ETHNIKI

FIRST IN INSURANCE

Solvency & Financial Condition Report

2022

DISCLAIMER: This document is a translation into English of the original Greek '"Έκθεση Φερεγγυότητας & Χρηματοοικονομικής Κατάστασης 2022". 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

Disclosure Framework

The content of the Solvency and Financial Condition Report ("the Report"), is determined by Article 38 of Greek Law 4364/2016, Articles 2 through 14 of the Executive Committee Act No. 77/12.02.2016 of the 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.

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 outside of the Tables are presented in millions of Euros (unless otherwise stated).

The BoG as Supervisory Authority, in accordance with Article 42 par. 3 of Greek Law 4364/2016, may require the modification or revision of published reports or disclosure of any additional information, or the implementation of actions by Management.

The original Greek Report for the year ended 31 December 2022 has been approved by the BoD of "THE ETHNIKI" Hellenic General Insurance Company S.A. ("Ethniki Insurance" or "the Company") on 04.04.2023.

This page was intentionally left blank.

Summary

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, change of Company's shareholder structure, exposure to International Banking Sector, IFRS 17 implementation and Voluntary Exit Scheme (VES).

Key Figures

The following table depicts the key figures of the Company for the financial years 2022 and 2021:

Solvency II Key Figures	31.12.2022	31.12.2021
(€ thousands)		
Investments	3.303.762	4.031.876
Other Assets	436.581	441.629
Total Assets	**3.740.343**	**4.473.505**
Technical provisions	2.685.175	3.281.643
Other liabilities	399.619	430.965
Excess of assets over liabilities	**655.549**	**760.898**
Subordinated liabilities	175.000	175.000
Total Own Funds	**830.549**	**935.898**
Eligible own funds to meet SCR		
Tier 1	583.911	668.307
Tier 2	125.000	125.000
Tier 3	41.431	57.800
Total Eligible Own Funds to meet SCR	**750.342**	**851.106**
Capital Requirement		
Solvency Capital Requirement (SCR)	332.862	385.333
Solvency Ratio (SCR Coverage Ratio)[1]	**225%**	**221%**
Minimum Capital Requirement (MCR)	98.878	114.597
Eligible own funds to meet MCR		
Tier 1	583.911	668.307
Tier 2	19.776	22.919
Total eligible own funds to meet MCR	**603.686**	**691.226**
Solvency Ratio (MCR Coverage Ratio)[2]	**611%**	**603%**

[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)

As indicated in the above Table, on 31.12.2022 the Company's eligible own funds exceed both the Solvency Capital Requirement ("SCR") and the Minimum Capital Requirement ("MCR").

The Company, with General Assembly No. 175/ 25-11-2022, approved of a dividend distribution of €91,7m from prior year reserves and profits, based on Article 162, par. 3 of Law 4548/ 2018.

The above distribution to the sole shareholder of the Company "Ethniki Holdings S.à.r.l." was completed during 2022.

The BoD of the Company has not proposed a dividend payment for the financial 2022.

Business and Performance

In 2022 Ethniki achieved high profitability and strong premium production results, maintaining a strategic role in the Greek Insurance Market.

In 2022, the Company sustained its operating profitability, with Profit Before Tax (excluding impairment losses for subsidiaries) equal to €41,9m for the 12 months of 2022 on the back of positive results from the non-life and group life business, versus €90,5m in 2021. The decrease vs. the prior year was mainly due to valuation losses in guaranteed u/l contract assets as well as due to non-recurring costs stemming from the transformation plan currently being implemented in the Company. Total production for 2022 reached €655,9m (2021: €689,6m)[1], driven by a robust performance in both life and non-life business. The decrease by 4,9% versus 2021 is mainly due to the cease of offering of Life guaranteed traditional products. From total production of 2022, €479,0m was attributed to the Life & Health business (2021: €518,6m) and €176,9m was attributed to the Non-Life business (2021: €171,0m).

Ethniki Insurance has a strong presence in the Greek Insurance Market with a total Market Share of 13,6% of Gross Written Premiums (GWP), and maintains a strong and sufficient capital base that allows the Company to offer efficient services and a wide product base to its policyholders.

System of Corporate Governance

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

The BoD, supported by its Committees, is responsible for setting the strategic direction, 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 and group interest and the promotion of internal affairs, in accordance with the legal and regulatory framework.

The System of 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,

[1] Including €81,8m (2021: €141,6m) regarding investment contracts premium production, per IFRS.

throughout the range of Participant's business activities. The effective operation of the risk management system is based on the adoption of the proper culture by the personnel and on the participation of the business departments in its adoption. For the effective operation of 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 and/or directly by the BoD.

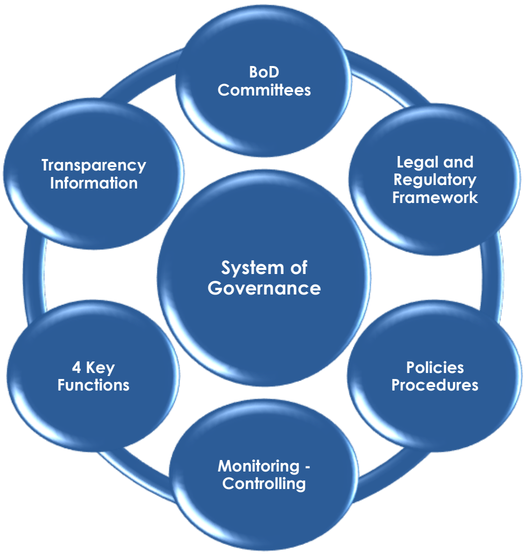


Diagram: Illustration of System of Governance

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 2022, which was reinforced by geopolitical instability.

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 31.12.2022, 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 €332,9m as opposed to €385,3m as at 31.12.2021.

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

Solvency Capital Requirement (€ thousands)	31.12.2022	31.12.2021	Difference
Market risk	189.933	221.251	(31.318)
Credit risk	36.457	29.774	6.683
Insurance risk Life	95.477	116.785	(21.308)
Insurance risk Health	90.195	107.186	(16.991)
Insurance risk Non - Life	64.887	76.768	(11.881)
Diversification	(166.824)	(192.179)	25.355
Basic Solvency Capital Requirement ("BSCR")	**310.126**	**359.585**	**(49.459)**
Operational Risk	22.736	25.748	(3.012)
Solvency Capital Requirement	**332.862**	**385.333**	**(52.471)**

There was change to the Company's Risk Profile, compared to the previous reporting period. Total capital requirements decreased by 13,6%. The decrease came mainly from market risk and insurance risk (by 14%, and 17% respectively). As an offset, credit risk was increased by 22%.

The Company has performed a sensitivity analysis, in order to estimate the effect of changes in risk factors on its own funds as at 31.12.2022. 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 Participant measures 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 at fair value. Technical provisions are measured in accordance with the valuation rules of technical provisions.

Compared to the previous reporting year, the Participant 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.

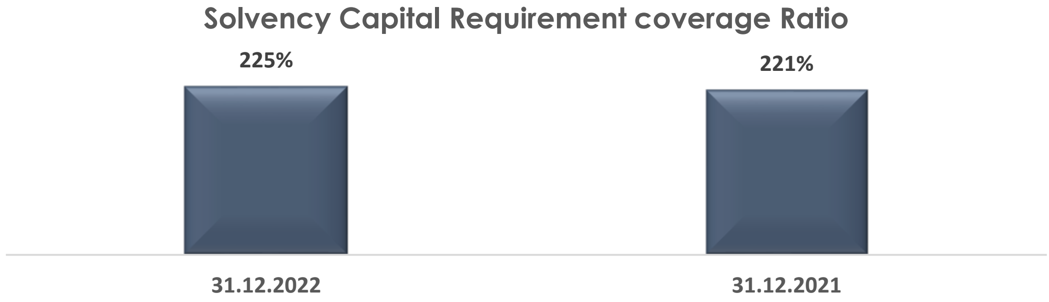
According to the decision No. 269/5/09.05.2018 of the Committee of Credit and Insurance Issues ("CIIC") of BoG and in accordance with the provisions of article 275 of Greek Law 4364/2016, the transitional measure was set at €205,8m. The reduction of the technical provisions concerns the liability of the health legacy portfolio with a restriction on premium adjustment and is amortized linearly over a sixteen (16) year period. As at 31.12.2022 the unamortized value of the transitional measure on technical provisions amounting to €128,6m (i.e. 10/16 of the initial amount of the transitional measure of €205,8m) and for 2023 will amount to €115,7m (i.e. 9/16 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 225% as at 31.12.2022, compared to 221% as at 31.12.2021.

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 187% as at 31.12.2022, compared to 184% as at 31.12.2021.

The Company, as at 31.12.2022 covers the Solvency Capital Requirement, with and without transitional measures. More specifically, the total own funds amount to €830,5m as at 31.12.2022, out of which €750,3m are eligible to meet the Solvency Capital Requirement, and the Solvency Capital Requirement as at 31.12.2022 amounts at €332,9m.

The Solvency Capital adequacy ratio of the Company with the use of transitional measures, increased slightly vs. prior year at 225% (2021: 221%).



The ratio increased by 4 percentage points in 2022 compared to 2021 due to the reduction of both capital requirements by € 52,5m and eligible own funds by €100,8m.

The decrease of capital requirements is attributed mainly to the significant decrease (by € 31,3m) of capital requirements for Market Risk, as well as Insurance risk (by €50,2m).

The decrease of eligible own funds with the use of the transitional measures, by €100,8m, in 2022 compared to 2021, is mainly driven by:

- Dividend distribution of € 91,7m.
- Decrease in the value of the investment portfolio by €648,8m, as a result of the widening of the European periphery spreads and the increase in the risk free interest rate curve, which had an opposite (positive) effect of a similar amount on technical provisions as mentioned below.

The above losses were partially offset by:

- The Profit Before Tax €32,3m in 2022.
- The decrease of technical provisions by € 635,5m mainly attributed to the increase in the interest rate curve by 274 bps; the positive effect of the interest rate curve on technical provisions was partially offset by the change in medical inflation assumptions. The decrease in technical provisions mainly stems from Life line of business.

On 1 January 2022 the transitional measure on technical provisions was amortized by €12,8m.

Change of the Company's shareholder structure

On March 31, 2022, the 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 and its subsidiaries operate.

Exposure to the International Banking Sector

The Company has zero direct exposure to SVB or Credit Suisse instruments either through money market, bonds or equity financial instruments and continues to monitor the impact from further banking stresses on the sector and on the wider economy as well.

Total banking sector exposure as a percentage of the total portfolio remains small. While the Company maintains some global banking exposure, this is allocated to large systemic banks, which have high liquidity ratios and are well capitalized, reducing the risk of any adverse impacts.

IFRS 17 implementation

IFRS 17 implementation is at an advanced stage. Emphasis is given on the readiness of IT systems and automations as well as on data quality checks, while designing and implementing the new Target Operating Model.

Voluntary Exit Scheme (VES)

The Board of Directors of the Company, in its meeting on 4 April 2023, approved a Voluntary Exit Scheme for the employees and salaried lawyers of the Company provided that they have:

- a minimum of 30 years of age

- at least 7 full years of service in the Company

Compensation will be calculated based on the participant's age and years of service in the Company.

The deadline for submitting applications for participation in the VES is 5 May 2023.

The VES will offer development opportunities for the remaining personnel and further enhance the competitiveness of the Parent Company through the rationalization of its cost base.

1. Business & Performance

1.1. Business

1.1.1. The Company

Ethniki Insurance is the oldest insurance undertaking in Greece and conducts business continuously for over 130 years. It was established in 15 June 1891 and its headquarters are located on 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, its purpose is to carry out insurance, reinsurance and other 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 undertaking of Insurance and Reinsurance business, and the provisions of the legal and regulatory framework governing its operation and activities. The Ethniki Insurance 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 the 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 Participant'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 the NBG to the newly established subsidiary of CVC: Ethniki Holdings S.à.r.l, and the purchase by 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 and its subsidiaries operate.

1.1.2. BoD Members

On 31.12.2022, the Board of Directors was comprised of the following members:

Andrzej Piotr Klesyk του Henryk	President, Non-Executive Member
Stavros Konstantas, son of Stamatios	CEO, Executive Member
Tassos Anastasiou, son of Loukis	Executive Member
Stavros Karagrigoriou, son of Efstratios	Executive Member
Matthew George Alfred Bryant, son of David	Non-Executive Member
Alexandros Fotakidis, son of Panagiotis	Non-Executive Member
Christina Theofilidi, daughter of Theofilos	Non-Executive Member
Konstantinos Rokas, son of Ioannis-Evangelos	Non-Executive Member
Peter William James Rutland, son of James	Non-Executive Member
Stuart Jeffrey Davies, son of Thomas	Independent Non-Executive Member
Vassileios Mastrokalos, son of Gerasimos-Anargyros	Independent Non-Executive Member

The Ordinary General Meeting of the Shareholders No. 173/14.4.2022 resolved in the election of a new BoD. The tenure of the BoD Members is for three years, i.e. until 14/4/2025, and shall be extended until the first Ordinary General Meeting of the Company’s Shareholders, which shall convene upon the expiry of the BoD’s tenure. Messrs. Christophoros B. Sardelis, Panagiotis A. Dasmanoglou, Angeliki I. Skandaliari, Nikolaos E. Fragkos, Nikolaos G. Milios, Petros I. Lirintzis and Chistodoulos D. Christodoulou stepped down from the BoD.

The Extraordinary General meeting of the Shareholders No. 174/6.10.2022 resolved that the BoD shall comprise of twelve Members. Following the above resolution, Mr. Robert Constantin Gauci, son of Hervé Marc, was elected new BoD Member.

At the BoD meeting No. 2322/13.12.2022, the stepping down of the Company's CEO and BoD Member, Mr. Stavros Konstantas, on 31.12.2022 was brought to the attention of the Body.

At its meeting No. 2324/2.1.2023, the BoD unanimously approved the "Fit & Proper" assessment of the new CEO, Mr. Robert Constantin Gauci, and reconstituted into Body Corporate.

1.1.3. Company Sales Network

The Company conducts its business throughout Greece via its Sales Network, which comprises 134 Sales Offices, 1.693 Insurance Agents and 1.264 Insurance Brokers. The network is supported by 11 branches located in Athens, Agrinio, Heraklion, Thessaloniki, Kavala, Corinth, Lamia, Larisa, Patras, Rhodes and Chania. The Company's products are also available via the extensive network of NBG Branches, as well as through direct selling.

1.1.4. Subsidiaries Network

Ethniki Insurance (Cyprus) Ltd.

Ethniki Insurance (Cyprus) ltd. offers a full range of Life insurance, as well as Non-life insurance in all lines of business. Its distribution network is supported by 7 branches and 2 Sales Offices, located in all major cities of Cyprus (Nicosia, Limassol, Larnaca, Paphos, Famagusta), 127 Insurance Agents and 49 cooperating Insurance Brokers.

Garanta Asigurari S.A. (Romania)

GARANTA S.A. (Garanta Asigurari S.A.) carries out insurance and reinsurance activities and offers a full range of retail and business insurance services. The company conducts its business through 12 branches in the following Romanian cities: Bucharest (2), Bacau, Galati, Craiova, Constanta, Deva, Iasi, Pitesti, Ploiesti, Oradea and Timisoara. Its distribution network includes 140 Insurance Brokers, 3 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 BoG, with registered office at 21, Eleftherios Venizelos Street, Athens, tel. +30 210 32 01 111, and website http://www.bankofgreece.gr, is the competent Supervisory Authority.

External Auditor for the Group is Price Waterhouse Coopers SA ("PwC") with registered seat at Kifisias Avenue, 260, Halandri, tel.: +30 210 68 74 400, website: http://www.pwc.com/gr is the Company's external auditor.

1.2. Insurance Activity Results

The Company's Insurance activity results by line of business for 2022 and 2021 are presented in the following tables:

Company's Results 2022	Life L.o.B.	Motor L.o.B.	Property L.o.B	Other Non-Life L.o.B.	Total
(€ thousands)					
Gross written premiums and related income	478.951	67.865	72.420	36.642	655.877
Gross earned premiums and related income	474.447	68.408	68.221	35.685	646.761
Less: Ceded premiums	(6.420)	(2.855)	(37.113)	(20.355)	(66.743)
Net earned premiums and related income	**468.028**	**65.553**	**31.108**	**15.329**	**580.018**
Investment income	82.259	5.149	2.316	1.205	90.929
Impairment of financial assets	(2.839)	(476)	(98)	(60)	(3.473)
Total Investment income	**79.420**	**4.673**	**2.217**	**1.145**	**87.456**
Other income	1.093	753	124	172	2.142
Insured claims	(372.859)	(29.216)	(1.779)	(4.769)	(408.624)
Earned commissions (net amount)	(63.104)	(10.676)	(5.269)	(3.029)	(82.078)
Change in mathematical Insurance provisions	(16.789)	-	-	-	(16.789)
General & Administrative Expenses	(58.644)	(24.985)	(14.228)	(10.099)	(107.956)
Interest expense on Subordinated Loan	(8.204)	(1.993)	(1.553)	(477)	(12.226)
Profit / (Loss) before tax & Non-Recurring	**28.942**	**4.109**	**10.621**	**(1.728)**	**41.943**
Impairment on subsidiaries					(9.663)
Profit before tax					**32.280**

Company's Results 2021	Life L.o.B.	Motor L.o.B.	Property L.o.B	Other Non-Life L.o.B.	Total
(€ 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	(47.608)	(21.179)	(8.045)	(7.669)	(84.501)
Interest expense on Subordinated Loan	(3.976)	(966)	(753)	(231)	(5.926)
Profit / (Loss) before tax & Non-Recurring	**57.364**	**16.057**	**15.503**	**1.624**	**90.548**
VES Cost					(21.236)
Profit before tax					**69.312**

In 2022, despite market turmoil and inflationary pressures, the Company achieved its goals sustaining significant profitability and GWP production, with total market share reaching 13,6%.

