m.
- The continuous profitability (€69,3m in 2021), as it happened in 2020.
- The decrease of technical provisions by € 107,9m due to the upward movement of the interest rate curve.

On 1 January 2021 the transitional measure on technical provisions was amortized by €12,9m.

Finally, according to the results of the own risk assessment, which was conducted in 2021, the Company's Solvency Capital Requirement coverage ratio for 2022 is expected to reach at higher level compared to 2021 (with and without the use of the transitional measures). The ongoing pandemic, despite the disposal of vaccines, and its consequences, and the rising inflation due to rising energy prices keep the economic environment fluid while maintaining a climate of insecurity. The Company constantly evaluates these developments and takes measures, both to safeguard the health of its staff, policyholders and other counterparties, while monitors closely financial risks in order to ensure its solvency.

Change of shareholder composition of the Company

On March 31, 2022, National Bank of Greece (NBG) completed the divestment of 90.01% of the Company's share capital to CVC Capital Partners 'Fund VII (" CVC "). The transaction includes the sale and transfer of all the shares of the Company from NBG to the newly established subsidiary of CVC: Ethniki Holdings S.à.r.l, and the purchase by the NBG of 9.99% in the share capital of Ethniki Holdings S.à.r.l.

The above transfer followed the approval of the European Commission on February 25, 2022, as well as the supervisory authorities of the countries in which the Company operates and its subsidiaries.

Outlook for 2022

The prospects for 2022 remains positive for the insurance market, which is expected to benefit from the accelerated economic recovery. The companies' interest is focused on the digital transformation and the adoption of technological innovations, while at the same time intensifying the actions for the preparation for the implementation of the new accounting standards IFRS 17 and IFRS 9 but also for the adoption of ESG criteria that will influence the choice of investment policy, the behavior for environmental protection, governance and risk management and finally the risk-taking policy with the issuance of new insurance products that will meet the criteria of sustainability.

The Company and its Group showed quick reflexes and differentiated their strategy with the outbreak of the pandemic, while at the same time they managed to maintain its growth dynamics based on long-term experience, a stable value system, a clear business policy and above all the tireless effort of their people.

The three-year business plan aims to the growth of the Company at a faster than the market, with consequent expansion of market share, achieving a strong and healthy capital base and finally helping to tackle climate change and build a sustainable future.

Looking to the future, the Company and its Group proceed to achieve their strategic goals that are indicative:

- Increase operating profitability and maximize dividend yield
- Modernization of the product composition
- Retaining operating costs and enhancing capital adequacy
- Development of environmental awareness and integrity and targeting of ESG investments
- Investment in new technologies and strategic transformation

The Company has renewed its products, by offering more options to its policyholders in both the Life and Non-Life. As of December 2020, the Company offers a new regular premium product "Full Life Plan" linked to investments (Unit-Linked without guarantee), both through agency and through the bancassurance distribution channel, while from the first quarter of 2021 offers a corresponding product of a single premium "Full Capital Plan".

In addition, the promotion of "Full" health products with extremely competitive pricing and benefits continues dynamically, while at the same time significant additional coverages are redesigned and the contracts with hospitals are improved. In Fire, new "Full Home" products are offered with the aim of the most complete response to the current needs of the insured, while in Motor, products are designed using telematics technology. In terms of modernization of its processes, the application Robotic Process Automations (RPAs) brings significant improvement in the efficiency of claims management and the speed of service of policyholders, while new actions are already planned in the context of the Company's digital transformation with emphasis on modernization IT environment.

The primary, timeless and non-negotiable goal of the Company remains the immediate, complete and quality coverage of all the needs of the insured, along with ensuring health and protecting its human resources and associates.

Athens, 05/04/2022

The Chairman

Christophoros Sardelis

1. Business & Performance

1.1. Business

1.1.1. The Company

The Company is the oldest insurance company in Greece and conducts business continuously for over 130 years. It was established in 15 June 1891 and its headquarters are located at Syngrou Ave. 103-105, 11745, Athens (Reg. 12840/05/B/86/20), tel.: +30 210 90 99 000, website: www.ethniki-asfalistiki.gr. Pursuant to its Articles of Association, the purpose of the Company is to carry out insurance, reinsurance and, in general, financial activities allowed for insurance companies under the applicable Greek and EU law, and operates in line with the provisions of Greek Law 4548/2018 "Overhaul Law on Société Anonyme Companies" as well as Greek Law 4364/2016 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) and the provisions of the legal and regulatory framework governing its operation and activities. The Company and its related undertakings (the "Group") offer a full range of retail and business insurance services. The Group is mainly active in Greece, while its subsidiaries are active in Romania and Cyprus. On 31.12.2021, the Company was a subsidiary of National Bank of Greece (NBG), which held 100% of the Company's shares. On March 31, 2022, the NBG completed the divestment of 90.01% of the Company's share capital to CVC Capital Partners 'Fund VII (" CVC "). The transaction includes the sale and transfer of all the shares of the Company from NBG to the newly established subsidiary of CVC: Ethniki Holdings S.à.r.l, and the purchase by the NBG of 9.99% in the share capital of Ethniki Holdings S.à.r.l.

The above transfer followed the approval of the European Commission on February 25, 2022, as well as the supervisory authorities of the countries in which the Company operates and its subsidiaries.

1.1.2. BoD Members

The Board of Directors on 31.12.2021 consists of the following members:

Christophoros B. Sardelis	Chairman, Non-executive member	
Panagiotis A. Dasmanoglou	Vice-Chairman A', Non-executive member	
Stavros St. Konstantas	CEO, Executive member	
Aggeliki I. Skandaliari	Deputy General Manager, Executive member	
Stavros E. Karagrigoriou	Deputy General Manager, Executive member	
Nikolaos E. Fragkos	Independent Non-executive member	
Nikolaos G. Milios	Independent Non-executive member	
Petros I. Lirintzis	Independent Non-executive member	
Vasileios G. Mastrokalos	Non-executive member	
Christina Th. Theofilidi	Non-executive member	
Christos D. Christodoulou	Non-executive member	from 23.04.2021

The Uninvited General Extraordinary General Meeting of Shareholders which took place on 22.4.2021, with No. 170/22.04.2021, decided that the Board will comprise of eleven members. The tenure of the aforementioned Board of Directors is set for one year, spanning from 22.04.2021 up to 22.04.2022.

1.1.3. Distribution Channels of Company

The Company conducts its business in Greece through 136 Sales Offices, 1,834 Insurance Agents and 1,185 Insurance Brokers. The network is supported by 11 branches located in Athens, Agrinio, Heraklion, Thessaloniki, Kavala, Corinth, Lamia, Larisa, Patras, Rhodes and Chania. Company's products are also available via the extensive network of NBG Branches, as well as through direct selling.

1.1.4. Relating Undertakings

Ethniki Insurance (Cyprus) Ltd.

The company offers a full range of Life insurance, as well as Non-life insurance. Its distribution network is supported by 7 branches and 2 Sales Offices, located in all major cities of Cyprus (Nicosia, Limassol, Larnaca, Paphos, Ammochostos), 120 Insurance Agents and 53 cooperating Insurance Brokers

Garanta Asigurari S.A. (Romania)

Garanta Asigurari S.A. (Garanta) carries out insurance and reinsurance activities and offers a full range of retail and business insurance services. The company conducts its business through 19 branches in the following Romanian cities: Bucharest (6), Bacau, Brasov, Cluj-Napoca, Craiova, Constanta, Deva, Iasi, Pitesti, Ploiesti, Oradea, Sibiu, Timisoara and Targoviste. Its distribution network includes 152 Insurance Brokers, 4 Insurance Agents, whereas its insurance products are also available via Bancassurance channel through Banca Romaneasca, Alpha Bank Romania and First Bank Romania

1.1.5. Supervisory Authority & External Auditor

The Supervisory Authority is BoG located at Eleftheriou Venizelou, 21, Athens, tel.: +30 210 32 01 111, website: www.bankofgreece.gr.

External Auditor for the Company is Price Waterhouse Coopers SA ("PwC") located at Kifisias Avenue, 268, Halandri, tel.: +30 210 68 74 400, website: www.pwc.com/gr.

1.2. Insurance Activity Results

Company's Insurance activity results by line of business for 2021 and 2020 are presented in the following tables:

Company's results 2021[4]	Life L.o.B.	Motor L.o.B.	Fire L.o.B	Other Non-Life L.o.B.	Total
(€ in thousands)					
Gross written premiums and related income	518.578	70.283	66.581	34.150	689.592
Gross earned premiums and related income	516.440	71.338	66.612	30.988	685.378
Less: Ceded premiums	(6.108)	(4.808)	(35.938)	(15.351)	(62.205)
Net earned premiums and related income	**510.332**	**66.530**	**30.674**	**15.637**	**623.173**
Investment income	84.739	8.979	2.833	1.541	98.092
Impairment of financial assets	(1.283)	(87)	(45)	(22)	(1.437)
Total Investment income	**83.456**	**8.892**	**2.788**	**1.519**	**96.655**
Other income	3.901	391	69	90	4.451
Insured claims	(335.586)	(26.862)	(5.998)	(4.302)	(372.748)
Earned commissions (net amount)	(59.057)	(10.749)	(3.232)	(3.420)	(76.458)
Change in mathematical Insurance provisions	(94.098)	-	-	-	(94.098)
General & Administrative Expenses	(51.584)	(22.145)	(8.798)	(7.900)	(90.427)
Profit / (Loss) before tax & VES	**57.364**	**16.057**	**15.503**	**1.624**	**90.548**
VES					(21.236)
Profit before tax					**69,312**

Company's results 2020[4]	Life L.o.B.	Motor L.o.B.	Fire L.o.B	Other Non-Life L.o.B.	Total
(€ in thousands)					
Gross written premiums and related income	493.770	74.058	73.229	27.924	668.980
Gross earned premiums and related income	493.043	74.366	72.673	26.073	666.155
Less: Ceded premiums	(3.876)	(5.133)	(36.759)	(15.640)	(61.408)
Net earned premiums and related income	**489.167**	**69.233**	**35.914**	**10.433**	**604.747**
Investment income	100.493	7.937	787	718	109.935
Impairment of financial assets	(9.093)	(740)	(413)	(181)	(10.427)
Total Investment income	**91.400**	**7.197**	**374**	**537**	**99.508**
Other income	5.646	393	68	116	6.223
Insured claims	(339.387)	(21.482)	(1.142)	(5.866)	(367.877)
Earned commissions (net amount)	(55.856)	(11.181)	(2.010)	(1.432)	(70.479)
Change in mathematical Insurance provisions	(93.664)	-	-	-	(93.664)
General & Administrative Expenses	(51.663)	(21.085)	(12.098)	(7.885)	(92.731)
Profit / (Loss) before tax	**45.643**	**23.075**	**21.106**	**(4.097)**	**85.727**

In 2021, the Company continued to hold a leading position in the Greek insurance market exceeding its targets and achieving high levels of profitability and impressive productive results, with its total market share amounting to 14,9%.

[4] The amounts in the above tables do not include the reclassification of investment products, which is conducted within the framework of the preparation of financial statements for the Company and the Group for IFRS purposes.

The Company presented high profitability for another year, with PBT before VES in 2021 amounting to €90,5m (2020: €85,7m). Total GWP for 2021 amount to €689,6m (2020: €669,0m)[5], increased by 3,1% compared to 2020.

1.2.1. Life Insurance

The PBT of Life insurance amounted to €57,4m in 2021, compared to €45,6m in 2020. GWP increased by 5,0% compared to 2020, amounting to €518,6m[6] in 2021 compared to €493,8m in 2020. Bancassurance Life GWP for 2021 amount to €155,8m compared to €144,1m in 2020, showing an increase of 8,1%.

1.2.2. Non-Life Insurance

The profitability of Non-Life business continued for 2021. The profit before tax amounted €33,2m in 2021, compared to €40,1m in 2020.

The PBT of the Motor insurance sector amounted to €16,1m in 2021 compared to €23,1m in 2020. Regarding the Fire and Loss of profit insurance sector the profit before tax amounted to €15,5m in 2021 compared to €21,1m in 2020.

The PBT of the other Non-Life insurance sector amounted to €1,6m compared to losses €(4,1)m in 2020.

The GWP of Non-Life LoB (including premiums from reinsurance activities and policy fees) amounts to €171,0m in 2021 compared to €175,2m in 2020 (decrease of 2,4%).

Technical result of Non-Life insurance LoB is further analyzed as follows:

Technical Result ***(€ in thousands)***	**31.12.2021**	**31.12.2020**	**Difference**
Motor	28.919	36.570	(7.651)
Fire	21.444	32.762	(11.318)
GTPL	5.071	389	4.681
Cargo	402	548	(146)
Engineering	1.476	130	1.346
All Risks	407	558	(151)
Other Non-Life	560	1.507	(947)
Total Technical Result	**58.279**	**72.465**	**(14.185)**

[5] Including GWP €141,6m (2020: €182,7m) relating to contracts classified as investment products according to the provisions of International Financial Reporting Standards.
[6] Including GWP of investment products.

1.3. Investment Income

Investment income of the Company (before impairment & before return to DAF contract holders) amounted to €98,1m in 2021, decreased by €11,8m compared to 2020. The decrease in investment income was mainly due to lower gains from bond sales in 2021, as in 2020 bond sales was increased to offset the negative effects of the increase of technical reserves, due to the reduction of risk-free curve.

The above results are summarized in the following table.

Investment Income (*€ in thousands*)	31.12.2021	31.12.2020	Difference
Listed equities	7.221	6.165	1.056
Bonds, Deposits & Loans	58.076	71.335	(13.259)
Mutual Funds (M/Fs)	12.828	14.260	(1.432)
Derivatives	(788)	191	(979)
Rental Income	3.817	3.877	(60)
Profit/(Losses) from holdings in related undertakings, including participations	-	-	-
Dividends	-	-	-
Unit-Linked valuation differences	16.938	14.107	2.831
Profit from sales of investment property	-	-	-
Investment Income before impairment & before return on investments contracts	**98.092**	**109.935**	**(11.843)**
Return to DAF contract holders	(15.798)	(18.559)	2.761
Investment Income before impairment	**82.294**	**91.376**	**(9.082)**
Impairment	(1.437)	(10.427)	8.990
Investment Income	**80.857**	**80.949**	**(92)**

Movement of Available-for-Sale Reserve

The movement of the available for sale portfolio is presented in the table below (net of tax):

Movement of Available-for-Sale securities Reserve (*€ in thousands*)	31.12.2021	31.12.2020	Difference
Balance at the beginning of the period	**330.730**	**233.113**	**97.617**
Net gains/(losses) from changes in fair value	(71.807)	123.040	(194.847)
Net gains/(losses) transferred to the income statement	(25.397)	(34.252)	8.855
Impairment losses	1.340	8.829	(7.489)
Other movements	7.606	-	7.606
Balance at the end of the period	**242.472**	**330.730**	**(88.258)**

Losses from changes in fair value are due to the increase in interest rates during 2021, but also due to the increase in the credit margin between European South bonds and the risk free rate.

1.4. Operating Expenses

The breakdown of the Company's operating expenses for 2021 and 2020 is provided in the table below:

(€ in thousands)	31.12.2021	31.12.2020	Difference
Personnel costs	(42.967)	(43.461)	494
Third party fees	(13.369)	(13.199)	(170)
Advertising and promotion	(3.144)	(2.598)	(546)
Taxes / duties	(1.519)	(1.650)	131
Depreciation & impairment of assets	(9.534)	(8.515)	(1.019)
Telecommunications-Postage	(5.410)	(5.363)	(47)
Rentals	(150)	(306)	156
Transport and travel expenses	(870)	(353)	(517)
Stationary	(437)	(380)	(57)
Repair and maintenance	(1.434)	(2.083)	649
Insurance cost	(429)	(434)	5
Provision for non-performing receivables	2.315	(719)	3.034
Provision for litigations	252	(191)	443
Obstetrics	(2.087)	(3.812)	1.725
Other expenses	(4.949)	(4.754)	(195)
Total general and administrative expenses	**(83.732)**	**(87.818)**	**4.086**
Total financial expenses	**(6.694)**	**(4.844)**	**(1.850)**
Other expenses	**(1)**	**(69)**	**68**
Total Operating expenses (before VES cost)	**(90.427)**	**(92.731)**	**2.304**
VES Cost	(21.236)	-	(21.236)
Total Operating expenses	**(111.663)**	**(92.731)**	**(18.932)**

Operating Expenses before VES amount to €90,4m in 2021 compared to €92,7m in 2020, decreased by €2,3m.

Operating Expenses include a cost of €21,2m relating to VES.

1.5. Other Information

Voluntary Exit Scheme for personnel

The Board of Directors of the Company approved, during the meeting no. 2305 / 29.12.2021, the program of Voluntary Exit Scheme (VES) which was announced on 31/12/2021.

Eligible to participate was all staff of the Company in Greece, with a contract of indefinite employment as well as the salaried lawyers, given they have reached the age of 30, with at least 7 full years of service in the Company.

The deadline for applications was set for February 4, 2022, with the final number of participants being 116 employees.

The total cost for the Company from this action amounts to €21,2m and it is estimated that in addition to the reduction of operating expenses by €7,8m per year, it will further improve the Company's competitiveness and create opportunities for development for existing staff.

Events after the Reporting Period

Change of shareholder composition of the Company

On March 31, 2022, National Bank of Greece (NBG) completed the divestment of 90.01% of the Company's share capital to CVC Capital Partners 'Fund VII (" CVC "). The transaction includes the sale and transfer of all the shares of the Company from NBG to the newly established subsidiary of CVC: Ethniki Holdings S.à.r.l, and the purchase by the NBG of 9.99% in the share capital of Ethniki Holdings S.à.r.l.

The above transfer followed the approval of the European Commission on February 25, 2022, as well as the supervisory authorities of the countries in which the Company operates and its subsidiaries.

Outlook for 2022

The prospects for 2022 remains positive for the insurance market, which is expected to benefit from the accelerated economic recovery. The companies' interest is focused on the digital transformation and the adoption of technological innovations, while at the same time intensifying the actions for the preparation for the implementation of the new accounting standards IFRS 17 and IFRS 9 but also for the adoption of ESG criteria that will influence the choice of investment policy, the behavior for environmental protection, governance and risk management and finally the risk-taking policy with the issuance of new insurance products that will meet the criteria of sustainability.

The Company and its Group showed quick reflexes and differentiated their strategy with the outbreak of the pandemic, while at the same time they managed to maintain its growth dynamics based on long-term experience, a stable value system, a clear business policy and above all the tireless effort of their people.

The three-year business plan aims to the growth of the Company at a faster than the market, with consequent expansion of market share, achieving a strong and healthy capital base and finally helping to tackle climate change and build a sustainable future.

Looking to the future, the Company and its Group proceed to achieve their strategic goals that are indicative:

- Increase operating profitability and maximize dividend yield
- Modernization of the product composition
- Retaining operating costs and enhancing capital adequacy
- Development of environmental awareness and integrity and targeting of ESG investments
- Investment in new technologies and strategic transformation

The Company has renewed its products, by offering more options to its policyholders in both the Life and Non-Life. As of December 2020, the Company offers a new regular premium product "Full Life Plan" linked to investments (Unit-Linked without guarantee), both through agency and through the bancassurance distribution channel, while from the first quarter of 2021 offers a corresponding product of a single premium "Full Capital Plan".

In addition, the promotion of "Full" health products with extremely competitive pricing and benefits continues dynamically, while at the same time significant additional coverages are redesigned and the contracts with hospitals are improved. In Fire, new "Full Home" products are offered with the aim of the most complete response to the current needs of the insured, while in Motor, products are designed using telematics technology. In terms of modernization of its processes, the application Robotic Process Automations (RPAs) brings significant improvement in the efficiency of claims management and the speed of service of policyholders, while new actions are already planned in the context of the Company's digital transformation with emphasis on modernization IT environment.

The primary, timeless and non-negotiable goal of the Company remains the immediate, complete and quality coverage of all the needs of the insured, along with ensuring health and protecting its human resources and associates.

2. System of Governance

2.1. General information about the System of Governance

The Company has an effective Corporate Governance System which ensures sound and prudent management and promotes continuity, consistency and proper operation of the Company.

The core principles of the Company's Corporate Governance System are defined in the Corporate Governance Code. The Code is in line with the requirements of the Greek and European legal and regulatory framework and international best practices, aiming at the long-term strengthening of corporate value, the safeguarding of the interests of policyholders, employees and in general all interested parties.

The Corporate Governance Code defines:

1. the main duties and responsibilities of the BoD,
2. its size and composition,
3. the role and duties of the Chairman of the BoD and the CEO,
4. the establishment and operation of the BoD Committees,
5. the mode of operation of the BoD,
6. the rights and obligations of its members,
7. the method of selection of candidates and the election of its members.

Special reference is made to the eligibility criteria of the BoD members, namely the required qualifications and the conditions of independence of the BoD members, and the prevention and management of possible cases of conflict of interest and transactions of the latter with third parties.

Corporate Governance includes the following Policies and Codes, which are adopted and implemented at Group level:

1. Conflict of Interest Prevention Policy for the Company's Senior Executives
2. Code of Conduct and Ethics
3. Fit and Proper Policy
4. Outsourcing Policy
5. Remuneration Policy

The operation of the Executive Committee, which is a Management Body and its purpose is to coordinate the smooth operation of the Company, monitor the implementation of the decisions of the BoD and support the work of the CEO, also contributes to the achievement of the objectives of the Corporate Governance System.

2.1.1. Main Duties of BoD

The BoD, with the support of the Company's competent Committees and Bodies, has the following main duties:

1. general responsibility for the operation of the Company, including the approval and supervision of its strategic objectives, corporate governance and corporate values,
2. ensuring the effectiveness of the Risk Management system,
3. ensuring that the composition, organization, Policies and Procedures of the BoD fully meet the legal and regulatory framework, governing the Company and the international best practices of Corporate Governance
4. review and approval of the Report and quarterly results prior to their publication and active participation in ORSA, providing guidance and coordinating how it is conducted,

5. ensuring the effectiveness of the Company's Internal Control System, including the financial audit of the Company and its subsidiaries as well as ensuring the independence and effectiveness of the Company's four key functions,
6. ensuring the efficient operation of the governance system, with a clear allocation and appropriate segregation of duties and an effective mechanism for the transmission of information,
7. approval, updating and supervision of the implementation of Corporate Governance Policies, which are implemented at Group level.

2.1.2. Responsibilities of BoD

BoD exercises the management of the Company, represents it at all times and before all and is competent to decide on any matter concerning the operation of the Company, except for those which, according to law or / and the Articles of Association of the Company, fall within the exclusive competence of the General Meeting of Shareholders.

However, within its jurisdiction, the BoD has delegated all the responsibilities of its management and representative authority to the CEO, who binds the Company with only his signature, except for specific responsibilities. BoD, with the support of the Corporate Governance and Nominations Committee, approves and reviews on an annual basis the above delegation of responsibilities and powers.

2.1.3. Structure of the BoD

Company's BoD consists of at least seven members, with a maximum of fifteen. At least two-thirds of the BoD are non-executive members.

The composition of BoD, on 31.12.2021, is analyzed in Chapter 1.1.2.

2.1.4. Committees of BoD

The Committees of BoD have defined responsibilities, allocated to them by the BoD. The Committees are supported by the Management and Executives of the Company or / and external consultants with specialized knowledge on the issues under consideration. The Committees carry out assessments and audits and then make relevant suggestions to the BoD. They also supervise, on a case-by-case basis, the implementation of these decisions, thus facilitating the Company to adapt quickly and effectively to the changes.

In particular, BoD has set up and is supported in its operation by the following Committees:

1. Audit Committee
2. Corporate Governance and Nominations Committee
3. Human Resources and Remuneration Committee
4. Risk Management Committee
5. Strategy Committee

The members of the Committees and their Chairmen are elected by the BoD for a term of one year and are be eligible for re-election. Each Committee operates under an approved Regulation, which, where applicable, is in line with the provisions of the regulatory framework. Regulations define the purpose, the duties and responsibilities of the Members, the procedures for the operation and meetings of the Committees, as well as the reports submitted to the BoD for its information.

The purpose, the required skills of the Members and the responsibilities of each Committee, in accordance with the approved Operating Regulations, are summarized as follows:

1. Audit Committee

The Audit Committee assists the BoD in the review of the diligent preparation regarding the following:

i. reviewing the financial statements and other related information for disclosure,
ii. monitoring and controlling the independence, adequacy and efficiency of the operation of the Company's Internal Audit Division,
iii. monitoring and controlling the independence and objectivity of audit and non-audit services provided by the external auditor,
iv. monitoring and controlling the adequacy and effectiveness of activities of the Regulatory Compliance Unit,
v. efficiency of the Internal Control System ("ICS"),
vi. supervising complaints from staff and third parties (whistleblowing) and ensuring compliance with ethics.

2. Corporate Governance & Nominations Committee

The Committee supports the BoD to ensure that its composition, structure, Policies, operation and procedures are fully in line with the legal and regulatory framework governing the Company and advances the harmonization of corporate governance at NBG Group level, with international best practices.

The members of the Committee are appointed on the basis of their skills and experience in corporate governance issues.

The main responsibilities of the Committee are:

i. Reviewing Corporate Governance Policies and practices.
ii. Examining possible cases of conflict of interests of BoD members with those of the Company.
iii. Coordinating the process for the selection of BoD members and the annual re-assessment of their suitability and appropriateness.
iv. Coordinating the process for the assessment of effectiveness of the work of the BoD and submitting relevant suggestions to the BoD.

3. Human Resources and Remuneration Committee (HRRC)

The Committee supports the BoD in attracting, managing and developing staff of a high professional and ethical standard, developing a merit-based framework of objective evaluation and fair remuneration of executive performance, creating and maintaining a coherent system of values and incentives and ensuring the implementation of the Company's Remuneration Policy.

The main duties of the Committee include:

i. Suggesting to the BoD for the regular review of the Remuneration Policy of the Company and the Group with special emphasis on the impacts and incentives created in the management of risk, capital and liquidity.
ii. Submitting proposals to the BoD regarding the total amount of the annual variable remuneration in the Company and the Group.
iii. (Re-)assessing and annually reviewing the remuneration of the Senior Executives.

4. Risk Management Committee

The Committee supports the BoD in the performance of its duties related to risk management for all the activities of the Company and its subsidiaries, which is in line with the framework of NBG Group and the regulatory framework.

The main objectives of the Committee are:

i. creating a comprehensive risk-taking and capital management strategy, which covers all risk categories,
ii. developing an appropriate risk management framework, which includes strategies, policies, procedures, methodologies, systems and reports, while ensuring that efficient mechanisms are in place to identify, assess and effectively manage all risk categories,
iii. instilling a risk management culture to the Company.

5. Strategy Committee

The Committee supports the BoD in the decision-making process on issues related to the Group's strategy and the support of the executive members of the BoD in shaping its strategic choices. It is also its responsibility to regularly supervise the implementation of the Company's and Group's strategy.

2.1.5. Remuneration Policy & Practices

The Policy sets guidelines for the management and payment of remuneration and in particular of variable remuneration to the members of the BoD, other persons of the Management, persons exercising other key responsibilities (including the heads of the four key functions) as well as Executives whose professional activities have a significant impact on the Risk Profile undertaken by the Company and the Group.

Remuneration includes all forms of payments and benefits, fixed and variable paid by Group companies on behalf of the Company and vice versa. Remuneration is expressed in monetary value or not.