The Company sustained its operating profitability with Profit Before Tax amounting to €32,3m for the 12 months of 2022, versus €69,3m in 2021. Total production for 2022 reached €655,9m (2021: €689,6m)[2], decreased by 4,9% vs. prior year.

1.2.1. Life Insurance

The PBT of Life insurance amounted to gains of €28,9m in 2022, compared to gains of €57,4m in 2021. GWP decreased by 7,6% compared to 2021, amounting to €479,0m[3] in 2022 compared to €518,6m in 2021.

1.2.2. Non-Life Insurance

The profitability of Non-Life business continued for 2022. The profit before tax reached €13,0m in 2022, compared to €33,2m in 2021.

The PBT gains of the Motor insurance sector reached €4,1m in 2022 compared to €16,1m in 2021. Regarding the Property and Loss of profit insurance sector the profit before tax amounted to €10,6m in 2022 compared to €15,5m in 2021. The PBT of Other Non-Life insurance sector was losses of €(1,7)m in 2022 compared to gains of €1,6m in 2021.

The GWP of Non-Life Line of Business ("LoB") (including premiums from reinsurance activities and policy fees) amounts to €176,9m in 2022 compared to €171,0m in 2021 (increase of 3,5%).

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

Technical Result (€ thousands)	**31.12.2022**	**31.12.2021**	**Difference**
Motor	25.661	28.918	(3.257)
Property	24.060	21.444	2.616
General Third Party Liability	5.216	5.072	144
Transport	64	402	(338)
Mechanical Damage	773	1.476	(703)
All risk	710	407	304
Other Non-Life	768	560	208
Total Technical Result	**57.252**	**58.279**	**(1.026)**

[2] Including €81,8m (2021: €141,6m) regarding investment contracts premium production, per IFRS.
[3] Including GWP of investment products.

1.3. Investment Income

Investment income of the Company (before impairment) amounted to €90,9m in 2022, compared to €98,1m 2021.

The above results are summarized in the following table.

Investment Income (*€ thousands*)	**31.12.2022**	**31.12.2021**	**Difference**
Listed equities	8.955	7.221	1.734
Bonds, Deposits & Loans	95.479	58.076	37.403
Mutual Funds (M/Fs)	(23)	12.828	(12.851)
Derivatives	119	(788)	907
Rental Income	4.134	3.817	317
Gains from sales of investment property	5.587	-	5.587
Unit-Linked valuation differences	(23.322)	16.938	(40.260)
Investment Income before impairment	**90.929**	**98.092**	**(7.163)**
Investment impairment	(3.473)	(1.437)	(2.036)
Investment Income	**87.456**	**96.655**	**(9.199)**

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 (*€ thousands*)	**31.12.2022**	**31.12.2021**	**Difference**
Balance at the beginning of the period	**242.472**	**330.730**	**(88.258)**
Net gains/(losses) from changes in fair value	(489.971)	(71.807)	(434.790)
Net gains/(losses) transferred to the income statement	(43.717)	(25.397)	(18.320)
Impairment losses	2.957	1.340	1.617
Impact from tax rate change	-	7.606	(7.606)
Balance at the end of the period	**(288.259)**	**242.472**	**(547.357)**

Losses from changes in fair value are due to the increase in interest rates during 2022, but also due to the increase in the credit spread between Southern European bonds and the risk free rate.

Investment strategy is defined within the desired investment risk appetite, which is part of the general risk appetite framework for all activities of the Company. The outcome is the Strategic Asset Allocation (SAA), whose main points are primarily the existence of adequate liquidity to cover liabilities, but also the choice of investments with common characteristics with the matching insurance liabilities that they cover, the use of sustainability criteria in investment decision making, the reduction of volatility and the diversification within categories and sectors, in order to reduce total investment risk.

1.4. Operating Expenses

The breakdown of the Company's operating expenses for 2022 and 2021 is provided in the table below:

(€ thousands)	31.12.2022	31.12.2021	Difference
Personnel costs	(46.993)	(42.967)	(4.026)
General and administrative expenses	(51.804)	(31.232)	(20.573)
Depreciation & impairment of assets	(8.335)	(9.534)	1.199
Financial expenses	(824)	(769)	(55)
Total general and administrative expenses	**(107.956)**	**(84.501)**	**(23.455)**
Interest expense on subordinated loan	(12.226)	(5.926)	(6.300)
Total Operating expenses (before VES cost)	**(120.182)**	**(90.427)**	**(29.755)**
VES Cost	-	(21.236)	21.236
Total Operating expenses	**(120.182)**	**(111.663)**	**(8.519)**

Operating Expenses reached €120,2m in 2022 compared to €111,7m in 2021, increased by €8,5m. It is noted that 2021 was burdened with VES Cost of €21,2m.

General and administrative expenses are increased in 2022 by €20,6m vs. 2021 mainly due to consulting fees related to digital and operational transformation initiatives of the Company.

1.5. Other Information

Participation in the Subsidiary in Romania - Garanta Asigurari

As of 31.12.2021 the Company held an equity stake in Garanta Asigurari that operates in Romanian Market. The specific company was founded in October 1997, with a goal to invest in Romanian Insurance Market, with Ethniki Insurance as majority equity holder with an equity stake of 94,96%.

The size of this specific subsidiary is relatively small compared to the size of the Participant or its Group. More specifically, total assets of the subsidiary for 2022 are 0,8% of Group's assets and net equity position is 1,9% of Group's net equity position.

During 2022, the Participant completed two equity capital increases (August 2022 and November 2022) in the aforementioned subsidiary, of € 1,0m and € 2,1m respectively. In those two equity capital increases, not all shareholder participated, thus as of 31.12.2022, the Participant's equity stake in Garanta's equity capital position amounts to 96,7%.

During the past three months of 2022, the Participant decided to dispose of its stake in the subsidiary and has commenced a process to find prospective investors for the subsidiary.

The sales process is not completed. The sale consideration is expected to be lower that the value of the subsidiary in the Company's Solvency II Balance Sheet.

The investment in Garanta has been measured in accordance with applicable Solvency II valuation principles. This value is higher than that determined under IFRS 5: "Non-Current Assets Held for Sale" by €9,2m since the investment in the said undertaking has been impaired based on non-binding offers received.

Dividend Distribution

The Company, with General Assembly No. 175/ 25-11-2022, approved of a dividend distribution of €91,7m from prior year reserves and profits, based on Article 162, par. 3 of Law 4548/ 2018.

The above distribution to the sole shareholder of the Company "Ethniki Holdings S.à.r.l." was completed during 2022.

The BoD of the Company did not propose a dividend payment for the financial year 2022.

Change of the Company's shareholder structure

On March 31, 2022, the 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 and its subsidiaries operate.

Exposure to the International Banking Sector

The Company has zero direct exposure to SVB or Credit Suisse instruments either through money market, bonds or equity financial instruments and continues to monitor the impact from further banking stresses on the sector and on the wider economy as well.

Total banking sector exposure as a percentage of the total portfolio remains small. While the Company maintains some global banking exposure, this is allocated to large systemic banks, which have high liquidity ratios and are well capitalized, reducing the risk of any adverse impacts.

IFRS 17 implementation

IFRS 17 implementation is at an advanced stage. Emphasis is given on the readiness of IT systems and automations as well as on data quality checks, while designing and implementing the new Target Operating Model.

Voluntary Exit Scheme (VES)

The Board of Directors of the Company, in its meeting on 4 April 2023, approved a Voluntary Exit Scheme for the employees and salaried lawyers of the Company provided that they have:

- a minimum of 30 years of age

- at least 7 full years of service in the Company

Compensation will be calculated based on the participant's age and years of service in the Company.

The deadline for submitting applications for participation in the VES is 5 May 2023.

The VES will offer development opportunities for the remaining personnel and further enhance the competitiveness of the Parent Company through the rationalization of its cost base.

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 Group'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 stakeholders.

The Code defines the following:

1. the main duties and responsibilities of the BoD,
2. its size and structure,
3. the role and duties of the Chair 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.

The Code makes special reference to the required qualifications and the independence of the BoD members.

The following Codes – Policies concerning the Company and its Group are part of the Corporate Governance framework:

1. Conflict of Interest Prevention Policy
2. Code of 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 BoD resolutions 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. the general responsibility for the operation of the Company, including the approval and supervision of its strategic objectives, corporate governance and corporate values. The BoD is also responsible for the supervision of the senior executives of the Company,
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. the approval, updating and supervision of the implementation of Corporate Governance Policies.

2.1.2. Responsibilities of BoD

BoD of the Company manages the Company, represents it at all times and before all and is competent to resolve on any matter concerning the operation of the Company, except for those which, according to law and / or 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 each Company with only his signature except for some restrictions, The BoD, assisted by the Remuneration and Nomination Committee, approves and reviews on an annual basis the above delegation of responsibilities and powers.

2.1.3. Structure of the BoD

The Company's BoD is comprised 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 31.12.2022, is analyzed in Chapter 1.1.2.

2.1.4. BoD Committees

The BoD Committees have defined responsibilities, allocated to them by the BoD. The Committees are supported by the Management and Executives of the Company or / and external advisors with specialized knowledge in 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.

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

1. Audit Committee
2. Remuneration and Nomination Committee
3. Risk Committee

Each Committee operates according to an approved Charter, which, where applicable, is in line with the provisions of the regulatory framework. The Charters define the purpose, the duties and responsibilities of the Members, the operation and meetings procedures 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, according to the approved Charters, 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 work and activities of the Company's Internal Audit Division,
iii. monitoring and controlling the independence, objectivity and integrity of the audit and non-audit services provided by the external auditor,
iv. monitoring and controlling the adequacy and effectiveness of the activities of the Compliance and Corporate Governance Division,
v. monitoring the adequacy and efficiency of the Internal Control System ("ICS"),
vi. monitoring complaints from Staff and third parties (whistleblowing) and ensuring compliance with ethics.

2. Remuneration & Nomination Committee

The Committee assists the BoD in fulfilling its duties as regards remuneration, staffing – composition, and identification of the right persons to be BoD Members and Senior Executives, in accordance with the applicable from time to time legislation, the Company's Policies and its Charter. The Committee Members are designated based on their skills and experience in corporate governance.

The main responsibilities of the Committee include:

i. Regularly reviewing the Fit and Proper Policy of the Company and recommending any remedial actions to the BoD.
ii. Planning and coordinating the implementation of the nomination procedure of candidate Board members, CEO and General Managers, in accordance with the provisions of the Fit and Proper Policy.
iii. Regularly reviewing the Remuneration Policy of the Company and the remuneration practices, and recommending any remedial actions to the BoD.
iv. Reviewing the Human Resources Division's annual report and potentially submitting relevant proposals to the BoD.

3. Risk Committee

The Committee assists 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 relevant legal and 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 in the Company.

2.1.5. Remuneration Policy & Practices

The Policy establishes and describes the broader framework governing the Company's remuneration system in accordance with the legal and regulatory provisions in force. It applies to all Company Executives and Staff and their total remuneration. In addition, it includes special provisions for the BoD members, persons of the Management or persons exercising other key responsibilities as well as Executives whose professional activities have a material impact on the Company's Risk Profile.

Remuneration includes all forms of payments and benefits, fixed and variable.

Variable remuneration means additional payments or benefits, which are paid at irregular intervals and do not have a fixed character. However, variable remuneration includes but is not limited to any staff performance-related benefits.

The general principles of the Policy are the following:

i. The Policy is based on the principle of equal pay for equal work or for work of equal value regardless of race, color, gender, religion, political views, national or social origin.
ii. The Policy and the remuneration practices are established, implemented and maintained in accordance with the business strategy and risk management strategy of the Company, the risk profile, objectives, risk management practices and long-term interests and performance of the Company overall and includes measures aiming at avoiding conflicts of interest.
iii. The total variable remuneration should neither limit the ability of the Company and / or its Group companies to strengthen their capital base nor jeopardize its robustness.
iv. When setting performance targets, observance of the sustainability framework is taken into account. In order to pay any variable remuneration, the achievement of these targets is assessed.
v. It is not allowed to pay guaranteed variable remuneration.

The non-executive members of the BoD of the Company receive only fixed remuneration in order to avoid conflicts of interest. When, in exceptional cases, Non-Executive Members receive variable remuneration, the said remuneration and its relevant risk alignment are adapted to the supervising, monitoring and control duties granted to them and reflect each person's powers and competences.

In 2022, the Company did not pay Staff performance related variable remuneration as defined in the Remuneration Policy.

2.1.6. Key Functions

The Company has Risk Management, Compliance, Actuarial, and Internal Audit Units, whose responsibilities are defined in their respective approved Charters.

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

2.1.7. Related party disclosures

Transactions with Legal Entities

(€ thousands)	31.12.2022				31.12.2021			
	Receivables	**Liabilities**	**Income**	**Expenses**	**Receivables**	**Liabilities**	**Income**	**Expenses**
Subsidiaries Companies	2	198	27	19	2	211	46	44
CVC Capital Partners SICAV-FIS S.A.	1.241	-	2.454	18	-	-	-	-
-Insurance contracts	1.241	-	2.454	16	-	-	-	-
-Other transactions	-	-	-	2	-	-	-	-
NBG			1.709	6.080	352.925	184.452	6.355	21.212
- Time deposits	-	-	3	-	4.000	-	15	-
- Sight deposits	-	-	-	-	20.593	-	-	-
- Insurance operations	-	-	1.317	2.915	327.684	4.453	4.699	14.144
- Other transactions	-	-	-	2.924	508	173.765	-	6.208
NBG Group Affiliated companies	-	-	389	241	140	6.234	1.641	860
Total	**1.243**	**198**	**4.191**	**6.117**	**352.927**	**184.663**	**6.401**	**21.256**

The Company up until 31.03.2022 was a wholly owned subsidiary of NBG. As of 01.04.2022 NBG sold 100% of its participation to Ethniki Holdings S.à.r.l. based in Luxembourg in which CVC Capital Partners SICAV-FIS S.A. holds an indirect controlling interest. As a result, transactions with NBG and its affiliated companies relate to the period from 1.1 to 31.3.2022, whereas transactions with companies affiliated with CVC Capital Partners SICAV-FIS S.A. relate to the period from 1.4 to 31.12.2022.

Payments to hospital which relate to claims payments to the Company's policyholders, including capitation fees, are not included in the table above.

Transactions with members of the BoD and Management

All transactions with related parties were at arm's length, under the same terms with those provided to third parties or those agreed in employment contracts.

The Group and the Parent company, in the ordinary course of business, conducted transactions with BoD members and General Managers of the Company and members of the BoD of NBG (only for the period from 1.1 to 31.3.2022) as well as with their immediate family members or entities controlled or jointly controlled by those persons. The composition of the Participant's BoD is presented under Chapter 1.1.2. "BoD Members".

Specifically, as at 31.12.2022, receivables and payables amounted to €2k and €559k respectively (2021: €4k and €465k), while in 2022 premiums and claims amounted to €36k and €130k respectively (2021: €30k and €75k).

Total compensation in 2022 amounted to €3.229k (2021: €1.847k), including short-term benefits of €3.183k (2021: €1.815k) and post-retirement benefits of €47k (2021: €32k). Provision for compensation in case of retirement amounted to €29k (2021: €114k) and termination of employment benefits amounting to €1.240k.

Neither the Participant nor the Group have provided or received any guarantees or commitments of any sort, regarding the related parties.

As at 31.12.2022, as well as at 31.12.2021, neither the Participant nor the Group have created any provision for non-performing receivables, regarding to amounts due by related parties, due to the non-evidence of existence of such a risk.

The Company, with General Assembly No. 175/ 25-11-2022, approved a dividend distribution of €91,7m from optional reserves and past years' profits, based on Article 162, par. 3 of Law 4548/ 2018.

The above distribution to the sole shareholder of the Company "Ethniki Holdings S.à.r.l." was completed during 2022.

2.2. Fit & Proper requirements

The 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 stakeholders. The BoD Members, the General / Deputy General Managers and the Heads of the four Key Functions fall within the scope of the Policy.

This Policy defines, inter alia:

1. the fit & proper criteria of the aforementioned Persons,
2. the main steps of the assessment of the fit and proper criteria of the above Persons, both at their appointment and on a continuous basis.
3. cases in which the continuation of the fulfillment of the fit and proper 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. Fit & Proper criteria

The fit & proper 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). In addition, it is important to ensure that each member of the Board acts independently and he or she is required to be able to devote sufficient time and energy to the performance of his or her duties. The BoD members should have, collectively, appropriate professional qualifications, experience and knowledge of insurance and financial markets, business strategy, system of governance, financial and actuarial analysis and regulatory requirements in order to be able to supervise all operations of the Company,
2. honesty, integrity, financial reliability, 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. Assessment Procedures

Assessments procedures include:

1. the collection of the required supporting documents,
2. the preparation of Assessment Reports,
3. the proposal to the competent Bodies on the suitability and appropriateness of the candidates, based on the criteria defined in the Fit and Proper Policy and the other related Policies of the Company, such as the Conflict of Interest Prevention Policy, and

4. the final decision on the selection and assignment of the Person who is qualified based on the above-mentioned processes.