Variable remuneration means additional payments or benefits, which are paid at irregular intervals and do not have a fixed character. However, indicatively and not restrictively, variable remuneration includes any benefits, related to staff performance and incentives for taking risks.

The general principles of the Policy are the following:

i. remuneration is established, implemented and maintained in accordance with the Company's business and risk management strategy, its Risk Profile, objectives, risk management practices and its long-term interests and performance as a whole and includes measures aiming at avoiding conflicts of interest,
ii. remuneration is primarily comprised of fixed components and is balanced to the appropriate ratio between fixed and variable components,
iii. the allocation of the components of variable remuneration to staff members shall take into account the full range of existing and future risks,
iv. Variable remuneration shall only be paid if it is acceptable based on the overall financial standing of the Company and / or the companies of the Group and is justified based on the performance of the business Unit involved and the staff member concerned,
v. the total of variable remuneration should not limit the ability of the Company and / or the companies of the Group to strengthen their capital base,
vi. any deficiencies or failures regarding issues of non-compliance of a staff member with the procedures and Policies of the Company, cannot be offset by the achievement of the objectives.

The non-executive members of the BoD of the Company receive only fixed remuneration in order to avoid conflicts of interest. However, in case the use of variable remuneration is deemed necessary, it should not be related to the short-term results of the Company and each company of the Group and should be strictly adapted to the relevant responsibilities of the above individuals.

The Company did not pay any variable remuneration during year 2021, that would be eligible for Remuneration Policy definition and which would be linked with the employees' performance.

2.1.6. Key Functions

The Company has Internal Audit, Actuarial, Risk Management and Regulatory Compliance Units, whose responsibilities are defined in their respective approved Operating Regulations / Policies.

The Policies of the Units define, in addition to their duties and responsibilities, issues such as their independence and their reports to the competent Bodies and the Supervisory Authorities, as also referred to in this Report.

2.1.7. Related party disclosures

Transactions with the NBG, NBG's subsidiaries and undertakings of the Group

(€ in thousands)	31.12.2021				31.12.2020			
	Receivables	**Liabilities**	**Income**	**Expenses**	**Receivables**	**Liabilities**	**Income**	**Expenses**
Subsidiaries	2	211	46	44	1	202	113	32
Affiliated companies	-	-	-	-	-	-	-	-
NBG								
-Time deposits	4.000	-	15	-	13.000	-	249	-
-Sight deposits	20.593	-	-	-	8.279	-	-	-
-Insurance operations	327.684	4.453	4.699	14.144	329.460	4.045	4.289	13.699
-Other transactions	508	173.765	-	6.208	533	47.318	541	4.521
NBG Group Associates	140	6.234	1.641	860	69	6.180	1.718	877
Total	**352.927**	**184.663**	**6.401**	**21.256**	**351.342**	**57.745**	**6.910**	**19.129**

All the transactions with related parties were conducted under the light of the usual business framework, and with the same terms with those provided to third parties.

The Group maintain deposits in NBG and NBG Cyprus Ltd. of €6,1m and €2,3m respectively, linked to insurance products of the Group (2020: €5,7m and €5,1m respectively).

Moreover the Group owns investments in customized NBG deposit products, linked to investment products of the Group amounting to €327,4m as at 31.12.2021 (2020: €329,0m). The above balance included under the "Insurance services", which also includes uncollected premium receivables from other insurance activities. More specifically, the Company has established an internal variable fund (IVF) named "Efapax Ethnikis", in order to back the respective group life insurance contracts, as well as to individual life insurance contracts. The entire IVF is placed on a customized time deposit product in NBG. The distribution of this product has been discontinued.

The Company has capitalized a total amount of €1,0m (2020: €1,8m) relating to transactions with NBG.

The Company has issued i) subordinated debt loan of infinite duration amounting to €50,0m, which included under line item "Other transactions", out of which €45,0m with NBG and €5,0m with NBG Bank Malta, a 100% subsidiary of NBG and ii) subordinated debt loan amounting to €125,0m with NBG. The loan of €50,0m meets the criteria for recognition under Tier 1 of own funds as the loan of €125,0m meets the criteria for recognition under Tier 2 of own funds.

The Company manages DAF contracts for the employees of the NBG Group amounting to €4,0m as at 31.12.2021 (2020: €3,4m).

Transactions with the BoD members and the Management

All transactions with the related parties were conducted under the light of the usual business framework, and with the same terms with those provided to third parties or those agreed in employment contracts.

The Group and the Company, in the ordinary course of business, have entered into transactions with the BoD members, the General Managers and the Deputy General Managers, as well as with their immediate family or entities controlled or jointly controlled by those persons. The composition of the Company's BoD is presented under Chapter 1.1.2. "BoD Members".

Specifically, as at 31.12.2021, receivables and liabilities amounted to €4th. and €464th. respectively (2020: €4th. and €395th.), while in 2021 premiums and claims amounted to €30th. and €75th. respectively (2020: €42th. and €27th.).

Total compensation in 2021 amounted to €1.847th. (2020: €2.033th.), including short-term benefits of €1.815th. (2020: €2.001th.) and post-retirement benefits of €32th. (2020: €32th.). Provision for compensation in case of retirement amounted to €114th. (2020: €117th.).

The Group has not provided or received any guarantees or any sort commitments, with respect to related party transactions.

As at 31.12.2021, as well as at 31.12.2020, the Group has not established any provision for non-performing receivables, relating to amounts due from related parties, as the credit risk of such a risk is considered limited.

2.2. Fit & Proper requirements

Fit & Proper Policy aims at acquiring and retaining competent persons who will ensure the exercise of sound and efficient management for the benefit of the Company and all interested parties. The Policy covers the members of the BoD, the General / Deputy General Managers and the heads of the four key functions.

This Policy, inter alia, defines:

1. the suitability and appropriateness criteria of the above Persons,
2. the main points of the procedure of assessing the suitability and appropriateness of these persons, both at their appointment and on a periodic basis,
3. the cases in which the fulfillment of the suitability and appropriateness criteria is reviewed, on an ad hoc basis,
4. the Company's Bodies that are responsible for the implementation of the relevant procedures.

2.2.1. Suitability and appropriateness criteria

The suitability and appropriateness criteria concern the following:

1. adequate knowledge, professional training and competence, working experience, skills and any other qualifications deemed necessary for the assessment of suitability (fit). The BoD members should have, collectively, appropriate professional qualifications, experience and knowledge of insurance and financial markets, business strategy, governance system, financial and actuarial analysis and regulatory requirements in order to be able to supervise all operations of the Company,
2. honesty, integrity, financial soundness, in accordance with the specific provisions of the Solvency II framework and any other qualifications deemed necessary for the assessment of appropriateness (proper), such as absence of conflicts of interest / pending legal proceedings for criminal offenses / removal of candidates from previous positions etc.

2.2.2. Procedures for assessing Suitability & Appropriateness

Assessments procedures include:

1. collection of the required supporting documents,
2. preparation of Assessment Reports,

3. proposal to the competent Bodies for the suitability and appropriateness of the candidates, based on the criteria defined in the Fit and Proper Policy and the related Policies of the Company, such as the Policy for Prevention of Conflict of Interest and
4. final decision for the selection and assignment of the Person who is selected based on the abovementioned processes.

The Company has adopted and implements re-assessment procedures, in order to ensure that individuals who fall within the scope of the Policy, meet, on an ongoing basis, the criteria of the Fit & Proper Policy.

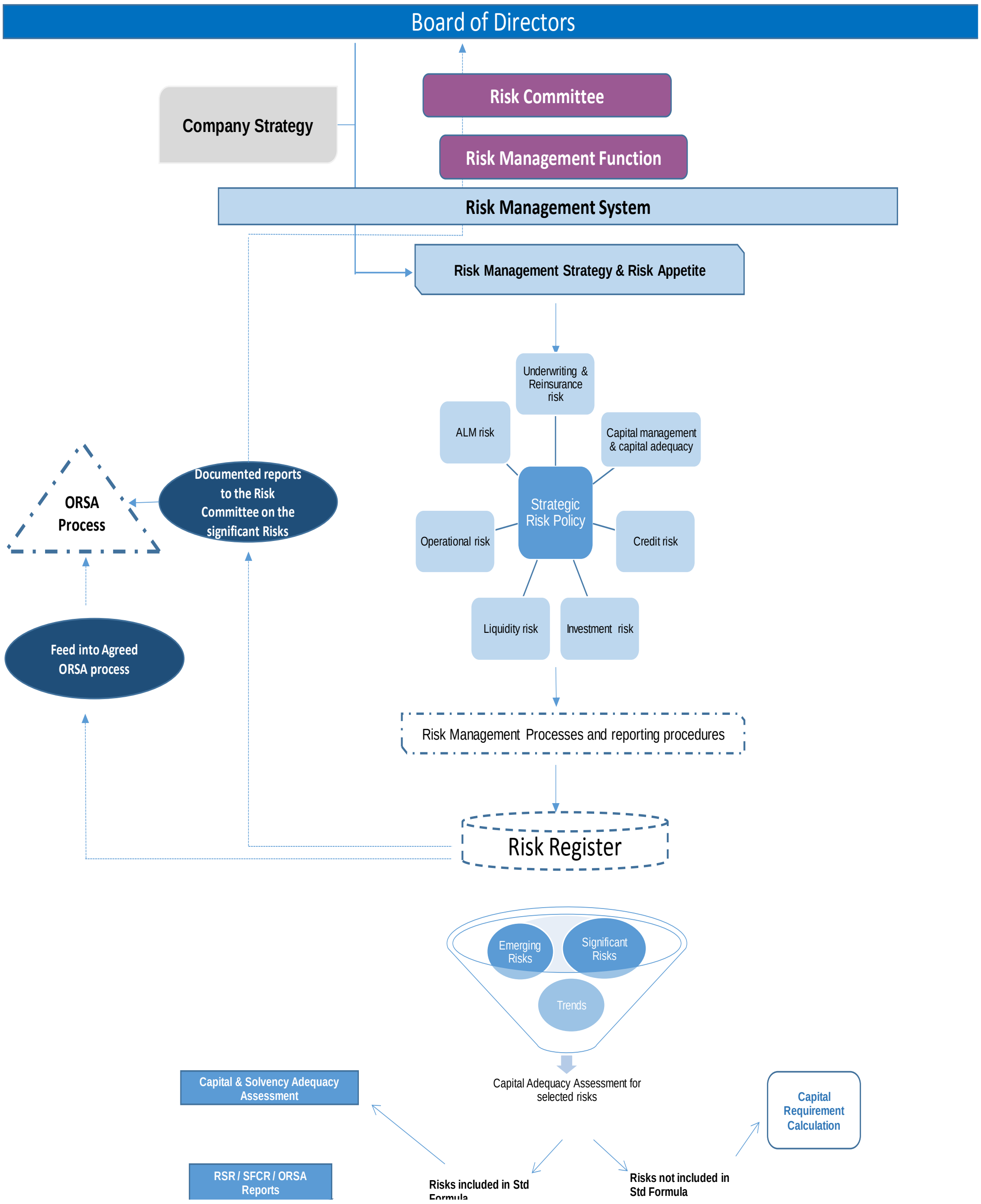
2.3. Risk Management System, including the Own Risk & Solvency Assessment

The Company, acknowledging its exposure to risks and the need for their effective management, has developed a risk management system which is supported by a suitable operational framework, in order to avoid and/or reduce any potential loss. The risk management system is aligned with the regulatory requirements as well as with the relative guidelines of the NBG Group.

The system and the risk governance framework are briefly presented below.

2.3.1. Description of the Risk Management System

The Company's risk management system is presented in the diagram below. The own risks and solvency assessment procedure, which forms an integral part of the risk management system, is also presented below.



The risk management system is summarized in the following:

1. The BoD defines the risk appetite as well as the total risk tolerance levels and approves the risk management strategy and the risk management policies.
2. The Board Risk Committee supervises and provides guidance in order to ensure the effective implementation of the risk management system.
3. The risk management function evaluates and ensures the design adequacy and the effective operation of the risk management system. It monitors the risks undertaken in relation to the risk appetite and submits relevant reports to the Board Risk Committee and the BoD through the former.

4. The risk management strategy and the risk appetite framework set out the objectives, principles, total risk appetite and the roles of those involved in the system.
5. The specific objectives and the risk tolerance levels are defined in the risk management policies and are in line with the risk appetite. The methods and responsibilities of those involved in risk management are prescribed in the policies.
6. The risk management and reporting procedures, as derived by the relevant policies, are embodied in the company's procedures and in decision making.
7. The identification, evaluation, management and monitoring of risks are accomplished through the creation and the regular update of a Risk Register with the participation of all the involved parties in the risk management.
8. The Risk Register supports the ORSA procedure through the identification and the evaluation of significant risks, existing and emerging, and is updated through this procedure.

The risk management system is supported by an appropriate operational framework which includes:

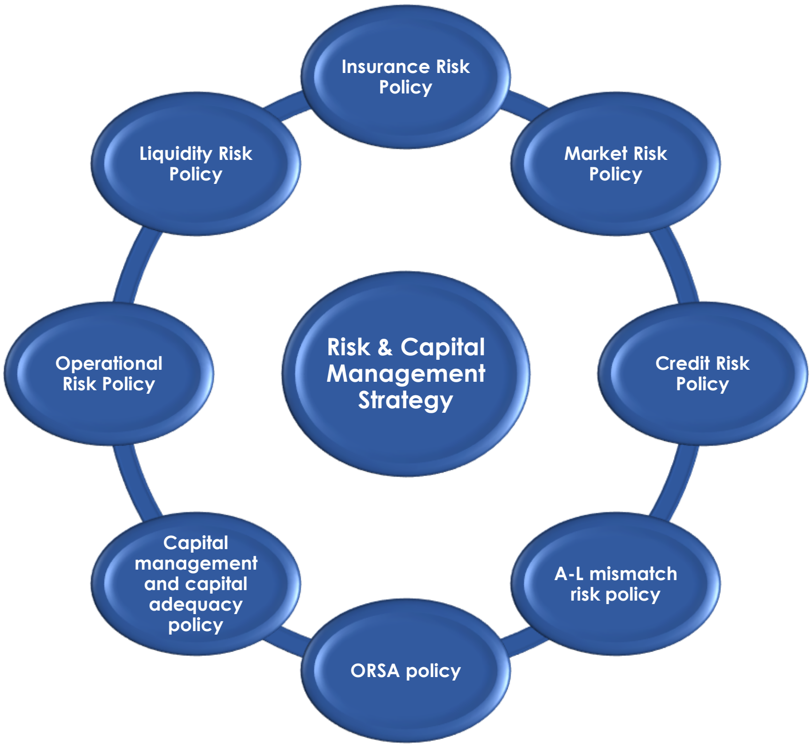
1. The approved by the BoD risk and capital management strategy,
2. The approved by the BoD risk management policies.
3. Along with the appropriate "risk culture".

«Risk Culture»

"Risk culture" is defined as the set of behaviors of individual members and groups in an Organization, which determine the collective ability to identify, understand, discuss openly and act effectively to manage existing and future risks. The risk culture influences the decisions of the Management and the personnel in the daily business activities and in the undertaking of risks.

2.3.2. Strategy and Risk Management Policies

The risk management strategy expresses the Company's position regarding the risks it deals with and will possibly deal with in the future, and describes the risk appetite, as well as the framework of undertaking and effective management of risks. The strategy is the basis for the development of risk management policies for the individual risk categories. The risk management policies specify the risk tolerance levels, which are set in the risk management strategy, the roles of those involved in the management of the risks and the risk management procedures. The risk management policies are presented in the diagram below.



The risk management policies are the bases for the development of effective procedures for the identification, evaluation, management, monitoring and reporting of risks. At the same time the strategy, the policies and the risk management procedures aim at formulating the appropriate "risk culture" in the Company.

Risk Management Strategy & Risk Appetite

Risk appetite, as reflected in the risk management strategy and in the risk appetite framework, represents the level of risks that the Company is willing to undertake, in order to implement its strategic planning. The Company has specified in both, the risk management strategy and the risk appetite framework its risk appetite, setting limits of capital adequacy and specifying actions that it may take in order for the Solvency ratio to reach the desired target. The desired limit and related actions are described in the Capital Management and Capital Adequacy Policy.

Risk appetite is expressed in the risk management strategy in general, in quantitative and qualitative terms, as follows:

Risk appetite in quantitative terms

The risk appetite represents the loss absorpsion capacity, arising from overall level of risk undertaken, beyond which the Solvency and liquidity of the Company is set at Risk.

Risk appetite is the ultimate limit that the Group does not intend to reach and corresponds to a Solvency II ratio of 100% at Group level and 110% at Company level.

The Company wishes to remain supervisory solvent (capital adequacy ratio: 100%) **after** the occurence of an event that may occur once in 10 years.

Risk appetite in qualitative terms

The Company's ability to achieve its strategic goals will not undergo substanctial adverse change.

The reputation as well as the brandname of the Company will be protected. Therefore, the Company will not engange in activities that may jeopardize in whole or in part, its reputation.

The Company will comply on an ongoing basis with its regulatory operating framework.

The risk management function will be incorporated in all business decisions of the Company, with the existence of appropriate risk awareness at all levels of its operation.

Risk reports

The Management of the Company receives regular, and whenever necessary ad-hoc, information about the type and the level of the risks undertaken. The level of the risks undertaken in relation to the set limits is being monitored and relevant reports are submitted to the Board Risk Committee and through it to the BoD.

The regular reporting is performed quarterly. At the same time, the BoD is informed and involved whenever necessary, in risk management issues which are discussed in the Board Risk Committee and in the Asset – Liability Committee ("ALCO"), as well as about the ORSA results.

2.3.3. Operational Framework – Risk Governance Framework

The risk management function is organized based on the adopted governance model of the "3 lines of defence", which is described below.

The risk management activities that are exercised by the Units of the 1st line of defence, are monitored by the Board Risk Committee, which has been established by the BoD, with the support of Units in the 2nd line of defence, primarily of the Risk Management Unit, as well as the contribution of the ALCO.

The risk governance framework is completed by the Internal Audit Unit (3rd line of defence). which acts as an independent unit aiming at ensuring compliance with the risk management framework and the effectiveness of the risk management framework and of the control environment and directly reports to the BoD through the Audit Committee.

The risk governance model is briefly the following:

1. **1st line of defence** – the 1st line consists of the Units that undertake risks (operating units) which are responsible for the evaluation and the reduction of risks for a given level of expected return.

2. **2nd line of defence** – the 2nd line consists of those Units that support the Management in risk management. Especially the Risk Management Unit identifies, monitors, controls and evaluates risks, coordinates and supports the risk-taking Units and ensures the availability of suitable methodologies and risk management tools. It reports to the authorized competent bodies of the company and proposes risk mitigation measures with the assistance of local and specialized Units of the risk management framework.
3. **3rd line of defence** – the 3rd line consists of the Internal Audit Unit which is responsible for the independent evaluation of the level of compliance with the current risk management framework and the evaluation of its effectiveness.

Board of Directors

The BoD is the collective body that has the ultimate responsibility for the establishment and operation of an effective risk management system. The BoD is responsible, among others, for the:

1. Designing of the Company strategy. Part of it, is the design and supervision of the risk management strategy,
2. Development and reinforcement of a suitable "risk culture",
3. Effectiveness of the Group's risk management system,
4. Assignment of responsibilities and authorities among the Company members, having as an ultimate goal the maximization of the Company's value and the protection of the company's interests by undertaking risks within acceptable limits.

Board Risk Committee (BRC)

The Board Risk Committee supports the BoD tasks and aims at the establishment, preservation, periodical evaluation and improvement of a risk management framework which will cover Company's entire business.

More specific targets of the Committee are:

1. The development of a suitable risk management framework (that includes strategy, policies, procedures, methodologies and systems), which will ensure the existence of effective mechanisms for the identification, evaluation and effective mitigation of all categories of risk that derive from the Company's activities,
2. The coordination of the necessary actions for the effective operation of the risk management system,
3. The supervision of compliance with the risk management framework, the initiation of prompt action for the correction of deviations and the proposal of revisions of the framework to the BoD, when necessary,
4. The development of risk management culture both at a Company and a Group level.

Asset – Liability Committee («ALCO»)

The objective of the ALCO is the design and implementation of the strategy and policy regarding the management of the assets and liabilities, taking into account current market conditions and the defined risk limits. The Committee is the body where issues regarding the management of assets, liabilities and capital requirements are discussed.

Risk Management Function

The Risk Management Function, in cooperation with the "1st line of defence" Units and with the assistance of other supportive or specialized Units, monitors compliance with the risk management framework. The responsibility for the operation of risk management lies with the Company's Management. The Risk Management Department supports the Management in this task.

The Risk Management Unit is an administratively independent from Units with implementing powers. The Head of the Risk Management Unit is appointed and replaced by the BoD. The Head of the Unit is fully and exclusively employed and functionally reports to the BoD, through the Board Risk Committee and hierarchically directly to the CEO.

The Risk Management Unit's responsibilities include:

1. The specification, in cooperation with the competent operating Units, of the Company's risk tolerance limits,
2. Ensuring the existence of written policies for the implementation of the risk management strategy,
3. The definition of early warning criteria for the individual, as well as for the total portfolio,
4. The monitoring of the risk profile and exposure levels against the defined risk limits. The reporting of deviations from the set limits to the Board Risk Committee and the proposal of corrective action for the restoration of the risks undertaken within the acceptable limits,
5. The periodical evaluation of the adequacy of the methods and systems used for the identification, measurement and monitoring of risks and the proposal of corrective action, if necessary,
6. The estimation of the capital requirement and the participation in the development of evaluation methodologies,
7. The coordination of the regular and non-regular ORSA,
8. The coordination and the performance of stress tests.

The Risk Management Unit submits:

1. Quarterly reports regarding the identification, evaluation, management and monitoring of risks,
2. Ad-hoc reports, if considered necessary, for issues such as deviations from the set risk tolerance limits, adequacy of the methods and systems for the identification, measurement and risk monitoring etc.
3. Reports regarding the regular and non-regular ORSA,
4. Reports to the Board Risk Committee regarding the results of the stress tests that were conducted or coordinated by it and proposal of suitable risk management policies that to address such results,
5. An annual report to the CEO and the Board Risk Committee regarding the Risk Management Unit's activities.

2.3.4. Risk Management System and Own Risks & Solvency Assessment ("ORSA")

The procedure for the own risks & solvency assessment is an integral part of the risk management system and it is directly connected with the corporate strategy, the Company's business plan and, therefore, with the capital management procedure. The results from the own risks and solvency assessment form the basis for the development of new risk management policies or/and the revision of the existing ones, as well as for the revision of the risk management strategy and of the business plan, if considered necessary.

The BoD supervises the ORSA procedure, monitors the followed procedure, its results and approves the relevant report. All Units involved are being informed regarding the result of the procedure in order to act on it.

The Board Risk Committee coordinates the procedure and provides guidance to the Units involved in the ORSA procedure, supported mainly by the Risk Management Unit and the Executive Committee. The implementation of any corrective action that resulted from the ORSA procedure is monitored by the Board Risk Committee with the support of the Executive Committee.

The implementation of the ORSA procedure includes briefly the following stages:

1. The preparation of the business plan,
2. The identification and evaluation of the significant own risks, existing and emerging ones, according to the business plan,
3. The estimation of regulatory and total capital requirement according to the business plan,
4. The evaluation of the risk profile according to the business plan and in relation to the risk appetite,
5. The evaluation of the continuous compliance with the capital requirement and the requirements for technical provisions,
6. The design of management actions, if considered necessary, for achieving continuous compliance with the capital requirement, the requirements for technical provisions and the risk appetite:
    i. Revision of the business plan, including the capital required for the smooth operation of the Company.
    ii. Revision of the risk appetite and of the acceptable risk limits.
    iii. Re-evaluation of the regulatory and total solvency capital requirements as a result of the corrective actions.

The regular ORSA of the Company is conducted annually. Apart from the regular assessment, non-regular assessments can also be conducted in cases such as:

1. A major change in the business plan,
2. A major change in the Company's risk profile,
3. Relevant supervisory requirement.

2.4. Internal Control System

The Company has structured and operates a broader ICS, consisting of a set of Policies, Procedures and control mechanisms in order to cover, on an ongoing basis, the monitoring of each of its activities. The ICS is appropriately adapted to the scope, volume, risks and complexity of the work undertaken and fully covers all activities and transactions of the Company.

2.4.1. Description of Internal Control System

Among the basic procedures of ICS, the following are mentioned:

1. configuration and approval by the BoD of a 5-year Business Plan, on an annual basis,
2. clear and detailed allocation of responsibilities to Executives and Staff,
3. detailed recording of Job Descriptions,
4. recording and posting on the website of the Company procedures for the work carried out by each business Unit,
5. establishment and documentation of controls, the implementation of which ensures, to the extent possible, compliance with the recorded procedures. Such controls include:
   i. ensuring that at least two people are involved in each activity (four eyes principle),
   ii. effective segregation of duties to avoid cases of incompatible roles, conflict of interest, etc.,
6. consulting involvement of key functions in critical activities,
7. carrying out audits to confirm that access is granted only to authorized persons,
8. carrying out regular and extraordinary audits by the Internal Audit and Regulatory Compliance Units to determine the degree of implementation of rules and procedures.

2.4.2. Description of Regulatory Compliance Function

Regulatory Compliance Function is an administratively independent function. Employees and Executives of the Company who are part of the Regulatory Compliance & Corporate Governance Division, provide services only to this Division to prevent conflicts of interest.

The head of the Company's Regulatory Compliance & Corporate Governance Division:

1. is responsible for the supervision and coordination of the Regulatory Compliance Function in the Company and the Group,
2. reports administratively to the CEO and through the Audit Committee to the BoD of the company,
3. has access to all documents and files of the Company.

Priority of the Regulatory Compliance & Corporate Governance Division is the timely prevention and deterrence of risks related to potential violation of the current legislative and regulatory framework, the Corporate Governance framework and the Codes of Ethics, in order to ensure the Company's and the Group's good reputation and credibility towards its customers / traders, the Supervisory Authorities and the NBG, through the following:

1. timely adaptation of the Group to new laws and regulations,
2. prevention and deterrence of risks related to potential violation of existing laws and regulations and
3. establishing an adequate and effective regulatory compliance audit environment.

The responsibilities of the Regulatory Compliance & Corporate Governance Division include:

1. identification and assessment of the regulatory compliance risk,
2. establishment and implementation of appropriate procedures to timely achieve the full and continuous compliance of the Company with the current regulatory framework,
3. dealing with any kind of implications resulting from the Company's failure to comply with the current regulatory framework and the codes of ethics,
4. conducting sample checks to prevent any violations of the provisions of the respective institutional framework,
5. communication and representation of the Company in the Supervisory and other Authorities,

6. control to prevent conflicts of interest by locating their sources and implementing effective procedures to prevent them,
7. supervision and coordination of every activity related to the Company's obligations regarding the prevention of money laundering and financing of terrorism,
8. shaping a regulatory compliance culture in the Company's staff as a model of corporate behaviour and a measure to strengthen corporate identity.
9. its function as a Report Office that collects internal complaints submitted by the Company's personnel or third parties for serious irregularities concerning the Company.

The Regulatory Compliance & Corporate Governance Division submits:

1. annual Report to the BoD and the Supervisory Authority, which includes a review of activities of the previous year, a schedule of activities for the current year and general issues of identification and management of the Company's regulatory risk, including the method and results of regulatory risk assessment, actions of the Company and the Regulatory Compliance Unit to manage the risk,
2. report to the competent committees of the BoD regarding the results of the regulatory risk assessment,
3. extraordinary reports, whenever significant issues arise.