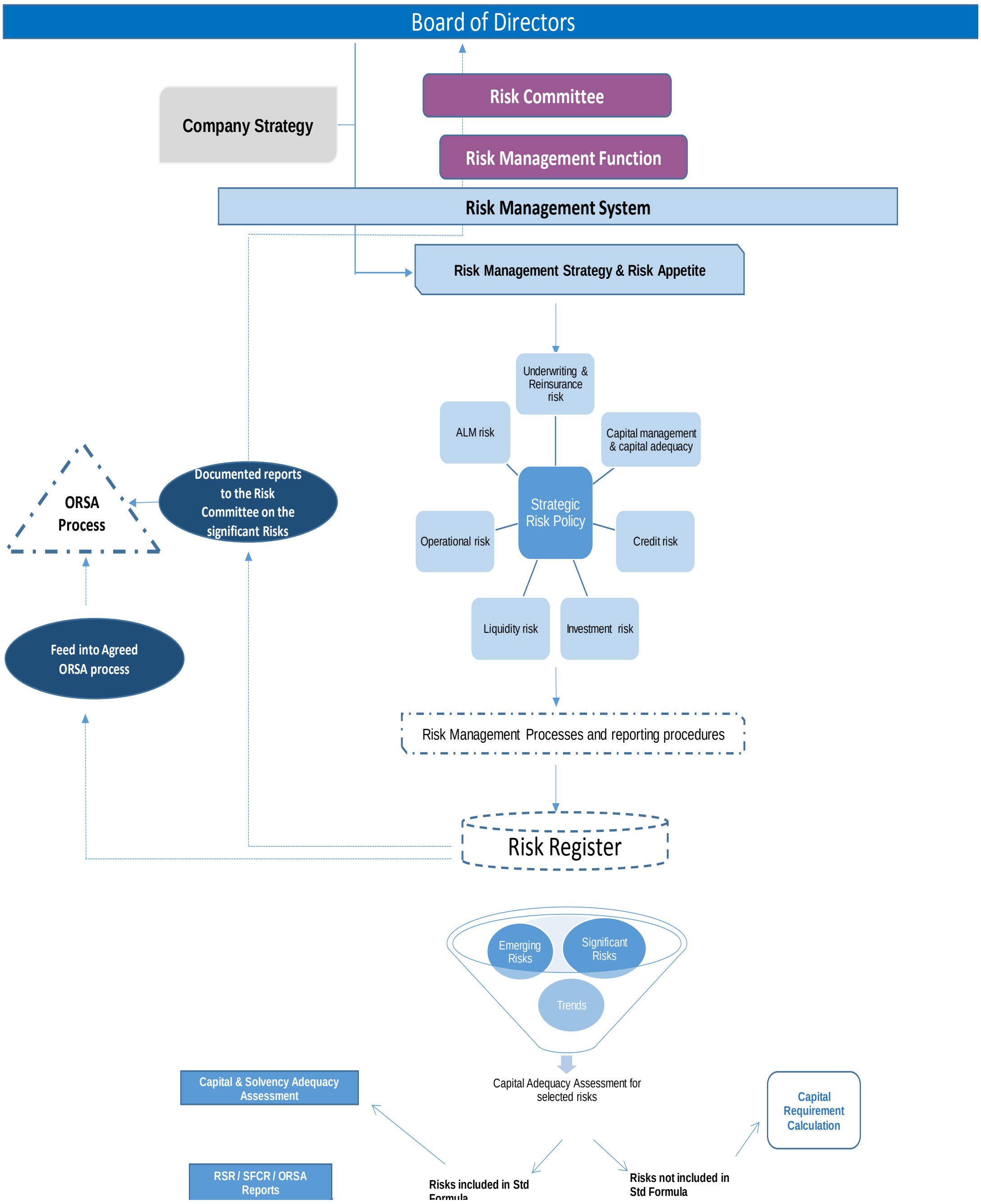
The Company has adopted and implements re-assessment procedures, in order to ensure that individuals who fall within the scope of the Policy, meet, on an ongoing basis, the criteria of the Fit & Proper Policy.

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:

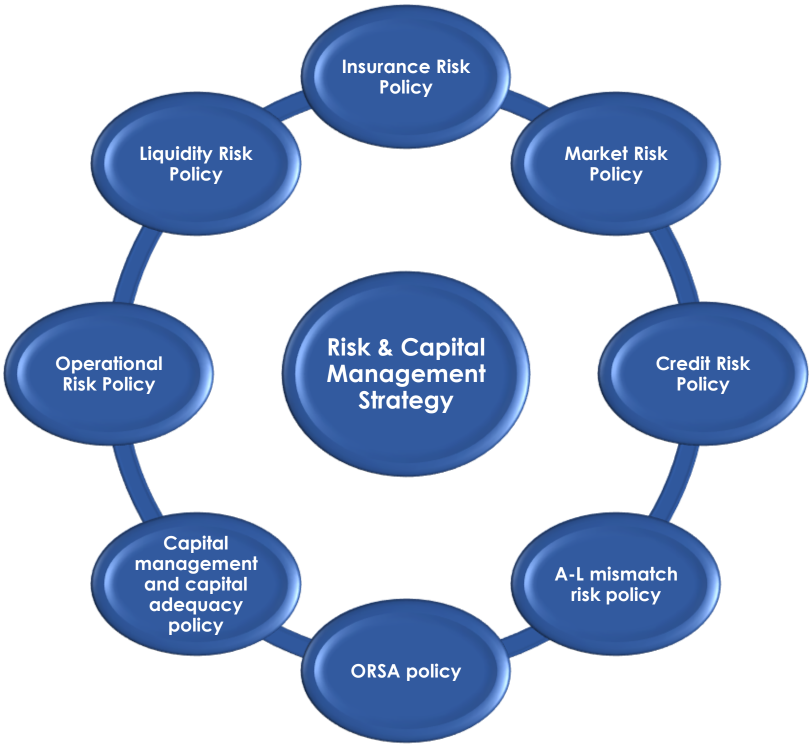
1. The approved by the BoD risk and capital management strategy,
2. The approved by the BoD risk management policies.
3. Along with the appropriate "risk culture".

«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

Risk management function is organized based on the adopted governance model of the "3 lines of defense", which is described below.

The risk management activities that are exercised by the Units of the 1st line of defense, are monitored by the Board Risk Committee, which has been established by the BoD, with the support of Units in the 2nd line of defense, 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 defense). 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 defense** – 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 defense** – 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 defense** – 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 defense" 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 Internal Control System (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. preparation and approval by the BoD of a multi-annual 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 Company's portal 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 ad hoc audits by the Internal Audit and Compliance Units to determine the degree of implementation of rules and procedures.

2.4.2. Description of Regulatory Compliance Function

The Compliance Function is an independent function.

The Company's Compliance and Corporate Governance Division:

1. Is responsible for the supervision and the coordination of the 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 Compliance and Corporate Governance Division is to ensure the Company and the Group Companies' good reputation and credibility vis-a-vis its customers, Supervisory and other independent Authorities, as well as other stakeholders through:

1. the 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. establishment of an adequate and effective compliance audit environment.

The responsibilities of the Compliance and Corporate Governance Division include:

1. identifying and regularly assessing compliance risk,
2. establishing and implementing appropriate procedures to timely achieve the Company and the Group's full and continuous compliance with the current regulatory framework and internal regulations,
3. addressing any kind of consequences as a result of the failure of the Company to comply with the legal and regulatory framework in force and the Codes of Ethics to which the Company and the Group adhere,
4. carrying out sample audits in the context of monitoring the implementation of the institutional framework to prevent any violations,
5. communicating with and representing the Company before the Supervisory and other Independent Authorities for settling or clarifying compliance issues,
6. carrying out audits to prevent situations of conflict of interest by detecting their sources and implementing effective methods and procedures for their prevention,
7. supervising and coordinating, at central level, any activity related to the obligations of the Company and the Group on a) the prevention and suppression of money laundering and terrorism financing and b) international sanctions,
8. preparing and submitting recommendations to the Management and the BoD of the Company for making, adopting and implementing the Compliance Policy of the Company and its Group and the dissemination of a culture of compliance in the Company with regard to the institutional framework of its operation and the internal Charters,
9. receiving the submitted anonymous / confidential reports from the Company's Staff or third parties on serious irregularities (whistleblowing).

The Compliance and Corporate Governance Division submits:

1. Annual Reports to the BoD and / or the Supervisory Authority which include a review of the previous year's activities, schedule of activities for the current year and general issues of identification and management of the Company's compliance risk, including

the method and results of compliance risk assessment, actions of the Company and the Compliance Unit to manage the risk,

2. a report to the competent BoD Committees regarding the results of the compliance risk assessment,
3. Ad hoc 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 within 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 processes related to the Company's internal control system, risk management and corporate governance. Thus, the IAD assists the Company in improving its operations and in accomplishing its strategic objectives.

According to its Charter, the IAD, as an administrative Division:

1. is independent of the audited activities and not involved in the selection, implementation and / or operation of specific internal control procedures / measures;
2. performs its assignments on its own initiative in all areas and activities of the Company. Its independence is not impaired when, following a respective Management's request, the IAD provides advisory services on risk management and / or internal control matters, provided that it does not assume management responsibility;
3. has unrestricted access to all books, data, personnel and activities of the Company, which are necessary for the support of audit work;
4. is staffed by personnel who are:
    i. exclusively full-time employed, without any executive or operational responsibilities or management duties relating to any other activity of the Company;
    ii. assigned or relieved of their duties by decision of the Company's Management, following a relevant proposal by the Head of the IAD and after informing the Audit Committee of the aforementioned issue.

The Head of the IAD:

1. is a Company Executive, exclusively employed on a full-time basis;
2. is assigned or relieved of his or her duties exclusively by the Company's Board of Directors, following a relevant proposal by the Audit Committee in cooperation with the CEO;
3. reports functionally, through the Audit Committee, to the Company's Board of Directors and administratively directly to the Company's CEO;
4. is not authorized to:
    i. perform any duties related to the operation of the Company;
    ii. execute or approve accounting entries;
    iii. supervise 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 contribute in some way to the operation of the Company's Internal Audit Function.

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

1. communicating the audit results to the 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 the Units' corrective action plans;
2. reporting to the Board of Directors through the Audit Committee, on a quarterly basis or when requested 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 by approval of the Head of the IAD, extracts from the reports are forwarded to the competent Company Executives and the competent bodies.
3. submitting to the Audit Committee an annual status report regarding the activities of the Company's Internal Audit Function, along with an Annual Audit Plan which includes the audit schedule at Company level;
4. submitting to the Board of Directors through the Audit Committee an annual report regarding the adequacy and effectiveness of the Internal Control System across the Company;
5. submitting other periodic reports to the Audit Committee, the Board of Directors, other competent bodies of the Company and / or to national, European or other relevant supervisory authorities, as appropriate, and in accordance with the respective regulatory framework requirements.

The IAD adheres to the provisions of the International Professional Practices Framework (IPPF) for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA) and the IIA's Code of Ethics. Furthermore, it takes into consideration and deploys as applicable the IIA's Practice Advisories, Practice Guides and Position Papers, as well as 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 agreement of any form between the Company and a service provider, under which the latter undertakes, directly or by sub-outsourcing, to carry out procedures, provide services or perform activities, which would otherwise have been carried out by the Company.

The Company applies an Outsourcing Policy, in line with the Solvency II framework, 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 of or the whole investment portfolio, the settlement of claims and the operations of the central information technology systems.

When outsourcing critical or important functions to third parties, the Company prioritizes the selection of reliable and specialized in the outsourced activity service 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 prior to outsourcing decision-making as well as during the relevant business relationships, the factors that could materially deteriorate the quality of the system of governance or unduly increase the Company's operational risk or hinder its seamless service to its policyholders are examined. 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 the activities 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 their country of jurisdiction.

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 of NBG's Debtors (claims management	France

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.

Developments in the Business & Regulatory Environment

Business Environment

The business environment both in Greece and worldwide, was characterized by increased uncertainty, which is reinforced by geopolitical instability. Lately, the Covid-19 pandemic has been in relative remission in terms of its effect on the population, a fact which resulted in many restrictions imposed previously, such as restrictions on citizens' free circulation, being lifted. The Russian-Ukrainian crisis, which is turning into a long-term one, and the intensifying competition between the great powers followed the relative pandemic remission.

The increase in the oil price and in other products, observed since 2021, has intensified after the outbreak of the Russian-Ukrainian crisis and drove inflation to very high levels. This resulted in restrictive monetary policy measures and a rise in interest rates. Inflation gradually increased, but the measures taken to contain it seem to be effective so far, as an overall de-escalation has been observed lately, both in Europe and in Greece.

The low-interest rate trend previously observed has been reversed. In 2022, the European Central Bank (ECB) proceeded with 4 increases in its key interest rates. By way of indication, the refinancing interest rate stands at 3.5%, after a March 2023 increase, versus 0% at the beginning of 2022. The average interest rate for the first 30 years of the risk-free interest rate curve increased from 0.35% at the end of 2021 to 2.9% at the end of 2022, thus lessening the pressure on the insurers' insurance portfolios, especially on their Life products portfolios with high guaranteed interest rates. In order to assess the overall impact, the impact of the rise in bond yields on the insurers' existing investment portfolios should also be considered.

Especially for Greece, the growth observed in 2021continued in 2022, albeit at a slower pace. According to the latest European Commission forecasts, the rate of the GDP change for 2022 is anticipated to stand at 5.5%, while a slower growth pace is expected in the coming years (Source: European Commission Forecasts, February 2023). At the same time, the unemployment rate dropped from 12.9% at the end of 2021 to 11.6% at the end of 2022 (Source: Eurostat). The ECB, after the end of the Pandemic Emergency Purchase Program (PEPP) in March 2022, left open the possibility of reinvesting in Greek Bonds from the PEPP securities, if deemed necessary, at least by the end of 2024. In parallel, the ECB is designing new tools to reduce speculation trends through intervention in the bond market, such as the Transmission Protection Instrument (TPI). In the context of the EU Recovery and Resilience Facility, Greece drew up its national recovery plan entitled "Greece 2.0" to better prepare for future challenges and opportunities and to ensure sustainable growth. The positive outlook of the Greek economy resulted in the upgrading of the country's long-term credit rating. Now Greece is one notch away from the investment grade, which may bring, among other positive developments, a potential interest rate reduction and facilitate the refinancing of Public debt.

However, risks remain high, as the environment remains unstable. Inflation, albeit decreasing, remains high, putting greater pressure on the economically weaker population. As a result, it compresses the household income and it could adversely affect the insurance product distribution, while it also increases the insurers' operating and insurance coverage costs. At the same time, the rise of the interest rates threatens economic growth and may lead to a new generation of bad loans. The Greek Government took measures to mitigate the impact of the increase in inflation and it recently raised minimum wage.

Climate change, its intensity and extent, have a significant impact on shaping the business environment. Its consequences in terms of natural disasters (drought, floods, wildfires, etc.), differ from country to country and represent a challenge for insurers, as they may be requested to pay higher compensation, but may also lead to increased demand for related insurance products and the need to design new ones. The need to reverse climate change and placing the relevant issue high on the agenda of supranational bodies and states, are expected to lead to new consumer behaviors, new investment behaviors and changes in entire industry sectors. The European Union is developing actions, as in the context of the "NextGenerationEU" plan, to make Europe "climate neutral" by 2050. At the same time, developments in the field of medicine are expected to lead to an increase in life expectancy and medical acts cost, especially in developed countries.

The digital transformation of economies and businesses is accelerating, also supported by actions such as the "NextGenerationEU" plan and the "Greece 2.0" plan, and, along with it, the number of electronic transactions is increasing as well. This fact, in addition to opportunities, also poses risks to businesses, since they could deal with an increased cybercrime risk. At the same time, these threats may lead to an increased demand for relevant insurance coverage.

All the above results in a highly uncertain business environment, which offers opportunities but also poses significant risks.

Regulatory Environment

In the year 2022 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 2023 and the following years, such as:

- Regulatory Technical Standards (as introduced by Delegated Regulation (EU) 2022/1288 and as amended) to specify the details, content and presentation of sustainability information to be disclosed by financial market participants under the Regulation (EU) 2019/2088 (SFDR).
- Regulation (EU) 2020/852 (Taxonomy) & Delegated Acts. Under the framework, insurance undertakings must disclose standardized KPIs in the non-financial statement on how and to what extent their investments and non-life insurance activities qualify as environmentally sustainable (simplified implementation of the framework for the year 2022, full application for FY 2023 onwards).
- Regulation (EU) 2022/2554 on the digital operational resilience of the financial sector (DORA). The new framework sets uniform requirements for the security of the network and information systems of companies active in the financial sector as well as critical third parties that provide them with ICT (Information and Communication Technologies) services. Obligors should start preparing to comply with the new requirements, which apply from 17 January 2025..
- Law 4990/2022 (Official Gazette A' 210/11.11.2022) on the protection of persons who report violations of EU law (whistleblowing) - incorporation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 (L 305) and other urgent arrangements.
- Executive Committee Act 213/1/05.12.2022 for the adoption of the revised Guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) regarding contract limits (insurance or reinsurance).
- Executive Committee Act 213/2/05.12.2022 for the adoption of the revised Guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) regarding the valuation of technical provisions.

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.

Significant Risks

The main strategic risks that affect the Company's activities and may prevent it from achieving its strategic objectives are the risks arising from the unstable financial and overall business environment in which it operates (macroeconomic risks at global, European and Greek levels), which is worsened by geopolitical developments. The recovery of the Greek economy, which followed the relative Covid-19 pandemic remission, slowed down, as was the case in the Euro area in general, as a result of the Russian-Ukrainian crisis, the rising inflation, as well as the measures taken to address it. The increase in energy prices led to an increase in the prices of other products, a fact which resulted in the adoption of restrictive measures and an increase in ECB interest rates. Said increase puts pressure on the Company's asset valuations.