2.5. Internal Audit Function

The Internal Audit Function is an independent, objective assurance and consulting activity, designed to constitute the 3rd line of defense in the Company. It is the responsibility of the Company's Internal Audit Division ("IAD") to perform the Company's Internal Audit function, by systematically evaluating the adequacy and effectiveness of the Company's internal control processes, risk management and corporate governance. IAD assists the Company in improving its operations and in accomplishing its strategic objectives thus.

IAD, as an administrative division, according to its Charter:

1. is independent of the audited activities and not involved in the design, selection, implementation or operation of specific internal control measures.
2. performs its assignments on its own initiative, in an unbiased manner, in all areas and activities of the Company. Its independence is not impaired when, following respective senior management's request, on risk management and / or internal control, since it does not assume management responsibility. However, its independence is not impaired when, following respective senior management's request, IAD provides advisory services on matters of risk management and/or internal control, since it does not assume management responsibility.
3. has unrestricted access to all files, data, systems, physical assets, organizational divisions, personnel and activities of the Company, which are necessary for the support of audit work.
4. is staffed by personnel that is:
    i. exclusively, full-time employed, without any executive or operational duties or management duties relating to any other activity of the Company,
    ii. assigned or relieved of its duties upon Company's Board of Directors, decision, after relevant proposal by the Head of IAD and after informing the Audit Committee on the aforementioned issue.

Head of IAD:

1. is exclusively employed on a full time basis by the Company,
2. is assigned or relieved of its duties by the Company's Board of Directors, after relevant proposal by the Audit Committee, in cooperation with the Chief Executive Officer,

3. reports functionally, through the Audit Committee, to the Company's Board of Directors and administratively, directly to the Company's Chief Executive Officer,
4. is not authorized to:
    i. perform any duties related to the Company's operation and activities,
    ii. execute or approve accounting entries,
    iii. direct the activities of any Company employee, not employed by the Internal Audit Function, with the exception of the employees who have been assigned to him or to audit teams or to assist the Internal Audit Function of the Company.

In order to provide independent and objective information to the Company's Management and Board of Directors, IAD is responsible for:

1. communicating the audit results to Heads of the audited units and to the competent bodies within the Company, through audit reports that include findings, applicable recommendations and the timeframe for Management's corrective action plans,
2. reporting to the Board of Directors through the Audit Committee, at least quarterly or when required by the Audit Committee, on:
    i. the execution of the Annual Audit Plan, which is based on a risk assessment methodology,
    ii. the main findings and recommendations of the audits and special/fraud investigations and
    iii. significant audit issues that have not been remediated. When required and upon approval by the Chief Audit Executive, extracts from the reports are forwarded to the relevant Company Executives and competent bodies.
3. submitting to the Audit Committee, on an annual basis, a status report regarding the activities of the Company's Internal Audit Function, along with a risk-based Annual Audit Plan,
4. submitting to the Board of Directors through the Audit Committee, on an annual basis, a report regarding the adequacy and effectiveness of the System of Internal Control across the Company,
5. submitting other periodic reports to the Audit Committee, Board of Directors, other competent bodies of the Company and to national, European or other relevant supervisory authorities, as appropriate, and according to the respective regulatory framework requirements.

Company's IAD abides by the provisions of the International Professional Practices Framework (IPPF) for the Professional Practice of Internal Auditing of Institute of Internal Auditors (IIA) and the IIA's Code of Ethics. Furthermore, it takes into consideration and deploys as applicable the IIA's recommended Guidance which includes Implementation and Supplementary Guidance, international internal audit best practices published by world leading Institutions and/or Supervisory Authorities.

2.6. Actuarial Function

The Actuarial Function of the Company is authorized by the BoD to assume with full independence from the rest operating units in the exercise of its duties.

The Actuarial Function is responsible for:

1. Coordinating the calculation of technical provisions.

2. Assesses whether the methodologies and assumptions used in the calculation of the technical provisions are suitable for the specific lines of business of the undertaking and for the way the business is managed, taking into account all available data.
3. Assesses whether the Information Technology Systems used in the calculation of technical provisions sufficiently support the Actuarial and statistical procedures.
4. Assesses the efficiency, the quality and consistency of internal and external data used in the calculation of technical provisions and addresses recommendations for the improvement of internal procedures of the Company regarding the afore mentioned characteristics.
5. Compares the best estimated technical provisions against experience, and reviews the quality of past best estimates and uses the insights gained from this assessment to improve the quality of current calculations.
6. Updates the BoD of the Company and the Supervisory Authority for the reliability and adequacy on the calculation of technical provisions.
7. Provides an opinion on the overall insurance or re-insurance underwriting policy.
8. Provides an opinion on the suitability of reinsurance treaties of the company.
9. Participates in the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements (SCR and MCR) and the assessment of this model.
10. Contributes to the development of the IT application for the calculation of total capital requirements and to the generation of all required information used for public disclosure in the solvency and financial condition report.

The Actuarial Division submits to the Management, to the competent committees as well as to the Supervisory Authority, a report which includes a review of annual activities, in which are described, the results as well as any deficiencies identified that need to be remedied.

2.7. Outsourcing

Outsourcing is an arrangement of any form between the Company and a service provider, by which the latter undertakes, to carry out procedures, provide services or perform activities, directly or by sub-outsourcing, which would otherwise have been carried out by the Company.

The Company applies an Outsourcing Policy, in line with the Solvency II framework and the corresponding framework of NBG Group, in order to determine outsourcing of its critical or important functions to service providers.

Critical or important functions are those, a defect or failure in the performance of which would materially impair the Company's continuing compliance with the conditions of its authorization or other obligations under the legislation governing its supervision, or would affect its financial performance or its soundness or the continuity of insurance services provided to policyholders. Indicatively, critical or important functions are the four key functions, the design and pricing of insurance products, the management of part or the whole of the investment portfolio, the settlement of claims and the operations of the central information technology systems.

While assigning critical or important functions to third parties, the Company sets as a priority the selection of reliable and specialized in the outsourcing activity providers and the establishment of a secure regulatory environment governing the relevant business relationships.

For this reason and in the context of the aforementioned Policy, procedures have been established so that before making the outsourcing decisions, but also during the relevant business relationships, the factors that could cause a significant decrease in the quality of the system of governance or unduly increase the operational risk of the Company or undermine continuous and satisfactory service to its policyholders are taken into consideration. In particular, the Policy defines:

1. the meaning of critical or important operational function,

2. the responsibilities of the Bodies involved in its implementation,

3. the General Principles of outsourcing,

4. the basic steps of the outsourcing procedure, which include the conduct of a feasibility study and the approval by the BoD,

5. the conditions of cooperation with service providers, which indicatively include experience, qualifications, licenses required by the regulatory framework for the performance of work etc.,

6. the signing of a contract between the Company and the service provider, which precisely regulates the rights and obligations of both parties,

7. the procedures for monitoring and managing risks that may arise from outsourcing during the relevant business relationships.

The following is a list of critical functions outsourced by the Company to third parties and the country of jurisdiction of the latter.

Service Provider	Provided Service	Country of jurisdiction
National Bank of Greece S.A. (NBG)	Disaster Recovery Plan	Greece
AWP P&C S.A. (Mondial Assistance)	Road – Travel – Medical Assistance	France
AXA France (Greek branch) **- Credit & Lifestyle Protection.**	Payment Protection insurance for loans (NBG) (claims handling)	France

2.8. Other information

In the Uninvited General Extraordinary General Meeting of Shareholders with Reference No. 170/22.04.2021, the Company decided: (i) the issuance of a joint subordinated bond loan of amount up to € 125m, covered by National Bnk of Greece and (ii) the offsetting of accounting losses through: (a) reduction of shareholder equity, by reducing the nominal value of the shares and adjusting Article 5 of the Company's Article of Association regarding the adjustment of shareholder equity and (b) forming of special reserve.

3. Risk Profile

Risk management consists an integral part of the Company's business operations. More specifically, risk management and control are a prerequisite for the Company to ensure its customers and to create a stable framework for achieving high quality returns for its shareholders. Achieving this goal depends on the right balance between risks taken and expected returns.

In this regard, the Company recognizes the following risks, which it manages through the development and implementation of risk management policies and procedures:

The Company, in order to control and mitigate the risks undertaken uses various risk mitigation techniques, depending on the type as well as the level of the risk and the acceptable risk tolerance limits.

The techniques as well as the risk mitigation processes, are described in the various risk management policies. The Company indicatively:

1. Monitors the risks undertaken, in relation to the acceptable tolerance levels, by having established relevant tolerance limits, as well as early warning limits.
2. Adopts a conservative investment profile and diversifies its investment portfolio by setting relevant quantitative and qualitative limits,
3. Enters into reinsurance agreements with credible reinsurers,
4. Monitors the duration matching of insurance liabilities (provisions) and of the relevant assets. Estimates the cash requirements that may arise from their insurance as well as other liabilities and caters for the existence of adequate liquidity,
5. Has established time limits for the collection of receivables and monitors the compliance with these limits,
6. Implements risk and control self-assessment procedures, as well as procedures for the collection and analysis of operational risk incidents,
7. Develops, when necessary, action plans for restoring risk within the desired limits according to the risk appetite, and monitors the implementation of the approved plans and their effectiveness.

Significant Risks

The main strategic risks that affect the activities of the Company are the risks arising from the unstable financial and business environment in which it operates (macroeconomic risks at European and Greek level), which is worsened by the pandemic and its consequences, as well as geopolitical developments

The Company constantly evaluates these developments and takes measures, both to safeguard the health of the personnel, the insured and other associates, as well as to ensure its solvency position. However, the real impact of the above on the Economy and the Company cannot be accurately assessed. The crisis may affect the Company's investment portfolio and its insurance activities.

Finally, the increase in the complexity and frequency of cyber attacks has been assessed as a significant risk for the Company. The Company closely monitors developments in the field of cyber security and takes measures to shield itself against cybercrime, which has intensified due to the conditions created by the pandemic and the increase it has brought to remote working and electronic transactions.

Developments in the Business & Regulatory Environment

Business Environment

The business environment, both in Greece and worldwide, is characterized by increased uncertainty which is intensified by the COVID-19 pandemic and the geopolitical instability. In order to limit the spread of Covid-19, the authorities imposed a number of restrictive measures such as prohibitions and restrictions on travel and movement and restrictions on business activities, including suspension of activities, which led to a global economic slowdown.

Especially for Greece, the restrictive policy (austerity) implemented in previous years in the context of fiscal adjustment to reduce double deficits, has affected significant sections of the active population, resulting in lower incomes while unemployment continues to soar in double digits.

The pandemic and the consequent decline in growth worldwide, as well as in the euro area, led to a decline in Greek GDP in 2020. According to recent forecasts of the European Commission, the rate of change in GDP for 2021 in Greece is expected to be 7,1 %, while GDP growth is expected in the coming years (5,2% in 2022 and 3,6% in 2023). At the same time, a gradual decrease in the unemployment rate is estimated, although it will continue to be in double digits (Source: European Commission forecasts, November 2021).

The positive prospects of the Greek economy have as a result the upgrade of the long-term credit rating of the country. Indicatively, Moody's upgraded to BB- in November of 2020, from B+ previously, and S&P upgraded to BB in April of 2021, from BB- previously. More recently (March of 2022) DBRS also upgraded to BB + from BB.

The rapid increase in market volatility due to the Covid-19 pandemic initially prompted investors to seek safe haven in highly credit rated bonds, leading to a fall in the risk-free interest rate curve and a rise of government and corporate bond spreads of the weakest economies in the Eurozone. In particular, the credit spread of the 10-year Greek government bond against the German government bond began to increase towards the end of February 2020, peaked in mid-March of the same year and then de-escalated. More specifically, it moved from about 160 bp on 31/12/2019, at approximately 400 bp on 18/3/2020, when the European Central Bank announced the extraordinary bond purchase program to support economies from the effects of the pandemic (PEPP). Since then, the spread of the Greek government bond de-escalated and reached in mid-June 2021 around 100 bp. The spread started to increase towards the end of October 2021 and since then until the beginning of January 2022 it fluctuates around 150 bp.

Government spending to support sectors of the economy affected by the pandemic is leading to additional fiscal pressure. The Greek state is expected to have spent more than € 30b between 2020-2021 to support the Greek economy, a fact that raises concerns about the sustainability of public debt, combined with the reduction of GDP. The announcement of the European Central

Bank to end the PEPP program at the end of March 2022 raises additional concerns for financially vulnerable countries, such as Greece, although the possibility of reinvesting the bonds of the program in Greek bonds remains open, if considered necessary. This opportunity will exist at least until the end of 2024. At the same time, the European Union intends to allocate through the Recovery and Sustainability Mechanism an amount of more than € 700b, in the form of loans and grants, to support Member States from the effects of the pandemic, but also to better prepare them for future challenges and opportunities and to ensure sustainable development.

Despite the recent upward trends, the low interest rate environment observed in the previous period remains and is expected to keep in the coming years. Typically, the average interest rate for the first 10 years of the risk-free interest rate curve is at negative levels as at 31/12/2021, same as in previous years (31/12/2020, 31/12/2019). The European Central Bank recently decided (December 2021) not to change its basic interest rates, which are hovering around 0%, and expects them to remain at current or even lower levels until it notices that inflation is approaching 2% target. Keeping a low interest rate environment puts additional pressure on the Company's insurance portfolio and especially on the Life products portfolio with high guaranteed technical interest rates and entails an increased risk of reinvestment. Reduced interest rates and the general scarcity of safe, high-yield alternative investments may lead to a reduction in the lapse rate of traditional individual Life contracts.

The consequence of the pandemic and other factors, such as the recovery of national economies as well as geopolitical developments, is, among other things, the significant rise in oil prices within 2021 and the appreciation of products. There is an increase in the inflation index in Greece in 2021, both in December and on an average annual basis. This fact, if it continues and is not addressed by corresponding increases in wages and salaries, is expected to squeeze the disposable income of households and may have a negative impact on the sale of insurance products.

Developments in the medical field are expected to lead to a further increase in life expectancy and the cost of medical procedures, especially in developed countries, resulting in an increase in the relevant liabilities of insurance companies to their policyholders.

The increasing complexity and frequency of cyberattacks, in addition to the financial and operational challenges posed by the development of digital applications, also leads to an increase in customer demand for protection against them. The challenge facing modern companies, struggling to maintain security and business continuity, is to take advantage of new remote service and remote working practices, both to protect their employees and to ensure their smooth operation and customer service. But by shifting most of their business to the digital domain, they increase their risk of being attacked by cybercriminals, who seize the opportunity to exploit potential security vulnerabilities of the companies by their fast moves to operate online and stay competitive. For the resilience and flexibility of the organization against the risk of cyber attacks, the Company supports a complete action plan, based on the threefold technology-process-human.

The above contribute to an environment of increased uncertainty with significant opportunities, but also risks.

Climate change refers to long-term changes in temperatures and weather patterns. These changes are mainly the result of human activities due to the burning of fossil fuels such as coal, oil and gas. The consequences of climate change include severe droughts, water scarcity, severe fires, rising sea levels, floods, melting polar ice caps, catastrophic storms and biodiversity loss. The risks associated with climate change are:

- Natural risks: The risks arising from the effects of natural phenomena and include:

    - Severe natural risks: risks arising from specific phenomena, and in particular weather phenomena, such as thunderstorms, floods, fires or heat waves.

    - Chronic natural risks: the risks arising from long-term climate change, such as changes in temperature, rising sea levels, shortages of drinking water, losses in biodiversity, changes in land productivity.

- Transition risks: The risks arising from the transition to low carbon and climate stabilization economies.

The Company monitors and evaluates the above risks in the context of the Own Risk and Solvency Assessment.

In order to shield the Company against changes in interest rates, actions were taken in 2021 so that the duration gap of financial assets - liabilities remains at the low levels that were at the end of 2020, while efforts were made to improve the average credit rating of the securities portfolio.

Regulatory Environment

In the year 2021 took place the application of regulations and changes that had been passed or had occurred in the immediately preceding years. Additional regulatory requirements are expected to be implemented within 2022, such as:

- Regulation (EU) 2019/1238 (establishing a pan-European individual pension product (PEPP). Uniform rules are laid down for individual pension product with common characteristics in the Member States and an obligation of registering new PEPPs in a central registry to be kept at EIOPA.

- Regulation (EU) 2020/852 (establishing a framework for facilitating sustainable investment) & delegated Regulations. A single classification system is established by establishing the criteria on the basis of which it will be determined at European level whether an economic activity is characterized as environmentally sustainable, in order to determine the degree to which an investment is environmentally sustainable. In addition, the sustainability reporting obligations introduced by Regulation (EU) 2019/2088 are completed.

- Delegated Regulation (EU) 2021/1257 and Delegated Regulation (EU) 2021/1256. Sustainability factors and sustainability risks are integrated into the IDD Directive and the Solvency II Directive respectively.

- PEE 195/4 / 29.11.2021 (Government Gazette B 5672/ 03.12.2021). A framework of guidelines for insurance and reinsurance undertakings in relation to the security and governance of Information and Communication Technology (ICT) shall be established for the implementation of the governance requirements set out in Solvency II.

The Company takes constantly measures for its adequate compliance to the requirements of the new regulatory framework, such as indicatively deviation analysis, by drawing up a roadmap of actions that provide for the development of new policies and procedures, as well as the re-organization of internal operations, etc

It should finally be noted that one of the biggest challenges facing the entire insurance market is the adoption of the new International Financial Reporting Standards IFRS 17 and IFRS 9, effective in 2023. The changes brought by the new standards in the operating model focus on the following:

- System of Governance (revision of procedures, safeguards, human resources training),
- Financial management framework (revision of accounting design and accounting policies, product classification and selection of appropriate measurement approach by product category, recording of calculation methodologies, benchmarking, result volatility management),
- Information Technology Systems (systems upgrade, review of actuarial models, improvement of data quality and creation of reports in a new framework).

Solvency Capital Requirement

Regarding the quantitative estimation of the solvency capital requirement, the Company uses the standard formula, evaluating its suitability related to the Company's risk profile during the annual ORSA.

For the calculation of the solvency capital requirements, the Company uses the adjustment due to volatility in the relevant time structure of risk-free interest rates (adjusted curve) and the transitional measures on technical provisions and the equity risk it had in its portfolio at 01.01.2016.

The following table presents the Solvency Capital Requirement per risk module:

Solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Market risk	221.251	191.226	30.025
Credit risk	29.774	24.393	5.381
Life Insurance risk	116.785	154.333	(37.548)
Health underwriting risk	107.186	104.394	2.792
Non-Life Insurance risk	76.768	80.105	(3.337)
Diversification	(192.179)	(199.218)	7.039
Basic Solvency Capital Requirement (BSCR)	**359.585**	**355.233**	**4.352**
Operational risk	25.748	24.721	1.027
Solvency Capital Requirement	**385.333**	**379.954**	**5.379**

On 31.12.2021, compared to 31.12.2020 the total capital requirement increased by € 5,4m. The increase came mainly from the following:

- Market risk increased by € 30,0m mainly due to the increase in spread risk, equity risk and interest rate risk.
- Life insurance risk decreased by € 37,5m, mainly due to the evolution of the portfolio and the upward movement of the risk free interest rate curve.
- Health underwriting risk increased by € 2,8m, mainly due to change of assumptions.

The main risks that form the capital requirement on 31.12.2021 remain the same as those that formed the capital requirement on 31.12.2020 and are the market risk and the Life insurance risk.

3.1. Insurance Risk

Insurance risk is defined as the risk of loss or adverse change in the value of insurance obligations due to a change in the assumptions applied at the time of pricing and reserving.

The following risks are included in insurance risk:

Life Underwriting Risk

Non-Life Underwriting Risk

Health Underwriting Risk

Insurance Risk Underwriting

The identification and assessment of insurance and reinsurance risks and the relevant management procedures are carried out by each main line of business (life insurance, non-life insurance, health insurance), which can be divided into further lines of business. Insurance risk is identified in the underwriting of insurance risk, as well as in the creation of insurance technical provisions. The main sources of insurance risk are considered to be deviations from the expected levels of claims incurred, expenses, concentration (geographical, risk, product, etc.), from insufficient pricing, the unexpected change in macroeconomic and microeconomic parameters, such as interest rates, inflation, unemployment, income levels (which affect portfolio retention), as well as the unexpected change in biometric parameters of mortality, disability and morbidity.

The Company has established risk-taking rules. In this context, the required data that must be calculated for each risk have been identified in order to determine the insurance coverage of the risk and its terms.

Insurance Risk Management

The Company, in order to effectively manage and reduce its exposure to insurance risk takes measures such as:

1. Establishment of policy and procedures for undertaking insurance risks,
2. Principles and predefined procedures for the calculation of technical provisions, taking into account the appropriate accounting and actuarial standards in force, as well as internal and also best practices,
3. Establishment of operational limits and of other practices for maintaining the exposure to risks within the approved limits and also for avoiding unacceptable concentration levels in certain insurance risk types,
4. Principles and predefined procedures for the development and introduction of new products,
5. Establishment of principles and criteria for the selection of suitable counterparties (reinsurers),
6. Procedure for mitigating insurance risk through an effective reinsurance policy, as well as with the use of other techniques where necessary,
7. Existence of adequate systems and procedures for the identification of every source of substantial risk, for monitoring, evaluation (measurement) and reporting of the risks undertaken and the use of corrective actions when necessary,
8. Assessment of insurance risk under extreme conditions. The results of these assessments are used in the revision of Policies and of the exposure to insurance risk limits.
9. Monitor claim frequency, claim volume, the settlement and administration cost; and the claims evolution pattern. Furthermore, in order to improve profitability and reduce the risk, measures are being taken such as premium increases, agreements with medical centers for the reduction of claims' cost, etc.

3.1.1. Insurance Risk Solvency Capital Requirement

Insurance risk solvency capital requirement per insurance sector is analysed as follows:

Insurance risk solvency capital requirement (€ in thousands)	**31.12.2021**	**31.12.2020**	**Μεταβολή**
Insurance risk Life	116.785	154.333	(37.548)
Insurance risk Health	107.186	104.394	2.792
Insurance risk Non-Life	76.768	80.105	(3.337)
Total insurance risk solvency capital requirement	**300.739**	**338.832**	**(38.093)**

On 31.12.2021, in relation to 31.12.2020, the Total Solvency Capital Requirement for insurance risk decreased by €38,1m (€300,7m as at 31.12.2021 compared to €338,8m as at 31.12.2020). The decrease came mainly from the decrease in the insurance risk of Life and Non-Life Lines of Business.

As at 31.12.2021, the insurance risk of the Life and Health lines of business presents the highest solvency capital requirements, accounting for 39% and 36% respectively of the insurance risk solvency capital requirements. On 31.12.2020, the respective percentages of capital requirements amounted to 46% and 31% respectively.

3.1.2. Life Insurance risk Solvency Capital Requirements

The life insurance portfolio includes individual life insurance (whole-life, endowment, term-life, pure endowment, pension products (annuities) with premium return on death, unit-linked contracts and riders on life insurance policies) as well as group life insurance (temporary, riders attached to life insurance policies, group pension plans).

The following table presents the Solvency Capital Requirement for life insurance risk:

Life insurance risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Mortality risk	9.224	9.225	(1)
Longevity risk	15.716	17.526	(1.810)
Disability risk	24.541	27.234	(2.693)
Lapse risk	94.511	133.026	(38.515)
Expense risk	17.894	17.531	363
Revision risk	-	-	-
Catastrophe risk	4.083	4.364	(281)
Insurance risk before diversification	**165.969**	**208.906**	**(42.936)**
Diversification	(49.184)	(54.572)	5.388
Total Life insurance risk solvency capital requirement	**116.785**	**154.334**	**(37.549)**

On 31.12.2021, compared to 31.12.2020, lapse risk decreased by € 38,5m and continues to present the highest capital requirements, constituting 57% (on 31.12.2020 it amounted to 64%) of the Life insurance risk solvency capital requirements before diversification. Other significant risks are the risk of disability, morbidity and of expense risk.

Mortality Risk

The risk of mortality is related to those insurance liabilities in which an increase in the mortality rate leads to an increase in the value of insurance liabilities.

Products subject to mortality risk include Term-life insurance, endowment insurance, whole-life insurance, as well as life insurance on mortgages insurance.

On 31.12.2021 there was, compared to 31.12.2020, a negligible decrease in capital requirements of mortality risk.

Longevity Risk

Longevity risk is associated with those insurance liabilities in which a reduction in the mortality rate leads to an increase in the value of insurance liabilities. Contracts subject to longevity risks are pure endowment contracts, annuities with premium return on death.

On 31.12.2021 there was, compared to 31.12.2020, a reduction in capital requirements of longevity risk by €1,8m.

Disability – Morbidity Risk

The risk of disability or morbidity is associated with the types of insurance that provide for compensations due to morbidity or disability. It is linked to those insurance liabilities in which a change in the level, trend or variability of disability or morbidity rates leads to their increase.

The products that are mainly subject to this risk are the riders of life products; the most significant being waiver of premium coverage.

On 31.12.2021 there was, compared to 31.12.2020, a reduction in capital requirements of disability - morbidity risk by €2,7m.

Lapse Risk

Lapse risk is the risk of loss (or adverse change in the best estimate of liabilities) arising from unforeseen (higher or lower) lapsation rates.

On 31.12.2021, compared to 31.12.2020, there was a decrease in capital requirements for the lapse risk by €38,5m, mainly due to the upward move of the interest rate curve.

The Solvency Capital Requirement of this specific risk sub-module is based on the scenario of a reduction of lapse rates.

Expense Risk

The risk of expenses is related to those insurance liabilities in which a permanent increase in expenses, but also in the inflation of expenses, leads to an increase in the value of insurance liabilities.

On 31.12.2021 there was, compared to 31.12.2020, an increase of the capital requirement for expense risk by €0,4m due to the increase of administrative costs.

Catastrophe Risk

Catastrophe risk results from catastrophic events, such as pandemics. Solvency capital requirements are calculated from the increase in mortality for the next 12 months.

On 31.12.2021 there was, compared to 31.12.2020, a slight reduction of the capital requirements for the catastrophe risk.

3.1.3. Health Underwriting risk Solvency Capital Requirements

The Health Insurance portfolio includes insurance related to income protection coverage due to disability or sickness and medical expenses coverage.

The health insurance portfolio includes contracts that cover hospital expenses. These contracts are divided into two categories. The first category consists of contracts that provide for an increase in premiums based on specific market indicators, or have a maximum increase limit. For these contracts, the Company calculates long-term liabilities and makes use of the transitional measure for the technical provisions.

The second category includes contracts that provide for an increase in premiums based on their terms.

The health insurance portfolio includes the following risks.

1. Risk in life insurance similar to life insurance
2. Risk in health insurance similar to non-life insurance
3. Catastrophe risk in health insurance

The following table presents the Solvency Capital Requirement for the insurance risk of the Health LoB:

Health underwriting risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Health similar to Life (SLT)	92.542	91.142	1.400
Health similar to Non-Life (non-SLT)	23.909	21.726	2.183
Catastrophe risk	2.321	2.366	(45)
Health underwriting risk before diversification	**118.772**	**115.234**	**3.538**

Diversification	(11.586)	(10.840)	(746)
Total Health underwriting risk solvency capital requirement	**107.186**	**104.394**	**2.792**

On 31.12.2021, compared to 31.12.2020, the total Solvency Capital Requirement for Health underwriting risk, increased by €2,8m (€107,2m on 31.12.2021, compared to €104,4m on 31.12.2020). The increase was mainly due to the increase in health similar to life underwriting risk, which has the highest solvency capital requirement, accounting for 78% of total capital requirements before the diversification for 2021.