The economic slowdown, coupled with inflation remaining at high, albeit decreasing, levels, may have a negative effect on the Company's product distribution.

High inflation and the increased medical cost, combined with the developments in the field of medicine which are expected to lead to a life expectancy increase, may result in an increase in the Company's insurance liabilities.

The above risks essentially arise from the macroeconomic environment and not so much from the Company's internal operations. Therefore, the Company is considered to have less room for mitigating the risks and especially to eliminate them. Their real impact cannot be accurately measured. The Company is constantly assessing these developments and takes measures to safeguard its solvency. To this end, it made changes in its investment portfolio in 2022, aiming to further improve the credit rating of its securities, increase its liquidity and reduce volatility. These changes are expected to continue, considering the current market conditions.

A significant risk for the Company is also the possibility of increased and complex cyber-attacks, which have intensified due to the increased teleworking and electronic transactions. The inability to adequately deal with these threats may result in multiple negative consequences, such as the disruption of the Company's smooth operation, financial losses, and defamation. The Company closely monitors the developments in the field of cyber security and takes measures to protect itself against cybercrime. It implements an integrated action plan, based on the "technology-process-people" model.

In parallel, new / emerging risks are assessed, which may develop into significant ones for the Company's activities in the future. Such risks are considered those related to climate change, the long-term effects of the Covid-19 pandemic and the possible disruption of the Company's smooth operation due to problems in fuel and power supply.

The risks arising from the accelerating climate change are becoming increasingly acute for the environment, people and the economy. These risks are divided into natural risks and risks arising from the transition to low-carbon economies. Climate change may affect the staff's and the policyholders' health, as well as the result of the Company's insurance activities. At the same time, the effort to reverse climate change entails changes in entire economic sectors, such as energy, automobiles, etc. This fact, in addition to the adjustment costs, will result in new or different insurance needs. The Company monitors the relevant developments and develops an "ESG" risk management framework.

The impact of the Covid-19 pandemic seems to be diminishing worldwide, considering the number of recorded deaths. However, the long-term effects on the health of those affected by the Coronavirus, as well as on the general population due to the postponement of preventive diagnostic exams and treatments, cannot be accurately estimated. This fact may lead to an increase in morbidity and mortality and the Company's relevant insurance liabilities.

As a result of the Russian-Ukrainian crisis, the issue of the energy dependence of European countries on Russia was placed high on the agenda and measures were taken and are being planned to safeguard their energy sufficiency. However, the risk of power outages due to a reduction in fuel flow remains. The Company uses electricity for the operation of its building and IT infrastructures, as well as oil and natural gas for heating needs. Disruption in the provision of these, particularly an extensive one, will lead to the disruption of the Company's smooth operation. The Company evaluates and manages the above risk in the context of its business continuity actions and ensuring its uninterrupted operation.

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 (€ thousands)	**31.12.2022**	**31.12.2021**	**Difference**
Market risk	189.933	221.251	(31.318)
Credit risk	36.457	29.774	6.683
Life Insurance risk	95.477	116.785	(21.308)
Health underwriting risk	90.195	107.186	(16.991)
Non-Life Insurance risk	64.887	76.768	(11.881)
Diversification	(166.824)	(192.179)	25.355
Basic Solvency Capital Requirement (BSCR)	**310.126**	**359.585**	**(49.459)**
Operational risk	22.736	25.748	(3.012)
Solvency Capital Requirement	**332.862**	**385.333**	**(52.471)**

On 31.12.2022, compared to 31.12.2021 the total capital requirement decreased by € 52,5m. The decrease came mainly from the following:

- Market risk decreased by € 31,3m mainly due to the decrease in spread risk and equity risk.
- Life insurance risk decreased by € 21,3m mainly due to the upward movement of the risk free interest rate curve.
- Health underwriting risk decreased by € 17,0m mainly due to the upward movement of the risk free interest rate curve.
- Non-Life insurance risk decreased by € 11,9m mainly due to the development of outstanding claims.

The main risks that form the capital requirement on 31.12.2022 remain the same as those that formed the capital requirement on 31.12.2021 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 Underwiting 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 analyzed as follows:

Insurance risk solvency capital requirement (€ thousands)	**31.12.2022**	**31.12.2021**	**Difference**
Insurance risk Life	95.477	116.785	(21.308)
Insurance risk Health	90.195	107.186	(16.991)
Insurance risk Non-Life	64.887	76.768	(11.881)
Total insurance risk solvency capital requirement	**250.559**	**300.739**	**(50.180)**

On 31.12.2022, in relation to 31.12.2021, the Total Solvency Capital Requirement for insurance risk decreased by €50,2m (€250,6m as at 31.12.2022 compared to €300,7m as at 31.12.2021). The decrease came mainly from the decrease in the insurance risk of Life and Non-Life Lines of Business mainly due to the upward movement of the risk free interest rate curve.

As at 31.12.2022, the insurance risk of the Life and Health lines of business presents the highest solvency capital requirements, accounting for 38% and 36% respectively of the insurance risk solvency capital requirements. On 31.12.2021, the respective percentages of capital requirements amounted to 39% and 36% 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 (€ thousands)	31.12.2022	31.12.2021	Difference
Mortality risk	8.106	9.224	(1.117)
Longevity risk	10.560	15.716	(5.156)
Disability risk	19.239	24.541	(5.302)
Lapse risk	75.667	94.511	(18.845)
Expense risk	17.535	17.894	(359)
Revision risk	-	-	-
Catastrophe risk	4.234	4.083	151
Insurance risk before diversification	**135.341**	**165.969**	**(30.628)**
Diversification	(39.864)	(49.184)	9.320
Total Life insurance risk solvency capital requirement	**95.477**	**116.785**	**(21.308)**

On 31.12.2022, compared to 31.12.2021, lapse risk decreased by € 18,8m and continues to present the highest capital requirements, constituting 56% (on 31.12.2021 it amounted to 57%) 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 31.12.2022 there was, compared to 31.12.2021, a reduction in capital requirements of mortality risk by €1,1m.

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 31.12.2022 there was, compared to 31.12.2021, a reduction in capital requirements of longevity risk by €5,2m.

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 31.12.2022 there was, compared to 31.12.2021, a reduction in capital requirements of disability - morbidity risk by €5,3m.

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 31.12.2022, compared to 31.12.2021, there was a decrease in capital requirements for the lapse risk by €18,8m, 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 mass lapse.

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 31.12.2022 there was, compared to 31.12.2021, a decrease of the capital requirement for expense risk by €0,4m.

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 31.12.2022 there was, compared to 31.12.2021, a slight increase 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 (€ thousands)	31.12.2022	31.12.2021	Difference
Health similar to Life (SLT)	73.745	92.542	(18.797)
Health similar to Non-Life (non-SLT)	25.111	23.909	1.202
Catastrophe risk	4.012	2.321	1.691
Health underwriting risk before diversification	**102.868**	**118.772**	**(15.904)**
Diversification	(12.673)	(11.586)	(1.087)
Total Health underwriting risk solvency capital requirement	**90.195**	**107.186**	**(16.991)**

On 31.12.2022, compared to 31.12.2021, the total Solvency Capital Requirement for Health underwriting risk, decreased by €17,0m (€90,2m on 31.12.2022, compared to €107,2m on 31.12.2021). The decrease was mainly due to the decrease in health similar to life underwriting risk, which has the highest solvency capital requirement, accounting for 72% of total capital requirements before the diversification for 2022.

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 (€ thousands)	31.12.2022	31.12.2021	Difference
Mortality Risk	23	21	2
Longevity Risk	17.406	18.031	(625)
Disability-Morbidity risk	63.232	73.861	(10.629)
Lapse risk	26.133	45.053	(18.920)
Expense risk	2.254	2.656	(402)
Revision risk	-	-	-
Health underwriting risk before diversification	**109.048**	**139.622**	***(30.574)***
Diversification	(35.303)	(47.080)	11.778
Total Solvency Capital Requirement Health similar to life underwriting risk	**73.745**	**92.542**	**(18.797)**

As at 31.12.2022, the risks of disability – morbidity and lapse, have the greatest impact on the solvency capital requirements, constituting 58% and 24% respectively of health similar to life capital requirements, before diversification.

On 31.12.2021, the risks of disability – morbidity and lapse accounted for 53% and 32% 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 31.12.2022 there was no change, compared to 31.12.2021, 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 31.12.2022 there was, compared to 31.12.2021, a decrease of €0,6m 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 31.12.2022 there was a decrease by €10,6 m compared to 31.12.2021, of capital requirements for disability – morbidity risk, mainly due to the change in the discount rate curve.

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 31.12.2022 there was, compared to 31.12.2021, a decrease by €18,9 m of capital requirements for lapse risk, mainly due to the change in the discount rate curve.

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 31.12.2022 there was, compared to 31.12.2021, a decrease in capital requirements for expense risk by €0,4 m.

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 (€ thousands)	**31.12.2022**	**31.12.2021**	**Difference**
Medical expenses coverage	18.676	15.875	2.801
Income protection	9.870	11.623	(1.753)
Health underwriting Risk before diversification	***28.546***	***27.498***	***1.048***
Diversification	(3.435)	(3.589)	154
Health similar to Non-Life underwriting Risk solvency total capital requirement	**25.111**	**23.909**	**1.202**

On 31.12.2022, compared to 31.12.2021, the Solvency Capital Requirement for health similar to Non-Life risk increased by € 1,2m (€ 25,1m as at 31.12.2022 compared to € 23,9m as at 31.21.2021).

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 (€ thousands)	**31.12.2022**	**31.12.2021**	**Difference**
Mass accident	1.208	835	374
Concentration scenario	-	-	-
Pandemic	3.826	2.166	1.660
Health insurance catastrophe risk before diversification	**5.034**	**3.000**	***2.034***
Diversification	(1.022)	(679)	(343)
Health insurance catastrophe risk total capital requirement	**4.012**	**2.321**	**1.691**

On 31.12.2022, compared to 31.12.2021, the Solvency Capital Requirement of the catastrophe risk of the health sector increased by €1,7 m.

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 (€ thousands)	31.12.2022	31.12.2021	Difference
Premium and reserve risk	61.576	73.578	(12.002)
Lapse risk	-	-	-
Catastrophe risk	10.214	10.207	7
Non-Life insurance risk before diversification	**71.790**	**83.785**	***(11.995)***
Diversification	(6.902)	(7.016)	114
Non-Life insurance risk solvency capital requirement	**64.888**	**76.768**	**(11.881)**

On 31.12.2022, compared to 31.12.2021, the Solvency Capital Requirement of non-life insurance risk decreased by €11,9m. 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 31.12.2022 there was, compared to 31.12.2021, 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 31.12.2022, compared to 31.12.2021, 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 (€ thousands)	31.12.2022	31.12.2021	Difference
Interest rate risk	34.823	27.025	7.798
Equity risk	51.960	72.534	(20.574)
Property risk	61.072	58.720	2.352
Spread risk	67.810	91.967	(24.156)
Currency risk	25.186	21.941	3.245
Market concentration risk	-	-	-

Market risk before diversification	**240.851**	**272.187**	***(31.336)***
Diversification	(50.918)	(50.936)	18
Total market risk solvency capital requirement	**189.933**	**221.251**	**(31.318)**

On 31.12.2022, compared to 31.12.2021, the Solvency Capital Requirement for market risk increased by €31,3m.

The main risks that form the Solvency Capital Requirement for market risk on 31.12.2022 remain the same as those that formed the capital requirement on 31.12.2021 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

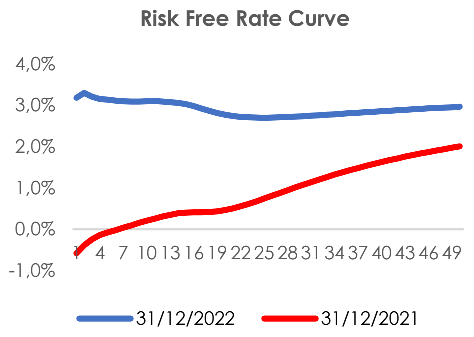
The Solvency Capital Requirement for interest rate risk is calculated as the decrease in own funds resulting from the effect of the instantaneous change in the interest rate curve on assets and liabilities sensitive to interest rate changes. The Solvency Capital Requirement is calculated as the maximum 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:

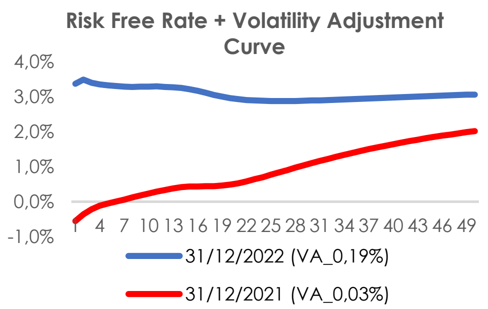
Interest rate risk solvency capital requirement (€ thousands)	**31.12.2022**	**31.12.2021**	**Difference**
Capital impact from an increase in the interest rate curve	1.284	(67.187)	68.471
Capital impact from a decrease in the interest rate curve	34.823	27.025	7.798
Interest rate risk solvency capital requirement	**34.823**	**27.025**	**7.798**

As depicted in the table above, the Solvency Capital Requirement comes from the interest rate curve down scenario. On 31.12.2022, compared to 31.12.2021, the solvency capital requirement for interest rate risk increased by €7,8m. The increase 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 2022 and 2021.



The risk-free rate curve was as at 31.12.2022, on average, for the first 30 years, moved upward by 259 bps. compared to the corresponding curve on 31.12.2021, as shown in the figure on the left.



The risk-free rate curve with adjustment due to volatility was as at 31.12.2022, on average, for the first 30 years, moved upward by 274 bps. compared to the corresponding curve as at 31.12.2021, as shown in the figure on the left.

The volatility adjustment increased by 16 bps, on 31.12.2022, compared to 31.12.2021.

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 31.12.2022 was calculated using the transitional measures.

Scenarios	Change (€ thousands): Own Capital	Capital Adequacy ratio
Increase of interest rates	12.393	229%
Decrease of interest rates	(16.251)	221%

The scenario of falling interest rates would result in the reduction of the solvency ratio by 5 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 (€ thousands)	31.12.2022	31.12.2021	Difference
Capital charge for type 1 equity	39.258	58.203	(18.945)
Capital charge for type 2 equity	15.563	17.822	(2.259)
Diversification	(2.861)	(3.491)	630
Total equity risk solvency capital requirement	**51.960**	**72.534**	**(20.574)**

On 31.12.2022, compared to 31.12.2021, the required capital decreased by €20,6m, mainly due to the decrease in equity exposure and the decrease of 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 31.12.2022 was calculated using the transitional measures.

Scenario	Change (€ thousands): Own Capital	Capital Adequacy ratio
Increase of equity prices	33.862	236%
Decrease of equity prices	(33.862)	215%

The scenario of the decrease of the equity prices would result in the reduction of the solvency ratio by 10 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.

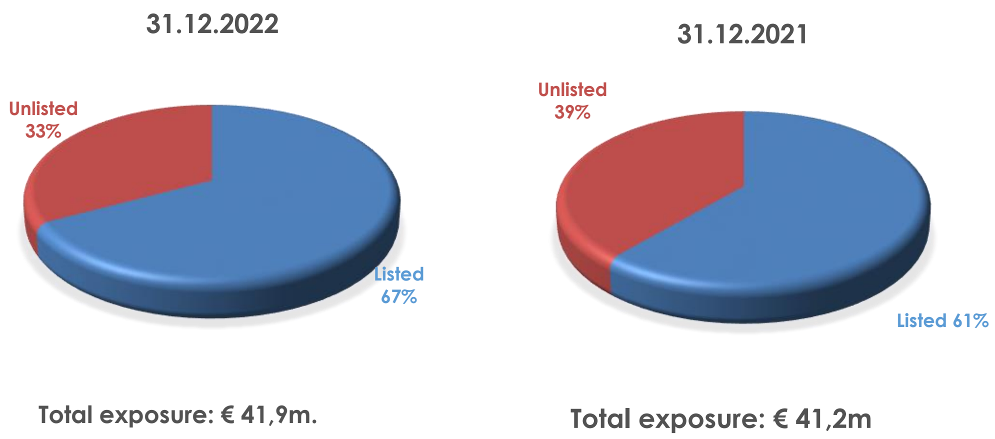
During the sensitivity analysis, in order to determine its overall effect on the solvency ratio, the effect on the Company's own funds was taken into account.

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 €41,9m on 31.12.2022 (€41,2m on 31.12.2021). 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 31.12.2022 and 31.12.2021, between listed and unlisted, by business sector and by geographical area.

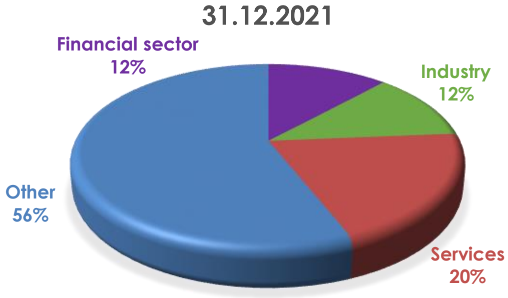
Equity Portfolio allocation between listed and unlisted equities



As observed above, there was a change in the allocation of the equity portfolio on 31.12.2022, compared to 31.12.2021, with an increase in the percentage of listed equities.

Equity Portfolio allocation by business sector

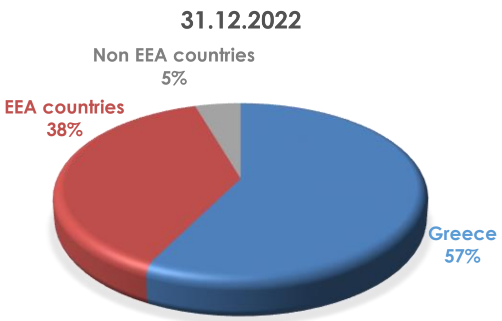
Total exposure: € 41,9m.



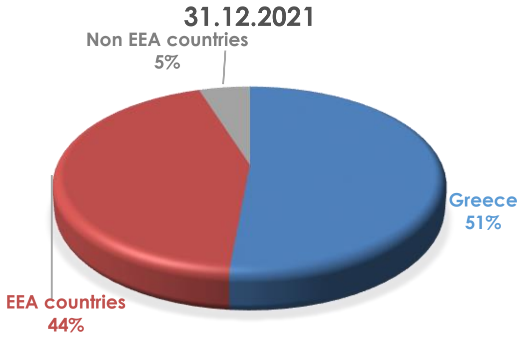
Total exposure: € 41,2m

As shown in the above figures, the change in the allocation of the portfolio observed on 31.12.2022, compared to 31.12.2021, is mainly due to the increase in the exposure to equities of financial and industrial sector and the decrease in the exposure to equities of services.

Equity Portfolio allocation by Geographical Area



Total exposure: €41,9m.



Total exposure: €41,2m

As observed from the above figures, there was a change in the allocation of the equity portfolio on 31.12.2022 compared to 31.12.2021, due to an increase 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 31.12.2022, compared to 31.12.2021, the required capital for property risk amounted to €61,1m.

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 31.12.2022 was calculated using the transitional measures.

Scenario	Change (€ thousands): Own Capital	Capital Adequacy ratio
Increase in property value	61.072	244%
Decrease in property value	(61.072)	207%

The scenario of a reduction in property prices by 25% would result in a reduction in the solvency ratio by 18 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.

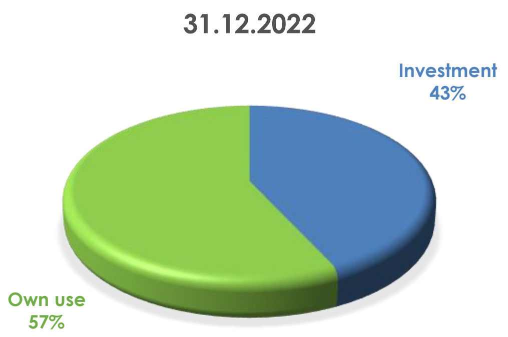
During the sensitivity analysis, in order to determine its overall effect on the solvency ratio, the effect on the Company's own funds was taken into account.

Property portfolio allocation

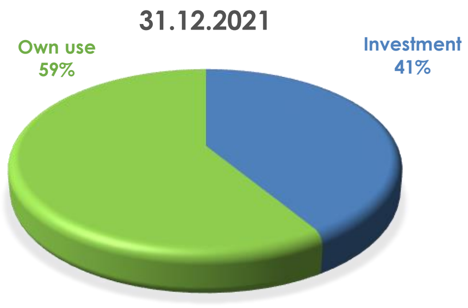
The Company holds real estate property for own-use, as well as investment property. The total fair value of the properties amounted to €242,0m on 31.12.2022 (on 31.12.2021 amounted to €232,7m). The majority of the properties, own-use and investment, are intended for commercial use and are located in the area of Athens. The allocation of Company's property portfolio as at 31.12.2022 does not significantly differ compared to 31.12.2021. The Company on 31.12.2022 did not hold investments in property through UCITS.

The following figures present the structure of the properties on 31.12.2022 and 31.12.2021 based on their purpose of use, category of use and by area.

Property allocation based on purpose of use

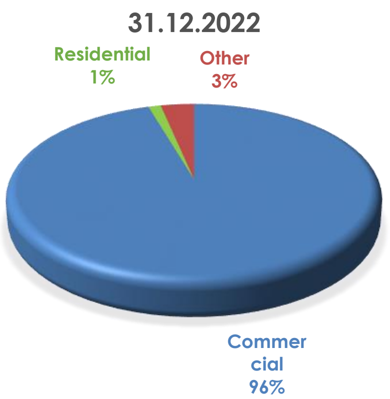


Total exposure: € 242,0m

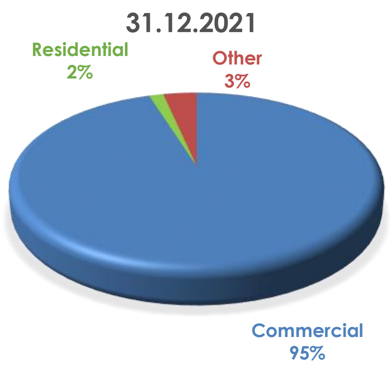


Total exposure: € 232,7m

Property allocation by category of use



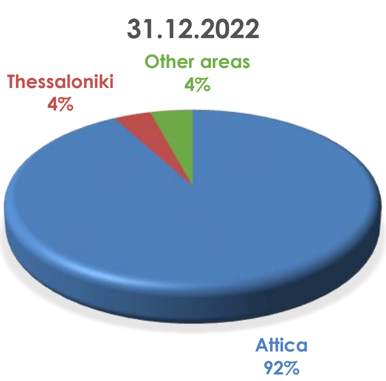
Total exposure: € 242,0m.



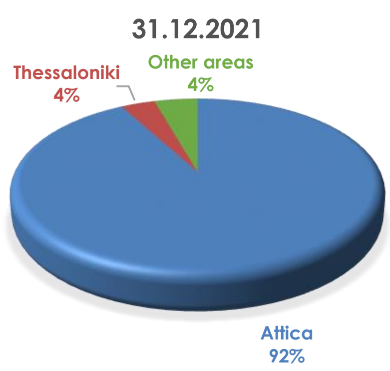
Totak exposure: € 232,7m

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 31.12.2022 and 31.12.2021.

Property allocation by area



Total exposure: € 242,0m



Total exposure: € 232,7m

As observed in the above figures, the property allocation by area remained virtually unchanged on 31.12.2022, compared to 31.12.2021.

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 €67,8m as at 31.12.2022, compared to €92,0m as at 31.12.2021.

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 31.12.2022 was calculated using the transitional measures.

Scenarios	Change (€ thousands): Own Capital	Capital Adequacy ratio
Increase of credit spreads	(78.389)	202%
Decrease of credit spreads	83.886	251%

The scenario of change of risk factors according to the values described above, would result in the reduction of the solvency ratio by 24 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.

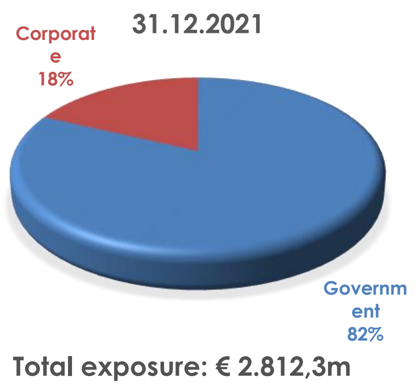
During the sensitivity analysis, in order to determine their overall effect on the solvency ratio, both the effect on the Company's own funds and the solvency capital requirements were taken into account.

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 €2.094,6m on 31.12.2022, including accrued interest (€2.812,3m on 31.12.2021 respectively). The majority of the portfolio concerns government bonds, including these of supranational organizations and T-bills, with a larger position in German Government bonds (€274,4m). The portfolio, excluding German government securities, is mainly positioned in highly rated securities.

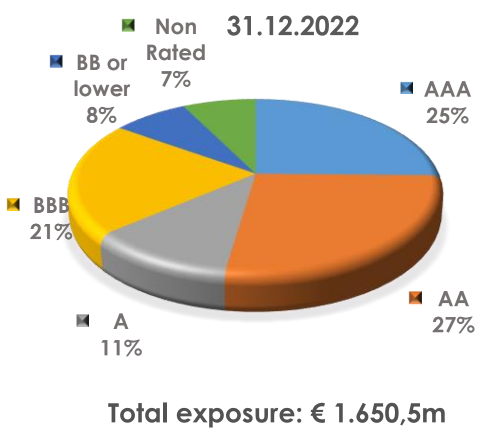
The following graphs show the structure of bonds, between government and corporate and by credit rating on 31.12.2022 and 31.12.2021.

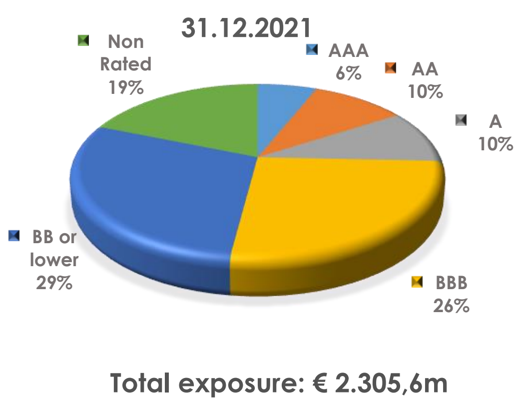
Bond allocation between Government and Corporate



As shown in the above graphs, the bond allocation between government and corporate remained essentially unchanged between 31.12.2022 and 31.12.2021.

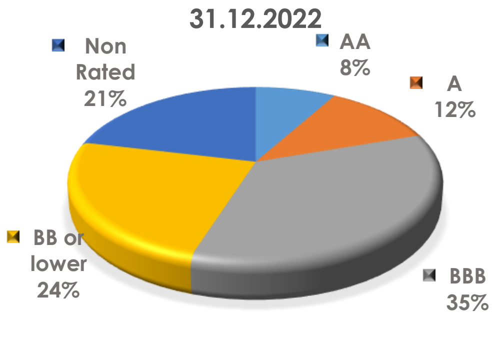
Government Bonds Allocation by credit rating



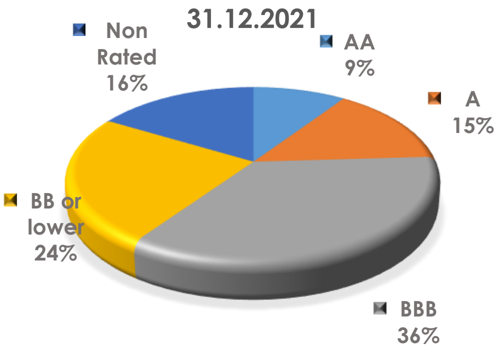


As observed, on 31.12.2022 there was, compared to 31.12.2021, an increase in highly rated securities, for which contributed the purchases of government bonds with AA rating and above.

Allocation of Corporate Bonds by credit rating



Total exposure: € 444,1m



Total exposure: € 506,7m

As observed, on 31.12.2022 there was, in relation to 31.12.2021, remained essentially unchanged.

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 (€ thousands)	31.12.2022	31.12.2021	Difference
Capital impact from the revaluation of foreign currencies	(25.153)	(21.906)	(3.247)
Capital impact from the devaluation of foreign currencies	25.186	21.941	3.245

Solvency capital requirement of currency risk submodule	**25.186**	**21.941**	**3.245**

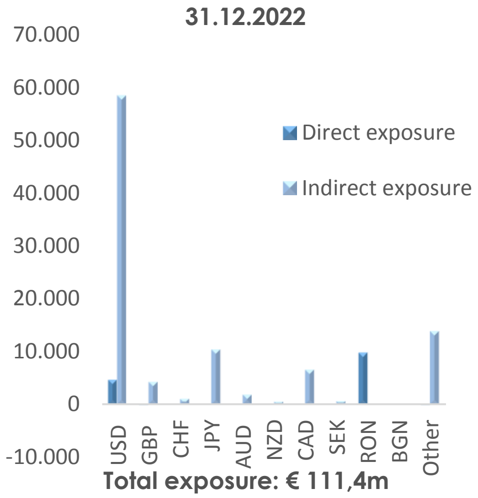
The capital requirement, as observed in the table above, comes from the devaluation scenario of foreign currencies. The increase of the capital requirement on 31.12.2021 by €3,2m is mainly due to the increase of the position in foreign currency from the increase of investments in mutual funds by €20,2m.

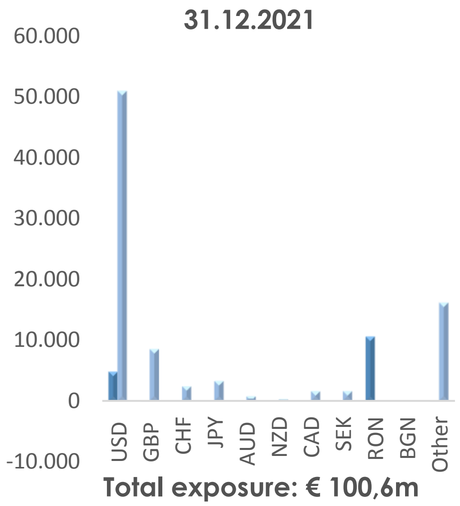
Allocation of the net position per currency

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 31.12.2022 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), Canadian Dollar (CAD) 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 31.12.2022 and 31.12.2021.

Allocation of the net position per currency





As shown above, the total foreign currency exposure increased on 31.12.2022 compared to 31.12.2021. The largest increase is in US dollars and the largest decrease is in the British pound, mainly due to an increase 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 31.12.2022, same as at 31.12.2021.

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 (€ thousands)	31.12.2022	31.12.2021	Difference
Credit risk type 1	30.427	23.276	7.151
Credit risk type 2	7.579	8.028	(449)
Credit risk before diversification	**38.006**	**31.304**	***6.702***
Diversification	(1.549)	(1.530)	*(19)*
Total credit risk solvency capital requirement	**36.457**	**29.774**	**6.683**

The Solvency Capital Requirement for credit risk is increased by €6,7 million compared to 31.12.2021.

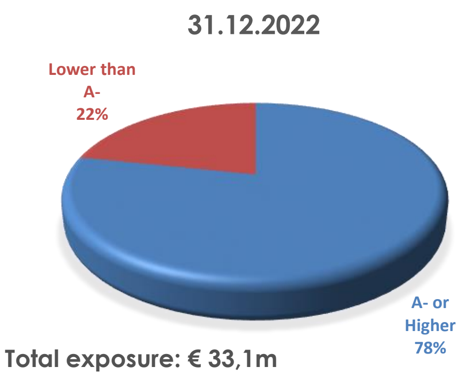
This increase results from the type 1 credit risk, and mainly because of increase in sight deposits.

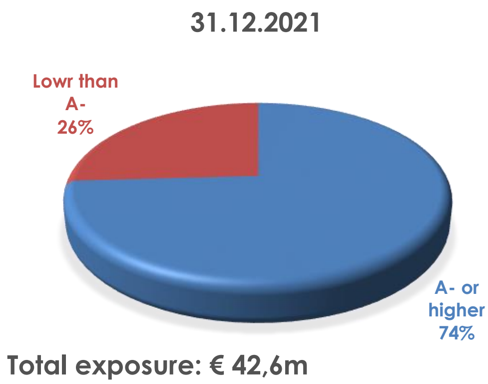
The Company's sight deposits, excluding placements through UCITS and placements of Unit-Linked portfolios, amounted to €50,0m on 31.12.2022 (€26,9m on 31.12.2021). The largest part of the deposits is placed in Greek banking institutions and mainly in NBG, whose credit rating was lower than BBB.

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[4] reinsurance recoverables by credit rating

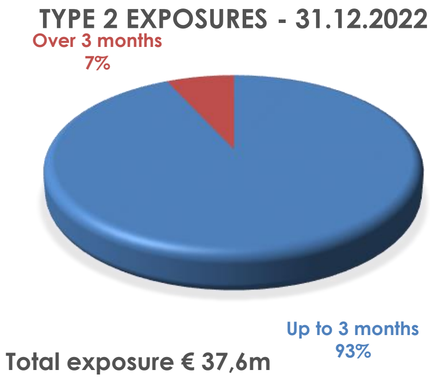


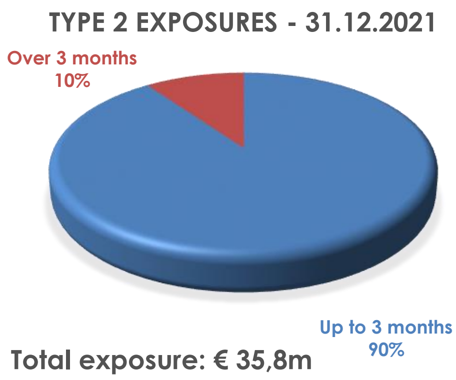


As observed above, the allocation of receivables between reinsurers of credit rating A- and higher and those with a rating lower than A-, appears to have slightly changed at 31.12.2022 compared to 31.12.2021.

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

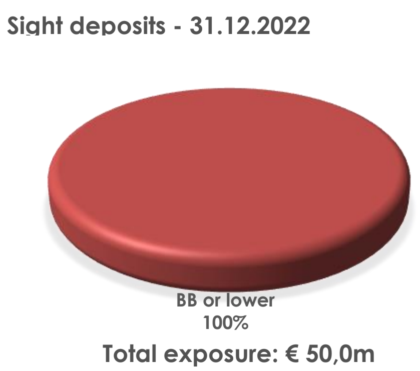
Allocation of Type 2 receivables by time due

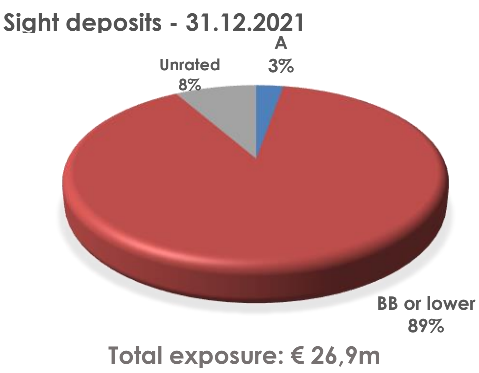




As observed above, on 31.12.2022 there was, compared to 31.12.2021, a slight decrease in the percentage of receivables over 3 months (7% on 31.12.2022 compared to 10% on 31.12.2021), while the receivables up to 3 months increased, in absolute terms by €2,8m.