3.1.3.1. Health similar to Life Underwriting Risk

The insurance products that are subject to this risk sub-module are hospitalization products. The capital requirement stems mainly from hospital products which are no longer available for sale, which have a high loss ratio and are subject to restrictions on annual premium increases. Due to these characteristics of the specific hospital programs, the Company calculates their liabilities in the long-term.

The following table presents the Solvency Capital Requirement for the risk of health insurance similar to life insurance:

Health similar to life underwriting risk solvency capital requirement (€ in thousands)	**31.12.2021**	**31.12.2020**	**Difference**
Mortality Risk	21	21	0
Longevity Risk	18.031	17.543	488
Disability-Morbidity risk	73.861	72.493	1.369
Lapse risk	45.053	44.999	54
Expense risk	2.656	2.514	142
Revision risk	0	0	0
Health underwriting risk before diversification	**139.622**	**137.569**	***2.052***
Diversification	(47.080)	(46.427)	(653)
Total Solvency Capital Requirement Health similar to life underwiting risk	**92.542**	**91.142**	**1.399**

As at 31.12.2021, the risks of disability – morbidity and lapse, have the greatest impact on the solvency capital requirements, constituting 53% and 32% respectively of health similar to life capital requirements, before diversification.

On 31.12.2020, the risks of disability – morbidity and lapse accounted for 53% and 33% respectively of capital requirements, before diversification.

Mortality Risk

The risk of mortality is related to insurance liabilities in which an increase in the mortality rate leads to an increase in the value of insurance liabilities.

The impact of this risk has a negligible effect on the Solvency Capital Requirement of health similar to life insurance.

On 31.12.2021 there was no change, compared to 31.12.2020, in capital requirements for mortality risk.

Longevity Risk

Longevity risk is associated with insurance liabilities in which a reduction in the mortality rate leads to an increase in the value of insurance liabilities.

The impact of this risk has a modest effect on the capital requirement of health similar to life insurance.

On 31.12.2021 there was, compared to 31.12.2020, an increase of €0,5m of the capital requirements for longevity risk.

Disability – Morbidity Risk

The risk of disability or morbidity is one of the most significant risks for the specific portfolio of hospital programs. It is linked to those insurance liabilities in which a change in the level, trend or variability of disability or morbidity rates leads to their increase.

The solvency capital requirements come from the disability – morbidity risk of medical expenses and income protection.

In order to cover medical expenses, the scenario envisages an increase or decrease in medical expenses resulting from a parallel increase or decrease in inflation of medical expenses. Capital requirements arise as the largest amount between the capital requirements of the increase and decrease scenarios. The impact on capital requirement comes from the scenario of the increase in medical expenses and medical inflation.

On 31.12.2021 there was an increase by €1,4m compared to 31.12.2020, of capital requirements for disability – morbidity risk, mainly due to the change of assumptions.

Lapse Risk

Lapse risk is the risk of loss (or adverse change in the best estimate of liabilities) arising from unforeseen (higher or lower) lapsation rates.

The Solvency Capital Requirement of the specific risk sub-module comes from the scenario of reduction of lapse rates.

On 31.12.2021 there was, compared to 31.12.2020, no significant change of capital requirements for lapse risk.

Expense Risk

The risk of expenses is related to those insurance liabilities in which a permanent increase in expenses, but also in the inflation of expenses, leads to an increase in the value of insurance liabilities.

On 31.12.2021 there was, compared to 31.12.2020, a negligible increase in capital requirements for expense risk.

3.1.3.2. Health similar to Non-Life Underwriting Risk

Premium and reserve risk

Premium and reserve risk is defined as the risk of loss or adverse change in the value of insurance liabilities, resulting from fluctuations in the timing, frequency and severity of the insured events and in the timing and settlement amount of claims.

The following table presents the Solvency Capital Requirement for health similar to Non-Life underwriting risk:

Health similar to Non-Life underwriting Risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Medical expenses coverage	15.875	13.508	2.367
Income protection	11.623	11.554	69
Health underwriting Risk before diversification	***27.498***	***25.062***	***2.436***
Diversification	(3.589)	(3.336)	(253)
Health similar to Non-Life underwriting Risk solvency total capital requirement	**23.909**	**21.726**	**2.183**

On 31.12.2021, compared to 31.12.2020, the Solvency Capital Requirement for health similar to Non-Life risk increased by € 2,2m (€ 23,9m as at 31.12.2021 compared to € 21,7m as at 31.21.2020).

3.1.3.3. Catastrophe Risk in Health Insurance

Catastrophe risk in health insurance is defined as the risk of loss or adverse change in the value of insurance liabilities, resulting from significant uncertainty in the pricing assumptions and the creation of technical provisions, in relation to serious epidemic outbreaks, as well as the unusual accumulation of risks under such extreme circumstances.

The catastrophe risk is related to the number of insured and the parameters of the mass accident and pandemic scenarios.

The following table presents the Solvency Capital Requirement for the catastrophe risk of health sector:

Health insurance catastrophe risk capital requirement (€ in thousands)	31.12.2020	31.12.2019	Difference
Mass accident	835	845	(10)
Concentration scenario	-	-	-
Pandemic	2.165	2.210	(45)
Health insurance catastrophe risk before diversification	**3.000**	**3.055**	***(55)***
Diversification	(679)	(689)	10
Health insurance catastrophe risk total capital requirement	**2.321**	**2.366**	**(45)**

On 31.12.2021, compared to 31.12.2020, the Solvency Capital Requirement of the catastrophe risk of the health sector is almost unchanged.

3.1.4. Non-Life Insurance Underwriting Risk Solvency Capital Requirement

The non-life insurance portfolio includes products that cover the full range and lines of business of non-life insurance.

The main categories in which the majority of new insurance business focuses are the motor, fire (commercial and industrial risks) lines of business and general third-party liability. In addition, a maximum insurance limit per insured risk has been set by the Company.

The following table presents the Solvency Capital Requirement for Non-Life insurance risk:

Non-Life insurance risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Premium and reserve risk	73.578	76.953	(3.375)
Lapse risk	-	-	-
Catastrophe risk	10.207	10.177	30
Non-Life insurance risk before diversification	**83.785**	**87.130**	***(3.345)***
Diversification	(7.017)	(7.025)	8
Non-Life insurance risk solvency capital requirement	**76.768**	**80.105**	**(3.337)**

On 31.12.2021, compared to 31.12.2020, the Solvency Capital Requirement of non-life insurance risk decreased by €3,3m. This decrease comes mainly from premium and reserve risk.

Premium & Reserve Risk

Premium risk is defined as the risk that the premium will not be sufficient to cover the risk undertaken. Reserve risk is defined as the risk of insufficiency of technical provisions formed for receivables created on the valuation date.

On 31.12.2021 there was, compared to 31.12.2020, a decrease in capital requirements for the premium and reserve risk due to the decrease in the basis for calculating premium and technical provisions risks.

Non-Life Catastrophe Risk

Non-life catastrophe risk includes the following sub-modules:

1. the natural disaster risk sub-module,
2. the catastrophic risk sub-module for non-proportional asset reinsurance;
3. the risk of man-made disaster sub-module,
4. the other non-life disaster risks sub-module.

On 31.12.2021, compared to 31.12.2020, non-life catastrophe risk Capital Requirement showed a negligible increase.

Lapse Risk

The Company does not calculate lapse risk for non-life insurance risk as it does not apply.

3.2. Market Risk

Market risk is defined as the risk of loss or adverse change in the financial conditions stemming, directly or indirectly, from fluctuations in the level and in the volatility of market value of assets, liabilities and financial instruments.

The following risks are included in market risk:

- **Interest rate risk**
- **Equity risk**
- **Property risk**
- **Spread risk**
- **Currency risk**
- **Market concentration risk**

Market Risk Management

The Company in order to effectively manage and reduce its exposure to market risk, takes measures such as:

1. establishment of an investment policy in line with business strategy and the acceptable investment risk limits,
2. establishment of operational limits and of other practices, so as to maintain risk exposures within the approved limits, as well as to avoid unacceptable concentration levels in specific investment types, issuers, etc. Within these limits, Value at Risk ("VaR"), exposure and stop loss limits, are also included,
3. predetermining the type of financial instruments in which the Company's funds are invested and clear procedures for investing in a new financial instrument,
4. mitigation of investment risk through effective hedging methods, the effectiveness of which is regularly evaluated,
5. adequate systems and procedures for the identification of each substantial source of investment risk, in order to monitor, evaluate (measure) and report risks undertaken allowing corrective actions to be taken when necessary. The assessment of the adequacy and the control of compliance of the Investment Policy and the related risk management framework, is carried out under the supervision of the Assets-Liabilities Management Committee and the Risk Management Committee,
6. evaluation of the market risk under extreme conditions. The results of these tests are used for the revision of policies and of the market risk exposure limits.

The Company aims at ensuring an adequate level of assurance, quality and liquidity for its assets and invests in such a way so as to take into consideration the characteristics of its liabilities as well as the requirements for returns.

3.2.1. Market Risk Capital Requirement

For the calculation of market risk solvency capital requirement, the Company uses the look through approach, where applicable, for investments in undertakings for collective investment in transferrable securities ("UCITS") and other investment funds.

The following table presents the Solvency Capital Requirement for market risk:

Market risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Interest rate risk	27.025	16.000	11.025
Equity risk	72.534	61.500	11.034
Property risk	58.720	57.263	1.457
Spread risk	91.967	78.011	13.956
Currency risk	21.941	23.613	(1.672)
Market concentration risk	0	0	0
Market risk before diversification	**272.187**	**236.387**	***35.800***
Diversification	(50.936)	(45.161)	(5.775)
Total market risk solvency capital requirement	**221.251**	**191.226**	**30.025**

On 31.12.2021, compared to 31.12.2020, the Solvency Capital Requirement for market risk increased by €30,0m.

The main risks that form the Solvency Capital Requirement for market risk on 31.12.2021 remain the same as those that formed the capital requirement on 31.12.2020 and are spread risk, equity risk and property risk.

3.2.1.1. Interest Rate Risk

Interest rate risk arises from the sensitivity of the value of assets and liabilities, to changes in the time structure of interest rates, or to the volatility of interest rates.

Interest Rate Risk Management

To manage interest rate risk, the Company has established risk measurement indicators and tolerance levels, as well as procedures for monitoring and reporting the level of risk undertaken.

More specifically, the matching of insurance liabilities and assets intended to cover them is monitored by measuring their modified duration. In addition, any differences between cash inflows and outflows are considered for the above data.

The Asset – Liability Management Committee and the Risk Management Committee are informed quarterly about the extent of mismatch between the assets and liabilities and take measures in order to return it to the desired level when deemed necessary.

Interest Rate Risk Capital Requirement

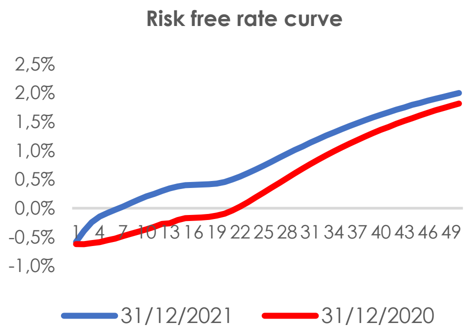
The Solvency Capital Requirement for interest rate risk is calculated as the decrease in own funds resulting from the effect of the instantaneous change in the interest rate curve on assets and liabilities sensitive to interest rate changes. The Solvency Capital Requirement is calculated as the maximum decrease in equity from an increase in the interest rate curve or a decrease in the interest rate curve, according to the specifications of the standard formula.

The following table presents the Solvency Capital Requirement for interest rate risk:

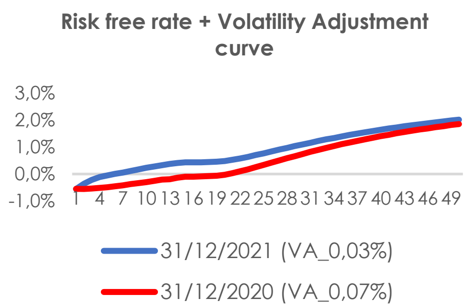
Interest rate risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Capital impact from an increase in the interest rate curve	(67.187)	(64.693)	(2.494)
Capital impact from a decrease in the interest rate curve	27.025	16.000	11.025
Interest rate risk solvency capital requirement	**27.025**	**16.000**	**11.025**

As depicted in the table above, the Solvency Capital Requirement comes from the interest rate curve down scenario. On 31.12.2021, compared to 31.12.2020, the solvency capital requirement for interest rate risk increased by €11,0m. The decrease is due to the rise in interest rates.

The following figures show the risk-free interest rate curve and the risk-free curve with volatility adjustment, for 2021 and 2020.



The risk-free rate curve was as at 31.12.2021, on average, for the first 30 years, moved upward by 49 bps. compared to the corresponding curve on 31.12.2020, as shown in the figure on the left.



The risk-free rate curve with adjustment due to volatility was as at 31.12.2021, on average, for the first 30 years, moved upward by 45 bps. compared to the corresponding curve as at 31.12.2020, as shown in the figure on the left.

The volatility adjustment decreased by 4 bps, on 31.12.2021, compared to 31.12.2020.

Sensitivity Analysis

The Company assessed the impact of changes in interest rate risk factors on its solvency ratio through conducting sensitivity analyses, the results of which are presented in the table below. The impact on 31.12.2021 was calculated using the transitional measures.

Scenarios	Change (€ in thousands): Own Capital	Capital Adequacy ratio
Increase of interest rates	35.036	230%
Decrease of interest rates	(40.168)	210%

The scenario of falling interest rates would result in the reduction of the solvency ratio by 11 percentage points.

Explanation of the Sensitivity Analysis Parameters

The following table shows the parameters on the basis on which the sensitivity analyses listed in the previous paragraph were performed.

Scenarios	Value	Explanation
Increase of interest rates	0.5%	Impact of a parallel rise in the risk-free interest rate curve by 0.5%.
Decrease of interest rates	-0.5%	Impact of a parallel downward movement of the risk-free interest rate curve by 0.5%.

During the sensitivity analyzes, in order to determine the overall effect on the solvency ratio, the effect on the Company's own funds was taken into account.

3.2.1.2. Equity Risk

Equity risk arises from the sensitivity of the value of assets and liabilities to changes in the level or volatility of equity market prices.

Equity risk management

For the management of equity risk, the Company has established risk measurement ratios and position limits on equity securities and equity / mixed funds, on the total investment portfolio, as well as procedures for monitoring and reporting positions.

More specifically, the Company's positions in equities and equity / balanced funds, the distribution of equities in sectors of activity and geographical areas, as well as the evolution of stock market indices that reflect the course of the equity portfolio are monitored.

The Assets - Liabilities Management Committee and the Risk Management Committee are informed quarterly about the amount of the risk exposure of the equity portfolio and take measures to limit it within the desired level when deemed necessary.

Equity Risk Capital Requirement

The Solvency Capital Requirement for equity risk is calculated as the decrease in equity resulting from the effect of the instantaneous reduction in equity prices. It consists of the capital requirement for type 1 equity and the capital requirement for type 2 equity.

Type 1 equity includes listed equity in regulated markets of the member countries of the European Economic Area (EEA) or the Organization for Economic Co-operation and Development (OECD). The instantaneous reduction of these equities amounts to 39% plus the symmetric adjustment to the equity capital charge.

Type 2 equity includes unlisted equity as well as those that are traded on stock exchanges of countries that are not members of EEA or OECD. Also, commodities and alternative investments, as well as openings in UCITS for which the examination method is not feasible. The instantaneous reduction of these equities amounts to 49% plus the symmetrical adjustment to the equity capital charge.

The instantaneous decrease of the equity in affiliated companies of strategic character and in long-term investments in equity (type 1 or 2) amounts to 22%.

The Company uses the transitional measure for the equity risk sub-module, for the type 1 equity that it maintained in its portfolio on 01.01.2016, applying the instantaneous reductions provided by Greek Law 4364/2016.

The following table presents the Solvency Capital Requirement for equity risk:

Equity risk solvency capital requirement (€ in thousands)	**31.12.2021**	**31.12.2020**	**Difference**
Capital charge for type 1 equity	58.203	51.076	7.127
Capital charge for type 2 equity	17.822	13.083	4.739
Diversification	(3.491)	(2.659)	(832)
Total equity risk solvency capital requirement	**72.534**	**61.500**	**11.034**

On 31.12.2021, compared to 31.12.2020, the required capital increased by €11,0m, mainly due to the increased exposure to shares from investments in mutual funds and the symmetric adjustment.

Sensitivity Analysis

The Company assessed the impact of changes in equity risk factors on its solvency ratio through a sensitivity analysis, the results of which are presented in the table below. The impact on 31.12.2021 was calculated using the transitional measures.

Scenario	Change (€ in thousands): Own Capital	Capital Adequacy ratio
Increase of equity prices	40.804	231%
Decrease of equity prices	(40.804)	210%

The scenario of the decrease of the equity prices would result in the reduction of the solvency ratio by 11 percentage points.

Explanation of the Sensitivity Analysis Parameters

The following table shows the parameters based on which the sensitivity analysis set out in the previous paragraph was performed.

Scenario	Value	Explanation
Increase of equity prices	25%	Impact of an increase in equity prices by 25%, excluding holdings in Garanta and Ethniki Insurance Cyprus.
Decrease of equity prices	-25%	Impact of a decrease in equity prices by 25%, excluding holdings in Garanta and Ethniki Insurance Cyprus.

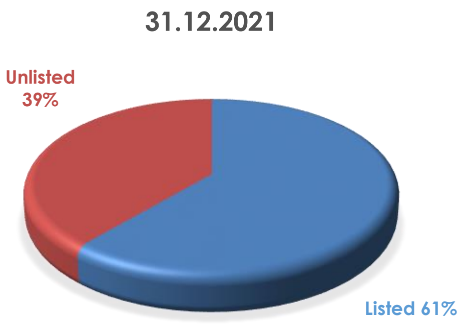
During the sensitivity analysis, in order to determine its overall effect on the solvency ratio, the effect on the Company's own funds was taken into account.

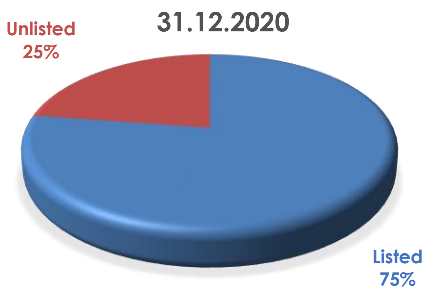
Equity portfolio structure

The Company's investments in equities, excluding placements through UCITS, placements of Unit-Linked portfolios and participations in other companies, amount to €41,2m on 31.12.2021 (€44,2m on 31.12.2020). The majority of the portfolio concerns listed equities which are traded on the Athens Stock Exchange.

The following figures depict the allocation of the equity portfolio on 31.12.2021 and 31.12.2020, between listed and unlisted, by business sector and by geographical area.

Equity Portfolio allocation between listed and unlisted equities



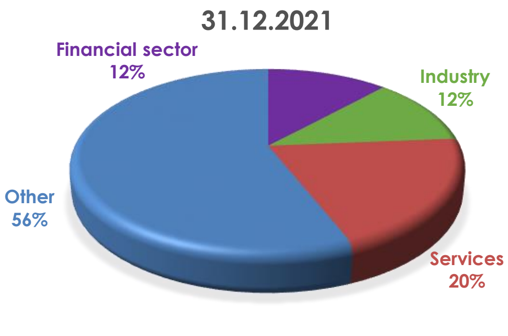


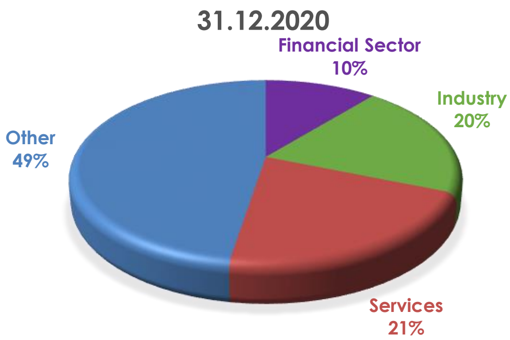
Total exposure: € 41,2m

Total exposure: € 44,2m

As observed above, there was a change in the allocation of the equity portfolio on 31.12.2021, compared to 31.12.2020, with a decrease in the percentage of listed equities. The decrease came mainly from the decrease in the listed equity position by €8,1m in 2021.

Equity Portfolio allocation by business sector



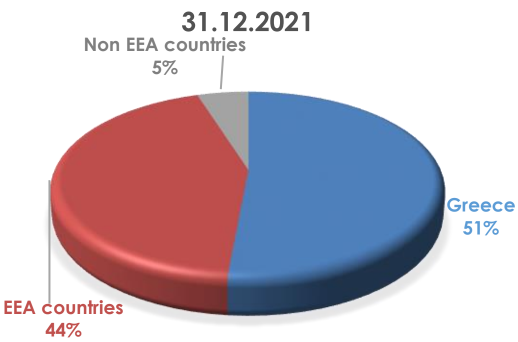


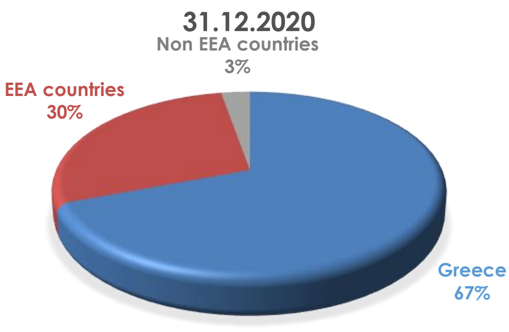
Total exposure: € 41,2m

Total exposure: € 44,2m

As shown in the above figures, the change in the allocation of the portfolio observed on 31.12.2021, compared to 31.12.2020, is mainly due to the increase in the exposure to equities of other sectors of economic activity and the decrease in the exposure to equities of the industrial sector.

Equity Portfolio allocation by Geographical Area





Total exposure: €41,2m

Total exposure: €44,2m

As observed from the above figures, there was a change in the allocation of the equity portfolio on 31.12.2021 compared to 31.12.2020, due to a decrease in the percentage of exposure in Greek equities.

3.2.1.3. Property Risk

Property risk arises from the sensitivity of the value of assets and liabilities to changes in the level or volatility of property market prices.

Property Risk Management

For the management of property risk, the Company has established risk measurement indicators and position limits on property over the total investment portfolio, as well as procedures for monitoring and reporting the undertaken position.

More specifically, the Company's position in property, the allocation of property in geographical areas and purposes of use, as well as the evolution of real estate price indices are monitored.

The Asset – Liability Management Committee and the Risk Management Committee are informed quarterly about the amount of the exposure to property risk and take measures to limit it within the desired level when deemed necessary.

Property Risk Capital Requirement

The Solvency Capital Requirement for property risk is calculated as the reduction in own funds, resulting from the effect of the instantaneous reduction of property value by 25%.

On 31.12.2021, compared to 31.12.2020, the required capital for property risk increased by €1,5m.

Sensitivity Analyses

The Company assessed the impact of changes in property risk factors on its solvency ratio through a sensitivity analysis, the results of which are presented in the table below. The impact on 31.12.2021 was calculated using the transitional measures.

Scenario	Change (€ in thousands): Own Capital	Capital Adequacy ratio
Increase in property value	58.720	236%
Decrease in property value	(58.720)	206%

The scenario of a reduction in property prices by 25% would result in a reduction in the solvency ratio by 15 percentage points.

Explanation of Sensitivity Analyses Parameters

The following table shows the parameters based on which the sensitivity analysis set out in the previous paragraph was performed.

Scenario	Value	Explanation
Increase in property value	25%	Impact of a 25% increase in property prices.
Decrease in property value	-25%	Impact of a 25% reduction in property prices.

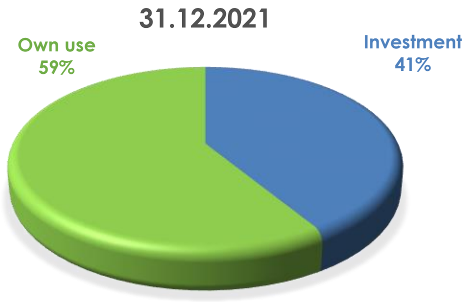
During the sensitivity analysis, in order to determine its overall effect on the solvency ratio, the effect on the Company's own funds was taken into account.

Property portfolio allocation

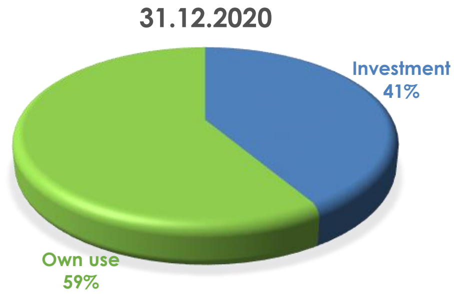
The Company holds real estate property for own-use, as well as investment property. The total fair value of the properties amounted to €232,7m on 31.12.2021 (on 31.12.2019 amounted to €225,5m). The majority of the properties, own-use and investment, are intended for commercial use and are located in the area of Athens. The allocation of Company's property portfolio as at 31.12.2021 does not significantly differ compared to 31.12.2020. The Company on 31.12.2021 did not hold investments in property through UCITS.

The following figures present the structure of the properties on 31.12.2021 and 31.12.2020 based on their purpose of use, category of use and by area.

Property allocation based on purpose of use

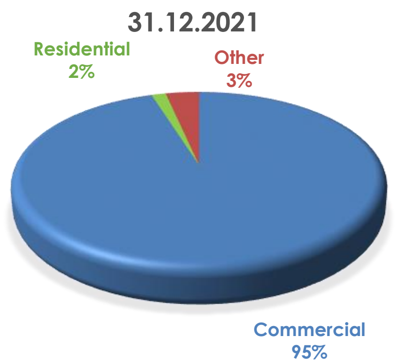


Total exposure: € 232,7m

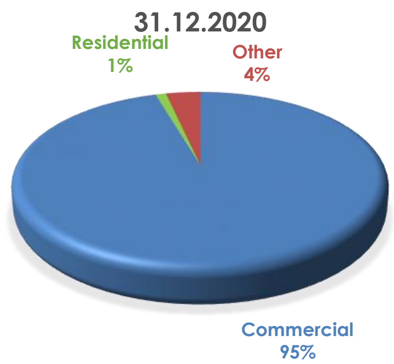


Total exposure: € 225,5m

Property allocation by category of use



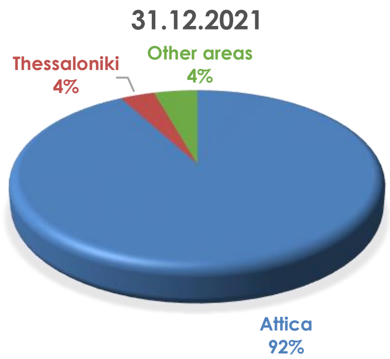
Totak exposure: € 232,7m



Total exposure: € 225,5m

As shown in the above figures, there is no significant change in the allocation of property based on the purpose of use and based on the category of use, between 31.12.2021 and 31.12.2020.

Property allocation by area



Total exposure: € 232,7m

Total exposure: € 225,5m

As observed in the above figures, the property allocation by area remained virtually unchanged on 31.12.2021, compared to 31.12.2020.