Allocation of sight deposits in banking institutions per credit rating





As observed, on 31.12.2022, the allocation of sight deposits is exclusively in banks with a credit rating of BB or lower.

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 31.12.2022 amounted to €50,0m (€26,9m as at 31.12.2021) 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 2022 and 2021.

Maturity of assets and liabilities for 31.12.2022:

31.12.2022 (€ thousands)	Up to 1 year	From 1 to 2 years	From 2 to 5 years	Over 5 years	Total
Assets	419.450	329.155	462.894	2.190.260	**3.401.759**
Liabilities	680.552	158.565	379.217	1.883.708	**3.102.042**
Balance	**(261.102)**	**170.590**	**83.677**	**306.552**	**299.717**

Maturity of assets and liabilities for 31.12.2021

31.12.2021 (€ 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**

The largest part of the assets, as at 31.12.2022, concern securities traded in regulated markets. The largest placement concerns German and Spain government bonds (nominal value € 273m and € 265m respectively).

The current liabilities (up to 1 year) are not covered by respective assets on 31.12.2022. Cumulatively, the Company shows a surplus in both fiscal years, therefore the deficit of the first year as at 31.12.2022 will be covered by the surplus of the following years.

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. 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. Additionally and in continuation of 2021, the company’s expenses and the lost revenues caused by the continuation of the new corona virus (Covid-19) pandemic continued to accumulate.

3.5.1. Operational Risk Solvency Capital Requirement

Solvency Capital Requirement for operational risk on 31.12.2022 amounts to €25,7 million, increased by €1,0 million compared to 31.12.2021.

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. Main Strategic Risks

The main strategic risks that affect the Company's activities and may prevent it from achieving its strategic objectives are the risks arising from the unstable financial and overall business environment in which it operates (macroeconomic risks at global, European and Greek levels), which is worsened by geopolitical developments, in particular, the Russian-Ukrainian crisis and the intensifying competition between the great powers.

The fiscal year 2023 is expected to be significantly impacted by high inflation and the measures taken to reduce it. The rise in interest rates by central banks may result in reduced growth, or even recession. Disposable income may be significantly affected, despite government measures to support the most financially vulnerable households, and this may affect the demand for insurance products.

The Company constantly assesses these developments and takes measures. However, the actual impact of the above on the economy and the Company cannot be accurately assessed.

Considering the above, the Company has generally proceeded with the following actions:

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

3.7. Other information

3.7.1. Sustainability Risks – Climate Change

The Company assesses sustainability risks, monitors the relevant regulatory developments, and develops an integrated "ESG" risk management framework.

In particular, the risks arising from the accelerating climate change are becoming increasingly acute for the environment, people, and the economy. These risks are divided into natural risks and risks arising from the transition to low-carbon economies.

The consequences of climate change vary and include severe drought, water shortages, large wildfires, rising sea levels, floods, melting of the polar ice caps, disastrous storms, loss of biodiversity. The extent and intensity of such phenomena may increase the amount of relevant insurance compensation.

The Company assesses the aforementioned risks in the context of the Own Risk & Solvency Assessment (ORSA).

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 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 2022, the Company maintained the Reinsurance Policy of 2021 without significant changes in its structure while – as the case may be – improvements were made to the coverage of certain reinsurance contracts.

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.

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 31.12.2022 (€ thousands)	Note	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Assets					
Intangible assets	4.1.1	12.333	-	(12.333)	-
Deferred acquisition costs	4.1.2	42.325	(45.543)	3.218	-
Deferred tax assets	4.1.3	135.289	-	(13.651)	121.638
Property, plant & equipment held for own use	4.1.4	105.901	7.261	29.354	142.516
Investments (other than assets held for index-linked and unit-linked contracts)		2.628.814	33.842	57.981	2.720.637
Property (other than for own use)	4.1.5	73.739	1.070	29.302	104.111
Holdings in related undertakings, including participations	4.1.6	5.704	-	25.988	31.692
Equities	4.1.7	41.907	-	-	41.907
Equities - listed		28.170	-	-	28.170
Equities - unlisted		13.738	-	-	13.738
Bonds	4.1.8	2.071.858	20.058	2.690	2.094.607
Government Bonds		1.632.762	15.070	2.690	1.650.522
Corporate Bonds		439.096	4.988	-	444.085
Collective Investments Undertakings	4.1.9	435.367	-	-	435.367
Derivatives	4.1.10	239	-	-	239
Deposits other than cash equivalents	4.1.11	-	12.714	-	12.714
Assets held for index-linked and unit-linked contracts	4.1.12	583.125	-	-	583.125
Loans and Mortgages	4.1.13	13.237	-	-	13.237
Reinsurance recoverables:	4.1.14	64.719	10.764	(25.324)	50.160
Non-life and health similar to non-life		59.990	10.764	(22.985)	47.770
Non-life excluding health	4.1.14	58.373	10.764	(22.954)	46.184
Health similar to non-life	4.1.14	1.616	-	(31)	1.586
Life excluding health and index-linked and unit-linked	4.1.14	4.729	-	(2.339)	2.390
Deposits to cedants	4.1.15	-	81	-	81
Insurance and intermediaries receivables	4.1.16	55.064	(8.037)	-	47.027
Reinsurance receivables	4.1.15	3.396	653	-	4.049
Receivables (trade, not insurance)	4.1.17	5.923	-	-	5.923
Cash and cash equivalents	4.1.18	62.731	(12.711)	-	50.020
Any other assets, not elsewhere shown	4.1.19	30.200	(28.269)	-	1.930
Total Assets		**3.743.057**	**(41.959)**	**39.245**	**3.740.343**

Balance Sheet 31.12.2022 (€ thousands)	Note	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Liabilities					
Technical provisions – non-life	4.2	495.808	(18.273)	(72.187)	405.348
Technical provisions – non-life (excluding health)		374.868	(13.546)	(89.733)	271.589

Technical provisions calculated as a whole		-	-	-	-
Best Estimate					253.854
Risk margin					17.736
Technical provisions - health (similar to non-life)	4.2	120.940	(4.727)	17.546	133.759
Technical provisions calculated as a whole					-
Best Estimate					114.265
Risk margin					19.493
Technical provisions - life (excluding index-linked and unit-linked)	4.2	1.631.075	(33.519)	42.910	1.640.465
Technical provisions - health (similar to life)	4.2	21.507	(7.987)	136.505	150.025
Technical provisions calculated as a whole					-
Best Estimate					102.449
Risk margin					47.576
Technical provisions – life (excluding health and index-linked and unit-linked)	4.2	1.609.568	(25.532)	(93.596)	1.490.440
Technical provisions calculated as a whole					-
Best Estimate					1.432.438
Risk margin					58.002
Technical provisions – index-linked and unit-linked		645.226	-	(5.865)	639.361
Technical provisions calculated as a whole					-
Best Estimate					635.965
Risk margin					3.397
Other technical provisions	4.2	49.051	(49.051)	-	-
Contingent liabilities	4.3.1	-	-	-	-
Provisions other than technical provisions		-	-	-	-
Pension benefit obligations	4.3.2	49.130	-	-	49.130
Deposits from reinsurers	4.3.3	-	9.748	-	9.748
Deferred tax liabilities		-	-	-	-
Derivatives		-	-	-	-
Liabilities to credit institutions	4.3.4	2.166	-	-	2.166
Financial liabilities excluding liabilities to credit institutions		-	-	-	-
Insurance & intermediaries payables	4.3.5	22.609	-	-	22.609
Reinsurance payables	4.3.6	20.759	(38)	-	20.721
Payables (trade, not insurance)	4.3.7	16.163	-	-	16.163
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	54.908	49.174	-	104.082
Total liabilities		**3.161.895**	**(41.959)**	**(35.142)**	**3.084.794**
Excess of assets over liabilities		**581.162**	**-**	**74.387**	**655.549**

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.

4.1. Assets

4.1.1. Intangible Assets

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Intangible assets	12.333	-	(12.333)	-

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 €12,3m, 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deferred acquisition costs	42.325	(45.543)	3.218	-

Acquisition costs are capitalized and amortised over the duration of the subsequent insurance policy. According to Financial Statements, Deferred acquisition costs amount to €42,3m whereas in Solvency II, are included in the calculation of technical provisions. The reclassification of (€45,5)m refers to the total future acquisition costs and the adjustment of €3,2m 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deferred tax assets	135.289	-	(13.651)	121.638

Deferred tax asset in the financial statements amounts to €135,3m, 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Property, plant & equipment held for own use	105.901	7.261	29.354	142.516

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 €1,2m of the right-of-use assets and vehicles (IFRS 16) is included.

The book value of property held for own use amounts to €105,9m and is revaluated at fair value by €29,4m to €142,5m in the Solvency II balance sheet.

The reclassification of €7,3m concerns the book value of assets held for sale.

The fair value of land and buildings was determined by independent authorized appraisers as at 31.12.2022 with reference date of 31.12.2022.

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Property-other than for own use	73.739	1.070	29.302	104.111

According to the financial statements, investment property is measured at book value. Investment property's book value amounts to €73,8m and is revaluated to fair value by €29,3m to €104,1m.

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 31.12.2022 with reference date of 31.12.2022.

4.1.6. Holdings in related undertakings, including participations

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Holdings in related undertakings, including participations	5.704	-	25.988	31.692

Holdings include investments in related undertakings by the Group amounting to €5,7m in the financial statements of the Group (on an individual basis) i.e. at cost less any impairments, and are revaluated by €26,0m in order to reach €31,7m, 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 Participant in their Solvency II eligible own funds.

4.1.7. Equities

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Equities – Listed	28.170	-	-	28.170
Equities – Unlisted	13.738	-	-	13.738
Total	**41.907**	**-**	**-**	**41.907**

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Government bonds	1.632.762	15.070	2.690	1.650.522
Corporate bonds	439.096	4.988	-	444.085

Total	**2.071.858**	**20.058**	**2.690**	**2.094.607**

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 €2,7m, in order to be measured at fair value.

b. "Available-for-sale securities" amounting to €1.591,9m 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 €15,1m 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 €439,1m 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 €4,9m relates to the transfer of the accrued interest from "Other Assets" to the corporate bonds as shown in the table below.

(€ thousands)	Government Bonds	Corporate Bonds	Any other assets, not elsewhere shown
Reclassification 1	15.070	-	(15.070)
Reclassification 2	-	4.988	(4.988)
Total	**15.070**	**4.988**	**(20.058)**

4.1.9. Collective investment undertakings

(€ in thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Collective Investments Undertakings	435.367	-	-	435.367

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Derivatives	239	-	-	239

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deposits other than cash equivalents	-	12.714	-	12.714

The Company has time deposits amounting to €12,7m in NBG as well as in other Greek banks, with duration of up to three months as at 31.12.2022. 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 €33k relates to the transfer of accrued interest from "other assets" to "time deposits".

4.1.12. Assets held for Unit-Linked contracts

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Assets held for Unit-Linked contracts	583.125	-	-	583.125

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Loans and mortgages	13.237	-	-	13.237

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Non-life and Health (similar to non-life)	**59.990**	**10.764**	**(22.985)**	**47.770**
Non-life excluding health	58.373	10.764	(22.954)	46.184
Health similar to non-life	1.616	-	(31)	1.586
Life excluding health and Unit-Linked	**4.729**	**-**	**(2.339)**	**2.390**
Total	**64.719**	**10.764**	**(25.324)**	**50.160**

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. €9,7m in the deposits from reinsurers which in the Solvency II balance sheet is classified as "liabilities", in the "Deposits from Reinsurers" fund.
b. €1,0m, 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deposits to cedants	-	81	-	81
Reinsurance receivables	3.396	653	-	4.049
Total	**3.396**	**733**	**-**	**4.129**

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 €0,8m is broken down as follows:

a. €0,08m, it regards the transfer of the reinsurers' share from line "Insurance and Intermediaries Receivables" to that of "Deposits to Cedants".

b. €0,7m 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Insurance and intermediaries receivables	55.064	(8.037)	-	47.027

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 €8,0m are broken down as follows:

α. €7,6m, 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 (€0,04)m, 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. €0,38m, 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. €0,08m 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)

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Receivables (trade, not insurance)	5.923	-	-	5.923

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Cash and cash equivalents	62.731	(12.711)	-	50.020

In the 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 line above includes cash equivalents and demand deposits only, whereas time deposits are reclassified in line "Deposits other than Cash equivalents".

4.1.19. Any other assets, not elsewhere shown

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Any other assets, not elsewhere shown	30.200	(28.269)	-	1.930

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 €20,1m 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:

(€ thousands)	
Government Bonds	15.070
Corporate Bonds	4.988
Sight Deposits	3
Total	**20.061**

The remaining amount of the reclassification amounting to €8,3m 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Technical provisions – Non-Life	**495.808**	**(18.273)**	**(72.187)**	**405.348**
Technical provisions – non-life (excluding health)	**374.868**	**(13.546)**	**(89.733)**	**271.589**
Best Estimate	-	-	-	253.854
Risk margin	-	-	-	17.736
Technical provisions - health (similar to non-life)	**120.940**	**(4.727)**	**17.546**	**133.759**
Best Estimate	-	-	-	114.265
Risk margin	-	-	-	19.493
Technical provisions - Life (excluding Unit-Linked)	**1.631.075**	**(33.519)**	**42.910**	**1.640.465**
Technical provisions - health (similar to life)	**21.507**	**(7.987)**	**136.505**	**150.025**
Best Estimate	-	-	-	102.449
Risk margin	-	-	-	47.576
Technical provisions – Life (excluding health and Unit-Linked)	**1.609.568**	**(25.532)**	**(93.596)**	**1.490.440**
Best Estimate	-	-	-	1.432.438
Risk margin	-	-	-	58.002
Technical provisions – Unit-Linked	**645.226**	**-**	**(5.865)**	**639.361**
Best Estimate	-	-	-	635.965
Risk margin	-	-	-	3.397
Other technical provisions	**49.051**	**(49.051)**	**-**	**-**

Reclassifications made to technical provisions are as follows:

a. (€13,6)m that is analyzed as follows:
   i. (€7,2)m regards the part of the deferred acquisition costs of the technical provisions "non-life (excluding health)" category;
   ii. (€7,6)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. €1,2m 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. (€4,7)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. (€25,5)m which regards a part of the deferred acquisition costs of the «Life excluding health and Unit-Linked" category;

e. (€49,1)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 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): €1.052m

b) Technical provisions – Unit-Linked: €325m.

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 provisions 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 31.12.2022 the unamortized value of the transitional measure on technical provisions amounting to €128,6m (i.e. 10/16 of the initial amount of the transitional measure of €205,8m) and for 2023 will amount to €115,7m (i.e. 9/16 of €205,8m).

4.3. Other Liabilities

4.3.1. Contingent liabilities

The possibility 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Pension benefit obligations	49.130	-	-	49.130

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Deposits from reinsurers	-	9.748	-	9.748

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 €9,7m 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Liabilities to credit institutions	2.166	-	-	2.166

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Insurance & intermediaries payables	22.609	-	-	22.609

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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Reinsurance payables	20.759	(38)	-	20.721

The reclassification of €(0,04)m, regards the reinsurers' share to recoverable losses and for the presentation of the financial statements it is classified as a liability (line "Reinsurance payables"), while for Solvency II purposes it is classified separately to "Claims from Reinsurers" (line "recoverables from reinsurance"), considering that it is included in the best estimate of technical provisions.

4.3.7. Payables (trade, not insurance)

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Payables (trade, not insurance)	16.163	-	-	16.163

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

(€ 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

(€ thousands)	Financial Statements (IFRS)	Reclassifications	Adjustments	Solvency II value
Any other liabilities, not elsewhere shown	54.908	49.174	-	104.082

The reclassification of "Other Liabilities" amounting to €49,1m 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

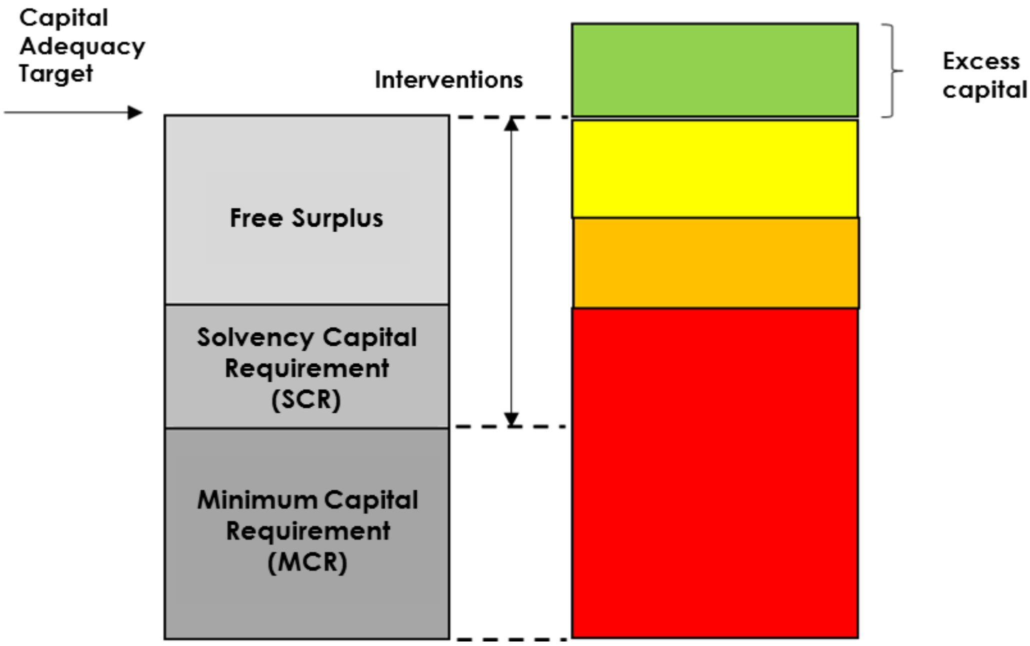
The primary objective of Capital Management is the optimization of the correlation between risk and return, securing capital adequacy supervision, as well as the dividend policy, profits and growth support.