3.2.1.4. Spread Risk

Spread risk arises from the sensitivity of the value of assets and liabilities to changes in the level or volatility of credit spreads, in addition to the time structure of risk-free interest rates.

Spread Risk Management

To manage the spread risk, the Company has established risk measurement ratios and position limits on corporate and government bonds; and bond and cash mutual funds, over the total investment portfolio, as well as monitoring and reporting procedures of undertaken positions.

The Assets – Liabilities Management Committee and the Risk Management Committee are informed quarterly about the amount and type of position in bonds and take measures to limit it within the desired level when deemed necessary.

Spread Risk Capital Requirement

The Solvency Capital Requirement for spread risk is calculated as the decrease in own funds resulting from an instantaneous decrease in the value of each bond, loan, or time deposit, which depends on the modified duration of each asset and its credit rating, according to the specifications of the standard formula.

The capital requirement for spread risk amounted to €92,0m as at 31.12.2021, compared to €78,0m as at 31.12.2020.

Sensitivity Analysis

The Company assessed the impact of changes in parameters of spread risk on its solvency ratio, through conducting sensitivity analyses, the results of which are presented in the table below. The impact on 31.12.2021 was calculated using the transitional measures.

Scenarios	Change (€ in thousands): Own Capital	Capital Adequacy ratio
Increase of credit spreads	(113.027)	192%
Decrease of credit spreads	122.439	253%

The scenario of change of risk factors according to the values described above, would result in the reduction of the solvency ratio by 29 percentage points.

Explanation of Sensitivity Analysis Parameters

The following table shows the parameters on the basis on which the sensitivity analysis (listed in the previous paragraph) was performed.

Scenarios	Value	Explanation
Increase of bond credit spreads	+50 bps	Impact of an increase in the credit spreads of all bonds by 50 bps.
Decrease of bond credit spreads	-50 bps	Impact of a decrease in the credit spreads of all bonds by 50 bps.

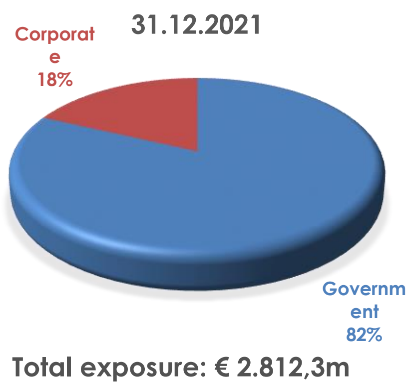
During the sensitivity analysis, in order to determine their overall effect on the solvency ratio, both the effect on the Company's own funds and the solvency capital requirements were taken into account.

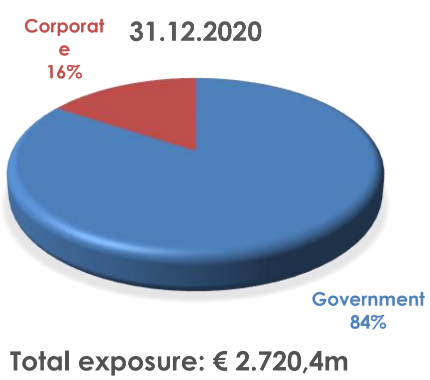
Bonds portfolio allocation

The market value of Company's investments in bonds and T-bills, excluding placements through UCITS and placements in Unit-Linked portfolios, amounted to €2.812,3m on 31.12.2021, including accrued interest (€2.720,4m on 31.12.2020 respectively). The majority of the portfolio concerns government bonds, including these of supranational organizations and T-bills, with a larger position in Greek Government bonds and T-bills (€433,3m T-bills and €672,1m bonds on 31.12.2021). The portfolio, excluding Greek government securities, is mainly positioned in highly rated securities.

The following graphs show the structure of bonds, between government and corporate and by credit rating on 31.12.2021 and 31.12.2020.

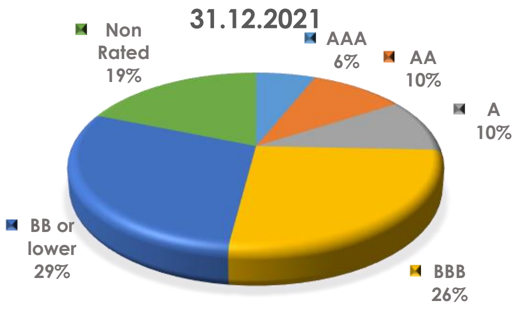
Bond allocation between Government and Corporate

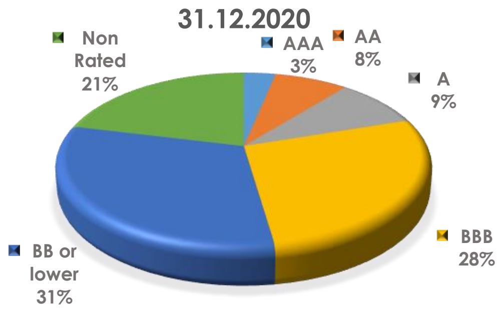




As shown in the above graphs, the bond allocation between government and corporate remained essentially unchanged between 31.12.2021 and 31.12.2020.

Government Bonds Allocation by credit rating

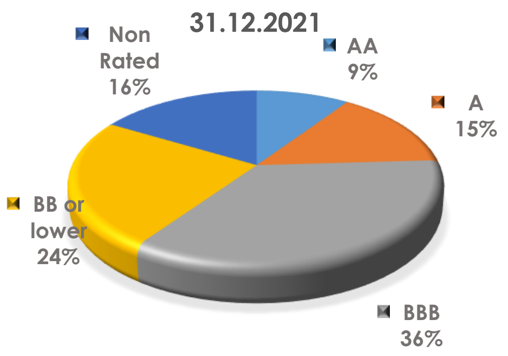


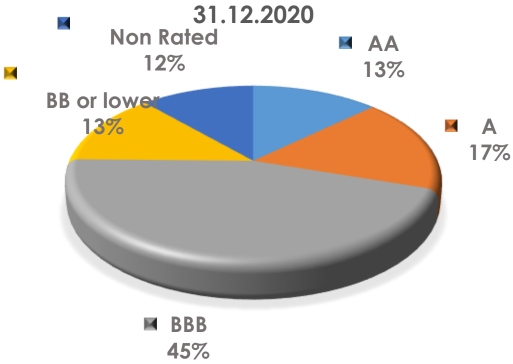


Total exposure: € 2.305,6m **Total exposure: € 2.293,0m**

As observed, on 31.12.2021 there was, compared to 31.12.2020, an increase in highly rated securities, for which contributed the purchases of government bonds with AA rating and above from the placement of the subordinate loan of € 125m in securities issued by the Netherlands, France, ESM, Austria, Finland and Belgium governments. There is also a decrease in bonds with low credit ratings and non-rated ones, mainly due to the reduction of exposure to GGBs and GTBs.

Allocation of Corporate Bonds by credit rating





Total exposure: € 506,7m **Total exposure: € 427,4m**

As observed, on 31.12.2021 there was, in relation to 31.12.2020, mainly an increase of bonds with BB or lower credit rating, as well as non-rated bonds, which comes mainly from bond purchases of Eurobank, Alpha Bank, Prodea Investments, PPC and Motor Oil.

3.2.1.5. Currency Risk

Currency risk arises from the sensitivity of the value of assets and liabilities to changes in the level or volatility of exchange rates.

Currency Risk Management

To manage currency risk, the Company has limited the permitted currencies in which it can invest directly in its investment portfolio and has established a foreign currency exposure limit on the total investment portfolio, as well as monitoring and reporting procedures for each exposure.

More specifically, the net position of the Company in foreign currency and the allocation of the position per currency are monitored.

The Asset – Liability Management Committee and the Risk Management Committee are informed quarterly about the amount of the foreign currency exposure and take measures to limit it within the desired level when deemed necessary.

Currency Risk Capital Requirement

The Solvency Capital Requirement for currency risk is calculated as the decrease in own funds resulting from the effect of an instantaneous change in exchange rates. The Solvency Capital Requirement is the maximum decrease in own funds from: a) a revaluation of the foreign currency against the local currency and b) a devaluation of the foreign currency against the local currency. The instantaneous changes in exchange rates are calculated according to the specifications of the standard method.

The following table presents the Capital Solvency Requirement for foreign exchange risk:

Solvency capital requirement of currency risk submodule (€ in thousands)	31.12.2021	31.12.2020	Difference
Capital impact from the revaluation of foreign currencies	(21.906)	(23.611)	1.705
Capital impact from the devaluation of foreign currencies	21.941	23.613	(1.672)
Solvency capital requirement of currency risk submodule	**21.941**	**23.613**	**(1.672)**

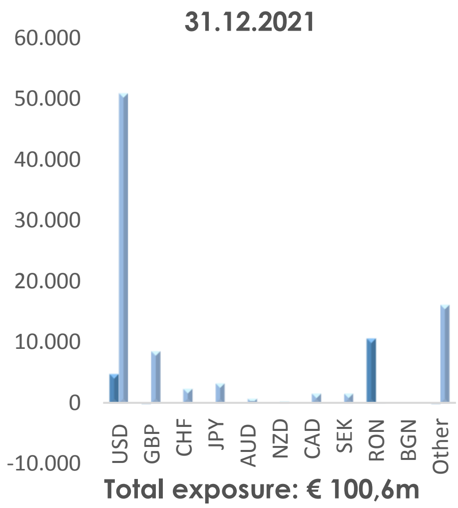
The capital requirement, as observed in the table above, comes from the devaluation scenario of foreign currencies. The decrease of the capital requirement on 31.12.2020 by €1,7m is mainly due to the decrease of the position in foreign currency from the decrease of investments in mutual funds by €12,7m.

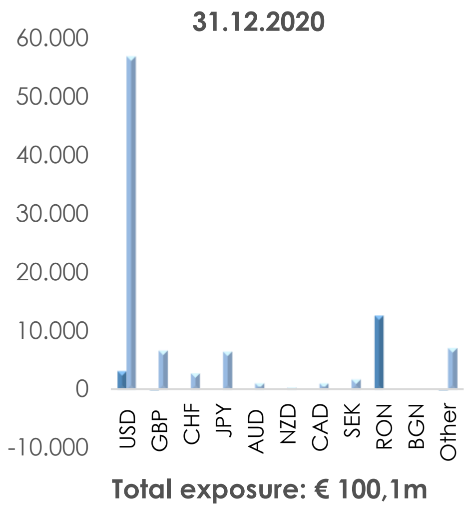
Allocation of the net position per currency

The direct position of the Company in foreign currency is limited. The majority of the total net exposure comes from the Company's investments in UCITS and from the investments of Unit-Linked products. The largest exposure of the Company on 31.12.2021 is registered in US dollars (USD) and comes for the most part from investments in UCITS and from investments of Unit-Linked products. The same goes for the other major exposures, the British pound (GBP) and the Japanese yen (JPY). The exposure in Romanian Leu (RON) comes mainly from the Company's participation in Garanta Asigurari S.A.

The following graphs show the structure of the net exposure per currency on 31.12.2021 and 31.12.2020.

Allocation of the net position per currency





As shown above, the total foreign currency exposure increased slightly on 31.12.2021 compared to 31.12.2020. The largest increase is in the British pound, , and the largest decrease is in the US dollar, mainly due to a decrease in investments in this currency through mutual funds.

3.2.1.6. Market Concentration Risk

The risk of market concentration consists of the additional risks arising either from a lack of diversification in the asset portfolio, or from large exposure to default risk by a single security issuer, or a group of related issuers.

Market Concentration Risk Management

For the management of market concentration risk, the Company has established risk measurement indicators and position limits per issuer of financial instrument / counterparty, over the total of the relevant investment category, as well as procedures for monitoring and reporting the positions undertaken.

More specifically, the Company's property concentrations, as well as its positions per counterparty are monitored, taking into account their credit rating, for issuers of bonds, equity securities and credit institutions in which the Company holds deposits.

The Asset – Liability Management Committee and the Risk Management Committee are informed quarterly about the type and amount of concentrations and take measures to limit them within the desired level when deemed necessary.

Market Concentration Risk Capital Requirement

The Solvency Capital Requirement for market concentration risk is calculated as the decrease in own funds resulting from an instantaneous decrease in the value of assets, corresponding to an exposure to an individual borrower or counterparty and which depends on: a) the amount of the asset exposure, b) the total value of the assets taken into account in the calculation and c) the credit quality rating of the borrower or counterparty, according to the specifications of the standard formula.

There was no Solvency Capital Requirement for the market concentration risk as at 31.12.2021, same as at 31.12.2020.

3.3. Credit Risk

Credit risk is defined as the risk of loss or adverse change in the financial conditions that derive from fluctuations in the credit standing of issuers of financials instruments, as well as from any counterparties and debtors to whom the Company is exposed to. The aforesaid risk appears either as a default risk or as a risk stemming from unsettled or partially settled obligations of the counterparty.

Credit Risk Management

The Company, in order to effectively manage and reduce its exposure to credit risk, takes measures such as:

1. Establishment of time and/or money limits for the payment of premiums, as well as limits on collection rights assigned to intermediaries,
2. Evaluation of the reinsurers before entering into agreements with them and establishment of a minimum limit of their credit rating,
3. Establishment of investment limits that vary according to the credit rating of the counterparties,
4. Acceptance of credit ratings from specific rating agencies for the issuers of financial instruments, as well as for the reinsurers,
5. Evaluation of credit risk under extreme conditions. The results of these tests are used in the revision of policies and of credit risk exposure limits.

3.3.1. Credit Risk Solvency Capital Requirement

The Solvency Capital Requirement for credit risk consists of the capital requirement for type 1 credit exposures and the capital requirement for type 2 credit exposures, according to the specifications of the standard formula.

The following table presents the Solvency Capital Requirement for credit risk:

Credit risk solvency capital requirement (€ in thousands)	31.12.2021	31.12.2020	Difference
Credit risk type 1	23.276	12.109	11.167
Credit risk type 2	8.028	13.959	(5.931)
Credit risk before diversification	**31.304**	**26.068**	**5.236**
Diversification	(1.530)	(1.675)	*145*
Total credit risk solvency capital requirement	**29.774**	**24.393**	**5.381**

The Solvency Capital Requirement for credit risk is increased by €5,4m compared to 31.12.2020.

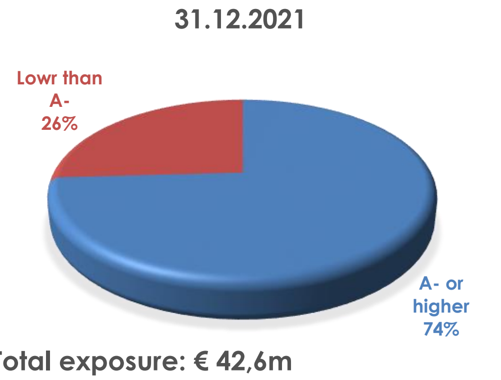
This increase results from the type 1 credit risk, and mainly because of increase in sight deposits.

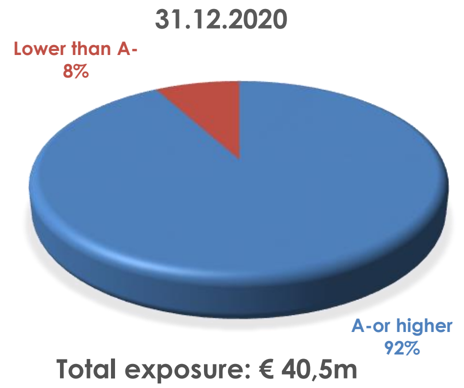
The Company's sight deposits, excluding placements through UCITS and placements of Unit-Linked portfolios, amounted to €26,9m on 31.12.2021 (€10,9m on 31.12.2020). The largest part of the deposits are placed in Greek banking institutions and mainly in NBG, whose credit rating was lower than BBB.

Exposure analysis

The following graphs show the structure of net reinsurance recoverables per credit rating, the allocation of receivables, other than recoverables from reinsurers, by time due and the allocation of sight deposits per credit rating of banking institutions.

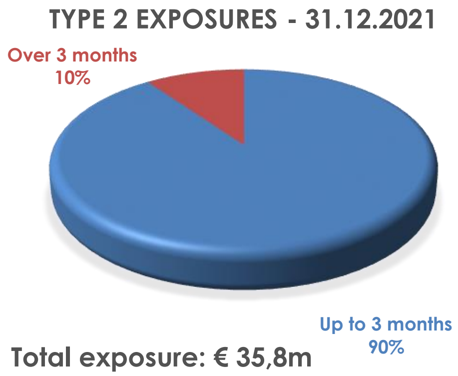
Allocation of net[7] reinsurance recoverables by credit rating

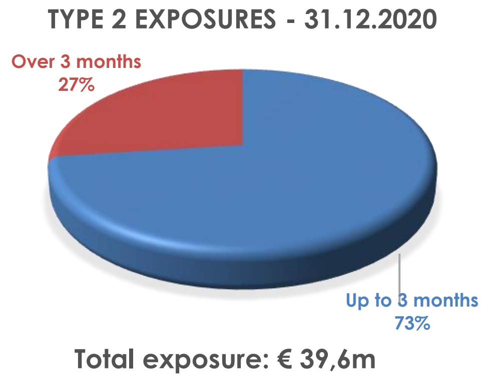




As observed above, the allocation of receivables between reinsurers of credit rating A- and higher and those with a rating lower than A-, appears to have changed at at 31.12.2021 compared to 31.12.2020.

Allocation of Type 2 receivables by time due

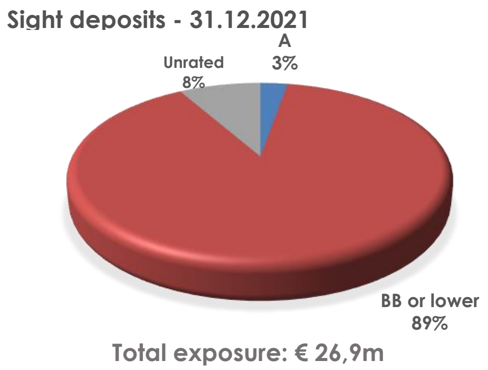


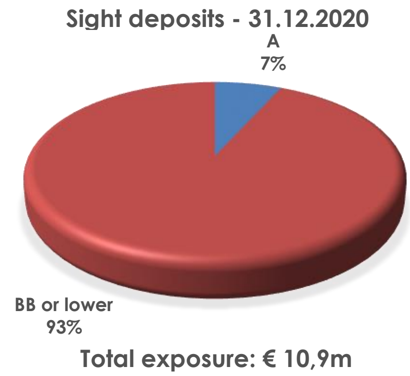


As observed above, on 31.12.2021 there was, compared to 31.12.2020, a decrease in the percentage of receivables over 3 months (10% on 31.12.2021 compared to 27% on 31.12.2020), while the receivables up to 3 months increased, in absolute terms by €3,4m.

Allocation of sight deposits in banking institutions per credit rating

[7] net: *(recoverables) – (liabilities)*





As observed, on 31.12.2021, compared to 31.12.2020, the allocation of sight deposits between banks with a credit rating of BB or lower and those with a higher credit rating, did not change significantly.

3.4. Liquidity Risk

Liquidity risk is defined as the risk for profits and capital that derives from the Company's inability to meet its obligations, when these become due, or it meets them at non-reasonable cost.

Liquidity Risk Management

The Company in order to effectively manage the liquidity risk takes measures briefly such as:

1. Establishment of minimum limits of cash and cash equivalents that permit the smooth operation of the company under normal conditions,
2. Analysis on a continuous basis of the short term cash requirements and whether such requirements can be met,
3. Monitoring of the time structure of cash flows from insurance liabilities and from the assets intended to cover these liabilities,
4. Placements in highly liquid financial instruments ,
5. Development of plans for confronting extreme liquidity situations.

The amount of the Company's disposable assets (cash and sight deposits) as at 31.12.2021 amounted to €26,9m (€10,9m as at 31.12.2020) and most of them related to deposits in NBG.

Exposure analysis

The tables below present the maturity of financial assets and liabilities, according to their contractual cash flows and including those relating to Unit–Linked products, for 2021 and 2020.

Maturity of assets and liabilities for 31.12.2021

31.12.2021 (€ in thousands)	Up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Assets	636.962	170.758	687.264	2.608.705	**4.103.689**
Liabilities	516.144	218.410	412.270	1.896.371	**3.043.195**
Balance	**120.818**	**(47.652)**	**274.994**	**712.334**	**1.060.494**

Maturity of assets and liabilities for 31.12.2020

31.12.2020 (€ in thousands)	Up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Assets	629.526	36.550	680.681	2.561.122	**3.907.879**
Liabilities	444.173	205.479	388.281	1.784.349	**2.822.282**
Balance	**185.353**	**(168.929)**	**292.400**	**776.773**	**1.085.597**

The largest part of the assets, as at 31.12.2021, concern securities traded in regulated markets. The largest placement concerns Greek Government securities, of which €433,3m were in GTB.

The current liabilities (up to 1 year) are covered by respective assets on 31.12.2021 (same on 31.12.2020). Cumulatively, the Company shows a surplus in both fiscal years, therefore the deficit of the second year will be covered by the surplus of the first year.

3.5. Operational Risk

Operational risk is defined as the risk of loss arising from deficiencies and from inadequacies of internal procedures, IT and other operational systems, from human resources, or from external factors.

Operational Risk Management

The operational risk management aims at reducing or eliminating its causes, as well as the potential or actual consequences in case that risk events emerge. For this reason, procedures and methodologies are developed that aim to identify, evaluate, measure, manage and document the risk according to the set risk appetite limits.

The following standardization adopted in the operational risk categorization (7 categories) identifies and clarifies its scope, while at the same time forms a common language of communication and culture in terms of risk:

Categories of Operational Risk	Category Description
Internal Fraud	Losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy, excluding diversity/ discrimination events, which involves at least one internal party.
External Fraud	Losses due to acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party.
Employment Practices and Workplace Safety	Losses arising from acts inconsistent with employment, health or safety laws or agreements, from payment of personal injury claims, or from diversity / discrimination events.
Clients, Products & Business Practices	Losses arising from an unintentional or negligent failure to meet a professional obligation to specific clients (including fiduciary and suitability requirements), or from the nature or design of a product.
Damage to Physical Assets	Losses arising from loss or damage to physical assets from natural disaster or other events.
Business Disruption and System Failures	Losses arising from disruption of business or system failures.
Execution, Delivery & Process Management	Losses from failed transaction processing or process management, from relations with trade counterparties and vendors.

Management procedures of Operational Risk

In addition to the management model of the three lines of defense followed by the Company, recognizing the roles and responsibilities of business entities in risk management, individual roles are assigned during the implementation of operational risk management procedures.

Specifically:

An “operational risk assessment exercise” is conducted annually, where every Unit of the Company identifies the major risks that may obscure its operation, and consequently prevent the achievement of their business objectives. The activities and procedures model are assessed as a whole and the identified risks are classified according to their significance, by examining both their qualitative and quantitative characteristics. After the evaluation of the existing internal controls framework and at a minimum for the risks with medium significance and above, action plans are prepared for their mitigation, aiming at restoring the control environment within the acceptable limits. All action plans are monitored on a monthly basis in terms of the progress of their implementation actions, emphasizing on the already overdue and those where the completion dates are approaching. At the same time, high significance risks have been quantified, where possible, in order to monitor them through the establishment of key indicators.

According to the planning for the development of new or modification of existing products, a special, on a case-by-case basis, evaluation is carried out to identify existing risks that may worsen, as well as emerging ones arising from the nature and characteristics of the product examined. Actions to mitigate the identified risks are decided and implemented, taking into account the desired launch date and the required implementation timeline.

The operational risk incidents are collected, even those with zero financial or qualitative effect, in order to enable the Company to concentrate the maximum potential experience on a continuous basis. Beyond their recording, the definition of the causes but mainly of the corrective actions for each incident, as well as those elements that will prevent its reoccurrence, are the main goal of the procedure.

The Company recognizing the critical situation that developed after the emergence and evolution of the new coronavirus (Covid-19) pandemic, and having as its main concern the assurance of the health of both its employees and customers, as well as the uninterrupted and smooth operation, proceeded to:

1. Carried out an "exercise" for the identification and evaluation of emerging risks on the new and modified procedures, as these were formed in the context of the Company's adaptation to the new conditions and requirements due to the pandemic.
2. Conducted an ORSA exercise of the Company, by examining two operational risk scenarios related to the pandemic. The first scenario concerned the effect of the human factor on the Company's results in a possible wide spread of the coronavirus to the Company employees and the second possible loss of corporate information after a cyber-attack and intruders' access to the Company's systems due to remote work settings. For each scenario, the necessary administrative actions to prevent the occurrence of risk were defined.

3.5.1. Operational Risk Solvency Capital Requirement

The Solvency Capital Requirement for operational risk on 31.12.2021 amounts to €25,7m, increased by €1,0m compared to 31.12.2020.

3.6. Other Significant Risks

3.6.1. Asset – Liability Mismatch Risk

Asset – liability mismatch risk is defined as the risk for profits and capital that derives from the structure of assets and liabilities, as well as from off-balance sheet items. The mismatch may concern the maturity of the items, the interest rates, the repricing frequency, the currencies, as well as the levels and the time structure of the cash flows.

Asset – Liability Mismatch Risk Management

The Company in order to effectively manage the asset – liability mismatch risk take measures such as:

1. Establishment of limits for preserving the exposure in risks within the approved levels,
2. Principles and monitoring procedures of the assets, liabilities and of the off-balance sheet items, in order to avoid or mitigate unintended mismatches, according to the business strategy and the acceptable risk limits,
3. The existence of adequate systems and procedures for the identification of every source of substantial asset – liability mismatch risk, for monitoring, evaluation (measurement) and reporting of the risks undertaken, as well as the initiation of corrective actions when necessary,
4. Assessment of the relationship among assets and liabilities under extreme conditions. The results of the test are taken into account in the establishment or revision of policies and of acceptable asset – liability mismatch limits.

3.6.2. Concentration Risk

Concentration risk is defined as the risk for profits and capital that derives from the low dispersion, thus the concentration of assets or insurance liabilities in individual items of assets or liabilities, such as: financial sector, business sector, geographical area, counterparty or group of connected counterparties, etc.

Concentration Risk Management

Concentration risk is monitored and managed through the individual risk management policies, acknowledging that this specific risk increases the exposure levels of the various identified risks, like the market risk, the insurance risk, the credit risk, the operational risk, etc.

3.6.3. Reputation Risk

Reputation risk is defined as the risk for profits or capital that arises from the formation of a negative public perception for the Group among its clients, counterparties, shareholders, investors or supervisory authorities.

Reputation Risk Management

The Company in order to effectively manage the potential reputation risk, but also to retain and reinforce its reputation as a creditworthy and socially responsible insurer, sets up a number of internal activities which are summarized in the following:

1. Develops insurance products characterized by clarity and transparency and adopts appropriate business practices for their promotion with professionalism, based on the provisions of the respective regulatory framework.

2. Specially examines the reputation risk in the applied by it operational and compliance risk framework.
3. Applies a wide modern system of handling claims, complaints and requests of its clients as well as of its partners.
4. Maintains a set of ethics and conduct regulations that ensure the acknowledgement / acceptance from all involved parties of both the required standards, as well as of the consequences of any breaches.