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 31.12.2022 is 225%, using the volatility adjusted curve and the transitional measures, compared to 221% as at 31.12.2021. Without using the transitional measures on technical provisions, but with the transitional measures for equity and the volatility adjusted curve amounts to 187% compared to 184% at 31.12.2022 and 31.12.2021, respectively.

Solvency Ratio (€ thousands)	With transitional measures		Without the use of transitional measures on technical provisions		Risk-free yield curve	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Eligible own funds to meet the SCR	750.342	851.106	621.739	709.644	588.301	701.531
SCR	332.862	385.333	332.862	385.333	334.808	388.093
Solvency Ratio	225%	221%	187%	184%	176%	181%

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 €33,4m at 31.12.2022.

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 31.12.2022 the unamortized value of the transitional measure on technical provisions amounting to €128,6m (i.e. 10/16 of the initial amount of the transitional measure of €205,8m) and for 2022 will amount to €115,7m (i.e. 9/16 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.

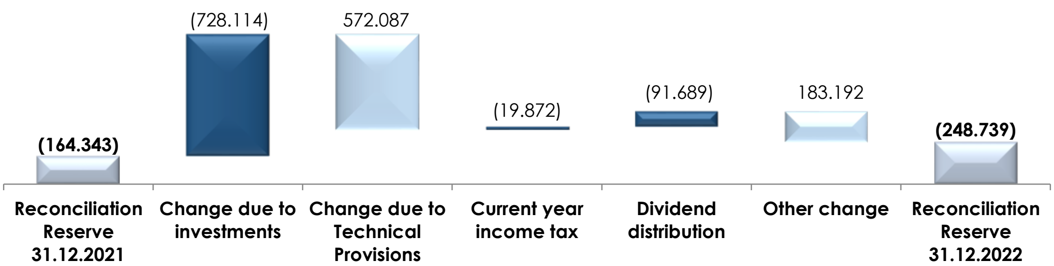
The tables below present the structure of own funds per tier and its respective eligibility as at 31.12.2022 and 31.12.2021.

31.12.2022	Tier 1		Tier 2		Tier 3		Total	
(€ thousands)	Available	Eligible	Available	Eligible	Available	Eligible	Available	Eligible
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	(248.739)	(248.739)					(248.739)	(248.739)
Subordinated liabilities	50.000	50.000	125.000	125.000	-	-	175.000	175.000
Net deferred tax assets	-	-	-	-	121.638	41.431	121.638	41.431
Total	**583.911**	**583.911**	**125.000**	**125.000**	**121.638**	**41.431**	**830.549**	**750.342**

31.12.2021	Tier 1		Tier 2		Tier 3		Total	
(€ thousands)	Available	Eligible	Available	Eligible	Available	Eligible	Available	Eligible
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**

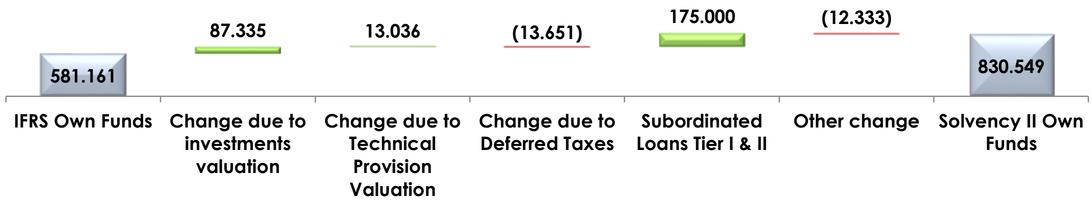
As observed, the available own funds at 31.12.2022 amounted to €830,5m, compared to the eligible own funds of €750,3m as at the same date. The difference is the result of the application of quantitative restrictions on eligibility on the net deferred tax assets (Tier 3 own funds).

In 2022, the eligible own funds of the Company decreased by €100,8 million, which is reflected as a decrease of the reconciliation reserve by €84.4 million and is analyzed as follows:



5.1.1. IFRS & Solvency II Own Funds as at 31.12.2022

The diagram below depicts the comparison of assets and liabilities between IFRS and Solvency II at 31.12.2022. Detailed information is provided in section 4 "Valuation for Solvency Purposes".

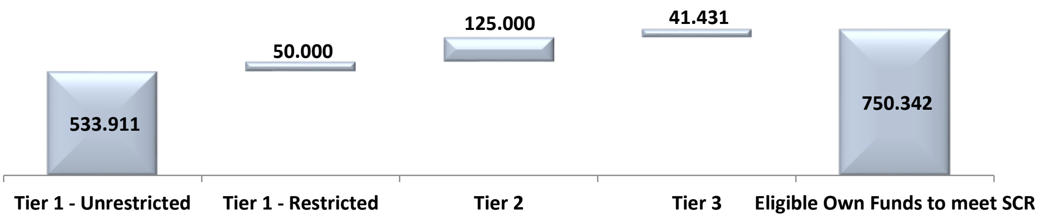


The main differences between own funds according to IFRS and own funds according to Solvency II valuation principles, are the following:

- revaluation of investment and property value, due to valuation at fair value of the overall investment portfolio (increase in IFRS Own Funds by €87,3m).
- revaluation of technical provisions, according to estimations of the best estimate of Solvency II, of using a different cash-flow discount curve arising from insurance contracts and the application of guidelines for contract limits (increase in IFRS Own Funds by €13,0m).
- decrease of the deferred tax asset due to adjustments between IFRS and Solvency II valuation by €13,7m.
- non-recognition of intangible assets of €12,3m,
- 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 31.12.2022

The categorization of eligible own funds to meet the SCR at 31.12.2022 is presented in the following diagram:

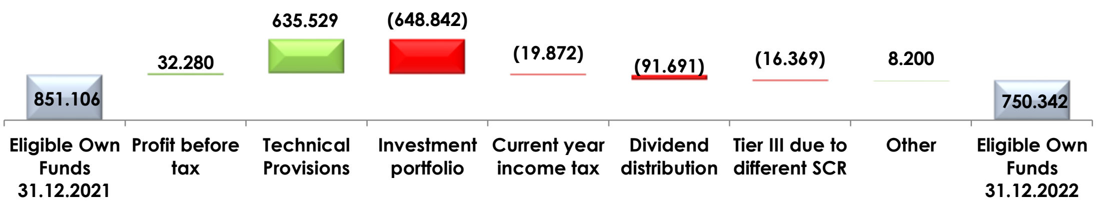


In 2021, the Company entered into a 10-year subordinated bond loan, amounting to € 125m, with NBG. The loan meets the criteria for inclusion in Tier 2.

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 2022-2021

The diagram below presents changes in eligible own funds between 2022-2021.



The decrease of eligible own funds with the use of the transitional measures, by €100,8m, in 2022 compared to 2021, is mainly driven by:

- Dividend distribution of € 91,7m.
- Decrease in the value of the investment portfolio by €648,8m, as a result of the widening of the European periphery spreads and the increase in the risk free interest rate curve, which had an opposite (positive) effect of a similar amount on technical provisions as mentioned below.
- Income tax of €19,9m
- Restriction in Tier III Eligible Own Funds by €16,4m due to decrease in SCR

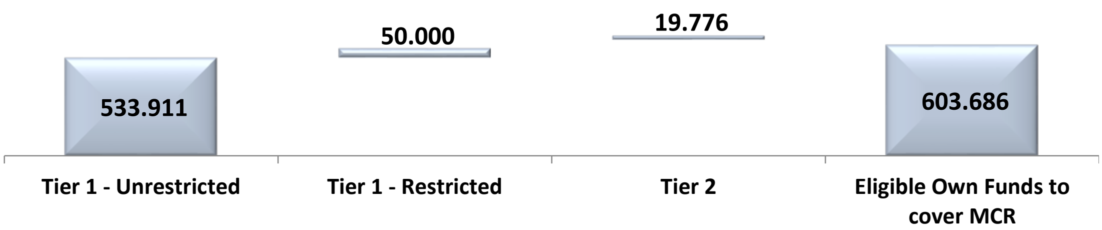
The above were offset by:

- The Profit Before Tax €32,3m in 2022.
- The decrease of technical provisions by € 635,5m mainly attributed to the increase in the interest rate curve by 274 bps; the positive effect of the interest rate curve on technical provisions was partially offset by the change in medical inflation assumptions. The decrease in technical provisions mainly stems from Life line of business

On 1 January 2022 the transitional measure on technical provisions was amortized by €12,8m.

5.1.3. Eligible Own Funds to meet MCR as at 31.12.2022

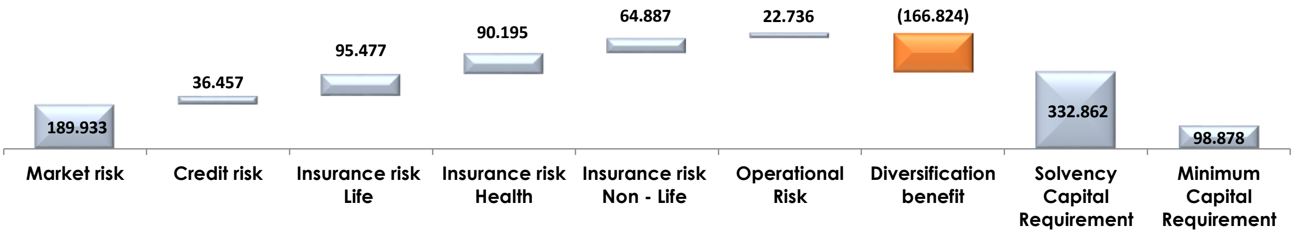
The categorization of eligible own funds to meet the SCR are presented in the following diagram:



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 31.12.2022. Detailed information is given in Chapter 3 "Risk Profile".



The main Risk module in the formulation of the SCR as at 31.12.2022 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:

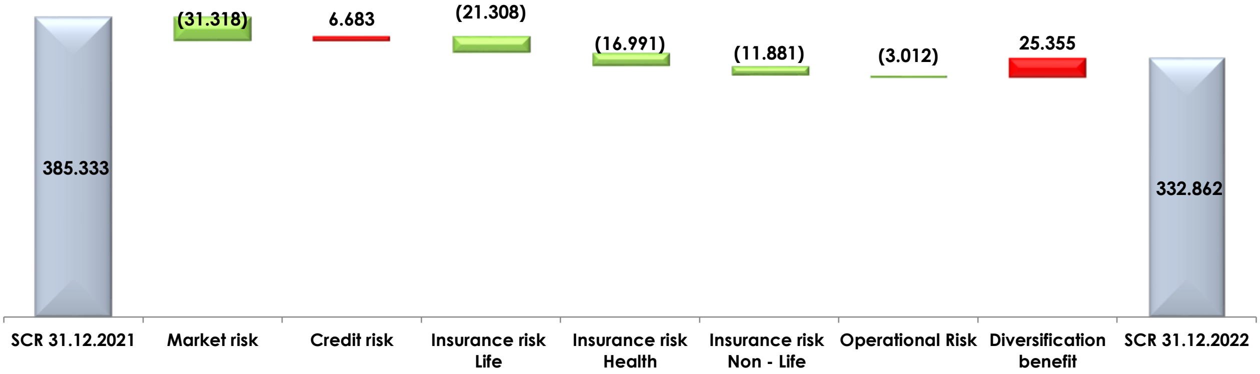
i. Life insurance risk, consisting of 19%.
ii. Health underwriting risk, consisting of 18%.
iii. Non-life insurance risk, consisting of 13%.

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 2022-2021

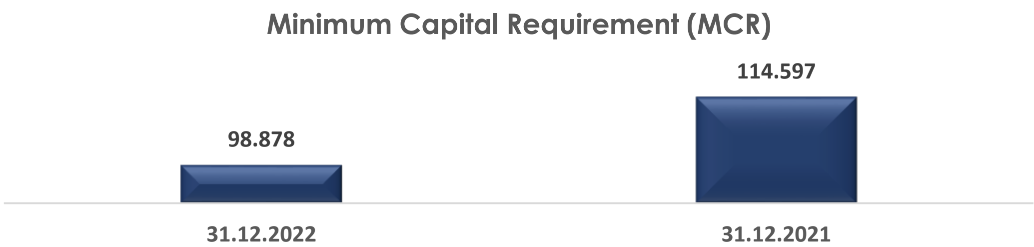
The diagram below presents a brief overview of the change in SCR between 2022 and 2021.



The decrease in capital requirements by €52,5m 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 2022-2021

The following diagram depicts a brief overview of the change in Minimum Capital Requirements between 2022 and 2021.



As depicted in the diagram above, there was decrease in the MCR at 31.12.2022 compared to 31.12.2021.

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 2022.

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 Company, with General Assembly No. 175/ 25-11-2022, approved of a dividend distribution of €91,7m from optional reserves and past years' profits, based on Article 162, par. 3 of Law 4548/ 2018.

The above distribution to the sole shareholder of the Company "Ethniki Holdings S.à.r.l." was completed during 2022.

The BoD of the Company did not propose a dividend payment for financial results of year 2022.

This page was intentionally left blank.

[Translation from the original text in Greek]

Independent Auditor's report

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

Opinion

We have audited the following SII Regulatory Financial Information, comprising the Quantitative Reporting Templates (QRT's) prepared in accordance with the European Union Delegated Act 2015/2452 , which are incorporated in the Solvency and Financial Condition Report (SFCR) of "Ethniki General Insurance Company S.A." (Company) as of 31 December 2022:

- Balance sheet (template S.02.01.02),
- Technical provisions (templates S.12.01.02 and 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 and S.28.01.01).

In our opinion, the SII Regulatory Financial Information as of 31 December 2022, incorporated in the Company's SFCR as of 31 December 2022, has been prepared, in all material respects, in accordance with the provisions and requirements of the European Union Delegated Act 2015/2452 and Greek Law 4364/2016 and the methodology described in section 4 and sub-sections 5.1 and 5.2 in the SFCR.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the SII Regulatory Information section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), which has been transposed into Greek Law, and the ethical requirements that are relevant to our audit. We have fulfilled our other ethical responsibilities in accordance with the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Preparation and Restriction of use

We draw attention to the section 4 and sub-sections 5.1 and 5.2 of the SFCR, which describe 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 Information and our Audit Report on these may not be suitable for any other purpose. This Audit Report is intended solely for use by the Company's management to meet its regulatory requirements to the Department of Private Insurance Supervision of the Bank of Greece (DPIS), which may request the modification or revision of published Company's reports or the publication of additional information, as well as other actions taken by management. This Audit Report should therefore not be used by other parties.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the Other Information. The Other Information, included in the SFCR approved by the Company's Board of Directors, but does not include the SII Regulatory Financial Information and our auditor's report thereon.
Our opinion on the SII Regulatory Financial Information does not cover the Other Information and we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the SII Regulatory Financial Information, our responsibility according to Executive Committee Act 105/12.12.2016 of the Bank of Greece, is to read the Other Information and, in doing so, better understand the subject matter of our audit and consider how the qualitative information included in the Report of SFCR is linked with the quantitative information of the audited SII Regulatory Financial Information.

Responsibilities of Management and those charged with governance for the Solvency II Regulatory Financial Information

Management is responsible for the preparation and fair presentation of the SII Regulatory Financial Information in accordance with the European Union Delegated Act 2015/2452 and Greek Law 4364/2016 and the methodology, as described in section 4 and sub-sections 5.1 and 5.2, of the attached SFCR 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the SII Regulatory Financial Information

Our objectives are to obtain reasonable assurance about whether the SII Regulatory Financial Information is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as they have been transposed into Greek Law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Solvency II Regulatory Financial Information.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Solvency II Regulatory Financial Information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures of the SFCR made by management.