3.6.4. Climate change

Climate change refers to long-term changes in temperatures and weather patterns. These changes are mainly the result of human activities due to the burning of fossil fuels such as coal, oil and gas. The consequences of climate change include severe droughts, water scarcity, severe fires, rising sea levels, floods, melting polar ice caps, catastrophic storms and biodiversity loss. The risks associated with climate change are:

- Natural risks: The risks arising from the effects of natural phenomena and include:
  - Severe natural risks: risks arising from specific phenomena, and in particular weather phenomena, such as thunderstorms, floods, fires or heat waves.
  - Chronic natural risks: the risks arising from long-term climate change, such as changes in temperature, rising sea levels, shortages of drinking water, losses in biodiversity, changes in land productivity.
- Transition risks: The risks arising from the transition to low carbon and climate stabilization economies.

The Company monitors and evaluates the above risks in the context of the Own Risk and Solvency Assessment.

3.6.5. Basic strategic risks

The main strategic risks that affect the Company's activities are those risks arising from the unstable financial and generally business environment (macroeconomic risks at European and Greek level, which is worsened due to the pandemic and its effects.

The fiscal year 2022, especially the first half, is expected to be significantly affected by the ongoing coronavirus pandemic and the geopolitical instability. Especially for the pandemic, te extent of the impact will depend a great deal on the effectiveness of the measures taken at national, European and global level, as well as the course and effectiveness of vaccinations. The geopolitical instability can influence the economies of countries individually or in general. However, as these are constantly changing conditions, their real impact on the Economy and the Company cannot be accurately assessed.

The Company, considering the above, has generally proceeded in the following actions:

i. Conducting sensitivity analyses and reverse stress tests for most significant risks,
ii. Estimation of the capital requirements deriving from the above stress tests and of the coverage capability during the Company's business plan. Taking of corrective actions where necessary.

3.7. Other information

3.7.1. Future estimates

According to the results of the own risk assessment conducted in 2021, the Company's Solvency Capital Requirement ratio for 2022 is expected to increase compared to 2021. However, the ongoing coronavirus pandemic that affects Greece and Europe in general creates uncertainty as the definite end time of the pandemic is not determined exactly and its effects on the global economy have not been fully experienced.

The Company constantly evaluates these developments and takes measures, both to safeguard the health of the staff, the policyholders and other counterparties, as well as to ensure its solvency.

3.7.2. Risk Profile Monitoring

In order to ensure the effective monitoring of the Company's risk profile, the solvency capital requirements are calculated quarterly and are reviewed from the Board Risk Committee and the Board of Directors. The Company's investment portfolio is regularly monitored and the Management is informed accordingly.

The Board Risk Committee and the Board of Directors monitor the profile of the risks undertaken, in relation with the risk appetite, through regular reports of Risk Management function, and corrective actions are taken when necessary.

3.7.3. Reinsurance Policy

The Company, aiming at reducing the insurance risk for the period of its business plan, enters into reinsurance agreements with appropriate and creditworthy reinsurers (credit rating of at least A-, from the international rating agencies S&P's, Moody's, Fitch and A.M. Best).

The type of reinsurance contracts varies according to the risk profile, the portfolio size, the level of own retention, the underwriting cost and the terms of cover.

The Company has set up a Reinsurance Committee, whose members are the Deputy Chief Financial Officer and the heads of the Reinsurance, Financial, Legal, Actuarial and Risk Management departments. The purpose of the Committee is to design and implement the Company's strategy and policy for the management of treaty reinsurance operations, following the Risk Management Committee directives and taking into account the current market conditions and the defined risk limits.

In 2021, the Company maintained the Reinsurance Policy of 2020 without significant changes in its structure.

The mitigation technique of the insurance risk through reinsurance is applied to both non-life insurance and life insurance with proportional and non-proportional contracts.

Risks that exceed the limits of the contracts, are either excluded from their terms, or optionally reinsured.

For fire business and especially for the risk of accumulation in case of damage from catastrophic events (e.g. earthquake or other natural phenomenon), an excess of loss contract has been agreed per event.

For individual and group life business, the risk of death, disability, serious illness, payment protection indemnity, and credit card insurance through proportional and non-proportional contracts are reinsured.

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4. Valuation for Solvency Purposes

The Company values assets and liabilities and estimates technical provisions in accordance with Chapter VI, section 1 and 2 of Greek Law 4364/2016, Chapter VI, section 1 and 2 of Directive 2009/138/EC of the European Parliament and of the Council and Chapter III OF European Commission Delegated Regulation 2015/35 of 10 October 2014.

In the table below the Company's Financial Statements are presented in accordance with IFRS and Solvency II directive along with the relative reclassifications and adjustments which are analyzed in the context of presenting the necessary information regarding the valuation method.

Balance Sheet 31.12.2021 (€ in thousands)	Note	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Assets					
Intangible assets	4.1.1	10.221	-	(10.221)	-
Deferred acquisition costs	4.1.2	41.790	(44.804)	3.014	-
Deferred tax assets	4.1.3	14.830	-	127.761	142.591
Property, plant & equipment held for own use	4.1.4	111.373	6.757	23.604	141.734
Investments (other than assets held for index-linked and unit-linked contracts)		3.325.969	77.777	51.092	3.454.839
Property (other than for own use)	4.1.5	77.959	1.070	16.544	95.572
Holdings in related undertakings, including participations	4.1.6	12.231	-	22.716	34.947
Equities	4.1.7	41.177	-	-	41.177
Equities - listed		25.238	-	-	25.238
Equities - unlisted		15.939	-	-	15.939
Bonds	4.1.8	2.772.305	28.182	11.833	2.812.320
Government Bonds		2.270.239	23.515	11.833	2.305.587
Corporate Bonds		502.066	4.667	-	506.733
Collective Investments Undertakings	4.1.9	422.177	-	-	422.177
Derivatives	4.1.10	119	-	-	119
Deposits other than cash equivalents	4.1.11	-	48.525	-	48.525
Assets held for index-linked and unit-linked contracts	4.1.12	577.037	-	-	577.037
Loans and Mortgages	4.1.13	14.856	-	-	14.856
Reinsurance recoverables:	4.1.14	70.267	10.824	(18.525)	62.566
Non-life and health similar to non-life		66.163	10.824	(16.540)	60.447
Non-life excluding health	4.1.14	64.423	10.824	(16.525)	58.722
Health similar to non-life	4.1.14	1.740	-	(16)	1.724
Life excluding health and index-linked and unit-linked	4.1.14	4.104	-	(1.985)	2.120
Deposits to cedants	4.1.15	-	1.535	-	1.535
Insurance and intermediaries receivables	4.1.16	44.261	(9.322)	-	34.939
Reinsurance receivables	4.1.15	3.572	415	-	3.987
Receivables (trade, not insurance)	4.1.17	11.023	-	-	11.023
Cash and cash equivalents	4.1.18	75.393	(48.493)	-	26.900
Any other assets, not elsewhere shown	4.1.19	37.540	(36.042)	-	1.499
Total Assets		**4.338.132**	**(41.353)**	**176.726**	**4.473.505**

Balance Sheet 31.12.2021 (€ in thousands)	Note	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Liabilities					
Technical provisions – non-life	4.2	497.670	(17.030)	(16.851)	463.788
Technical provisions – non-life (excluding health)	4.2	387.802	(13.064)	(36.477)	338.261
Technical Provisions calculated as a whole		-	-	-	-
Best Estimate					310.660
Risk margin					27.601
Technical provisions - health (similar to non-life)	4.2	109.868	(3.967)	19.626	125.527
Technical Provisions calculated as a whole					-
Best Estimate					105.284
Risk margin					20.243
Technical provisions - life (excluding index-linked and unit-linked)	4.2	1.588.382	(34.289)	589.945	2.144.037
Technical provisions - health (similar to life)	4.2	22.664	(7.941)	184.011	198.734
Technical Provisions calculated as a whole					-
Best Estimate					136.027
Risk margin					62.707
Technical provisions – life (excluding health and index-linked and unit-linked)	4.2	1.565.717	(26.349)	405.934	1.945.303
Technical Provisions calculated as a whole					-
Best Estimate					1.862.846
Risk margin					82.457
Technical provisions – index-linked and unit-linked		639.929	-	33.888	673.817
Technical Provisions calculated as a whole					-
Best Estimate					667.119
Risk margin					6.698
Other technical provisions	4.2	46.622	(46.622)	-	-
Contingent liabilities	4.3.1				-
Provisions other than technical provisions		-	-	-	-
Pension benefit obligations	4.3.2	98.204	-	-	98.204
Deposits from reinsurers	4.3.3	-	10.023	-	10.023
Deferred tax liabilities		-	-	-	-
Derivatives		-	-	-	-
Liabilities to credit institutions	4.3.4	2.153	-	-	2.153
Financial liabilities other than liabilities to credit institutions		-	-	-	-
Insurance & intermediaries payables	4.3.5	20.413	-	-	20.413
Reinsurance payables	4.3.6	24.441	(56)	-	24.385
Payables (trade, not insurance)	4.3.7	8.935	-	-	8.935
Subordinated liabilities	4.3.8	175.000	-	-	175.000
Subordinated liabilities not in Basic Own Funds		175.000	(175.000)	-	-
Subordinated liabilities in Basic Own Funds		-	175.000	-	175.000
Any other liabilities, not elsewhere shown	4.3.9	45.228	46.622	-	91.851
Total liabilities		**3.146.978**	**(41.353)**	**606.981**	**3.712.607**
Excess of assets over liabilities		**1.191.154**	**-**	**(430.256)**	**760.898**

For assets and liabilities which are measured at fair value in accordance with International Accounting Reporting Standards ("IFRS"), no further adjustments are performed. The remaining assets and liabilities, are adjusted at fair value. Technical provisions are measured in accordance with the valuation rules of technical provisions.

The Company did not make any changes or adjustments to the valuation methods used, compared to the previous reporting year apart from the below:

An agenda decision was published in May 2021 by the IFRS Interpretations Committee (IFRIC) in relation to IAS 19 "employee benefits".

This agenda decision includes material explaining how the applicable principles and requirements in IFRS Standards apply on attributing benefits to periods of service on a specific fact pattern of a defined benefit plan.

Based on the decision is considered that the employee establishes the right to retirement during the last 16 years of his working life, therefore the compensation due to retirement is formed during the last 16 years of the working life of the employee.

4.1. Assets

4.1.1. Intangible Assets

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Intangible assets	10.221	-	(10.221)	-

According to Financial Statements, intangible assets are measured at net carrying amount (depreciation method on a straight-line basis over their estimated useful lives), and amounting to €10,2m, whereas according to Solvency II they are not recognized, as they cannot be evaluated separately, as there is no price in active markets for these or similar intangible assets.

4.1.2. Deferred acquisition costs

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deferred acquisition costs	41.790	(44.804)	3.014	-

Acquisition costs are capitalized and amortised over the duration of the subsequent insurance policy. According to Financial Statements, Deferred acquisition costs amount to €41,8m whereas in Solvency II, are included in the calculation of technical provisions. The reclassification of (€44,8)m refers to the total future acquisition costs and the adjustment of €3,0m refers to the acquisition costs of the pre-issued life contracts (hospital and riders) which are reversed from the total costs.

4.1.3. Deferred tax assets

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deferred tax assets	14.830	-	127.761	142.591

Deferred tax asset in the financial statements amounts to €14,8m, and is calculated based on the temporary differences between the values of the assets and liabilities based on IFRS and the balances calculated under the existing tax regime.

The same accounting treatment has been applied in Solvency II, where Deferred tax is calculated based on the differences between the values of the assets and liabilities based on Solvency II valuation and the balances calculated under the existing tax regime.

The documentation of the recoverability of the deferred tax asset is based on Company's business plan.

4.1.4. Property, plant & equipment held for own use

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Property, plant & equipment held for own use	111.373	6.757	23.604	141.734

Property held for own use consists of land, buildings, vehicles and equipment, as well as assets under construction which are measured at book values, in the financial statements, acquisition cost less accumulated depreciation and impairment.

Moreover, the book value of €1,0m of the right-of-use assets and vehicles (IFRS 16) is included.

The book value of property held for own use amounts to €111,4m and is revaluated at fair value by €23,6m to €141,7m in the Solvency II balance sheet.

The reclassification of €6,8m concerns the book value of assets held for sale.

The fair value of land and buildings was determined by independent authorized appraisers as at 31.12.2021 with reference date of 31.12.2021.

The rest categories of tangible assets (plant and equipment) for Solvency II purposes, are measured at book values (acquisition cost less accumulated depreciation) as they reflect the best estimate of their market value.

4.1.5. Property – other than own use

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Property-other than for own use	77.959	1.070	16.544	95.572

According to the financial statements, investment property is measured at book value. Investment property's book value amounts to €78,0m and is revaluated to fair value by €16,6m to €95,6m.

The reclassification of €1,1m concerns the book value of assets held for sale.

The fair value of land and buildings was determined by independent authorized appraisers as at 31.12.2021 with reference date of 31.12.2021.

4.1.6. Holdings in related undertakings, including participations

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Holdings in related undertakings, including participations	12.231	-	22.716	34.947

Holdings include investments in related undertakings by the Group amounting to €12,2m in the financial statements of the Group (on an individual basis) i.e. at cost less any impairments, and are revaluated by €22,7m in order to reach €35,0m, i.e. their Solvency II value.

The value of the participation, regarding the subsidiaries in Cyprus and Romania, is measured as the share held by the Company in their Solvency II eligible own funds.

4.1.7. Equities

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Equities – Listed	25.238	-	-	25.238
Equities – Unlisted	15.939	-	-	15.939
Total	**41.177**	**-**	**-**	**41.177**

According to IFRS, equities in the balance sheet are measured at fair value and thus no adjustment is required based on Solvency II, in relation to the Company' financial statements.

It should be noted that the Company owns equities listed on the Athens stock exchange, as well as unlisted equities. Listed equities are valued based on closing market prices.

Unlisted equities relate to investments in "Private Equity Funds" and are valued based on the level of participation of the Company in Equity fund. The method of valuation of private equity funds is based on the principles of international auditing standards and is accompanied by a Statutory Auditor Certificate.

4.1.8. Bonds

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Government bonds	2.270.239	23.515	11.833	2.305.587
Corporate bonds	502.066	4.667	-	506.733
Total	**2.772.305**	**28.182**	**11.833**	**2.812.320**

All bonds are measured at fair value. Their valuation method is disclosed below and varies according to the level in which they are categorized:

a. Level 1: Are valued according to the quoted price in an active market

b. Level 2: Are valued according to:

   i. quoted price for similar assets or liabilities in an active market;

   ii. quoted price for same assets in markets considered inactive; and

   iii. observable data other than quoted prices ex. Interest rates and yield curves;

c. Level 3: Are valued based on models whose parameters include prices which do not result from directly observable market data. The valuation of these bonds is carried out as follows:

   i. based on the interest rate swap curve of euro, the corresponding zero-coupon yield curve is calculated and subsequently the corresponding future flows curve,

   ii. based on historical data, volatility of interest rates and fixed interest rates of each issue, the cash flows of each security are calculated until maturity date.

The aforementioned cash flows are discounted using the zero-coupon yield curve, plus the credit margin of the issuer which corresponds to the period until the maturity of the security. The sum of the discounted cash flows is the fair value of the security.

Government Bonds

Government Bonds include bonds which are classified as follows in the financial statements of the Company:

a. "Loans and receivables" amounting to €41,0m, which based on the IFRS are measured at book value and are re-adjusted (increasing) for Solvency II purposes by €11,8m, in order to be measured at fair value.

b. "Available-for-sale securities" amounting to €2.229,2m which based on IFRS are measured at fair value. For Solvency II purposes, they do not require any additional re-adjustment.

The re-classification of the amount of €23,5m relates to the transfer of accrued interests from "Other assets" to the Government bonds.

Corporate Bonds

Corporate Bonds include bonds which are classified in the financial statements of the Company as follows:

a. "Available-for-sale securities" amounting to €502,1m which according to IFRS are measured at fair value and need no further re-adjustment for Solvency II purposes.

The reclassification of the amount of €4,7m relates to the transfer of the accrued interest from "Other Assets" to the corporate bonds as shown in the table below.

(€ in thousands)	Government Bonds	Corporate Bonds	Any other assets, not elsewhere shown
Reclassification 1	23.515	-	(23.515)
Reclassification 2	-	4.667	(4.667)
Total	**23.515**	**4.667**	**(28.182)**

4.1.9. Collective investment undertakings

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Collective Investments Undertakings	422.177	-	-	422.177

Investments in mutual funds are measured, for IFRS purposes, as well as for Solvency II at fair value and as a result no further adjustment is required from IFRS.

4.1.10. Derivatives

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Derivatives	119	-	-	119

In the balance sheet according to IFRS, derivatives are measured at fair value and so no further adjustment is required from IFRS.

The Company owns warrants of Greek Government Bonds that resulted from PSI, and were valued at fair value based on their market value.

4.1.11. Deposits other than cash equivalents

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deposits other than cash equivalents	-	48.525	-	48.525

The Company has time deposits amounting to €48,5m in NBG as well as in other Greek banks, with duration of up to three months as at 31.12.2021. Deposits are measured at cost which reflects the best estimate of their market value.

Due to their short duration, time deposits are classified as cash equivalents for IFRS purposes, whereas for balance sheet purposes, according to Solvency II, they are to be classified as "deposits", other than cash equivalents.

The reclassification of €33 thousand relates to the transfer of accrued interest from "other assets" to "time deposits".

4.1.12. Assets held for Unit-Linked contracts

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Assets held for Unit-Linked contracts	577.037	-	-	577.037

According to IFRS, assets held for Unit-Linked contracts are measured at fair value and thus no further adjustment is required, from IFRS.

4.1.13. Loans and Mortgages

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Loans and mortgages	14.856	-	-	14.856

Mortgage and consumer loans to employees, agents and life policy holders, are measured at amortised cost which reflects the best estimate of their market value.

4.1.14. Reinsurance Recoverables

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Non-life and Health (similar to non-life)	**66.163**	**10.824**	**(16.540)**	**60.447**
Non-life excluding health	64.423	10.824	(16.525)	58.722
Health similar to non-life	1.740	-	(16)	1.724
Life excluding health and Unit-Linked	**4.104**	**-**	**(1.985)**	**2.120**
Total	**70.267**	**10.824**	**(18.525)**	**62.566**

For financial presentation purposes of the Group, reinsurance recoverables and receivables corresponding to the same contracting party (offset) and shall be calculated according to the law.

For Solvency II purposes, debit and credit balances are separated, resulting in a reclassification of €10,8m, broken down as follows:

a. €10,0m in the deposits from reinsurers which in the Solvency II balance sheet is classified as "liabilities", in the "Deposits from Reinsurers" fund.
b. €0,8m, which corresponds to the reserves of optional reinsurance undertaking of non-life insurance which in the financial statements of the Group are included in the reinsurers receivables, whereas in the balance sheet they are included in the best estimate of technical reserves, according to Solvency II.

Adjustments in relation to the financial statements result in the calculation or the best estimation of reserves.

4.1.15. Reinsurance receivables and deposits to cedants

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deposits to cedants	-	1.535	-	1.535
Reinsurance receivables	3.572	415	-	3.987
Total	**3.572**	**1.949**	**-**	**5.521**

Deposits to cedants is linked to reinsurers' reserves in the Company's share, which is conventionally deducted from reinsurers and are valued according to the terms of the reinsurance contract. Thus, no re-adjustment is made based on IFRS in the financial statements of the Group. The reclassification of €2,0m is broken down as follows:

a. €1,5m, it regards the transfer of the reinsurers' share from line "Insurance and Intermediaries Receivables" to that of "Deposits to Cedants".

b. €0,5m regards the transfer of the fund "Reinsurance Receivables" to that of "Insurance and Intermediaries Receivables"

Reinsurance receivables are also measured at cost as the best estimate of their fair value.

4.1.16. Insurance and intermediaries receivables

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Insurance and intermediaries receivables	44.261	(9.322)	-	34.939

Insurance and Intermediaries receivables, which also include reinsurance receivables, are a part in the financial statements of the Company and are valued according to the assessment of the collectability of the relevant amounts. An assessment of the premium receivables is conducted based on the based on the aging of the balances, in an individual as well as in a group basis.

In the balance sheet, according to Solvency II, the reclassifications of €9,3 m are broken down as follows:

a. €8,7m, relates to the reversal of provisions for recoverable losses, which are included in the best estimate of technical provisions in the balance sheet, according to Solvency II;

β. Sum of €0,03m, relates to losses that are settled out but without issuing a receipt, which for reasons of presentation of the financial statements they are offset against the insurance reserves;

γ. €1,5m, relating to the reserves of the conventional reinsurance withdrawals which in the financial statements of the Company are included in the balances from reinsurance activities (item "Recoverable amounts from Reinsurance"), while in the balance sheet according to Solvency II are included in the best estimate of technical reserves;

δ. (€0,9)m relates to reinsurance receivables that for Solvency II reasons, it is reclassified and presented seperately in the fund "reinsurance receivables".

4.1.17. Receivables (trade, not insurance)

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Receivables (trade, not insurance)	11.023	-	-	11.023

In the above line item are included receivables, which are not related to insurance activity of the Company.

For IFRS, as well as for Solvency II purposes, they are measured at cost as a best estimate of their fair value, and thus no adjustments shall be made.

4.1.18. Cash and cash equivalents

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Cash and cash equivalents	75.393	(48.493)	-	26.900

In the budget line above for IFRS reasons, cash equivalents are included, demand deposits, as well as time deposits up to three months long.

For Solvency II purposes the budget line above includes cash equivalents and demand deposits only, whereas time deposits are reclassified in the budget line "Deposits other than Cash equivalents".

4.1.19. Any other assets, not elsewhere shown

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Any other assets, not elsewhere shown	37.540	(36.042)	-	1.499

Other assets are measured at cost, which approximates fair value, and include, according to the financial statements the main withholding income taxes and accrued interest of the investment portfolio. The reclassification of €28,2m regards the transfer, for Solvency II purposes, of the accrued interest to the assets from which they result, as mentioned above, and is broken down as follows:

(€ in thousands)	
Government Bonds	23.515
Corporate Bonds	4.667
Sight Deposits	33
Total	**28.215**

The remaining amount of the reclassification amounting to €7,8m regards property reform destined for sale, from "Any other asset, not elsewhere shown" to "Property, plant & equipment held for own use".

4.2. Technical Provisions

(€ in thousand)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Technical provisions – Non-Life	**497.670**	**(17.030)**	**(16.851)**	**463.788**
Technical provisions – non-life (excluding health)	**387.802**	**(13.064)**	**(36.477)**	**338.261**
Best Estimate	-	-	-	310.660
Risk margin	-	-	-	27.601
Technical provisions - health (similar to non-life)	**109.868**	**(3.967)**	**19.626**	**125.527**
Best Estimate	-	-	-	105.284
Risk margin	-	-	-	20.243
Technical provisions - Life (excluding Unit-Linked)	**1.588.382**	**(34.289)**	**589.945**	**2.144.037**
Technical provisions - health (similar to life)	**22.664**	**(7.941)**	**184.011**	**198.734**
Best Estimate	-	-	-	136.027
Risk margin	-	-	-	62.707
Technical provisions – Life (excluding health and Unit-Linked)	**1.565.717**	**(26.349)**	**405.934**	**1.945.303**
Best Estimate	-	-	-	1.862.846
Risk margin	-	-	-	82.457
Technical provisions – Unit-Linked	**639.929**	**-**	**33.888**	**673.817**
Best Estimate	-	-	-	667.119
Risk margin	-	-	-	6,698
Other technical provisions	**46.622**	**(46.622)**	**-**	**-**

Reclassifications made to technical provisions are as follows:

a. (€13,1)m that is analyzed as follows:

   i. (€6,5)m regards the part of the deferred acquisition costs of the technical provisions "non-life (excluding health)" category;

   ii. (€8,7)m which regards the reversal of provisions for recoverable losses which are included in the best estimate of technical provisions in the balance sheet according to Solvency II;

   iii. €2,1m which regards the reinsurance commitment loss reserves which in the financial statements of the Company are included in the balances out of insurance operations, whereas in the balance sheet according to Solvency II, they are included in the best estimate of the technical reserves.

b. (€3,9)m regards the part of the deferred acquisition costs of the technical provisions "Health similar to non-life" category;

c. (€7,9)m regards the part of the deferred acquisition costs of the technical provisions "Health similar to life" category;

d. (€26,4)m which regards a part of the deferred acquisition costs of the "Life excluding health and Unit-Linked" category;

e. (€46,6)m regards loss reserves that have been settled but have not been received by the lawful beneficiaries, which is included in the insurance reserves of the financial statements budget line "Other technical provisions", whereas in the the balance sheet according to Solvency II, it is included in the "Other liabilities" category.

In Technical provisions, in "Financial Statements (IFRS)" column are included liabilities from contracts that have been classified as investment as well as deposit components in insurance contracts, that have been seperated according to IFRS 4, as follows:

a) Technical provisions – Life (excluding health and Unit-Linked): €1.025m

b) Technical provisions – Unit-Linked: €330,1m.

4.2.1. Technical provisions Non-Life (including health)

Insurance liabilities (technical provisions) in the financial statements of the Company are recognized based on IFRS principles and the liability adequacy test, using all necessary demographic and financial assumptions for the valuation of future cash flows of the portfolio and their discount.

The modulation of the amount of technical provisions in Solvency II is mainly due to the use of a different discount curve (or risk-free curve-such as provided by EIOPA – with revaluation due to volatility for Greece).

Technical provisions for Non-Life include the following:

- Surpluses in relation to provisions resulting from the actuarial and statistical methodologies of adequacy of outstanding claims.
- Surpluses of premium adequacy for the coverage of future losses and expenses in relation to unearned premium reserves.
- Cost of the risk margin.

4.2.2. Technical porvisions Life excluding Unit-Linked

The insurance liabilities (technical provisions) in the financial statements of the Company are made based on IFRS principles and the liability adequacy test, taking all necessary demographic and economic assumptions for the estimation of future cash flows of the portfolio and their discount.

The deviation of the amount of technical provisions in Solvency II is mainly due to the use of a different discount curve (or risk-free curve – such as provided by EIOPA – with volatility adjustment for Greece).

4.2.3. Technical provisions Unit-Linked

The difference between the financial statements of the Company and the Solvency II balance sheet is solely attributed to the use of appropriate methodology for the valuation of guarantees provided at the maturity of the contracts.

4.2.4. Technical provisions Health similar to Life

The insurance liabilities (technical provisions) in the financial statements of the Company correspond to the unearned premium reserve, as the liability adequacy test of provisions according to IFRS 4, lead to no additional reserve-establishment. In Solvency II, because of the implementation of limits on insurance contracts, the portfolio clustering is diversified, for valuation purposes.

According to the decision No. 269/5/09.05.2018 of the CIIC of BoG and in accordance with the provisions of article 275 of Greek Law 4364/2016, the transitional measure was set at €205,8m. The reduction of the technical provisions relates to the liability of the health legacy portfolio with a restriction on premium adjustment and is amortized linearly over a sixteen (16) year period. As at 31.12.2021 the unamortized value of the transitional measure on technical provisions amounting to €141,4m (i.e. 11/16 of the initial amount of the transitional measure of €205,8m) and for 2022 will amount to €128,6m (i.e. 10/16 of €205,8m).

4.3. Other Liabilities

4.3.1. Contingent liabilities

The possibilities that third party claims against the Company are successful are minimal to non-existent, other than claims that have been provided for. Thus the contingent liabilities are considered immaterial for Solvency II purposes.

4.3.2. Pension Benefit Obligations

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Pension benefit obligations	98.204	-	-	98.204

The above line item includes group contract liabilities of defined benefits and contributions towards personnel, as well as provision for compensation leave.