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

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

Athens, 10 April 2023

Statutory Auditor

PricewaterhouseCoopers

Auditing Company SA

260 Kifissias Avenue

152 32 Halandri

Dimitris Sourbis

SOEL Reg No 16891

Annex I – Annual Quantitative Templates (QRTs)

The current annex includes the Company's annual quantitative templates («QRTs»)[5]:

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

[5] All amounts in the Templates of the Annex I, are presented in thousands of euros (€ k)

S.02.01.02
Balance sheet

		Solvency II value
		C0010
Assets		
Intangible assets	R0030	0
Deferred tax assets	R0040	121.638
Pension benefit surplus	R0050	0
Property, plant & equipment held for own use	R0060	142.516
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	2.720.637
Property (other than for own use)	R0080	104.111
Holdings in related undertakings, including participations	R0090	31.692
Equities	R0100	41.907
Equities - listed	R0110	28.170
Equities - unlisted	R0120	13.738
Bonds	R0130	2.094.607
Government Bonds	R0140	1.650.522
Corporate Bonds	R0150	444.085
Structured notes	R0160	0
Collateralised securities	R0170	0
Collective Investments Undertakings	R0180	435.367
Derivatives	R0190	239
Deposits other than cash equivalents	R0200	12.714
Other investments	R0210	0
Assets held for index-linked and unit-linked contracts	R0220	583.125
Loans and mortgages	R0230	13.237
Loans on policies	R0240	1.247
Loans and mortgages to individuals	R0250	0
Other loans and mortgages	R0260	11.990
Reinsurance recoverables from:	R0270	50.160
Non-life and health similar to non-life	R0280	47.770
Non-life excluding health	R0290	46.184
Health similar to non-life	R0300	1.586
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	2.390
Health similar to life	R0320	0
Life excluding health and index-linked and unit-linked	R0330	2.390
Life index-linked and unit-linked	R0340	0
Deposits to cedants	R0350	81
Insurance and intermediaries receivables	R0360	47.027
Reinsurance receivables	R0370	4.049
Receivables (trade, not insurance)	R0380	5.922
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	50.020
Any other assets, not elsewhere shown	R0420	1.930
Total assets	R0500	3.740.343

S.02.01.02 Balance sheet		Solvency II value
		C0010
Liabilities		
Technical provisions – non-life	R0510	405.348
Technical provisions – non-life (excluding health)	R0520	271.589
Technical provisions calculated as a whole	R0530	0
Best Estimate	R0540	253.854
Risk margin	R0550	17.736
Technical provisions - health (similar to non-life)	R0560	133.759
Technical provisions calculated as a whole	R0570	0
Best Estimate	R0580	114.265
Risk margin	R0590	19.493
Technical provisions - life (excluding index-linked and unit-linked)	R0600	1.640.465
Technical provisions - health (similar to life)	R0610	150.025
Technical provisions calculated as a whole	R0620	0
Best Estimate	R0630	102.449
Risk margin	R0640	47.576
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	1.490.440
Technical provisions calculated as a whole	R0660	0
Best Estimate	R0670	1.432.438
Risk margin	R0680	58.002
Technical provisions – index-linked and unit-linked	R0690	639.362
Technical provisions calculated as a whole	R0700	0
Best Estimate	R0710	635.965
Risk margin	R0720	3.397
Contingent liabilities	R0740	0
Provisions other than technical provisions	R0750	0
Pension benefit obligations	R0760	49.130
Deposits from reinsurers	R0770	9.748
Deferred tax liabilities	R0780	0
Derivatives	R0790	0
Debts owed to credit institutions	R0800	2.166
Financial liabilities other than debts owed to credit institutions	R0810	0
Insurance & intermediaries payables	R0820	22.609
Reinsurance payables	R0830	20.721
Payables (trade, not insurance)	R0840	16.163
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	104.082
Total liabilities	R0900	3.084.794
Excess of assets over liabilities	R1000	655.549

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										
Gross - Direct Business	R0110	63.405	0	0	45.038	15.893	2.011	72.331	19.827	0
Gross - Proportional reinsurance accepted	R0120	0	0	0	0	0	15	89	7	0
Gross - Non-proportional reinsurance accepted	R0130									
Reinsurers' share	R0140	97	0	0	-535	618	461	38.920	8.987	0
Net	R0200	**63.308**	**0**	**0**	**45.573**	**15.275**	**1.565**	**33.500**	**10.847**	**0**
Premiums earned										
Gross - Direct Business	R0210	60.014	0	0	45.632	15.822	2.257	68.137	20.075	0
Gross - Proportional reinsurance accepted	R0220	0	0	0	0	0	21	83	6	0
Gross - Non-proportional reinsurance accepted	R0230									
Reinsurers' share	R0240	97	0	0	-682	621	938	37.113	9.853	0
Net	R0300	**59.917**	**0**	**0**	**46.314**	**15.201**	**1.340**	**31.107**	**10.228**	**0**
Claims incurred										
Gross - Direct Business	R0310	35.276	0	0	22.133	5.271	962	2.561	4.805	0
Gross - Proportional reinsurance accepted	R0320	0	0	0	0	0	0	0	0	-30
Gross - Non-proportional reinsurance accepted	R0330									
Reinsurers' share	R0340	154	0	0	-923	0	146	782	1.956	-6
Net	R0400	**35.122**	**0**	**0**	**23.056**	**5.271**	**816**	**1.779**	**2.849**	**-24**
Changes in other technical provisions										
Gross - Direct Business	R0410	9	0	0	431	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	9	0	0	431	0	0	0	0	0
Expenses incurred	R0550	22.269	0	0	23.698	4.921	1.329	16.170	5.889	28
Other expenses	R1200									
Total expenses	R1300									

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)			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	1.452	5.481	13.349					**238.787**
Gross - Proportional reinsurance accepted	R0120	0	0	0					**111**
Gross - Non-proportional reinsurance accepted	R0130				0	0	0	0	**0**
Reinsurers' share	R0140	0	2.936	10.610	0	0	0	0	**62.094**
Net	R0200	**1.452**	**2.545**	**2.739**	**0**	**0**	**0**	**0**	**176.804**
Premiums earned									
Gross - Direct Business	R0210	1.476	5.478	11.912					**230.803**
Gross - Proportional reinsurance accepted	R0220	0	0	0					**110**
Gross - Non-proportional reinsurance accepted	R0230				0	0	0	0	**0**
Reinsurers' share	R0240	0	2.916	9.468	0	0	0	0	**60.324**
Net	R0300	**1.476**	**2.562**	**2.444**	**0**	**0**	**0**	**0**	**170.589**
Claims incurred									
Gross - Direct Business	R0310	458	0	2.126					**73.592**
Gross - Proportional reinsurance accepted	R0320	0	0	0			0		**-30**
Gross - Non-proportional reinsurance accepted	R0330				0	0	0	0	**0**
Reinsurers' share	R0340	0	0	1.635	0	0	0	0	**3.744**
Net	R0400	**458**	**0**	**491**	**0**	**0**	**0**	**0**	**69.818**
Changes in other technical provisions									
Gross - Direct Business	R0410	0,00	0,00	0					**440**
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**	**440**
Expenses incurred	R0550	505	1.090	2.107	0	0	0	0	**78.006**
Other expenses	R1200								0
Total expenses	R1300								**78.006**

S.05.01.02		Line of Business for: life insurance obligations						Life reinsurance obligations		
Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)		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	Annuities stemming from non-life insurance contracts and relating to	Health reinsurance	Life reinsurance	Total
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	**R1410**	116.259	82.085	70.613	148.018	0	0	0	4	**416.979**
Reinsurers' share	**R1420**	0	538	0	6.510	0	0	0	0	**7.048**
Net	**R1500**	**116.259**	**81.547**	**70.613**	**141.508**	**0**	**0**	**0**	**4**	**409.931**
Premiums earned										
Gross	**R1510**	116.601	82.085	71.237	145.919	0	0	0	4	**415.846**
Reinsurers' share	**R1520**	0	538	0	5.882	0	0	0	0	**6.420**
Net	**R1600**	**116.601**	**81.547**	**71.237**	**140.037**	**0**	**0**	**0**	**4**	**409.426**
Claims incurred										
Gross	**R1610**	99.756	102.035	44.273	92.304	0	0	0	0	**338.368**
Reinsurers' share	**R1620**	0	0	0	0	0	0	0	0	
Net	**R1700**	**99.756**	**102.035**	**44.273**	**92.304**	**0**	**0**	**0**	**0**	**338.368**
Changes in other technical provisions										
Gross	**R1710**	0	-10.477	6.507	20.759	0	0	0	0	**16.789**
Reinsurers' share	**R1720**	0	0	0	0	0	0	0	0	**0**
Net	**R1800**	**0**	**-10.477**	**6.507**	**20.759**	**0**	**0**	**0**	**0**	**16.789**
Expenses incurred	**R1900**	42.098	22.869	6.818	20.473	0	0	0	0	**92.259**
Other expenses	**R2500**									0
Total expenses	**R2600**									**92.259**

S.12.01.02
Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance	Contracts without options and guarantees	Contracts with options or guarantees	Other life insurance	Contracts without options and guarantees	Contracts with options or guarantees	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)**
		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**	871.349		404.611	231.354		64.033	497.056	0,00	0	**2.068.403**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0080**	0		0	0		2.278	112	0,00	0	**2.390**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	**R0090**	**871.349**		**404.611**	**231.354**		**61.755**	**496.944**	**0,00**	**0**	**2.066.013**
Risk Margin	**R0100**	17.670	3.397			40.333			0,00	0	**61.400**
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**	**889.019**	**639.362**			**601.422**			**0,00**	**0**	**2.129.803**

S.12.01.02 Life and Health SLT Technical Provisions		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		231.052	0	0	0	231.052
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		231.052	0	0	0	231.052
Risk Margin	R0100	47.576					47.576
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole	R0110				0	0	0
Best estimate	R0120		-128.603	0	0	0	-128.603
Risk margin	R0130	0			0	0	
Technical provisions - total	R0200	150.025			0	0	150.025

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	16.118	0	0	14.161	2.535	285	4.230	1.890	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	0	106	61	15	1.174	429	0
Net Best Estimate of Premium Provisions	R0150	**16.118**	**0**	**0**	**14.055**	**2.474**	**270**	**3.057**	**1.462**	**0**
Claims provisions										
Gross - Total	R0160	73.173	24.974	0	153.128	4.414	2.163	25.138	31.760	728
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	112	1.474	0	2.290	0	966	18.928	11.807	510
Net Best Estimate of Claims Provisions	R0250	**73.061**	**23.500**	**0**	**150.838**	**4.414**	**1.197**	**6.210**	**19.953**	**218**
Total Best estimate - gross	R0260	**89.291**	**24.974**	**0**	**167.289**	**6.949**	**2.448**	**29.368**	**33.650**	**728**
Total Best estimate - net	R0270	**89.179**	**23.500**	**0**	**164.893**	**6.888**	**1.467**	**9.267**	**21.415**	**218**
Risk margin	R0280	12.964	6.529	0	10.658	1.034	283	2.931	1.987	27
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	**102.255**	**31.503**	**0**	**177.947**	**7.983**	**2.731**	**32.299**	**35.637**	**755**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	112	1.474	0	2.396	61	980	20.102	12.236	510
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	**102.143**	**30.029**	**0**	**175.551**	**7.922**	**1.751**	**12.197**	**23.401**	**245**

S.17.01.02

Non-Life Technical Provisions

		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	116	98	2.500	0	0	0	0	**41.933**
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	1.417	0	0	0	0	**3.202**
Net Best Estimate of Premium Provisions	R0150	**116**	**98**	**1.083**	**0**	**0**	**0**	**0**	**38.733**
Claims provisions									
Gross - Total	R0160	878	0	9.828	0	0	0	0	326.184
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	0	8.483	0	0	0	0	44.570
Net Best Estimate of Claims Provisions	R0250	**878**	**0**	**1.345**	**0**	**0**	**0**	**0**	**281.614**
Total Best estimate - gross	R0260	**994**	**98**	**12.328**	**0**	**0**	**0**	**0**	**368.117**
Total Best estimate - net	R0270	**994**	**98**	**2.428**	**0**	**0**	**0**	**0**	**320.347**
Risk margin	R0280	110	107	600	0	0	0	0	37.229
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	**1.104**	**205**	**12.928**	**0**	**0**	**0**	**0**	**405.347**
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	9.899	0	0	0	0	**47.770**
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	**1.104**	**205**	**3.029**	**0**	**0**	**0**	**0**	**357.577**

S.19.01.21
Claims Paid of Non Life

Total Non Life

Accidental Year / Underwriting Year	Z0020	

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

		Development year												Current Year	Sum of years (cumulative)
	Year	0	1	2	3	4	5	6	7	8	9	10 & +			
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
Prior	R0100											6.506	R0100	6.506	6.506
N-9	R0160	25.962	16.159	5.170	3.312	2.891	3.486	2.267	984	708	1.507		R0160	1.507	62.445
N-8	R0170	24.015	15.649	4.671	5.094	4.223	1.330	1.566	902	750			R0170	750	58.199
N-7	R0180	22.015	16.880	3.805	1.878	2.744	1.353	1.544	766	0			R0180	766	50.985
N-6	R0190	29.029	16.563	3.042	1.845	2.279	1.418	887					R0190	887	55.063
N-5	R0200	17.588	14.273	3.996	3.800	2.848	2.591						R0200	2.591	45.097
N-4	R0210	23.805	14.352	3.369	2.863	2.674							R0210	2.674	47.063
N-3	R0220	16.722	12.229	2.765	2.358								R0220	2.358	34.074
N-2	R0230	13.859	11.532	3.218									R0230	3.218	28.609
N-1	R0240	14.721	14.758										R0240	14.758	29.479
N	R0250	16.247											R0250	16.247	16.247
												Total	R0260	52.260	433.767

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

		Development year												End of Year (discounted data)
	Year	0	1	2	3	4	5	6	7	8	9	10 & +		
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		C0360
Prior	R0100											50.007	R0100	44.044
N-9	R0160	0	0	0	36.331	31.140	20.840	9.942	6.565	5.539	5.160		R0160	4.461
N-8	R0170	0	0	44.337	32.202	24.173	20.550	9.960	8.387	6.815			R0170	5.964
N-7	R0180	0	64.228	35.055	29.263	25.120	24.893	9.824	8.276				R0180	7.207
N-6	R0190	49.842	35.008	28.085	24.867	20.488	19.427	10.206					R0190	8.968
N-5	R0200	54.959	49.682	43.102	37.645	35.269	24.652						R0200	22.218
N-4	R0210	48.995	43.924	38.499	32.923	28.655							R0210	25.797
N-3	R0220	52.505	38.804	36.250	31.195								R0220	27.813
N-2	R0230	41.341	26.807	21.057									R0230	18.812
N-1	R0240	49.350	27.425										R0240	24.570
N	R0250	43.308											R0250	39.034
												Total	R0260	228.888

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	2.685.175	128.603	0	34.744	0
Basic own funds	R0020	830.549	-100.310	0	-26.841	0
Eligible own funds to meet Solvency Capital Requirement	R0050	750.342	-128.603	0	-33.438	0
Solvency Capital Requirement	R0090	332.862	0	0	1.947	0
Eligible own funds to meet Minimum Capital Requirement	R0100	603.686	-128.062	0	-34.204	0
Minimum Capital Requirement	R0110	98.878	2.701	0	1.034	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	-248.739	-248.739			
Subordinated liabilities	R0140	175.000		50.000	125.000	0
An amount equal to the value of net deferred tax assets	R0160	121.638				121.638
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	830.549	533.911	50.000	125.000	121.638
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	830.549	533.911	50.000	125.000	121.638
Total available own funds to meet the MCR	R0510	708.911	533.911	50.000	125.000	
Total eligible own funds to meet the SCR	R0540	750.342	533.911	50.000	125.000	41.431
Total eligible own funds to meet the MCR	R0550	603.686	533.911	50.000	19.776	
SCR	R0580	332.862				
MCR	R0600	98.878				
Ratio of Eligible own funds to SCR	R0620	2,25				
Ratio of Eligible own funds to MCR	R0640	6,11				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	655.549
Own shares (held directly and indirectly)	R0710	0
Foreseeable dividends, distributions and charges	R0720	0
Other basic own fund items	R0730	904.288
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0
Reconciliation reserve	R0760	-248.739
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	73.456
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	0
Total Expected profits included in future premiums (EPIFP)	R0790	73.456

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	189.933		
Counterparty default risk	R0020	36.457		
Life underwriting risk	R0030	95.477		
Health underwriting risk	R0040	90.195		
Non-life underwriting risk	R0050	64.887		
Diversification	R0060	-166.824		
Intangible asset risk	R0070	0		
Basic Solvency Capital Requirement	R0100	310.126		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	22.736
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	332.862
Capital add-on already set	R0210	
Solvency capital requirement	R0220	332.862
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	28.793	9.939

		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	1.629	1.365	87.550	58.408
Income protection insurance and proportional reinsurance	R0030	0	0	23.500	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	164.894	45.573	0	0
Other motor insurance and proportional reinsurance	R0060	6.888	15.274	0	0
Marine, aviation and transport insurance and proportional reinsurance	R0070	1.468	1.564	0	0
Fire and other damage to property insurance and proportional reinsurance	R0080	9.266	34.073	0	0
General liability insurance and proportional reinsurance	R0090	21.414	10.847	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	219	0	0	0
Legal expenses insurance and proportional reinsurance	R0110	994	1.452	0	0
Assistance and proportional reinsurance	R0120	98	2.545	0	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	2.429	2.739	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	60.146

		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			871.349	
Obligations with profit participation - future discretionary benefits	R0220			0	
Index-linked and unit-linked insurance obligations	R0230			635.965	
Other life (re)insurance and health (re)insurance obligations	R0240			661.149	
Total capital at risk for all life (re)insurance obligations	R0250				13.671.960

Overall MCR calculation

		C0130
Linear MCR	R0300	98.878
SCR	R0310	332.862
MCR cap	R0320	149.788
MCR floor	R0330	83.215
Combined MCR	R0340	98.878
Absolute floor of the MCR	R0350	8.000
		C0130
Minimum Capital Requirement	R0400	98.878

Notional non-life and life MCR calculation		Non-life activities	Life activities
Notional linear MCR	R0500	28.793	70.085
Notional SCR excluding add-on (annual or latest calculation)	R0510	96.930	235.932
Notional MCR cap	R0520	43.618	106.169
Notional MCR floor	R0530	24.232	58.983
Notional Combined MCR	R0540	28.793	70.085
Absolute floor of the notional MCR	R0550	4.000	4.000
Notional MCR	R0560	28.793	70.085

This page was intentionally left blank.

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.

This page was intentionally left blank.

ETHNIKI
FIRST IN INSURANCE

"THE ETHNIKI" HELLENIC GENERAL INSURANCE COMPANY
103-105 SYNGROU AVENUE, 117 45 ATHENS-GREECE, TEL.: +30 2130318189, FAX: +30.210.90.99.111
VAT Registration Number: 094003849, www.ethniki-asfalistiki.gr