DAF contracts, of a defined benefit and contribution, a lump-sum benefit/pension is paid to each employee upon leaving, unless he / she has or will receive in the future a relevant benefit for his / her disability from a DAF contract. These contracts cover death, permanent total disability due to illness, and permanent total or partial disability due to an accident.

4.3.3. Deposits from Reinsurers

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deposits from reinsurers	-	10.023	-	10.023

For balance sheet purposes based on Solvency II, deposits from reinsurers appear separately, while in the financial statements they are offset against "Deposits from Reinsurers". The reclassification of €10,0 m corresponds to the transfer of reinsurance share from reinsurer receivables (line item "reinsurers recoverables") to liabilities (line item "Deposits from reinsurers").

4.3.4. Liabilities to credit institutions

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Liabilities to credit institutions	2.153	-	-	2.153

The above line item includes interest on subordinated debts, which are measured, for IFRS purposes as well as Solvency II purposes, at cost as a best estimate of their fair value.

4.3.5. Insurance and intermediaries payables

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Insurance & intermediaries payables	20.413	-	-	20.413

This line item includes the liabilities connected with insurance and reinsurance transactions of the Company. For IFRS and Solvency purposes, they are measured at cost as a best estimate of their fair value, and thus no adjustment shall be made.

4.3.6. Reinsurance payables

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Reinsurance payables	24.441	(56)	-	24.385

The reclassification of €(0,06)m, regards the reinsurers' share to recoverable losses and for the presentation of the financial statements it is classified as a liabilitiy (budget line "Reinsurance payables"), while for Solvency II purposes it is classified separately to "Claims from Reinsurers" (budget line "recoverables from reinsurance"), considering that it is included in the best estimate of technical provisions.

4.3.7. Payables (trade, not insurance)

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Payables (trade, not insurance)	8.935	-	-	8.935

This line item includes liabilities connected to matters unrelated to the insurance activities of the Company. For IFRS purposes as well as Solvency II purposes they are measured at cost as a best estimate of their fair value, and thus no adjustment is required.

4.3.8. Subordinated liabilities in basic own funds

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Subordinated liabilities not in Basic Own Funds	175.000	(175.000)	-	-
Subordinated liabilities in Basic Own Funds	-	175.000	-	175.000
Total	**175.000**	**-**	**-**	**175.000**

Subordinated liabilities in BOF are measured at cost, which approximates fair value, given that it is a floating rate with an adjustment on a semi-annual basis, without taking into account the credit risk. They are furthermore incorporated a) €50m in "Tier 1 – Restricted" of the basic own funds and b) €125m in Tier 2 – Basic Own Funds, according to the result of the application of quantitative limits of Article 98 of the Directive 2009/138/EC of the European Parliament and of the Council.

4.3.9. Any other liabilities, not elsewhere shown

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Any other liabilities, not elsewhere shown	45.228	46.622	-	91.851

The reclassification of "Other Liabilities" amounting to €46,6m regard losses that have been settled, but have not been received by the lawful beneficiaries, and are included in the insurance reserves in the financial statements, whereas in the balance sheet according to Solvency II, they are included in "Other liabilities".

4.4. Other valuation methods

The Company uses no alternative valuation methods.

4.5. Other information

There are no other significant information to be mentioned, regarding the valuation for Solvency II purposes.

5. Capital Management

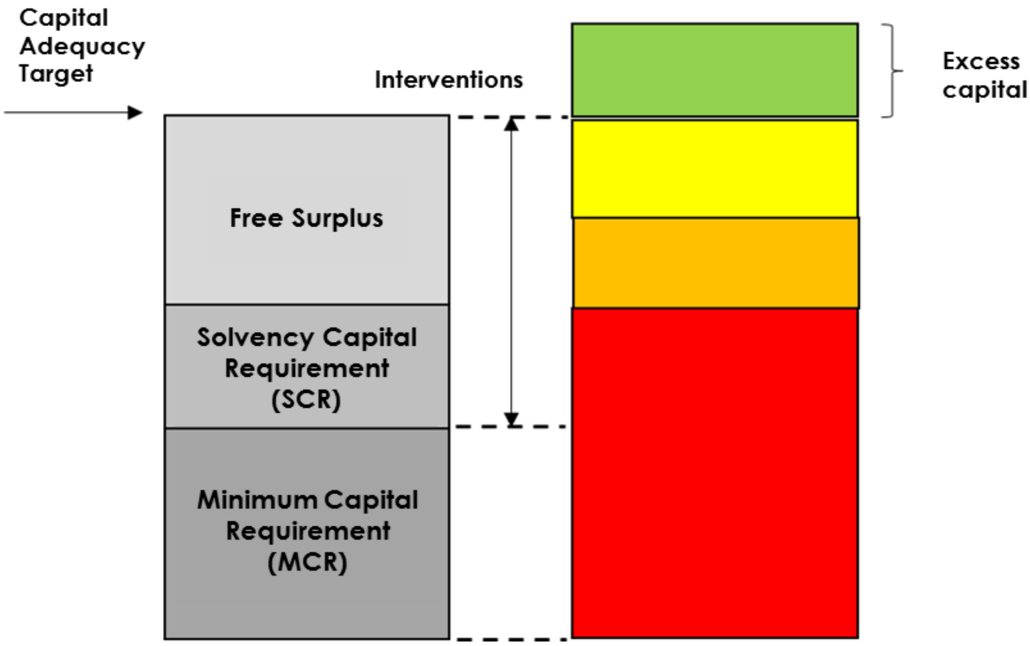
The primary objective of Capital Management is the optimization of the correlation between risk and return, securing capital adequacy supervision, as well as the dividend policy, profits and growth support.

In particular, through Capital Management the Company aims at:

To achieve these objectives, a Capital Management Policy has been developed which is in line with Company's risk appetite and strategy.

To effectively monitor the capital position of the Company, capital adequacy limits on the solvency ratio (with the use of the adjusted curve and the transitional measures) are set in the Policy, specifying actions that the Company may take in order to restore the ratio to the desired limit.

The above are presented in the following diagram:



The Company aims at maintaining a specific capital surplus. For monitoring its capital position, critical areas are set with the corresponding limits at capital or capital adequacy ratio levels.

The level of capital adequacy is monitored quarterly by the Board Risk Committee in order to adopt measures, if necessary, that will restore it to the desired levels.

The monitoring of the Solvency Capital Requirement is conducted monthly, using approximation methods for its calculation. An analytical calculation of the Solvency Capital Requirement is performed on a quarterly basis and is submitted to the Supervisory Authority.

The Solvency Ratio as at 31.12.2021 is 221%, using the volatility adjusted curve and the transitional measures, compared to 172% as at 31.12.2020. Without using the transitional measures on technical provisions, but with the transitional measures for equity and the volatility adjusted curve amounts to 184% compared to 132% at 31.12.2021 and 31.12.2020, respectively.

Solvency Ratio (in € thousands)	With transitional measures		Without the use of transitional measures on technical provisions		Risk-free yield curve	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Eligible own funds to meet the SCR	851.106	654.549	709.644	500.226	701.531	480.815
SCR	385.333	379.954	385.333	379.954	388.093	385.101
Solvency Ratio	221%	172%	184%	132%	181%	125%

Taking into account the figures by using the volatility adjustment to the relevant risk-free interest rate term structure and those with risk-free interest rate term structure, a decrease of the volatility adjustment to zero to the relevant risk-free interest rate term structure, would result in the reduction of eligible own funds by €8.1 m at 31.12.2021.

Impact of transitional measures on technical provisions

According to the decision No. 269/5/09.05.2018 of the CIIC of BoG and in accordance with the provisions of article 275 of Greek Law 4364/2016, the transitional measure was set at €205,8m. The reduction of the technical provisions relates to the liability of the health legacy portfolio with a restriction on premium adjustment and is amortized linearly over a sixteen (16) year period. As at 31.12.2021 the unamortized value of the transitional measure on technical provisions amounting to €141,1m (i.e. 11/16 of the initial amount of the transitional measure of €205,8m) and for 2022 will amount to €128,6m (i.e. 10/16 of €205,8m).

5.1. Own Funds

Tier 1 capital is composed mainly of paid-up share capital, of share premium, reconciliation reserve and subordinated liabilities.

The funds of category 2 consist of a Subordinate Loan of € 125m.

Tier 3 capital is composed of net deferred tax assets.

The tables below present the structure of own funds per tier and its respective eligibility as at 31.12.2021 and 31.12.2020.

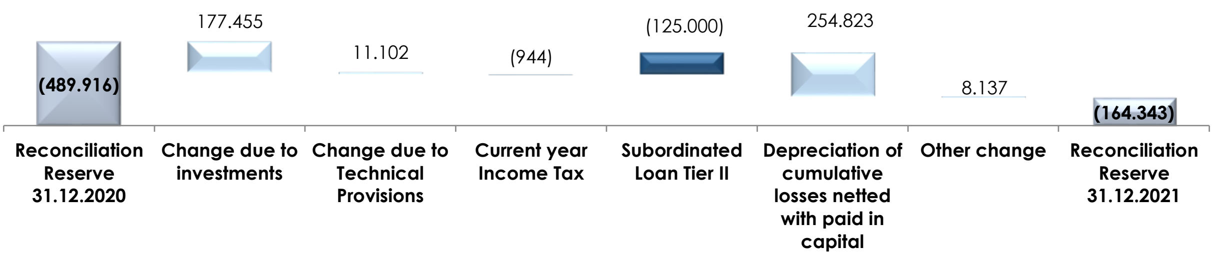
31.12.2021	Tier 1	Tier 2	Tier 3	Total

(in €thousands)	Available	Eligible	Available	Eligible	(in €thousands)	Available	Eligible	Available
Paid-up share capital	235.221	235.221	-	-	-	-	235.221	235.221
Share Premium	547.429	547.429	-	-	-	-	547.429	547.429
Surplus Funds	-	-	-	-	-	-	-	-
Reconciliation reserve	(164.343)	(164.343)	-	-	-	-	(164.343)	(164.343)
Subordinated liabilities	50.000	50.000	125.000	125.000	-	-	175.000	175.000
Net deferred tax assets	-	-	-	-	142.591	57.800	142.591	57.800
Total	**668.307**	**668.307**	**125.000**	**125.000**	**142.591**	**57.800**	**935.898**	**851.106**

31.12.2020	Tier 1		Tier 2		Tier 3		Total	
(in €thousands)	Available	Eligible	Available	Eligible	(in €thousands)	Available	Eligible	Available
Paid-up share capital	490.044	490.044	-	-	-	-	490.044	490.044
Share Premium	547.429	547.429	-	-	-	-	547.429	547.429
Surplus Funds	-	-	-	-	-	-	-	-
Reconciliation reserve	(489.916)	(489.916)	-	-	-	-	(489.916)	(489.916)
Subordinated liabilities	50.000	50.000	-	-	-	-	50.000	50.000
Net deferred tax assets	-	-	-	-	168.797	56.993	168.797	56.993
Total	**597.556**	**597.556**	**-**	**-**	**168.797**	**56.993**	**766.353**	**654.549**

As observed, the available own funds at 31.12.2021 amounted to €935,9m, compared to the eligible own funds of €851,1m as at the same date. The difference is the result of the application of quantitative restrictions on eligibility on the net deferred tax assets (Tier 3 own funds).

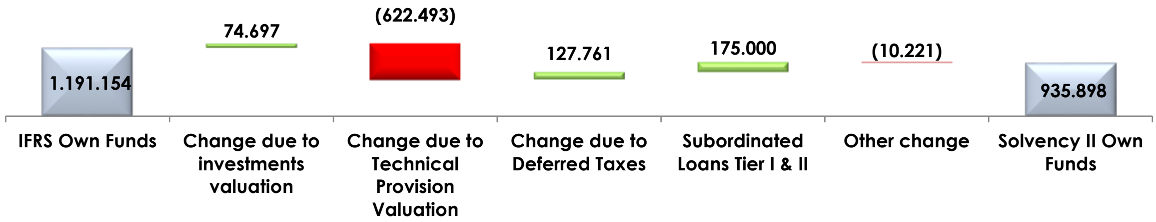
In 2021, the eligible own funds of the Company increased by €196,6m, which is reflected as a decrease of the reconciliation reserve by €325,6m and is analyzed as follows:



The reduction of the reconciliation reserve by € 254,8m concerns the full amortization of accounting losses amounting to € 252,8m and the formation of a special reserve (Law 4548/2018 par. 2, article 31) amounting to € 2,0m, with corresponding reduction of the share capital of the Company as decided at the Extraordinary General Meeting of Shareholders on 22.04.2021.

5.1.1. IFRS & Solvency II Own Funds as at 31.12.2021

The diagram below depicts the comparison of assets and liabilities between IFRS and Solvency II at 31.12.2021. Detailed information is provided in section 4 "Valuation for Solvency Purposes".

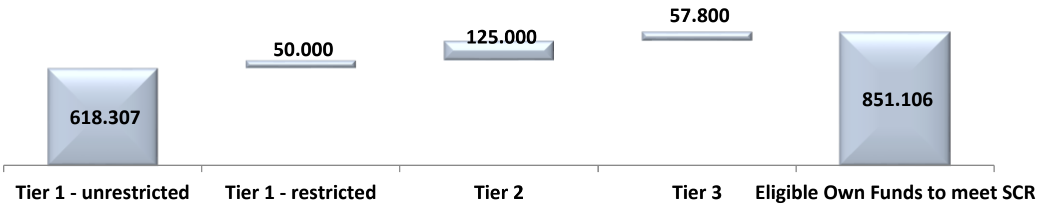


The main differences between own funds according to IFRS and own funds according to Solvency II valuation principles, are the following:

- revaluation of investment and property value, due to valuation at fair value of the overall investment portfolio (increase in IFRS Own Funds by €74,7m).
- revaluation of technical provisions, according to estimations of the best estimate of Solvency II, of using a different cashflow discount curve arising from insurance contracts and the application of guidelines for contract limits (reduction in IFRS Own Funds by €622,5m).
- increase of the deferred tax asset due to adjustments between IFRS and Solvency II valuation by €127,8m.
- non-recognition of intangible assets of €10,2m,
- recognition of subordinated debt loans in own funds (increase in Own Funds by €175,0m).

5.1.2. Eligible Own Funds to meet SCR as at 31.12.2021

The categorization of eligible own funds to meet the SCR at 31.12.2021 is presented in the following diagram:

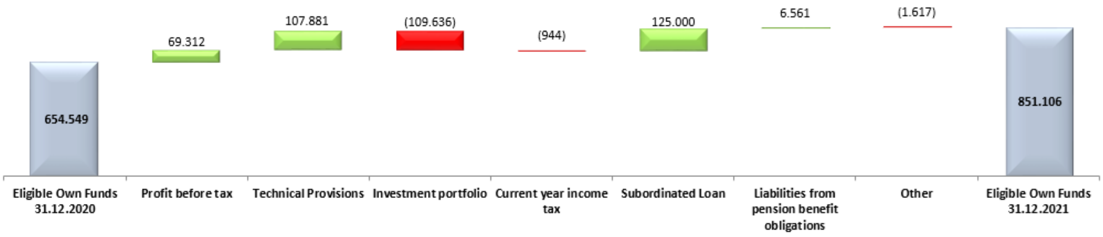


In 2021, the Company entered into a 10-year subordinated bond loan, amounting to € 125m, with NBG. The loan meets the criteria for inclusion in Tier 2.

Also, the Company has issued subordinated debt loan of infinite duration amounting to €50,0m, out of which €45,0m with NGB and €5,0m with NBG Bank Malta, a 100% subsidiary of NBG. The loan meets the criteria for recognition under Tier 1 of own funds.

Changes in eligible own funds 2021-2020

The diagram below presents changes in eligible own funds between 2021-2020.



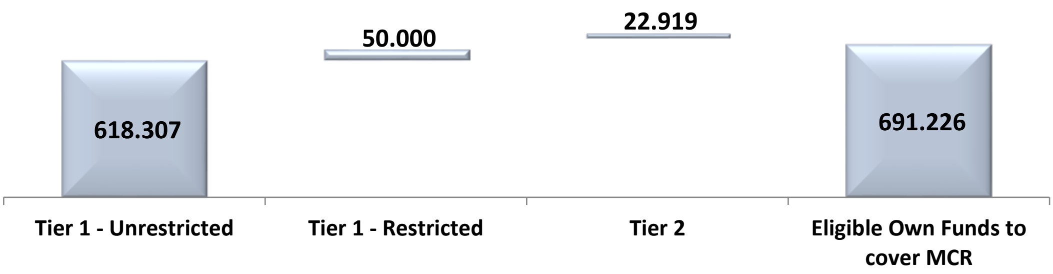
The increase in eligible own funds by €196,6m is mainly due to:

- The issuance of subordinate loan of € 125m.
- The continuous profitability (before tax) of the Company (by €69,3m).
- The decrease of technical provisions by €107,9m.

The above are offset by the decrease in the value of the investment portfolio by €109,6m in 2021. The decrease of technical provisions comes mainly from Life line of business and is caused by an upward movement in the interest rate curve. Also, on 1 January 2021, the transitional measure on technical provisions was amortized by €12,9m.

5.1.3. Eligible Own Funds to meet MCR as at 31.12.2021

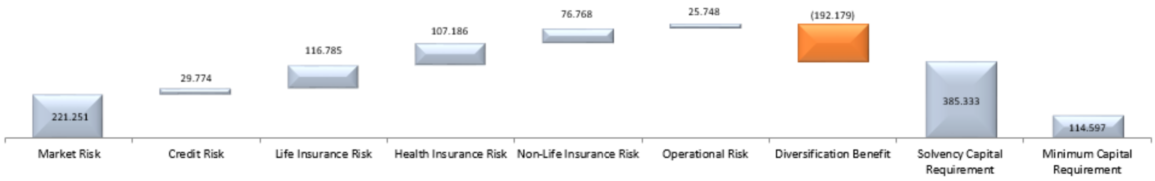
The categorization of eligible own funds to meet the SCR are presented in the following diagram:



5.2. Solvency Capital Requirement & Minimum Capital Requirement

The quantitative assessment of the Solvency Capital Requirement is performed with the use of the standard formula. Moreover, the Company uses the volatility adjusted curve and the transitional measures.

The diagram below shows the SCR and the MCR as at 31.12.2021. Detailed information is given in Chapter 3 "Risk Profile".



The main Risk module in the formulation of the SCR as at 31.12.2021 was the Market Risk accounting for 38% of Capital Requirements of all Risks, before the benefit of Risk diversification. As a result, key risks in the formation of Capital Requirements were:

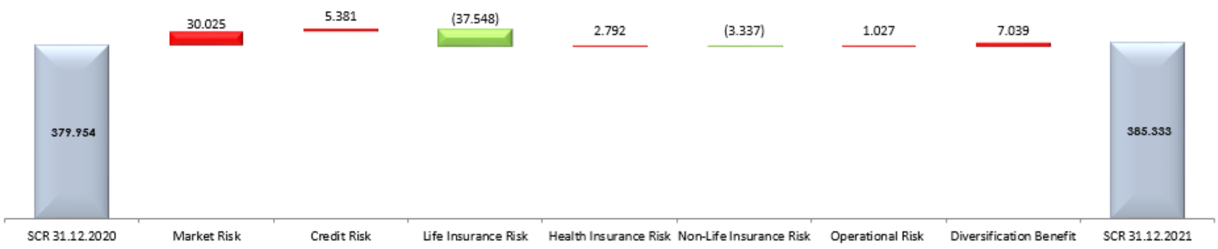
i. Life insurance risk, consisting of 20%.
ii. Health underwriting risk, consisting of 19%.
iii. Non-life insurance risk, consisting of 13%.

The Minimum Capital Requirement was 30% of the Solvency Capital Requirement.

BoG as Supervisory Authority, in accordance with Article 41 of Greek Law 4364/2016, shall require modification or revision of published reports or disclose of any additional information, as well as any other necessary actions needed to be taken by the management.

Change in Solvency Capital Requirements 2021-2020

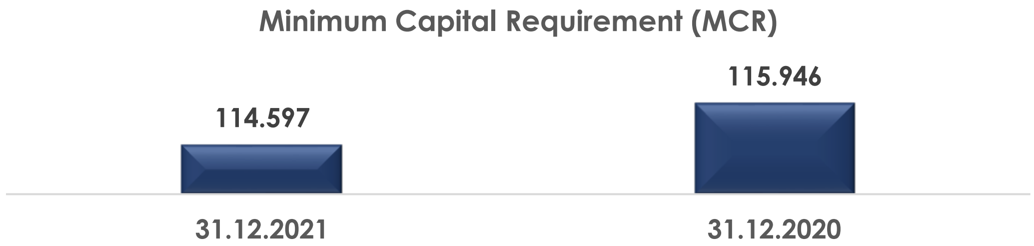
The diagram below presents a brief overview of the change in SCR between 2021 and 2020.



The increase in capital requirements by €5,4m between the two periods comes mainly from Market Risk sub-module. Detailed information is provided in Chapter 3 "Risk Profile".

Change in Minimum Capital Requirement 2021-2020

The following diagram depicts a brief overview of the change in Minimum Capital Requirements between 2021 and 2020.



As depicted in the diagram above, there was decrease in the MCR at 31.12.2021 compared to 31.12.2020.

5.3. Using the duration based equity risk sub-module for the calculation of the SCR

The Company does not use of the duration based equity risk sub-module for the Solvency Capital Requirement calculation.

5.4. Differences between the standard formula and the internal models used

For the calculation of the SCR, the Company uses the Standard Formula. Moreover, the Company makes no use of special parameters for the calculation of the SCR.

5.5. Non-compliance with the Minimum Capital Requirement and Non-compliance with the Solvency Capital Requirement

The Company complies fully with the overall MCR as well as SCR for 2021.

5.6. Other information

5.6.1. Business Plan and Capital Management Program

The Company prepares a business plan annually. For its preparation estimates relating to the evolution of macro-economic figures, the strategic objectives of the Company, any planned actions to increase premium production as well as the enhancement of profitability and assumptions for the formulation of key insurance and financial indicators, are taken into account.

The business plan and capital management program includes premium production, profitability and capital adequacy objectives of the Company for the next three years, and the strategy to achieve them.

5.6.2. Dividend payment policy

The Company has formulated a Dividend policy according to its current strategy. The BoD of the Company did not propose a dividend distribution for 2021.

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Independent Auditor's report

To the Board of Directors of "Ethniki Insurance Company S.A."

We have audited the following SII Regulatory Financial Information, the Quantitative Reporting Templates (QRT's) prepared in accordance with the European Union Delegated Act 2015/2452 , which comprise of Balance sheet (template S.02.01.02), Technical provisions (templates S.12.01.02, S.17.01.02), Own Funds (template S.23.01.01) and Other Information (templates S.19.01.21, S.22.01.21, S.25.01.21, S.28.02.01), (the "SII Regulatory Financial Information"), incorporated in the Solvency and Financial Condition Report (the "SFCR") of "Ethniki Insurance Company S.A." (the "Company") as of 31 December 2021.

The SII Regulatory Financial Information is prepared by management in accordance with the regulatory requirements and the methodology as described in Chapter 4 and Chapter 5 sections 5.1 and 5.2, of the attached "Solvency and Financial Condition Report" and in accordance with Greek Law 4364/2016.

Responsibilities of Management for the Solvency II Regulatory Financial Information

Management is responsible for the preparation and presentation of the SII Regulatory Financial Information in accordance with the regulatory requirements and the methodology, as described in Chapter 4 and Chapter 5 sections 5.1 and 5.2, of the attached "Solvency and Financial Condition Report" and in accordance with Greek Law 4364/2016, and for such internal control as management considers necessary to enable the preparation of SII Regulatory Financial Information that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the SII Regulatory Financial Information. We conducted our audit in accordance with International Standards on Auditing which have been transposed into Greek Law (GG/B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the SII Regulatory Financial Information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts of the SII Regulatory Financial Information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the SII Regulatory Financial Information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the SII Regulatory Financial Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of methodology used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the SII Regulatory Financial Information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the SII Regulatory Financial Information as of 31 December 2021, incorporated in the Company's "Solvency and Financial Condition Report" as of 31 December 2021, has been prepared, in all material respects, in accordance with the provisions and requirements of Greek Law 4364/2016 and the methodology described in Chapter 4 and Chapter 5 sections 5.1 and 5.2 in the "SFCR".

Basis of Preparation and Restriction of use

We draw your attention to the Chapter 4 and Chapter 5 sections 5.1 and 5.2 of the "Solvency and Financial Condition Report", which describes the regulatory provisions and methodology for the preparation of the SII Regulatory Financial Information, which have been prepared to assist the company's management in fulfilling its obligations in accordance with Law 4364/2016. As a result, the SII Regulatory Financial Statements and our Audit opinion on these may not be suitable for any other purpose. This Audit report is intended solely for use by the Company's management to fulfill its regulatory obligations and should therefore not be used by other parties.

Other Matters

1. The Department of Private Insurance Supervision of the Bank of Greece, as the Supervisory Authority, in accordance to Law 4364/2016, may request the modification or revision of published Company reports or the publication of additional information, as well as other actions taken by management. The preparation of the "Solvency and Financial Condition Report", as well as our audit procedures, has been conducted on the assumption that there are no additional requirements by the Supervisory Authority.

2. Our audit of the "Solvency and Financial Condition Information" does not constitute a statutory audit of the Company's Financial Statements for the year ended 31 December 2021 and therefore we do not express an opinion on these Financial Statements.

Athens, 8 April 2022

The Certified Auditor

pwc

PricewaterhouseCoopers S.A.
268 Kifissias Avenue,
Halandri 152 32
SOEL Reg. No. 113

Marios Psaltis

SOEL Reg. No. 38081

Annex I – Annual Quantitative Templates (QRTs)

The current annex includes the Company's annual quantitative templates («QRTs»)[8]:

QRT	Title	Description
S.02.01.02	Balance Sheet	Balance sheet information using the valuation in accordance with Solvency II
S.05.01.02	Premiums, claims and expenses by line of business	Information on premiums, claims and expenses using the valuation and recognition principles used in the Company's financial statements
S.12.01.02	Life and Health SLT Technical Provisions	Information on the technical provisions relating to life insurance and health insurance pursued on a similar technical basis to that of life insurance ('health SLT') for each line of business
S.17.01.02	Non-Life Technical Provisions	Information on non-life technical provisions
S.19.01.21	Claims Paid of Non-Life	Information on non-life insurance claims in the format of development triangles
S.22.01.21	Impact of long-term guarantees measures and transitionals	Information on the impact of the long-term guarantee and transitional measures
S.23.01.01	Own funds	Information on own funds, including basic own funds and ancillary own funds
S.25.01.21	Basic Solvency Capital Requirement — for firms as standard formula is used	Information on the Solvency Capital Requirement calculated using the standard formula
S.28.02.01	Minimum Capital Requirements — Life & Non-Life insurance activity	Minimum Capital Requirement for insurance undertakings engaged in both life and non-life insurance activity

[8] All amounts in the Templates of the Annex I, are presented in thousands of euros (€ th.)

S.02.01.02
Balance sheet

		Solvency II value
		C0010
Assets		
Intangible assets	R0030	0
Deferred tax assets	R0040	142.591
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	141.734
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	3.454.839
Property (other than for own use)	R0080	95.572
Holdings in related undertakings, including participations	R0090	34.947
Equities	R0100	41.177
Equities - listed	R0110	25.238
Equities - unlisted	R0120	15.939
Bonds	R0130	2.812.320
Government Bonds	R0140	2.305.587
Corporate Bonds	R0150	506.733
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	422.178
Derivatives	R0190	120
Deposits other than cash equivalents	R0200	48.525
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	577.037
Loans and mortgages	R0230	14.856
Loans on policies	R0240	1.460
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	13.396
Reinsurance recoverables from:	R0270	62.566
Non-life and health similar to non-life	R0280	60.447
Non-life excluding health	R0290	58.722
Health similar to non-life	R0300	1.725
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	2.120
Health similar to life	R0320	0
Life excluding health and index-linked and unit-linked	R0330	2.120
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	1.535
Insurance and intermediaries receivables	R0360	34.939
Reinsurance receivables	R0370	3.987
Receivables (trade, not insurance)	R0380	11.022
Own shares (held directly)	R0390	0
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	0
Cash and cash equivalents	R0410	26.900
Any other assets, not elsewhere shown	R0420	1.499
Total assets	R0500	4.473.505

		Solvency II value
Liabilities		C0010
Technical provisions – non-life	R0510	463.788
Technical provisions – non-life (excluding health)	R0520	338.261
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	310.660
Risk margin	R0550	27.601
Technical provisions - health (similar to non-life)	R0560	125.527
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	105.284
Risk margin	R0590	20.243
Technical provisions - life (excluding index-linked and unit-linked)	R0600	2.144.037
Technical provisions - health (similar to life)	R0610	198.734
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	136.027
Risk margin	R0640	62.707
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	1.945.303
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	1.862.846
Risk margin	R0680	82.457
Technical provisions – index-linked and unit-linked	R0690	673.817
Technical provisions calculated as a whole	R0700	0
Best Estimate	R0710	667.119
Risk margin	R0720	6.698
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	98.204
Deposits from reinsurers	R0770	10.023
Deferred tax liabilities	R0780	0
Derivatives	R0790	0
Debts owed to credit institutions	R0800	2.153
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	20.413
Reinsurance payables	R0830	24.385
Payables (trade, not insurance)	R0840	8.935
Subordinated liabilities	R0850	175.000
Subordinated liabilities not in Basic Own Funds	R0860	0
Subordinated liabilities in Basic Own Funds	R0870	175.000
Any other liabilities, not elsewhere shown	R0880	91.851
Total liabilities	R0900	3.712.607
Excess of assets over liabilities	R1000	760.898

S.05.01.02

Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Premiums written										
Μεικτά — Πρωτασφαλίσεις	**R0110**	54.165	0	0	47.428	15.788	2.408	66.499	19.682	0
Gross - Proportional reinsurance accepted	**R0120**	0	0	0	0	0	29	82	5	0
Gross - Non-proportional reinsurance accepted	**R0130**									
Reinsurers' share	**R0140**	46	0	0	1.284	627	1.409	36.176	10.066	0
Net	**R0200**	**54.119**	**0**	**0**	**46.144**	**15.161**	**1.028**	**30.405**	**9.621**	**0**
Premiums earned										
Gross - Direct Business	**R0210**	51.514	0	0	48.414	15.812	2.211	66.550	17.481	0
Gross - Proportional reinsurance accepted	**R0220**	0	0	0	0	0	21	62	13	0
Gross - Non-proportional reinsurance accepted	**R0230**									
Reinsurers' share	**R0240**	46	0	0	1.284	640	1.374	35.938	6.017	0
Net	**R0300**	**51.468**	**0**	**0**	**47.130**	**15.172**	**858**	**30.674**	**11.477**	**0**
Claims incurred										
Gross - Direct Business	**R0310**	27.546	0	0	23.112	3.810	235	13.542	4.494	0
Gross - Proportional reinsurance accepted	**R0320**	0	0	0	0	0	0	0	0	-34
Gross - Non-proportional reinsurance accepted	**R0330**									
Reinsurers' share	**R0340**	52	0	0	738	0	61	7.543	988	-31
Net	**R0400**	**27.494**	**0**	**0**	**22.374**	**3.810**	**174**	**5.999**	**3.506**	**-3**
Changes in other technical provisions										
Gross - Direct Business	**R0410**	-66	0	0	389	0	0	0	0	0
Gross - Proportional reinsurance accepted	**R0420**	0	0	0	0	0	0	0	0	0
Gross - Non-proportional reinsurance accepted	**R0430**									
Reinsurers' share	**R0440**	0	0	0	0	0	0	0	0	0
Net	**R0500**	-66	0	0	389	0	0	0	0	0
Expenses incurred	**R0550**	16.789	0	0	23.881	5.628	1.260	10.853	6.231	168
Other expenses	**R1200**									
Total expenses	**R1300**									

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of Business for: accepted non-proportional reinsurance				Total
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written									
Gross - Direct Business	**R0110**	1.558	5.509	10.692					**223.729**
Gross - Proportional reinsurance accepted	**R0120**	0	0	4					**120**
Gross - Non-proportional reinsurance accepted	**R0130**				0	0	0	0	**0**
Reinsurers' share	**R0140**	0	2.889	8.621	0	0	0	0	**61.118**
Net	**R0200**	**1.558**	**2.620**	**2.075**	**0**	**0**	**0**	**0**	**162.731**
Premiums earned									
Gross - Direct Business	**R0210**	1.600	5.511	9.958					**219.051**
Gross - Proportional reinsurance accepted	**R0220**	0	0	4					**100**
Gross - Non-proportional reinsurance accepted	**R0230**				0	0	0	0	**0**
Reinsurers' share	**R0240**	0	2.884	7.914	0	0	0	0	**56.097**
Net	**R0300**	**1.600**	**2.627**	**2.048**	**0**	**0**	**0**	**0**	**163.054**
Claims incurred									
Gross - Direct Business	**R0310**	288	0	4.721					**77.748**
Gross - Proportional reinsurance accepted	**R0320**	0	0	0			0		**-34**
Gross - Non-proportional reinsurance accepted	**R0330**				0	0	0	0	**0**
Reinsurers' share	**R0340**	0	0	4.895	0	0	0	0	**14.246**
Net	**R0400**	**288**	**0**	**-174**	**0**	**0**	**0**	**0**	**63.468**
Changes in other technical provisions									
Gross - Direct Business	**R0410**	0,00	0,00	0					**323**
Gross - Proportional reinsurance accepted	**R0420**	0	0	0					**0**
Gross - Non-proportional reinsurance accepted	**R0430**				0	0	0	0	**0**
Reinsurers' share	**R0440**	0,00	0,00	0,00	0	0	0	0	**0**
Net	**R0500**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**323**
Expenses incurred	**R0550**	720	1.103	2.118	0	0	0	0	**68.751**
Other expenses	**R1200**								0
Total expenses	**R1300**								**68.751**

		Line of Business for: life insurance obligations						Life reinsurance obligations		
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	Total
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	**R1410**	116.949	80.124	65.699	202.965	0	0	0	6	**465.743**
Reinsurers' share	**R1420**	0	507	0	5.936	0	0	0	0	**6.443**
Net	**R1500**	**116.949**	**79.617**	**65.699**	**197.029**	**0**	**0**	**0**	**6**	**459.300**
Premiums earned										
Gross	**R1510**	117.621	80.124	66.341	202.135	0	0	0	6	**466.227**
Reinsurers' share	**R1520**	0	507	0	5.601	0	0	0	0	**6.108**
Net	**R1600**	**117.621**	**79.617**	**66.341**	**196.534**	**0**	**0**	**0**	**6**	**460.119**
Claims incurred										
Gross	**R1610**	95.484	93.464	43.525	76.484	0	0	0	0	**308.957**
Reinsurers' share	**R1620**	0	0	0	0	0	0	0	0	
Net	**R1700**	**95.484**	**93.464**	**43.525**	**76.484**	**0**	**0**	**0**	**0**	**308.957**
Changes in other technical provisions										
Gross	**R1710**	0	-59.048	32.826	120.319	0	0	0	0	**94.097**
Reinsurers' share	**R1720**	0	0	0	0	0	0	0	0	**0**
Net	**R1800**	**0**	**-59.048**	**32.826**	**120.319**	**0**	**0**	**0**	**0**	**94.097**
Expenses incurred	**R1900**	37.631	29.730	5.523	19.325	0	0	0	0	**92.209**
Other expenses	**R2500**									0
Total expenses	**R2600**									**92.209**

S.12.01.02
Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
Technical provisions calculated as a whole	R0010	0	0			0			0,00	0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0020	0	0			0			0,00	0	0
Technical provisions calculated as a sum of BE and RM											
Best Estimate											
Gross Best Estimate	R0030	1.083.576		374.412	292.707		72.786	706.484	0,00	0	2.529.965
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	0		0	0		2.004	116	0,00	0	2.120
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	1.083.576		374.412	292.707		70.782	706.368	0,00	0	2.527.845
Risk Margin	R0100	47.775	6.698			34.682			0,00	0	89.155
Amount of the transitional on Technical Provisions						0					
Technical Provisions calculated as a whole	R0110	0	0			0			0,00	0	0
Best estimate	R0120	0		0	0	0	0	0	0,00	0	0
Risk margin	R0130	0	0			0			0,00	0	0
Technical provisions - total	R0200	1.131.351	673.817			813.952			0,00	0	2.619.120

		Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
			Contracts without options and guarantees	Contracts with options or guarantees			
		C0160	C0170	C0180	C0190	C0200	C0210
Technical provisions calculated as a whole	**R0010**						**0**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0020**						**0**
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	**R0030**		277.490	0	0	0	**277.490**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**		0	0	0	0	**0**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	**R0090**		**277.490**	**0**	**0**	**0**	**277.490**
Risk Margin	**R0100**	**62.707**					**62.707**
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole	**R0110**				0	0	**0**
Best estimate	**R0120**		-141.463	0	0	0	**-141.463**
Risk margin	**R0130**	0			0	0	
Technical provisions - total	**R0200**	**198.734**			**0**	**0**	**198.734**

S.17.01.02
Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Technical provisions calculated as a whole	**R0010**	0	0	0	0	0	0	0	0	0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0050**	0	0	0	0	0	0	0	0	0
Technical provisions calculated as a sum of BE and RM										
Best estimate										
Premium provisions										
Gross - Total	**R0060**	14.930	0	0	15.853	2.509	399	3.652	2.904	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**	0	0	0	0	60	52	952	853	0
Net Best Estimate of Premium Provisions	**R0150**	**14.930**	**0**	**0**	**15.853**	**2.449**	**347**	**2.700**	**2.051**	**0**
Claims provisions										
Gross - Total	**R0160**	60.992	29.362	0	195.960	4.200	1.910	31.755	35.686	874
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**	37	1.687	0	3.851	0	978	25.906	13.390	621
Net Best Estimate of Claims Provisions	**R0250**	**60.955**	**27.675**	**0**	**192.108**	**4.200**	**932**	**5.849**	**22.297**	**253**
Total Best estimate - gross	**R0260**	**75.923**	**29.362**	**0**	**211.813**	**6.709**	**2.310**	**35.407**	**38.590**	**874**
Total Best estimate - net	**R0270**	**75.885**	**27.675**	**0**	**207.961**	**6.648**	**1.280**	**8.549**	**24.348**	**253**
Risk margin	**R0280**	11.928	8.314	0	17.448	1.412	217	4.573	2.923	41
Amount of the transitional on Technical Provisions										
TP as a whole	**R0290**	0	0	0	0	0	0	0	0	0
Best estimate	**R0300**	0	0	0	0	0	0	0	0	0
Risk margin	**R0310**	0	0	0	0	0	0	0	0	0
Technical provisions - total										
Technical provisions - total	**R0320**	**87.851**	**37.676**	**0**	**229.261**	**8.121**	**2.526**	**39.980**	**41.513**	**915**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**	37	1.687	0	3.851	60	1.030	26.858	14.243	621
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	**R0340**	**87.814**	**35.989**	**0**	**225.409**	**8.060**	**1.496**	**13.122**	**27.270**	**294**

		Direct business and accepted proportional reinsurance			accepted non-proportional reinsurance				
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010	0	0	0	0	0	0	0	**0**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	0	0	0	0	0	0	0	**0**
Technical provisions calculated as a sum of BE and RM									
Best estimate									
Premium provisions									
Gross - Total	R0060	106	112	1.701	0	0	0	0	**42.168**
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	870	0	0	0	0	**2.787**
Net Best Estimate of Premium Provisions	R0150	**106**	**112**	**831**	**0**	**0**	**0**	**0**	**39.380**
Claims provisions									
Gross - Total	R0160	445	0	12.593	0	0	0	0	373.777
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	0	11.189	0	0	0	0	57.659
Net Best Estimate of Claims Provisions	R0250	**445**	**0**	**1.405**	**0**	**0**	**0**	**0**	**316.118**
Total Best estimate - gross	R0260	**552**	**112**	**14.294**	**0**	**0**	**0**	**0**	**415.945**
Total Best estimate - net	R0270	**552**	**112**	**2.236**	**0**	**0**	**0**	**0**	**355.498**
Risk margin	R0280	141	165	681	0	0	0	0	47.844
Amount of the transitional on Technical Provisions									0
TP as a whole	R0290								0
Best estimate	R0300								0
Risk margin	R0310								0
Technical provisions - total									
Technical provisions - total	R0320	**693**	**277**	**14.976**	**0**	**0**	**0**	**0**	**463.788**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	12.059	0	0	0	0	**60.447**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	**693**	**277**	**2.917**	**0**	**0**	**0**	**0**	**403.342**

S.19.01.21
Claims Paid of Non Life

Total Non Life

Accidental Year / Underwriting Year	Z0020	

Gross Claims Paid (non-cumulative)
(absolute amount)

	Year	0	1	2	3	4	5	6	7	8	9	10 & +		Current Year	Sum of years (cumulative)
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
Prior	R0100											4.792	R0100	4.792	4.792
N-9	R0160	37.461	21.518	7.022	6.307	4.552	3.489	2.808	1.667	1.025	1.023		R0160	1.023	86.872
N-8	R0170	25.962	16.157	4.599	3.146	2.575	3.291	1.363	716	439			R0170	439	58.249
N-7	R0180	24.010	15.625	4.660	2.936	3.267	1.311	1.555	902	0			R0180	902	54.266
N-6	R0190	20.015	14.504	3.805	1.878	2.744	1.353	1.547					R0190	1.547	45.846
N-5	R0200	22.288	16.533	2.993	1.816	2.279	1.416						R0200	1.416	47.327
N-4	R0210	17.588	14.204	3.996	3.800	1.404							R0210	1.404	40.993
N-3	R0220	20.548	12.209	3.353	1.965								R0220	1.965	38.075
N-2	R0230	16.704	11.373	2.737									R0230	2.737	30.814
N-1	R0240	13.859	11.006										R0240	11.006	24.865
N	R0250	14.727											R0250	14.727	14.727
												Total	R0260	41.957	446.824

Development year

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

	Year	0	1	2	3	4	5	6	7	8	9	10 & +		End of Year (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		C0360
Prior	R0100											52.326	R0100	52.028
N-9	R0160	0	0	0	0	45.031	29.894	15.176	12.462	9.213	7.934		R0160	7.887
N-8	R0170	0	0	0	36.766	32.369	21.365	10.334	7.115	6.196			R0170	6.167
N-7	R0180	0	0	44.536	30.798	23.500	20.047	9.452	7.732				R0180	7.683
N-6	R0190	0	62.209	34.446	28.847	24.699	24.492	9.450					R0190	9.391
N-5	R0200	49.842	35.204	28.292	25.090	20.641	20.066						R0200	19.941
N-4	R0210	54.959	50.086	43.504	37.815	35.051							R0210	34.893
N-3	R0220	48.995	45.096	39.845	34.596								R0220	34.424
N-2	R0230	52.505	37.943	34.640									R0230	34.447
N-1	R0240	41.341	28.571										R0240	28.414
N	R0250	49.350											R0250	49.128
												Total	R0260	284.404

Development year

S.22.01.21

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	3.281.643	141.463	0	8.613	0
Basic own funds	R0020	935.898	-110.341	0	-6.651	0
Eligible own funds to meet Solvency Capital Requirement	R0050	851.106	-141.463	0	-8.113	0
Solvency Capital Requirement	R0090	385.333	0	0	2.761	0
Eligible own funds to meet Minimum Capital Requirement	R0100	691.226	-140.869	0	-8.476	0
Minimum Capital Requirement	R0110	114.597	2.971	0	255	0

S.23.01.01
OWN FUNDS

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	235.221	235.221		0	
Share premium account related to ordinary share capital	R0030	547.429	547.429		0	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	0
Surplus funds	R0070	0	0			
Preference shares	R0090	0		0	0	0
Share premium account related to preference shares	R0110	0		0	0	0
Reconciliation reserve	R0130	-164.343	-164.343			
Subordinated liabilities	R0140	175.000		50.000	125.000	0
An amount equal to the value of net deferred tax assets	R0160	142.591				142.591
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	0				
Deductions						
Deductions for participations in financial and credit institutions	R0230	0	0	0	0	
Total basic own funds after deductions	R0290	935.898	618.307	50.000	125.000	142.591
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0			0	
Unpaid and uncalled preference shares callable on demand	R0320	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0			0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0			0	0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0			0	
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0			0	0
Other ancillary own funds	R0390	0			0	0
Total ancillary own funds	R0400	0			0	0
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	935.898	618.307	50.000	125.000	142.591
Total available own funds to meet the MCR	R0510	793.307	618.307	50.000	125.000	
Total eligible own funds to meet the SCR	R0540	851.106	618.307	50.000	125.000	57.800
Total eligible own funds to meet the MCR	R0550	691.226	618.307	50.000	22.919	
SCR	R0580	385.333				
MCR	R0600	114.597				
Ratio of Eligible own funds to SCR	R0620	2,21				
Ratio of Eligible own funds to MCR	R0640	6,03				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	760.898
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	925.241
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
Reconciliation reserve	R0760	-164.343
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	0
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	0
Total Expected profits included in future premiums (EPIFP)	R0790	0

S.25.01.21

Basic Solvency Capital Requirement — for firms as standard formula is used

		Gross solvency capital requirement	Special Parameters used by the firm	Simplifications
		C0110	C0090	C0120
Market risk	R0010	221.251		
Counterparty default risk	R0020	29.774		
Life underwriting risk	R0030	116.785		
Health underwriting risk	R0040	107.186		
Non-life underwriting risk	R0050	76.768		
Diversification	R0060	-192.179		
Intangible asset risk	R0070	0		
Basic Solvency Capital Requirement	R0100	359.585		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	25.748
Loss-absorbing capacity of technical provisions	R0140	0
Loss-absorbing capacity of deferred taxes	R0150	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0
Solvency Capital Requirement excluding capital add-on	R0200	385.333
Capital add-on already set	R0210	
Solvency capital requirement	R0220	385.333
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	0
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0

S.28.02.01
Minimum Capital Requirements — Life & Non Life activities

		Non-life activities	Life activities
		MCR(NL, NL) Result	MCR(NL, L)Result
		C0010	C0020
Linear formula component for non-life insurance and reinsurance obligations	R0010	32.033	9.219

		Non-life activities		Life activities	
		Net (of reinsurance/ SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0030	C0040	C0050	C0060
Medical expense insurance and proportional reinsurance	R0020	1.550	1.284	74.335	44.668
Income protection insurance and proportional reinsurance	R0030	0	0	27.675	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	207.961	46.144	0	0
Other motor insurance and proportional reinsurance	R0060	6.648	15.161	0	0
Marine, aviation and transport insurance and proportional reinsurance	R0070	1.280	1.028	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	8.549	30.405	0	0
General liability insurance and proportional reinsurance	R0090	24.348	9.621	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	253	0	0	0
Legal expenses insurance and proportional reinsurance	R0110	552	1.558	0	0
Assistance and proportional reinsurance	R0120	112	2.620	0	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	2.236	2.074	0	0
Non-proportional health reinsurance	R0140	0	0	0	0
Non-proportional casualty reinsurance	R0150	0	0	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0	0	0
Non-proportional property reinsurance	R0170	0	0	0	0

		Non-life activities	Life activities
		MCR(L, NL) Result	MCR(L, L) Result
		C0070	C0080
Linear formula component for life insurance and reinsurance obligations	R0200	0	73.345

		Non-life activities		Life activities	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0090	C0100	C0110	C0120
Obligations with profit participation - guaranteed benefits	R0210			1.083.576	
Obligations with profit participation - future discretionary benefits	R0220			0	
Index-linked and unit-linked insurance obligations	R0230			667.119	
Other life (re)insurance and health (re)insurance obligations	R0240			913.178	
Total capital at risk for all life (re)insurance obligations	R0250				13.437.765

Overall MCR calculation

		C0130
Linear MCR	R0300	114.597
SCR	R0310	385.333
MCR cap	R0320	173.400
MCR floor	R0330	96.333
Combined MCR	R0340	114.597
Absolute floor of the MCR	R0350	7.400
		C0130
Minimum Capital Requirement	R0400	114.597

Notional non-life and life MCR calculation		Non-life activities	Life activities
Notional linear MCR	R0500	32.033	82.564
Notional SCR excluding add-on (annual or latest calculation)	R0510	107.712	277.620
Notional MCR cap	R0520	48.471	124.929
Notional MCR floor	R0530	26.928	69.405
Notional Combined MCR	R0540	32.033	82.564
Absolute floor of the notional MCR	R0550	3.700	3.700
Notional MCR	R0560	32.033	82.564

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Annex II – Solvency II Definitions

Solvency II: The system of rules that governs since 01.01.2016 the financial operation and consequently supervision of insurance companies operating in the EU, in accordance with Directive 2009/138/EC, relevant acts of the European Commission and the EIOPA Guidelines, in order to enhance the protection of policyholders. The Directive 2009/138/EC was incorporated into the Greek legislation by Greek Law 4364/2016. The Solvency II framework aims to the capital shielding of insurance companies through contemporary rules for risk valuation to which they are exposed, based on extreme scenarios in order to reduce the possibility of a bankruptcy for the next 12 months to 0.5%. It is structured in three pillars of equal weight and supervisory value, namely the 1st pillar (quantitative / capital requirements), the 2nd pillar (governance requirements and supervisory authorities) and the 3rd pillar (supervisory reports and disclosure of information).

Supervisory Authority: The supervisory authority responsible for the prudential supervision of insurance undertakings in Greece is BoG (Department of Private Insurance Supervision – www.bankofgreece.gr).

EIOPA: European Insurance and Occupational Pensions Authority, among its duties are, inter alia, the issuance of Guidelines aimed to the supervisory convergence in the EU and the provision of advices / opinions to the European institutions in the context of regulating insurance activity.

Solvency & Financial Condition Report (SFCR): A report that insurance companies are required to disclose on an annual basis on their websites in the context of 3rd pillar obligations. The main objective of the report is to present to every interested party (e.g. insured, potential investor, clients) the activity of the insurance company and its results, the basic components of the financial situation and its corporate governance. The Risk Profile of the company, the quality of own funds composition, the capital requirements as well as their adequacy ratios are also described.

System of Governance: The system of Policies and Procedures under which the insurance company ensures its proper and prudent management, including ensuring a transparent organizational structure with proper segregation of duties and an effective information dissemination mechanism. The system of governance includes at least the following basic functions: (a) the risk management function, (b) the regulatory compliance function, (c) the internal audit function and (d) the actuarial function.

System of Risk Management: It is part of the company's system of governance and includes the strategies, Policies and Procedures that allow to identify, measure, monitor, manage and report the risks to which the company is exposed or could be exposed, including of the interdependencies between these risks, on an ongoing basis. An important component of the risk management system is the specification of the risk tolerance limits by the insurance company.

Internal Audit System: It is also part of the company's system of governance and includes audit administrative and accounting procedures in order to ensure that the system of governance is fully compliant with the applicable legal and regulatory framework, as well as with all its approved Policy and Internal Procedures as well as that the circulation of reliable information is achieved at all levels of the company. The Internal Audit System includes the function of internal audit, which must operate in complete independence from the other (under control) functions of the system. The Internal Audit System also includes the function of regulatory compliance.

Regulatory Compliance function: Function responsible for identifying, assessing and managing the regulatory risk of the insurance company, i.e. the risk of penalties / fines or damage or loss of reputation to which the company may be exposed due to non-compliance with applicable laws, internal regulations and best practices. Regulatory risk is systematically classified as operational risk.

Actuarial function: Function in charge of calculating technical provisions of the insurance undertaking (see relevant definition below). The duties of the actuarial function include, inter alia, opinion on the general risk underwriting policy of the insurance undertaking.

Risk profile: Register of all risks to which the insurance undertaking is exposed.

Underwriting risk: The risk of loss or of adverse change in the value of insurance liabilities, due to inadequate pricing and provisioning assumptions. Underwriting risk include life, health and non-life insurance risks.

Counterparty default risk: The risk of loss or of adverse change in the financial situation, resulting from the likelihood or probability that one of those involved in a transaction might default on its contractual obligation.

Market risk: The risk of loss or of adverse financial change resulting directly or indirectly from fluctuations in the level and volatility of market prices of assets or liabilities as well as the financial instruments of the insurance company (e.g. equity fluctuations, bond interest rates).

Operational risk: The risk of loss either due to inadequacies or deficiencies or due to adverse external factors in the internal procedures of an insurance undertaking (e.g. fraudulent activity), in its computer systems (e.g. IT collapse/disaster) or in its personnel.

Technical provisions: Valuation of insurance undertaking liabilities undertaken through its insurance policies towards its clients.

Own funds: Funds that the insurance undertaking is obliged to preserve in order to use them to absorb losses beyond the expected ones, if they arise. Own funds are divided into basic own funds (balance sheet items) and ancillary own funds (off-balance sheet items, such as unpaid share capital, letters of guarantee). Furthermore, Own funds are divided into three categories (Tiers) 1, 2 and 3 depending on their ability to absorb losses, their duration and other quality characteristics (e.g. based on their immediate availability, non-burden).

Eligible Own Funds: Own funds eligible to meet the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR) in accordance with the quantitative limits provided by legislation.

Solvency Capital Requirement – SCR: The financial capital that an insurance company must have in order to reduce the probability of bankruptcy to 0.5%, over a period of 12 months. The Solvency Capital Requirement is calculated either by using the standard (common) method provided by Delegated Regulation (EU) 2015/35 or by using, after the approval of the Supervisory Authority, an internal model, adapted to the Risk Profile of the insurance company.

Minimum Capital Requirement – MCR: It corresponds to a level of capital below which it is considered by legislation that the interests of the insured would be seriously endangered if the insurance company continued to operate. For this reason, it is provided that if this capital limit is not met, then the operating license of the insurance company is revoked by a decision of the Supervisory Authority (BoG).

Diversification: A mechanism that practically offsets (reduces) the Risk Profile of the insurance company, based on the principle that the risk measure of all risks is less than the measure of each risk separately.

Solvency Capital Requirement Ratio: The ratio between Eligible Own Finds and the Solvency Capital Requirement.

Transitional measures: Measures which facilitate insurance undertakings within a reasonable transitional period to fully comply with Solvency II requirements. Their purpose is generally to normalize the direct effect of the application of Solvency II rules so that, for example, large increases in technical provisions or capital requirements are implemented gradually.

Volatility adjustment: A measure that allows the insurance company to reduce the volatility of markets in its portfolio based on parameters calculated by EIORA according to a common methodology by country and currency.

Techniques to mitigate risk: All methods that enable the insurance company to transfer the risks to third parties (e.g. reinsurance).

The definitions given above are indicative and do not follow from a legal text. They are intended to help the reader of this Report, who is not particularly familiar with the subject of private insurance, understand very broadly some very basic terms of the Solvency II system.

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